

PRESBYTERY DE CRISTO
SEMINARY INDEBTEDNESS POLICY CRITERIA

When Presbytery de Cristo is the Presbytery of Care

A. Inquirers and Candidates (either 1 or 2 below):

- 1) Require an inquirer to meet with the Board of Pensions regional representative or the Presbytery Foundation representative during the inquiry year, in order to assess new worth, and to make a plan for financing the cost of seminary, or,
- 2) Require the inquirer, during the inquiry year, to participate in a Fiscal Fitness workshop sponsored by the Board of Pensions of the PC(USA), with the presbytery picking up the travel and accommodations costs of that workshop from the presbytery's candidates loan fund.
- 3) The presbytery will share the cost, with the synod, of candidates attending a Career and Counseling Center for career guidance in pursuit of ordination in the Presbyterian Church (U.S.A.).

B. The Committee on Preparation for Ministry

- 1) A designee from the Committee on Preparation for Ministry will counsel with an inquirer regarding the inquirer's level of indebtedness vis-a-vis prospective salary that can be expected. Discussions should consider the current median income for the denomination reported by the Board of Pensions, and the minimum effective salary established by the Presbytery. The debt level of seminary students should be no more than 40% of the latest church median salary.
- 2) The Committee on Preparation for Ministry will work with each inquirer and candidate towards using his or her available assets to pay for the cost of seminary tuition and room and board rather than incurring indebtedness. If indebtedness cannot be avoided, the Committee on Preparation for Ministry will monitor, and with the inquirer or candidate, the level at which his increases as well as the assets that may be made liquid to assist with seminary debt repayment.
- 3) The Committee on Preparation for Ministry will be an advocate with the congregation of which the candidate is a member, and with other congregations of the presbytery as appropriate, in order to generate financial support for the candidate in the form of grants.

When Presbytery de Cristo is the Presbytery of Call

- 1) **Minister Serving a First Call:** Any minister serving a first call following graduation from seminary, who comes with any educational indebtedness, shall be required to show evidence of having attended a financial planning workshop such as a Fiscal Fitness workshop sponsored by the Board of Pensions, or other financial planning workshop. If the minister has not attended such a workshop, he/she shall be required to do so within twelve months of start-up. The cost of registration fee, accommodation and travel for such a workshop is to be considered legitimate reimbursable expense from study leave allowance.
- 2) **Committee on Ministry:** The Committee on Ministry shall encourage calling congregations to utilize further educational debt reduction as a point in negotiating salary with a prospective pastor who is a recent seminary graduate.

Approved By Presbytery de Cristo, July 27, 2005

PRESBYTERY DE CRISTO

SEMINARY DEBT ASSISTANCE GUIDELINES

Program Outline

- 1) The Seminary Debt Assistance Program is a program of the Assistance Program of the Board of Pensions of the Presbyterian Church (U.S.A.). The funds for the program are available through the generosity of church member gifts, bequests, as well as investment earnings. The Seminary Debt Assistance Program is being coordinated with other entities of the Church and was initiated in May 2001.
- 2) Grants will be made to Ministers of the Word and Sacrament to assist them to repay educational debt occurred while they were seeking a Master of Divinity degree.
- 3) A limited number of grants will be awarded each year. Grants will be at the sole discretion of the Board of Pensions. The Board will consider the means available to the applicant, the nature and amount of debt and other factors the Board deems appropriate.
- 4) Applicants may apply for up to \$2,500 each year for a total of four (4) years. The maximum amount given to one individual over four (4) years will not exceed \$10,000.
- 5) The grants will be awarded to Ministers of the Word and Sacrament who are serving churches with fewer than 150 members and a budget of less than \$150,000. The minister should be in his or her first seven years of ministry and serving a full-time called position.
- 6) Graduates of Presbyterian Church (U.S.A.) seminaries will be considered for the program.

- 7) All Presbyteries that participate in the program will have a policy regarding student/clergy indebtedness.
- 8) All applicants must have attended or attend a financial planning seminar offered by the Board of Pensions prior to application for a Seminary Debt Assistance grant.
- 9) Presbyteries in which a minister has received a grant are encouraged to develop a plan for continued support and guidance of the pastor and congregation participating in the Seminary Debt Assistance Program.

Responsibilities

A. Applicant

- 1) Attend, or have already attended, a financial planning seminar offered by the Board of Pensions. (The Board of Pensions schedules these at Presbyterian seminaries each year.)
- 2) Must commit some personal resources toward the expenses and make every effort to obtain funds which might be available in the community.
- 3) Prepare a written Seminary Debt Assistance Application, including supporting documents to Presbytery de Cristo.

B. Presbytery de Cristo

- 1) Receives written Seminary Debt Assistance application from the applicant.
- 2) Reviews and approves Seminary Debt Assistance Program application and submits it to the Board of Pensions for consideration.
- 3) Approves a policy on student/clergy indebtedness.

Approved by Presbytery de Cristo, July 27, 2005