

# FINANCIAL AID

## Principles

The financial aid program at Bethel Seminary is designed to assist students who have limited resources for their seminary education. It is hoped that each student will be able to work out a financial plan that avoids undue financial pressure, excessive employment, or unmanageable indebtedness. The student is responsible for his or her educational and living expenses. However, the seminary seeks to assist the student in meeting expenses through a combination of scholarships, and loans. The financial aid program is based on the following principles, which have been approved by the Association of Theological Schools:

### Guiding Principles

1. The student has the major responsibility for his or her educational and living expenses. The school's aid will augment the student's efforts.
2. Students are encouraged to seek scholarships from third-party sources. (This includes church scholarships, employer reimbursement, etc.) When private scholarships are reported to the financial aid office, loan eligibility may be reduced, if needed, to keep the student's total aid package within federal need limits. Institutionally controlled gift aid is reduced if total gift aid from all sources exceeds the financial aid budget for tuition, fees, living expenses, books, and supplies.
3. Recipients of military-related educational benefits (e.g. federal tuition assistance, veteran benefits, etc.) will have their institutionally controlled gift aid reduced if total military benefits, grants, and scholarships exceed the financial aid budget for tuition, fees, room, board, books and supplies.
4. All financial aid, excluding job earnings, is first credited to a student's Bethel account. Only after all current term charges are satisfied will a credit balance be disbursed to students for use in meeting other expenses.

## Types of Aid

Master's students enrolled for at least six (6) credits per semester may be eligible for scholarships. Visit [seminary.bethel.edu/financial-aid/types](https://seminary.bethel.edu/financial-aid/types) for details.

Master's and doctoral students enrolled for at least three (3) credits per semester may be eligible for federal direct student loans. Visit [seminary.bethel.edu/financial-aid/types/loans](https://www.bethel.edu/seminary/financial-aid/types/loans) for details.

If a student obtains a loan to pay for an educational program, the student will have the responsibility to repay the full amount of the loan plus interest, less the amount of any refund. If the student has received federal student financial aid funds, the student is entitled to a refund of the moneys not paid from the federal student financial aid program funds.

## Applying for Financial Aid

To apply for financial aid at Bethel Seminary, a student must submit the Free Application for Federal Student Aid (FAFSA). The FAFSA is available at [www.fafsa.gov](http://www.fafsa.gov) (<https://www.fafsa.gov>). Students applying for endowed and restricted scholarships must complete an additional online application. Students applying for military benefits should visit [seminary.bethel.edu/financial-aid/types/military-benefits](https://www.bethel.edu/seminary/financial-aid/types/military-benefits) (<https://www.bethel.edu/seminary/financial-aid/types/military-benefits>) for information and application procedures.

## Assistantships

A limited number of assistantships are open to students with good academic records. Each student works under the supervision of one or more faculty members. Students should contact individual faculty members directly to inquire about potential opportunities.

## Student Loans

### Compare Loans

Most students take out loans to help pay a portion of their seminary bill. Weigh your options to make sure you're borrowing loans you can manage.

Refer to your financial aid award to see what loans you're eligible to borrow.

Which loan is best for you? Take a look at the differences between educational loan programs (<https://www.bethel.edu/seminary/financial-aid/types/loans>) to find the best loan based on your eligibility.

Loan Type	Fees	Make payments while in school?	Interest rate	Repayment
Direct Unsubsidized Loans	1.066%	Interest accrues. Optional in-school payment.	6.595% fixed (first disbursed 7/1/2018 - 6/30/2019)	10 years
Direct PLUS Loans	4.264%	Yes	7.595% fixed (first disbursed 7/1/2018 - 6/30/2019)	10 years
Private Loans	Varies	Yes	Varies	Varies (10+ years)

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\*Note - Graduate and professional students are no longer eligible to receive Federal Direct Subsidized Loans after 7/1/2012.

### What's the average student loan debt?

The average student loan debt of seminary borrowers who graduated between July 1, 2016, and June 30, 2017, was \$45,376. Assuming a 6.8% interest rate and 10 years to repay their loans, average seminary student borrowers will make monthly loan payments of about \$520. Bethel's most recent cohort default rate was 1.9% compared to the national cohort default rate of 11.5%.

### How much should you borrow?

It's important to avoid borrowing more than you'll be able to repay after graduation. A reasonable monthly student loan payment would be 8-10% of your monthly income.

Check out the Budgeting (<https://studentaid.ed.gov/sa/prepare-for-college/budgeting>) and Loan Repayment Calculator (<https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action>) information offered by the U.S. Department of Education. These are good tools to help you plan your expenses and loan debt.

Take a look at this chart based on a 10-year repayment period to see what your monthly payments could look like. Payments reflect a 6.8% interest rate.

Amount Borrowed	Estimated Monthly Payment
\$3,500	\$50
\$5,500	\$63
\$7,500	\$86
\$10,500	\$121
\$15,000	\$173
\$18,500	\$213
\$23,000	\$265
\$31,000	\$357
\$40,000	\$460
\$50,000	\$575
\$60,000	\$690
\$65,500	\$754
\$80,000	\$920
\$100,000	\$1,151
\$138,500	\$1,594

### Entrance & Exit Counseling

**Financial Aid** (<https://www.bethel.edu/financial-aid>)

If you're borrowing federal loans, you'll need to complete entrance counseling before you receive your funds and exit counseling when you leave Bethel to go over your rights and responsibilities.

#### Loan Entrance Counseling

You must complete this online counseling prior to the disbursement of your loan. Parents who borrow a PLUS loan are not required to complete entrance counseling.

Remember to complete entrance counseling for each type of loan you will use:

- Direct Loan entrance counseling (<https://studentloans.gov/myDirectLoan/index.action>) for Direct Subsidized, Direct Unsubsidized and Graduate PLUS (on the StudentLoans.gov website). Be sure to select "Complete Entrance Counseling." Please note - if you complete the "Financial Awareness Counseling," this does not satisfy the loan entrance counseling requirements.
- Perkins Loan entrance counseling (<https://www.ecsi.net/prom8B>) (on the ECSI website)

#### Loan Exit Counseling

Upon graduation, withdrawing, or dropping below half-time status, you must complete loan exit counseling to review your rights and responsibilities as you enter repayment of your student loans.

- Subsidized, Unsubsidized, and PLUS Loan exit counseling (<https://studentloans.gov/myDirectLoan/index.action>) can be completed on the StudentLoans.gov website. Completing this session satisfies Bethel University's exit counseling requirements.
- Perkins Loan exit counseling (<https://borrower.ecsi.net>) is located on the ECSI website. If you have questions about Perkins Loan Exit Counseling, contact Jane Thielen at [j-thielen@bethel.edu](mailto:j-thielen@bethel.edu) or 651.635.1003.

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U.S. Department of Education. These are good tools to help you plan your expenses and loan debt.

## Financial Aid Satisfactory Academic Progress Policy

Bethel University has two methods of monitoring student achievement. There is an Academic Progress, Probation, and Dismissal process administered by faculty committees. Please see policies on Academic Probation in the Scholastic Regulations section of the catalog for standards governing this process. There is also a Financial Aid Satisfactory Academic Progress (FA-SAP) policy administered by the Office of Financial Aid.

The FA-SAP policy is mandated by federal and state laws and regulations, and involves the monitoring of cumulative grade point average, pace of completion (ratio of completed to attempted courses), and the total number of courses students attempt. Students who do not meet the minimum FA-SAP standards may lose eligibility for federal, state, and institutional financial aid. Appeals are submitted to the financial aid office and reviewed by a cross-departmental Financial Aid Satisfactory Academic Progress committee.

### Process Overview and Responsibilities

The Code of Federal Regulations, Title 34, Section 668.34 requires that an institution establish, publish, and apply reasonable standards for measuring whether a student is maintaining satisfactory progress in his or her course of study in order for the student to receive financial aid under a Title IV program of the Higher Education Act. Minnesota Statute 136A.101 Subd. 10 applies this federal Satisfactory Academic Progress regulation to Minnesota financial aid programs. Bethel University applies this federal Satisfactory Academic Progress regulation to institutionally-controlled financial aid programs.

The Code of Regulations Title 38, Section 21.4253 also requires a clear policy regarding the Satisfactory Academic Progress (SAP) standards that Title 38 beneficiaries are held to under 38 CFR §21.4253(d)(1) (ii). Title 38 beneficiaries are held to the same SAP standards that all Bethel Seminary students—including those receiving Title 34 financial aid—must follow. These standards are set forth below.

All financial aid recipients must progress at a reasonable rate ("make satisfactory progress") toward achieving a certificate or degree. This requirement applies to all terms, whether or not the student received financial aid. For further information and full disclosures, please see the Satisfactory Academic Progress (<https://www.bethel.edu/seminary/financial-aid/eligibility/academic-progress>) page of the Bethel Seminary website.

## Evaluating Financial Aid Satisfactory Academic Progress

Financial aid satisfactory academic progress evaluation begins six (6) days after the end of each term (fall, spring and summer) using three benchmarks: Qualitative Measure, Pace, and Maximum Timeframe.

**Qualitative Measure.** Undergraduate and Bethel Seminary students must maintain a cumulative Grade Point Average (GPA) of at least 2.00. Graduate School students must maintain a cumulative GPA of at least 3.00. All undergraduate coursework is considered when calculating the cumulative GPA for undergraduate degrees. At the graduate level, cumulative GPA is calculated separately for Graduate School doctoral programs, Graduate School non-doctoral programs, Bethel Seminary doctoral programs, and Bethel Seminary non-doctoral programs.

**Pace of completion.** Students must progress through their educational program at a pace that ensures they will complete the program within the maximum timeframe. The pace is calculated by dividing the cumulative number of credit hours the student has successfully completed by the cumulative number of credit hours the student has attempted (beginning January 2017 results will be rounded to the nearest percent - for example, 66.49% is rounded to 66% and 66.50 is rounded to 67%). Students must successfully complete a minimum of 67% of their cumulative attempted credits (including any transfer credits, advanced placement or College Level Examination Program credit).

**Maximum timeframe.** Students are expected to complete their program within the normal time for completion. However, there may be special circumstances, like a program change or an illness, that would prevent students from completing their programs of study within the normal time frame.

To accommodate these special circumstances, students may continue receiving aid until they either (a) complete graduation requirements for their program of study, or (b) attempt 150% of the number of credits (including transfer credits, advanced placement or CLEP credits) required for their program of study, or (c) reach the point where they cannot earn the number of credits necessary to complete their program of study within 150% of required credits for the degree, whichever comes first.

Students become ineligible for financial aid at the time that it is determined that they are unable to complete their degree within the maximum timeframe. Transfer students who will transfer more than 50% of the credits needed for their program of study should request that only the credits that apply to their program of study are accepted by Bethel to ensure that they do not exceed the maximum timeframe prior to completing their

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program of study, and therefore become ineligible for financial aid.

### Treatment of Special Academic Course Situations

**Term.** The financial aid office evaluates Satisfactory Academic Progress (SAP) at the end of each regular semester. All terms of enrollment are counted for SAP, including terms in which a student did not receive financial aid. Courses taken during Interim are evaluated as part of spring semester.

**Remedial courses.** Remedial courses are treated the same as non-remedial courses in evaluation of quality, pace and maximum timeframe. Foundations for Academic Readiness courses are considered remedial courses.

**Pass/Fail courses.** Some of Bethel's courses receive a grade of "Satisfactory (S)" or "Unsatisfactory (U)." These courses are not included in the calculation of GPA; they are counted as "attempted" credits. Courses with an "S" grade are considered "earned" credits. Courses with a "U" grade are not "earned" credits.

**Consortium courses.** Consortium courses involve a "home" and a "host" school. The "home" school provides the academic credit, monitors Satisfactory Academic Progress, and provides financial aid. The "host" school provides the instruction for the designated course(s).

- When Bethel is the "Home" school, the credits are counted as "attempted" and "earned," as appropriate (depending on the student's grade in each course). All attempted credits count towards "maximum timeframe." The Office of the Registrar maintains a list identifying whether or not the courses are included in the GPA calculation.
- When Bethel is the "Host" school, the credits are not counted as either "attempted" or "earned" at Bethel. Rather, the student's "Home" school is responsible to monitor Satisfactory Academic Progress for courses taken at Bethel under this type of consortium agreement.

**Repeated courses.** Repeated courses are included when determining the student's enrollment status for Title IV purposes, provided the course is not a result of (a) more than one repetition of a previously passed course, or (b) any repetition of a previously passed course due to the student failing other coursework.

Repeated courses are always included in the cumulative credits attempted and maximum timeframe calculation. They are included in the GPA and cumulative credits earned calculations provided the grade for the repeated courses, and the original course, are both included in the GPA calculation.

**Audited and enrichment courses.** Courses that are audited, or not eligible for academic credit, are excluded from Satisfactory Academic Progress calculations since they are ineligible for federal, state, or institutional financial aid programs.

**Earned credits.** For purposes of this policy, credits in which the student earns a grade of A, A-, B+, B, B-, C+, C, C-, D+, D, or S are considered "earned" credits, and are counted as both "attempted" and "earned" in the Pace calculation.

**Transfer credits.** College level courses taken outside of Bethel before students received their high school diploma or G.E.D. (e.g., CLEP, PSEO, AP) are treated as transfer credits. (Postsecondary Education Options credits attempted at Bethel are treated the same as other courses taken at Bethel after receiving a high school diploma.) Transfer credits are included as both "attempted" and "completed" credits when measuring Pace, and are included in the maximum timeframe calculation. All transfer credits accepted by Bethel will be used in determining when the "maximum time frame" requirement has been reached. The student may, however, appeal to have only the credits accepted toward his or her Bethel program of study included in the maximum time frame calculation.

**Dropping a course.** Courses that the student drops after the 100 percent refund period are included in the cumulative credits attempted and in the maximum timeframe. (If a student fails all courses attempted during the term, the financial aid staff determines if the student was enrolled for the entire period or unofficially withdrew from school.)

**Incompletes.** Courses assigned an incomplete grade are included in the cumulative credits attempted and in the maximum timeframe. These credits cannot be counted as earned credits until a satisfactory grade is assigned.

**Second degree.** Students may attempt up to 150% of the credits required for a subsequent program of study (183 credits for a baccalaureate degree, plus an additional 183 credits for a second baccalaureate degree). Students who already have a first baccalaureate degree are eligible for loans (not grants) if they are pursuing teacher licensure or a second degree (e.g., a student has a B.A. and is now seeking a B.S.).

**Multiple majors and/or dual degree students.** Students who choose to earn more than one major, or more than one degree, at the same time are subject to the maximum time limits of one degree (e.g., 183 credits for a baccalaureate degree).

**Concurrent enrollment in Bethel's schools.** Students who are concurrently enrolled in more than one of

Bethel's schools may receive more than one Financial Aid Satisfactory Academic Progress review each term. Students must be demonstrating satisfactory academic progress in every school they are attending. Failure to demonstrate satisfactory academic progress in any school will impact financial aid eligibility in all schools. For example, if as a result of not demonstrating financial aid satisfactory academic progress in the Graduate School a student's financial aid eligibility is terminated, the student's financial aid eligibility is also terminated at Bethel Seminary, the College of Arts & Sciences, and the College of Adult & Professional Studies.

**Programs exempt from Financial Aid Satisfactory Academic Progress review.** Some private educational loans and employer educational benefits are available to students who are not demonstrating satisfactory academic progress. Students should check with their employer, or private educational loan provider, to see if they must be demonstrating satisfactory academic progress as a condition of receiving these funds.

Students enrolled solely in academic programs that are excluded from eligibility for federal, state and Bethel-funded financial aid are not subject to the Financial Aid Satisfactory Academic Progress policy. For example, since no federal, state, or unfunded institutional funds are offered to Postsecondary Education Option students, they are exempt from the financial aid satisfactory academic progress review. Prior to the summer 2013 term Seminary students in the Doctor of Ministry (D.Min.) program were exempt from financial aid satisfactory academic progress review because no federal or state funds were offered to D.Min. students. Beginning with the summer of 2013 D.Min. students are eligible for Title IV loans and must, therefore, meet minimum financial aid satisfactory academic progress standards.

### **Failure to Meet Minimum Satisfactory Academic Progress Standards**

**Financial aid warning.** Financial aid warning is a status assigned to a student who fails to make financial aid satisfactory academic progress at an institution that evaluates academic progress at the end of each term. The financial aid warning status lasts for one term. If after the financial aid warning term the student is not demonstrating financial aid satisfactory academic progress, the student becomes ineligible for financial aid (financial aid terminated).

**Financial aid terminated.** Financial Aid Terminated is a status assigned to students who have lost their financial aid eligibility due to failure to demonstrate financial aid satisfactory academic progress. Students whose financial aid eligibility has been terminated may appeal.

### **Appeal of Financial Aid Termination**

Students who fail to meet Financial Aid Satisfactory Academic Progress standards and lose financial aid eligibility can appeal this decision. The appeal must be made in writing and should be accompanied by appropriate supporting documentation.

Appeals must be submitted to the Office of Financial Aid within 7 calendar days of the date on the notification letter or email. Appeals will be evaluated by a cross-departmental committee. Appeals must explain why the student failed to make satisfactory academic progress, and what has changed to resolve the issue(s) that prevented the student from demonstrating satisfactory academic progress. Acceptable reasons for appeal may include injury or illness of the student, illness or death of an immediate relative of the student, or other extenuating circumstances beyond the student's control. Students who cannot demonstrate Financial Aid Satisfactory Academic Progress within one term will be required to submit an Academic Plan as a part of their appeal.

Financial aid academic plan probation. If it is impossible for the student to meet the minimum Satisfactory Academic Progress standards after one term, then the institution and the student may agree upon an Academic Plan to monitor the student's academic progress for more than one term. The institution will use the Academic Plan as the benchmark for Satisfactory Academic Progress for the length of time specified in the Academic Plan.

Students who fail to fulfill the requirements of the Academic Plan become ineligible for financial aid.

- Seminary students in St. Paul will work with the Student Development Office to develop Academic Plans.
- Seminary students in San Diego will work with the Office of the Associate Registrar and Academic Support Services to develop Academic Plans.

### **Student Notification**

Students who are not meeting the minimum Financial Aid Satisfactory Academic Progress standards will be notified by the financial aid office of their Warning or Termination status. Students who submit an appeal will be notified by the financial aid office of their Financial Aid Probation, Financial Aid Academic Plan Probation, or Financial Aid Termination status. Students whose financial aid status had been at a Warning, Probation, Academic Plan Probation, or Terminated status, but are meeting minimum SAP standards when reviewed, will be notified of the change in their status.

Students who graduated during the term that is being reviewed for Satisfactory Academic Progress, and are not registered for the subsequent term, will not be

notified of changes in Satisfactory Academic Progress status.

### **Regaining Eligibility for Financial Aid**

Students whose financial aid was terminated due to lack of satisfactory academic progress may choose to enroll without benefit of financial aid. If the standards are met, financial aid eligibility is restored for subsequent terms of enrollment. Students should consult with a financial aid counselor in the Office of Financial Aid if they have any questions about this policy, the appeal process, or reinstatement of financial aid eligibility.

### **Interpretation and Enforcement**

The Director of Financial Aid will have primary responsibility for the interpretation and enforcement of this policy.

## **Financial Aid Refunds**

There are four sources of financial aid: federal government (Title IV funds), state governments, Bethel University, and private third-party organizations.

Financial aid is refunded in accordance with policies established by each entity. Refunds are first calculated for federal funds, then state funds, then Bethel and third-party funds.

### ***Federal (Return of Title IV Funds) Refund Policy***

If a student withdraws or is expelled from Bethel after a term has begun, the school or the student may be required to return some of the federal aid funds awarded to the student. This "Return of Title IV Funds" policy is required by federal rules and went into effect at Bethel on July 1, 2000.

The federal formula requires a return of Title IV (federal) aid if the student received federal financial assistance in the form of a direct loan, and withdrew on or before completing 60% of the term. The percentage of Title IV aid to be returned is equal to the number of days remaining in the term divided by the number of calendar days in the term. Scheduled breaks of more than four consecutive days are excluded.

### ***Financial Aid Refunds for Institutional and Third-Party Funds***

After calculating the federal refund policy, Bethel calculates the potential refunds of state, institutional, and private funds. Students who borrow a Minnesota SELF loan are subject to the Minnesota refund calculation. Students with institutional aid and/or third-party sources of gift aid will have their aid reduced by the same percent as their tuition was reduced.

Because there are several different refund policies involved in most withdrawals, students may still

owe money to the school after all calculations have been completed. Students considering withdrawal are encouraged to visit a financial aid counselor and simulate the financial effect of withdrawing before officially withdrawing from the institution.