

# **Financial Aid Policies and Procedures**

## **Moravian Theological Seminary, Bethlehem PA**

### **A. Financial Aid Overview**

The basic responsibility for financing educational costs and living expenses belongs to the student. Moravian Seminary assists students to receive financial assistance each year that can underwrite the expense of tuition and living costs while matriculating. Financial aid may consist of tuition grants, scholarship funds, student employment, and government loans.

These Policies and Procedures apply to those enrolled for credit in Seminary classes. The Financial Aid policies of Moravian College found in the College's Student Handbook do not apply to Seminary students.

Scholarships are awarded on the basis of demonstrated need. Federal graduate education loans, known as Stafford Loans, are available to those who meet certain enrollment and cost of attendance thresholds.

Students who desire any type of 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 Free Application for Federal Student Aid (FAFSA) form. The FAFSA 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 student employment 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, MACC, MACH, MATS).

Awards are made on an annual basis and credited by term to the student's account. Scholarship awards are adjusted each term based on the number of credits in which the student is enrolled.

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 Seminary 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

### **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.

### **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**

Federal regulations require that institutions establish minimum standards of academic progress for students receiving federally funded financial aid. These regulations limit Title IV federal financial aid to those students who, according to institutional policy, are maintaining normal academic progress toward their degree objective. The primary interest is to assure the best and most equitable use of Title IV Student Financial Aid funds. Moravian Theological Seminary has prepared the following policy for federal as well as institutional aid in accordance with these regulations:

1. Completion rate

At the conclusion of each academic year, the number of credit hours earned 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 not included in the calculation of attempted and earned hours. The policy of Moravian Seminary is that a student is allowed to repeat a course not more than one time. For those receiving federal aid, a student can utilize loan funds to repeat a course if failed. A student cannot utilize federal aid to repeat a course if they did not fail and if the purpose of repeating is to improve one's grade. All other degree term limits and Satisfactory Academic Progress rules apply.

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.

## 2. Cumulative GPA

In order to maintain financial aid eligibility, the student must maintain a cumulative GPA of 2.75.

## 3. Time to Completion

In order to maintain financial aid eligibility, the student must complete all degree requirements, within the maximum time frame for degree requirement completion, as established by the academic policy of Moravian Theological Seminary.

The MDiv degree and dual degrees offered by the Seminary must be completed within seven years. The MACC, MATS, and MACH degrees must be completed within six years.

Extensions beyond the stated time limits may be granted by the Admissions and Standing Committee, upon the student's written presentation of a plan. Approval of the Admission & Standing committee concerns the student's continued matriculation. Courses taken beyond the stated time limit may not be eligible for federal financial aid. A separate extension request must be made for continued financial aid. A leave of absence stops the clock on the time to completion requirement. There is a limit of 4 semesters of leave of absence.

It should be noted 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.

## 4. Evaluation of Eligibility

An evaluation of a student's academic standing and progress to determine federal and institutional eligibility is made at the end of each academic year. Students who do not meet the standards for minimum satisfactory academic progress will be notified in writing that they will be ineligible for aid the next academic semester. Students who achieve the minimum standards after completion of an additional 12 credits of course work may petition the Director of Financial Aid Services to have their aid reinstated for the following semester.

## 5. Appeal Process

Students may appeal the discontinuation of their financial aid if failure to meet the standard was the result of an undue hardship caused by the death of a relative, student injury or illness, or other special circumstances. An appeal must be written and include an academic plan. The academic plan must demonstrate the student's ability to achieve satisfactory academic progress within a reasonable time frame. The appeal and academic plan must be submitted to the Director of Financial Aid Services within three weeks from the date of the student's notification letter and must also include evidence that supports the claim of mitigating circumstances.

The Financial Aid Appeal Committee which includes the Director of Financial Aid Services, The Director of Enrollment of the Seminary, the Seminary Dean, and other persons as warranted. If the appeal is denied, financial aid will be reinstated only when the student achieves the minimum standards. If the appeal is approved, financial aid will be reinstated on a probationary basis for one semester and evaluated each subsequent semester included as part of the academic plan.

## **E. 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 information on the FAFSA 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 materials must be submitted to the Office of Financial Services of the College prior to the start of the semester. 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.

For Federal financial aid, Seminary student are eligible only for unsubsidized loans which are not subject to verification procedures. Except in cases of conflicting information, as determined by the Office of Financial Services, or in case where it is needed to evaluate institutional scholarship eligibility, student will not be required to submit verification of most FAFSA information. In some instances, the U.S. Department of Education will select applicants to provide proof of High School completion, identity information or a statement of education purpose.

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

## **F. 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 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 Seminary 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). Which may differ from the tuition & fee adjustment schedule.

### **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.

## **G. Leave of Absence Policy**

Moravian Theological Seminary has an academic Leave of Absence Policy that is detailed in the Student Handbook Academic Policies. A federal loan borrower on academic leave of absence will be considered as "not

enrolled” and may go into repayment status for federal loans during the leave of absence.

## **H. Withdrawal from the Seminary**

A student pursuing a degree who withdraws from the Seminary for any reason shall notify the Seminary Dean in writing immediately upon 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.

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.

A student who is required to withdraw for disciplinary reasons is not eligible for an institutional refund.

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

Dropping Courses)

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.

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 Office of Student Account. Appeals concerning refunds after withdrawal should be addressed to the College’s Director of Student Accounts.

## **I. 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.

## **J. 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.

## **K. Changes and Additions**

These Financial Aid policies and procedures are subject to change and are not binding on the Seminary.