

FINANCIAL AID
POLICIES & PROCEDURES



MORAVIAN
Theological Seminary

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Table of Contents

	Section	Page
Overview	A	2
Academic Framework	B	2
Full Time/Part Time Status	C	2
Satisfactory Academic Progress	D	3
Grade Level Advancement for Loan Certification	E	5
Verification	F	5
Refund Policy	G	6
Tuition and Other Fee Adjustment Schedule	G.1	6
Dropping Courses	G.2	6
Financial Aid Reimbursement	G.3	6
Reimbursement to Student	G.4	7
Leave of Absence Policy	G.5	7
Withdrawal from the Seminary	G.6	7
Notes on Refund Policy	G.7	7
Scholarships	H	8
Other Resources	I	8

The policies and procedures in this booklet are effective as of June 2010.
The policies and procedures are subject to change and are not binding on the Seminary.

A. Financial Aid Overview

Though the basic responsibility for financing educational costs and living expenses belongs to the student, many students at the Seminary receive financial assistance each year. Financial aid may consist of tuition grants, scholarship funds, work study, and government loans.

Financial aid is awarded on the basis of demonstrated need. Students who desire financial aid are required to file an application substantiating need and providing full information on potential resources and indebtedness. To be considered for financial aid the student must complete the Moravian Theological Seminary Financial Aid Application and the Free Application for Federal Student Aid (FAFSA) form. These applications must be completed for each academic year. Applications for assistance received after the deadlines specified in the application, cannot be guaranteed an award.

Federal Stafford Loans and work study are available to qualified students **with bachelor's degrees**, who are **taking at least 6 credit hours per semester**, and **enrolled in a degree program** (MDiv, MAPC, MATS).

Awards are made on an annual basis and credited by term to the student's account.

The conditions at the beginning of the academic year shall be the governing criteria for determining financial need for the year. Changes in the student's enrollment status and/or demonstrated financial need must be reported to the Office of Enrollment and may cause adjustments to be made in the amount of aid awarded in any given term.

Student loans will be refunded according to the conditions stated in the Refund Policy (Section G).

B. Academic Framework

The academic year is divided into four terms — two semesters (Fall and Spring), a January Term and a Summer Term. For financial aid purposes, in most cases, the academic year begins with the Fall Semester. The Fall and Spring Semesters are each 15 weeks long.

For new students beginning in *Summer Term*, or currently enrolled students who have advanced a grade level in the current academic year and are enrolled for Summer Term, Summer Term may be considered the beginning of the next academic year for financial aid purposes.

For currently enrolled students who have not advanced a grade level and have loan eligibility, Summer Term may be considered the end of the current academic year for financial aid purposes.

C. Full Time/Part Time Status

For the *Fall or Spring semester*, the full time academic load is 12 or more credit hours and the part time academic load is 6-11 credit hours. An academic load of less than 6 credits, for the Fall or Spring semester is considered less than half-time.

D. Satisfactory Academic Progress

Moravian Theological Seminary is required to establish satisfactory academic progress standards for its federal financial aid recipients in accordance with the U.S. Department of Education regulations. These standards ensure that only those recipients demonstrating satisfactory progress toward the completion of their educational programs continue to receive financial aid.

A student's performance is measured in three areas to determine if satisfactory academic progress is being achieved. These areas are: successful semester completion of courses (credit hours), cumulative grade point average (GPA), and maximum time limits to complete his or her course of study. Students must meet all the requirements listed below to avoid being placed on academic probation:

Completion Rate

Each semester, the number of credit hours earned (ie., received an A, B, C or D) by a student will be compared to the number of attempted credit hours. Attempted credit hours include any courses for which a student has remained enrolled past the Drop/Add period. A student must earn 70% of credits attempted to maintain satisfactory academic progress.

- Withdrawals, incompletes and failures are considered attempted but not earned hours.
- Passing credits received for pass/fail courses are considered attempted and earned credits; failing grades in pass/fail courses are considered attempted but not earned.
- Repeated courses are included in the calculation of attempted and earned hours. A student is allowed to repeat a course only twice.
- Audited courses are not considered credits attempted or earned.
- Transfer credits received from approved study at other institutions do not count in the calculation of the GPA but are included in the calculation of both attempted and earned hours.

Cumulative GPA

In order to maintain financial aid eligibility the student must maintain a cumulative GPA of 2.5.

Maximum Time Frame

Financial aid recipients are governed by the same maximum time frame for degree requirement completion, as established by the academic policy of Moravian Theological Seminary. In order to maintain financial aid eligibility the student must complete all degree requirements, within a maximum of 6 years, with the exception of students enrolled in the MDiv-MSW joint degree program, who have a maximum of 8 years to complete all requirements.

Following is the process by which a student is evaluated for satisfactory academic progress and financial aid eligibility determined:

I. Semester SAP Reviews

Academic progress will be reviewed at the end of each semester. Those students not meeting the requirements stated above will be placed on Financial Aid Probation during the next semester of enrollment and will receive a letter of probation.

2. Probation

The student may continue to receive financial assistance during the probationary period. At the end of the probationary period the student will:

- Be removed from probationary status because both cumulative GPA and cumulative completion rate standards are met; or
- Be suspended from receiving assistance from federal and institutional sources and will receive a Financial Aid Suspension letter.

3. Suspension

If you do not meet standards for Completion Rate and Cumulative GPA as stated above, you are no longer eligible for financial aid until you have taken classes, using your own funding, and have raised your cumulative GPA and completion rate to meet the above standards.

Your eligibility to continue to enroll in classes at Moravian Theological Seminary while you are suspended will be based on the academic probation policy stated in the catalog.

4. Appeal Procedure

To appeal the financial aid suspension, a student must, within 15 calendar days of notification, submit to the Office of Enrollment, a signed and dated letter of appeal and/or a Satisfactory Academic Progress Appeal Request explaining why he or she should not be suspended. Satisfactory Academic Appeal Request forms may be obtained in the Office of Enrollment. A student may appeal due to an emergency condition (e.g., health, family, catastrophe, etc.). Documentation verifying the situation may be requested. The Financial Aid Committee which includes the Director of Financial Aid of the College, the Director of Enrollment of the Seminary, the Seminary Dean, the Bursar, and the Vice President of Administration will consider the appeal and render a decision, which the Director of Enrollment will convey in writing to the student within two weeks of the student's appeal.

5. Reinstatement

You can raise your GPA and/or satisfy credit deficiencies by taking additional course work at Moravian Theological Seminary without receiving financial aid, provided you are eligible to enroll for courses under the academic probation policy. You can eliminate credit deficiencies, but not GPA deficiencies, by successfully completing course work at another institution without receiving aid at that institution; that course work must be transferable to Moravian Theological Seminary. Transfer credits used to satisfy credit deficiencies cannot be credits that were earned prior to the term in which you incurred the deficiencies and must meet all criteria for acceptable transfer, as detailed in the seminary catalog.

Application of Policy

EXAMPLE 1: Sarah is in her first year at Moravian Theological Seminary and is enrolled in 15 credits for the first semester. During the first semester, she drops two classes after the Drop/Add period, which allows her to achieve a GPA of 3.5. She completes 9 of 15 credit

hours. Although Sarah's GPA meets the satisfactory academic progress standard, she is placed on financial aid probation at the end of the semester because her completion rate is below 70% (i.e., $9/15 = 60\%$).

In the second semester, Sarah registers for and completes 12 credit hours with a cumulative GPA of 3.65. She returns to good standing at the end of the second semester because she has raised her completion rate above 70% (i.e., $21/27 = 77\%$).

EXAMPLE 2: John has enrolled for his 3rd semester of Seminary. At the end of the 2nd semester, he has earned 24 credits with a completion rate of 100%. His cumulative GPA is 2.45. He is placed on financial aid probation for the 3rd semester because his cumulative GPA is less than 2.5.

He enrolls for and earns an additional 12 credits. His GPA for the semester is 3.0 and his cumulative GPA is 2.63. He returns to good standing in regard to financial aid, at the end of the 3rd semester because his cumulative GPA is higher than the required 2.5.

E. Grade Level Advancement for Loan Certification

<u>Credit Hours</u>	<u>Level</u>
0-23	A – 1 st year grad student
24-47	B – 2 nd year " "
48-71	C – 3 rd year " "
72 or more	D – 4 th year or more

F. Verification

A school may require student financial aid applicants to document the data used in determining a student's expected family contribution (EFC). A school is required to verify the EFC if the student aid applicant is selected by the Central Processing System (CPS), or if the school has reason to believe that the information provided in the application is incorrect.

When a student is selected for Verification, the verification form and supporting documents must be submitted to the Financial Aid Office of the College prior to the start of the semester. Supporting documents include the previous year's Federal tax form, or W-2 forms or other financial documentation. If corrections are noted on the verification form, the student must provide the Financial Aid Office of the College with supporting documentation and may be required to correct and return the Student Aid Report (SAR) for recalculation.

If an applicant fails to submit the verification form and supporting materials in a timely manner, then the school will notify the student that their application for financial aid will not be processed.

If a student's award changes due to verification, a revised award letter will be mailed out to the student reflecting these changes. Overpayment cases will be referred to the U.S. Department of Education for further review.

G. Refund Policy

The engagement of faculty and contracts for services represent fixed costs to which the Seminary must obligate itself in advance for an entire academic year. The Seminary recognizes, however, that a student who finds it necessary to withdraw early in a term suffers a heavy financial loss. The following refund policy reflects the Seminary's willingness to share that loss with the student.

1. Tuition and Other Fee Adjustment Schedule

If a student withdraws from the Seminary or drops to part-time status within the 60% point of the semester, charges will be adjusted according to the following schedule.

- **On or before the first day of class:** 100% of tuition and other fees will be cancelled.
- **After the first day of class but within the 60% point of the semester:** tuition and other fees will be adjusted based on the number of calendar days remaining in the semester divided by the number of calendar days in the semester, excluding scheduled breaks of five or more consecutive days.
- **After the 60% point of the semester:** no adjustment is made in tuition and other fees.

2. Dropping Courses

Full time students (12–15 credit hours/semester) who drop to part-time status (fewer than 12 credits) without replacing an equal number of credits in the same session will receive an adjustment of tuition on those courses dropped within the 60% point of the semester and will be billed at the part-time tuition rate for the remaining credits.

It is the student's responsibility to contact the Office of Enrollment to verify the effect that any change in course load will have on the student's financial aid eligibility.

3. Financial Aid Reimbursement

Because financial aid is expected to help meet educational costs, any tuition and fee adjustment up to the amount of financial aid received will be calculated and reimbursed to the source of the aid, such as federal, state or institutional aid programs. Normally, the amount returned to each source will be proportional to the amount received, unless federal, state or other guidelines direct differently.

Moravian Theological Seminary follows the federal guidelines for the return of Title IV funds (Stafford Loans). The priority for return of financial aid is as follows:

1. Unsubsidized Federal Stafford Loan
2. Subsidized Federal Stafford Loan
3. Federal PLUS Loans
4. Other federal or state financial aid, as required
5. Institutional aid
6. Other funds as required

4. Reimbursement to Student

A student may be eligible to be reimbursed a portion of the amount paid after all Federal Title IV funds and other financial aid programs are reimbursed as required, and all outstanding balances with the Seminary have been cleared. Private or alternative loans borrowed by or for the student, if any, are included with the student reimbursement amount.

5. Leave of Absence Policy

Moravian Theological Seminary has an academic Leave of Absence Policy that is detailed in the Seminary catalog on page 52.

The academic leave of absence does not apply for purposes of financial aid. A federal loan borrower on academic leave of absence will be considered as “not enrolled” and may go into repayment status during the leave of absence.

6. Withdrawal from the Seminary

A student pursuing a degree who withdraws from the Seminary for any reason shall notify the Dean in writing within thirty (30) days of withdrawing from class(es), noting the reasons for withdrawal. If the student is in good standing at the time of the withdrawal and has notified the Dean in writing, no application for readmission is necessary, but the time limit for completion of the degree established at the student’s initial date of enrollment must be respected.

If the student is not in good standing, for academic or other reasons, and withdraws voluntarily, the permission of the Admissions and Standing Committee is required for readmission. A student who withdraws without notifying the Dean in writing shall cease to be a degree candidate and shall be eligible for readmission only by action of the Admissions and Standing Committee.

7. Notes on Refund Policy

- a. The withdrawal date is the date on which the Seminary office receives official notice in writing that the student has withdrawn or the date on which the Seminary Registrar determines that the student has withdrawn, whichever is earlier.
- b. A student who is required to withdraw for disciplinary reasons is not eligible for an institutional refund.
- c. Upon request, a detailed official policy is available in the Office of Enrollment and the Bursar’s Office.
- d. Dropping out of some, but not all classes is not considered a withdrawal, though adjustments to financial aid may be required depending on circumstances. (See Section G.2 Dropping Courses)
- e. M-Flex Dollars will be refunded to a student who has withdrawn, to the amount of unused dollars.
- f. If funds are released to a student because of a credit balance on the student’s account, prior to a student’s withdrawal or change in registration status, the student may be required to refund some federal loan money.

- g. Refunds will be determined, processed and paid 30 calendar days after the date of withdrawal.

Questions about the Seminary's refund policy and its application to particular cases may be addressed to the Director of Enrollment or the Bursar. Appeals concerning the application of this policy may be made in writing to Dennis A. Domchek, Vice President for Administration, Colonial Hall, for final determination (1200 Main St., Bethlehem, PA 18018).

H. Scholarships

Each year, many students qualify for financial assistance through scholarship funds. Most of these funds have been created by alumni and friends of the Seminary to honor the achievements of distinguished individuals. In keeping with its ecumenical tradition, Moravian Theological Seminary provides assistance to all students who qualify.

I. Other Resources

Denominational Agencies often provide financial aid for candidates for ministry. Students should contact their own denominational agency for information.

Employment opportunities are available on campus and in the community. Students or spouses make their own arrangements for employment. Faculty approval of a student's academic load is necessary when the student's outside workload exceeds twenty hours per week.