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What Theological Schools are Teaching Us
about Faith, Finances, and Leadership**

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Helping Seminarians Avoid the "Debt" Sentence
of Financing a Theological Education**

Terry A. Smith

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2017 • Volume 51, Number 1

***Addressing the Economic Challenges
Facing Future Ministers***



Theological Education

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2017

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Theological Education, the journal of The Association of Theological Schools and The ATS Commission on Accrediting, is devoted to the distinctive concerns of graduate theological education in North America. The journal supports the mission of the Association and the Commission by providing those concerned with theological education—including administrators, faculty, and independent researchers—with scholarly discourse and reports on issues and trends, research findings and resources, provocative reflection pieces, and models of critical analysis and effective practices in graduate theological education.

Submission Guidelines

1. Recommended length is 3,750 words (approximately 15 double-spaced pages).
2. Follow *Chicago Manual of Style*, 16th ed., using one-inch margins, left justification, footnotes, and 12 pt. Times New Roman.
3. Write in the third-person form when possible.
4. If quoting Scripture, include the Bible translation with each reference.
5. The latest editions of *Merriam-Webster's Collegiate Dictionary* and the *Canadian Oxford Dictionary* are the references for preferred spellings.
6. Provide a paragraph abstract of approximately 80 words at the beginning of the article.
7. Add a short (1–2 sentence) paragraph at the end of the article identifying the author(s), institution(s), current position(s), and, when appropriate, the author's relationship with the project/topic.
8. Bibliographies are typically not published, especially when they list sources already present in the footnotes.
9. Submissions should be emailed to editors@ats.edu.

Author's Checklist

1. The audience for *Theological Education* includes people from multiple academic disciplines and diverse religious traditions, who share in common their work as theological educators. Have you written with this audience in mind?
2. Is the article timely? Does the article contribute significantly to current interdisciplinary discourse about theological education?
3. Does the subject matter represent new ideas or experiences that colleagues at other theological schools can incorporate into their teaching or administration?
4. Will the article spark useful debate on the topic?
5. Is the article well-written with a clear focus and well-developed/supported arguments?
6. Is the research methodology sound and appropriate?
7. If applicable, does the article make accurate use of the data available from ATS and other sources?
8. Does the article conform to the submission guidelines listed above?

The ECFFM Initiative: What Theological Schools are Teaching Us about Faith, Finances, and Leadership

Jo Ann Deasy

The Association of Theological Schools

Introduction to the initiative

In 2013, Lilly Endowment Inc. launched a new initiative to address the “Economic Challenges Facing Future Ministers” (ECFFM). Focusing on research, education, institutional strategies, and partnerships, schools were given grants to create unique projects addressing various economic challenges related to the cost of theological education, rising educational debt, the need for financial and entrepreneurial leadership in ministry settings, and shifting funding models for schools and future ministers. A pilot project began with 16 schools and expanded in 2014 to include a total of 67 different institutions representing more than 27 denominations and more than 17,600 students.

In 2014, The Association of Theological Schools (ATS) received a coordination grant from Lilly Endowment Inc. to support schools participating in the ECFFM Initiative. This coordination grant was designed to facilitate peer learning among the schools, expand the scope of individual projects through small grants, generate new research related to the initiative, and disseminate key learning to the broader Association. Major activities of the coordination project thus far have included two large forums and nine one-day peer group gatherings. Peer groups varied in size from 15 to 45 people and addressed a wide range of topics related to the grant, including new financial models for seminaries, financial literacy, theologies of money and finance, and debt reductions strategies for black students.

The first year of the initiative produced several insights about the distribution of educational debt, its causes, and its impact. Schools also discovered practices that had immediate positive impact on the educational debt levels of students. A detailed report on the first year can be

found in “67 Theological Schools Share Strategies for Reducing Student Debt.”¹ This article will focus on learning from the second year of the initiative. Insights were drawn from a variety of resources including analysis of ATS data, peer group gatherings, and second year reports submitted by participating schools.

Increase in educational programming

During the second year of the project, schools expanded their financial literacy offerings. One of the most significant increases was in one-on-one financial counseling.

One-on-one Financial Counseling by Year

	2014	2015
# of schools offering	30	41
Students participating	960	1,593
Faculty and administrative leaders	41	83
Outside Leaders	75	120

One-on-one financial counseling varied from school to school in terms of target audience, type of mentor, number of meetings, content, and whether participation was required or voluntary. It was consistently named by schools as an effective way of helping students decrease borrowing, create manageable budgets, and increase financial literacy. Several schools moved from small group or larger classroom-based financial literacy programs to one-on-one counseling in an effort to provide a more private space for students to talk about money.

While there was significant increase in one-on-one counseling, several schools noted low participation by students despite initial interest. One school offered a \$200 cash stipend but still could not generate interest in its program. In response, some schools decided to require counseling for

1 Deasy, Jo Ann, “67 Theological Schools Share Strategies for Reducing Student Debt,” *Colloquy Online*, April, 2015 (<http://www.ats.edu/uploads/resources/publications-presentations/documents/67-theological-schools-share-strategies.pdf>). Several of the practices highlighted during the first year of the project were first recommended by the Auburn Resource “A Call to Action: Lifting the Burden, How Theological Schools Can Help Students Manage Educational Debt” by Sharon L. Miller, Kim Maphis Early, and Anthony T. Ruger, April, 2014.

all students or for certain high-debt students. Other schools noted student resistance to financial conversations or frustration with mentors who lacked theological training or a solid understanding of clergy finances. These schools increased the training of mentors, looked for mentors who better fit the ethos of the institution, or decided not to continue one-on-one counseling. Several schools commented on the financial difficulty of sustaining one-on-one counseling programs. They had decided to shift to more cost-efficient forms of financial literacy, including moving one-on-one counseling into ministry courses, internships, or financial aid offices. During the next phase of the ECFFM Initiative, ATS will conduct further research to better understand the contexts in which one-on-one financial counseling is most effective.

Co-Curricular Workshops and Forums

	2014	2015
Schools offering co-curricular workshops/forums	37	41
# of workshops/forums offered	120	193
# of students in attendance*	2492	4736
# of faculty facilitating workshops	32	86
# of administrators facilitating workshops	76	90
# of collaborators facilitating workshops	69	115

**This includes duplicates of students who attended more than one workshop at a given institution.*

In addition to one-on-one counseling, there were significant increases in co-curricular workshops and transcribed courses. Many schools made adjustments to their programming in response to direct feedback from students, including increased advertising, use of student consultants, shifts from voluntary to mandatory participation, creation of online options, and focus on requested topics. One institution implemented a community development strategy designed to rebuild its program with input from student leaders.

Transcribed Courses

	2014	2015
Schools offering transcribed courses	20	26
# of courses offered	47	76
# of students registered	883	1,764
# of faculty teaching	60	89
# of collaborators teaching	113	71

Slightly more than one-third of the participating schools reported offering transcribed for-credit courses related to financial literacy and/or financial leadership in 2015. Many more schools reported embedding financial literacy and leadership in existing courses. While growth in the number of schools offering transcribed courses was small (from 20 to 26), the number of courses offered and students participating doubled. Transcribed courses were offered in a number of disciplines including theology, ethics, pastoral theology, spiritual formation, Bible, and the practice of ministry. These new courses were sometimes part of a curricular revision or a mandate to create an ECFFM course, but they were often created by individual faculty committed to the work of the project.

Integrating financial conversations with student services

Student services personnel have been significantly involved in the work of the ECFFM Initiative and have contributed much to our understanding of how financial conversations can be integrated into their work. During the second year of the initiative, many schools focused on changes in financial aid and admissions.

A relational model for financial aid

During a workshop on the ECFFM Initiative at the 2016 ATS Biennial Meeting, Molly Marshall— president of Central Baptist Theological Seminary—described a fundamental shift in financial aid from “procedural” to “relational.” A procedural approach focuses on making sure students complete the right steps to access scholarships and student loan funds. The emphasis is on ease and efficiency, ensuring that students are able to access the maximum loan amount. One report described the procedural approach as “a transaction between student and financial institution . . . for which the school had little responsibility.”

A relational approach focuses on working with students to determine a financial strategy that will allow them to graduate from seminary with manageable debt for their given vocational goals. This approach may involve personal conversations including financial counseling, but not necessarily. Vanderbilt University Divinity School sends annual letters to all borrowers updating them on their cumulative loan amounts, projected

monthly payments, and income needed to make those payments.² The emphasis is on providing students with the information they need to make wise financial decisions. While some students see this as an intrusion into their private lives, others report an increased confidence that the institution cares about their financial well-being.

Along with increased communication, a relational approach to financial aid is customizable. As one school reported, “The resources and life circumstances of our students are so varied as to make any generalizations simplistic.” Students come with varying resources, life circumstances, and levels of financial literacy. Customizable financial aid involves flexible delivery systems for information as well as multiple options for funding theological education, including course schedules that allow for part-time or full-time work, accelerated bachelor’s-to-master’s degree programs, student fundraising, and scholarship support, thereby creating multiple pathways through seminary by which students can graduate with little to no debt. Bethany Theological Seminary’s customized approach focuses on “Pillars and Pathways.” Students are invited to use the five pillars of scholarships, employment, intentional community, financial literacy, and conscious consumption to “create their own unique pathways through seminary with the goal of graduating completely debt free.” Lancaster Theological Seminary has restructured its entire curriculum to support students who intend to work full- or part-time.

As with one-on-one counseling, a customizable approach to financial aid can be cost prohibitive. Institutions that appear to be most effective tend to create customizable pathways targeted to their particular students, whether younger, full-time, and residential or older students remaining in full-time positions while completing their degrees. These schools seek to “find a middle ground between ‘high-contact’ and ‘high-information’” and to “identify strategic touchpoints of intervention with the financial aid advising process.”

2 In 2012, the University of Indiana began sending letters to undergraduate students and saw borrowing decrease by 18 percent over three years. In 2015, the State of Indiana made these letters mandatory for all colleges that accept state aid, and in 2016, Kentucky did the same. (Sophie Quinton, “What Happens When You Warn Students about Their Loan Debt?” Stateline, An Initiative of Pew Charitable Trusts, May 19, 2016) <http://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2016/05/19/what-happens-when-you-warn-students-about-their-loan-debt?> (last accessed 2/15/2017).

Admissions as vocational and financial discernment

Feedback from graduates caused many schools to move their financial literacy conversations earlier in a student's tenure when there was still a chance to change borrowing habits. Current students, however, often felt too busy to take financial literacy courses, did not see them as a priority, or—as one school reported—had already determined their financial plans for seminary. Consequently, schools began including financial conversations and financial literacy training in orientation or in the admissions process itself. Applicants were asked to watch videos on the financial realities of ministry, provided with resources to create budgets, and—in some cases—refused admission if they already had large amounts of educational debt.

Moving financial conversations into admissions, however, raised questions. If students were turned away from seminary due to high debt, whose responsibility was it to help them? Should seminaries provide financial counselors to potential students with high debt levels? Or were they only responsible for students once they matriculated? Would setting caps on the debt levels of incoming students disproportionately impact black/non-hispanic students who are disproportionately impacted by educational debt in the United States? How should seminaries respond to the financial decisions students make before they even think of applying to seminary?

Several theological schools embedded in or connected with undergraduate institutions are reaching out to offer financial literacy courses and begin conversations with undergraduate students considering ministry. Others are recommending financial counselors to help potential students develop plans that will eventually enable them to matriculate. The School of Theology at the University of the South has developed a training program to “equip laity and clergy with tools for discerning new calls, energizing leadership, and freeing entrepreneurial groups to launch thriving ministries.”³ Through its Beecken Center, the school partners with Episcopal dioceses to help congregations identify and support future seminarians while also helping renew the church.

3 “Living in the Green,” a program of the Beecken Center of the School of Theology at the University of the South. Accessed online at <http://beeckencenter.sewanee.edu/programs/living-in-the-green> (March 2017).

Moving financial conversations to admissions has raised questions about how we measure the effectiveness of admissions processes. At many schools, admissions officers are judged by the number of applicants who enroll in degree programs. It is assumed that more entering students means more tuition income, and budgets are often based on the number of new students enrolled each year. Some schools, however, are challenging the idea that more is better. Instead, they are focusing on recruiting financially healthy students because they believe, as one school reported, that “financial literacy and the associated issues are inextricably tied to retention.” At least one school is working on a new budget model based not on full-time equivalency but on the number of part-time students attending each year. Others are working on billing models tied not to credit hours but rather to academic years, charging a flat fee per year that is paid on a monthly basis. In these new models, student financial health and student retention become just as or more important than the number of new students enrolled.

Addressing broader systemic issues

Changes to financial aid and admissions were part of a larger shift toward addressing systemic issues associated with the economic challenges facing future ministers. Many schools recognized that lowering tuition was not enough. Systems of financial support for students and seminaries needed to be rebuilt. Future ministers needed to be equipped to financially lead. “Financial Literacy,” wrote one school, “must be a significant part of a student’s life on campus and . . . resources must be available to help students while on campus, when they get to their first calls, and for their entire ministry. It is a systemic issue and must be addressed at all levels.” Another described how its research “revealed profound complexity,” suggesting the need for “a host of diverse strategies in several realms . . . to create a reinforcing web strong enough to truly facilitate lasting pastoral formation . . . while also fostering positive economic outcomes in the lives of students and alumni/ae.”

Addressing more than tuition

One key learning from the first year of the initiative was the lack of correlation between average educational debt and net tuition at ATS schools.



While lowering tuition is important, it is not sufficient to address the issue of educational debt. Other significant factors include undergraduate debt, high living expenses, economic disparities within the United States, family obligations, etc.

As the grant has continued, more schools have intentionally addressed economic issues beyond tuition. As mentioned above, this has included strategies to address undergraduate debt, shorten degree programs, increase distance programs that allow students to stay in jobs and communities of support, and subsidized housing. One of the peer groups focused on strategies to help students “live simply,” including cook-offs, book exchanges, and clothing drives. For several schools, simplicity was a part of their theological heritage. At these institutions, simplicity not only was expected of students, but was modeled by faculty as well.

The peer group raised two questions related to the focus on simplicity. First was a concern about using the language of “living like a student.” A call to vocational ministry may require a person to “live like a student” for the rest of his or her life. In many denominations, pastoral salaries are decreasing,⁴ and an increasing number of graduates are pursuing bivocational ministry.⁵ Does the language of “living like a student” fail to prepare students for the long-term financial sacrifices that may be required of

4 Preliminary data from a mapping survey of ATS alumni/ae, almost 30 percent of alumni/ae reported personal cash incomes of less than \$30,000/year, and 20 percent reported disagreeing with the statement “I have adequate income to meet my monthly living expenses.”

5 Among 2015–2016 graduates planning on pursuing ministerial work, 32 percent were planning on bivocational ministry. Among black/non-Hispanic graduates, 58 percent were planning on bi-vocational ministry. Source: The 2015 ATS Graduating Student Questionnaire.

them? Might it be better to talk about simplicity in terms of long-term discipleship or part of a call to ministry?

The peer group also discussed what it might look like for an institution to develop a broader culture of simplicity. As mentioned above, at several schools faculty modeled simple living in their personal lives. What might it look like for an institution to model simplicity, not just in response to economic constraints but instead in their long-term planning? How might simplicity inform decisions about curriculum, strategic planning, financial structures, physical plant, and other aspects of theological education?

Rebuilding systems of financial support

One of the central goals of the initiative was the development of partnerships to address the financial challenges of theological education. These partnerships often provided the opportunity to rebuild and expand existing relationships with sponsoring denominations, donors, and supporting congregations and included new capital campaigns designed to inform constituents about high levels of educational debt and to create new scholarships for seminary students. In other cases, partnerships involved working with denominational offices to create new loan structures, provide continuing education for graduates, or equip financial leaders in local congregations or broader communities. One of the schools located in an economically challenged region is working in “partnership with financial planning teams, lending institutions, financial consultants, investment brokers, and other community activists to address the systemic issue of financial literacy.

Increasing numbers of seminaries are equipping and empowering students to do their own fundraising. Gordon-Conwell Theological Seminary was one of the first seminaries to deputize its students to do fundraising on behalf of the institution, using the ECFFM Initiative as an opportunity to evaluate and expand its already well-established Partnership Program. During the first two years of the initiative, several institutions adopted similar models, providing training and, in some cases, matching funds for students who raise money to finance their education. These schools see fundraising not just as a means to pay for seminary but also as an essential skill needed by future ministers. Most schools have adopted a “missionary” or “parachurch” model, raising support for individual students. This model of fundraising, however, does not always match the financial culture of students. Some students are more likely to start a nonprofit

ministry but, as one school reported, these students need help filing the official paperwork and putting structures in place to support their efforts.

Schools are also working hard to develop more paid internships. These internships, reports one school, “foster a three-way commitment” to meeting the cost of theological education. They “enable [schools] to work with partners in designing internships that meet real needs” while giving students “the benefits of expert supervisory support” and “help[ing] partners see the benefits of graduate-level ministerial leadership.” Many schools have struggled, though, to find congregations willing or able to pay an adequate wage. One school observed that “local church laity were so consumed with the congregation’s micro-level finance and budget issues that they could not comprehend the macro-level issues like clergy compensation and educational debt.” During a peer group gathering focused on developing partnerships with congregations, Dan MacLeay, ministry residency program coordinator at Denver Seminary, reminded the group how important it was to listen to the needs of congregations when establishing new internships. MacLeay argued that partnerships with congregations are most effective when the seminary and congregation work together to create an internship that is financially beneficial to both student and congregation.

Other schools struggled to find students interested in the paid internships they offered. Students were unwilling to work in churches that were theologically or culturally different from themselves or to take positions that did not fit their particular ministry focuses. The schools were surprised that students were not grateful just to have a job or willing to serve in whatever capacity the church needed.

Equipping future leaders

The second way schools are addressing systemic issues is through educational programming designed to prepare students for financial and administrative leadership within communities of faith. Topics range from fundraising and entrepreneurship to congregational leadership and financial management for nonprofits. Some courses are taught by existing faculty or staff with a finance or ministry background, others by adjuncts from the local community, partnering denominations, or nonprofits focused on financial leadership. Such partnerships increase student “trust in the knowledge of financial experts within the parish community” and are “a major step forward in establishing pastoral leadership that works

with people rather than against them.” Schools are also partnering with congregations to create internships focused on leadership skills and the business aspects of ministry. Seattle University, for example, spent the first year of its grant period forming two different teams to help create new financial leadership courses. An advisory committee made up of financial officers from several partnering denominations develops case studies. A planning team including faculty from the seminary and the school of business are wrestling with different languages, philosophies, and pedagogies to create new integrative courses designed to address financial leadership in congregations and nonprofits.

Schools have struggled to get students enrolled in these practical courses. Such skills are often not given high priority by seminary students. One student commented that prior to seminary she was “resistant to learning about financial management in congregations because [she] associated stewardship with being a CEO.” Fortunately, this student enrolled in a “Money and the Mission of the Church” course and realized that stewardship was “actually about our relationship with God and with one another.” Alumni/ae, however, are often eager to enroll in such courses, especially when they do not have direct access to strong continuing education programs in supporting denominations. As with discussions related to admissions, work with alumni/ae raises questions about the boundaries of theological education and the roles seminaries should play in continuing education for alumni/ae, clergy, and the wider public.

Breaking the code of silence

One theme that emerged during the first year of the grant was a “code of silence” related to debt and finances. This “code of silence” was often related to a culture of shame and blame surrounding the topic of educational debt. Students felt internal guilt about their spending habits, felt their “bank accounts existed outside the realm of God’s presence,” and reported suffering from anxiety that impacted their “sleep, health and hygiene, and spiritual wellness.” Some also reported feeling “shamed by those (on campus) with more financial stability” or “blamed for the cost of the education the church encourages them toward or, in many cases, requires of them.” Within the initiative, several schools have shifted from the language of “student debt” to “educational debt . . . to acknowledge the shared responsibility for the cost of seminary education among all parties: student, church, and seminary.” They report: “Students appreciate the

inclusive acknowledgment of all the stakeholders.” As one school summarized, “Debt—even so called ‘good debt’ like student loan debt—is often a private and emotionally charged issue for students Accordingly, it is often difficult to engage students effectively on this topic.”

Students also seemed to be unaware or unwilling to face the potential impact debt would have on their futures. In the ATS Graduating Student Questionnaire, students were asked if they were able to manage financially while in seminary. Data from 2017 reveals that over 45% of graduates who incurred debt of more than \$40,000 agreed or strongly agreed with the statement that they “had been able to manage financially,” suggesting that students may be unaware of the potential impact of such large amounts of debt. This potential lack of financial awareness was reflected in one participating school where students self-reported a very high understanding of their financial situations, but one-on-one meetings with the financial literacy advisor revealed that this was not actually the case.

Many schools have discovered that breaking the code of silence requires changing institutional cultures and challenging assumptions about debt and finances. It requires a more nuanced discourse about debt that recognizes multiple cultural and theological perspectives. For example, a class on fundraising was talking about a progression from grace to gratitude to generosity in response to money, a concept grounded in a guilt-based discourse. Asian students in the class, who came from a shame-based culture, struggled to understand the concept. Another school reported that when “staff demonstrated cultural sensitivity and understanding of the issues, the project became a simpler and more transparent experience.” Cultural change, noted one school, “takes longer than anticipated... a handful of champions must keep moving the cause forward for lasting cultural change.” Schools are recognizing that they need to “bring more overall awareness to the seminary faculty and administrators so there is a holistic approach” to their programs.

Finding the right entry point

While some schools reported immediate success engaging students, faculty, and administration in the grant, others reported more mixed results and, in some cases, resistance to the initiative. Second-year reports highlighted several schools that effectively made adjustments to their projects, slowing timelines to build trust within the community and with

constituents through workshops, research projects, and one-on-one meetings designed to listen to people's needs and concerns. At many schools, faculty played a crucial role in developing trust with the student body. When faculty shared personal stories about finances, asked financial questions during advising sessions, and showed concern about the financial choices students were making, schools reported that students were more likely to participate in various aspects of the initiative.

For several schools, however, it was not just about building trust. It was about finding the right entry point for the initiative. Many schools started their projects by addressing personal financial literacy with their students. They reported students who "were asking for practical help more than biblical or theological," who wanted to delve deeper into discussions of "savings, retirement, and insurance needs." They utilized readily available tools and training programs as well as local financial experts. However, some schools reported that students were frustrated when financial literacy interventions did not match the theology of the school or the financial contexts of the students. At one school, students were "offended by an over-emphasis on fundraising within a pro-capitalist framework with little theological or ethical depth or dissatisfied with the absence of presentations on ministerial or broader religious leadership."

Schools adjusted their programs by finding new financial literacy programs or developing programs of their own. Some shifted from questions of personal financial literacy to systemic issues such as financial inequity in the United States or the global economy. Each school had to find the right entry point to discuss money and finances within its own institution.

Schools in the midst of institutional transitions—including curricular revisions, new degree programs, changing leadership, or financial challenges—used these transitions as entry points for conversations about the economics of theological education and ministry. These schools focused on research related to educational debt, financial analysis of scholarship programs or current administrative structures, curricular revisions, and capital campaigns.

During the next phase of the grant, ATS will research the various entry points, trajectories, and measures of effectiveness being used by participating schools, with the goal of determining which approaches or combinations of approaches are most effective for various institutions.

Conclusion

The ECFFM project has slowly unfolded over the last few years. Early learning focused on educational debt levels and personal financial literacy. The second year of the project addressed more systemic issues including the relationship between educational debt and tuition, the culture of silence around money and debt, and the webs of financial support for future ministers, theological education, and the communities of faith they serve.

The project, however, has also raised several questions. First, many schools report their projects as having an immediate positive impact on the financial lives of students. Schools note a decrease in the overall number of students taking out educational loans. At some schools, this decrease has been sudden and dramatic. However, few schools are able to report a decrease in the average amount students borrow. Students taking out loans continue to borrow greater amounts. An ever-widening gap is developing between low-debt and high-debt students at several institutions. More research is needed to determine effective strategies for helping students with the highest levels of educational debt.

A second, related question has to do with educational debt among black students. The wealth gap between the black community and other racial/ethnic groups in the United States, the disparity in wages, and the impact this economic injustice has on historically black institutions, including theological schools and churches, all have a significant impact on how debt operates in the lives of black students. More research is needed on the financial ecology of black seminary students and historically black theological schools in order to determine effective strategies for addressing these economic issues.

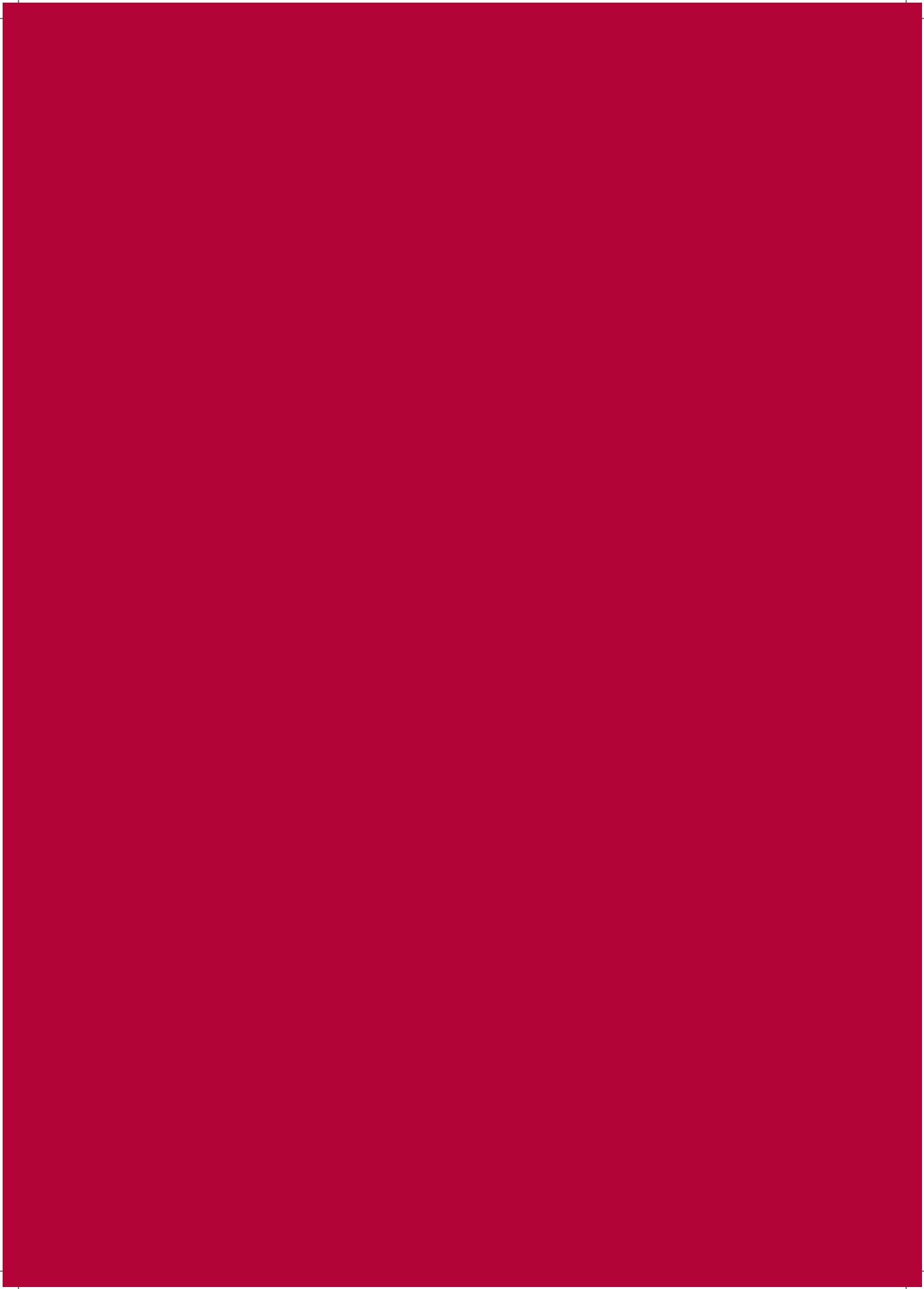
A third question has to do with new educational models emerging in theological education, including revised curriculum, part-time or online programs, and accelerated bachelor's-to-master's programs. A few schools have attempted more broad-reaching systemic changes, including new tuition structures, enrollment management strategies, and competency-based approaches. While many of these new models were intended to lower educational debt, the changes are too recent to determine their actual impacts on debt or the finances of the institution.

Much of the learning related to the ECFFM Initiative has focused on students and theological schools, but the intent of the grant is much broader, seeking to address the economic challenges facing congregations

and other communities of faith. The goal is not just lowering educational debt but also equipping financially literate and theologically wise leaders. As theological schools send out graduates with less debt and more financial skills, those graduates help lead more financially healthy congregations, which are then able to do more ministry, give more money, and send more financially healthy students to theological schools. The result is a virtuous cycle that renews the entire system rather than just the individual student. Such work takes time, patience, and perseverance.

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Issue Focus



Spiritually-Integrated Financial Resilience: Helping Seminary Students Respond to Financial Stress

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ABSTRACT: Psychological findings about the prevalence of financial stress, its associated health problems, and the lack of support led us to develop a bio-psycho-spiritual-cultural understanding of the moral stress of student debt and an initiative to foster spiritually integrated financial resilience. MDiv students at Iliff School of Theology who participated in this program demonstrated decreased guilt and shame and increased self-compassion as well as an increased readiness to successfully engage in fundraising activities.

Money has been the leading cause of stress for people in the United States throughout the seven years of the American Psychological Association's annual survey on stress.¹ Three out of four Americans felt stressed about money in the past month; one out of four felt financial stress most or all of the time. The same survey found that 36 percent of Americans are uncomfortable talking about money, 18 percent say money is a taboo family topic, and 43 percent do not get any emotional support when they worry about money. Financial stress is associated with health risks like high diastolic blood pressure and depression.²

1 Sophie Bethune, "Money Stress Weighs on Americans' Health," *APA Monitor* 46, no. 4 (2015): 38; <http://stressinamerica.org>. The APA study on stress in America has raised awareness about pervasive and chronic financial stress. The APA offers many helpful resources on financial stress and health on its website and describes the benefits of counseling in this area.

2 Karen A. Matthews and Linda C. Gallo, "Psychological Perspectives on Pathways Linking Socioeconomic Status and Physical Health," *Annual Review of Psychology* 62 (2011): 501-530, doi: 10.1146/annurev.psych.031809.130711; Richard H. Price, Jin Nam Choi, and Amiram D. Vinokur, "Links in the Chain of Adversity Following Job Loss: How Financial Strain and Loss of Personal Control Lead to Depression, Impaired Functioning, and Poor Health," *Journal of Occupational Health Psychology* 7, no. 4 (2002): 302-312, doi: 10.1037/1076-8998.7.4.302.

Coping with financial stress takes various forms, from problem solving to avoidance. The APA survey found that millennials (born in 1981 onwards) reporting extreme stress about money are more likely than their low-stress counterparts to use “sedentary or unhealthy behaviors to manage their stress, such as watching television/movies for more than two hours per day (58 percent vs. 35 percent), surfing the Internet (67 percent vs. 35 percent), napping/sleeping (46 percent vs. 24 percent), eating (41 percent vs. 19 percent), drinking alcohol (25 percent vs. 9 percent), or smoking (21 percent vs. 3 percent).”³ Such coping behaviors are understandable, given a lack of emotional and family support across all age groups, and they may reflect family patterns of coping with financial anxiety.

Avoidance often goes hand-in-hand with financial illiteracy. Most Americans today have “relatively low levels of financial literacy,” according to the Finra Investment Education Foundation,⁴ which has been measuring Americans’ financial knowledge, attitudes, and well-being for many years. Among the 25,000 people who completed an online six-question assessment of fundamental financial knowledge, financial literacy has decreased from 42 percent in 2009 to 37 percent in 2015. Of particular concern is the lack of knowledge about how compound interest works, which can get people with debt into deeper trouble. Also alarming is the discrepancy between perceived and actual financial knowledge—76 percent of respondents gave themselves a very high rating on financial knowledge, yet only 37 percent scored at least 80 percent correct on basic financial literacy questions. Only 39 percent of people have tried to determine how much money they will need in order to retire. Such false confidence could easily lead to avoidant coping that masks underlying financial anxiety.

Higher levels of debt are correlated with lower self-esteem, lower productivity, and increased stress.⁵ These relationships are more complex than they seem. Research on measuring conscious and intuitive emotional anxiety about personal finances demonstrates that financial anxiety is distinct from depression and general anxiety.⁶ Contextually sensitive research

3 American Psychological Association, *Stress in America* (Washington, DC: American Psychological Association, 2015), 6.

4 See <http://www.finrafoundation.org/> for research reports.

5 Gilla K. Shapiro and Brendan J. Burchell, “Measuring Financial Anxiety,” *Journal of Neuroscience, Psychology, and Economics* 5, no. 2 (2012): 92–103, doi: 10.1037/a0027647.

6 Ibid.

on intersecting aspects of social identity, like race and social class, may also help tease out the complexities of financial stress.⁷

One way to consider the effects of financial stress is to use the transactional model of stress and coping. This model explores interactions among people's appraisals of stress, their coping resources and strategies, and outcomes, like mental and physical health, distress, or well-being.⁸ For example, avoidant and problem-focused coping styles may negatively or positively mediate and moderate associations between debt stress and psychological distress.⁹ Some studies link avoidant coping styles with increased financial stress,¹⁰ while other studies demonstrate what are probably the short-term benefits of avoidant coping associated with lowered debt stress among graduate psychology students in the midst of their degree programs.¹¹

While there has been extensive research on the mediating and moderating effects of negative and positive religious coping styles with stress in general, there is scant research on religious coping in response to financial stress. One doctoral study found that religious coping did not moderate the impact of time constraints and financial stress on marital adjustment for graduate student couples at a religious university.¹² With burgeoning research on the frequency and impact of religious and spiritual struggles

7 Linda C. Gallo, Smriti Shivpuri, Patricia Gonzalez, Addie L. Fortmann, Karla Espinosa de los Monteros, Scott C. Roesch, Gregory A. Talavera, and Karen A. Matthews, "Socioeconomic Status and Stress in Mexican–American Women: A Multi-Method Perspective," *Journal of Behavioral Medicine* 36, no. 4 (2013): 379–388, doi: 10.1007/s10865-012-9432-2; Matthews and Gallo (2011).

8 Richard S. Lazarus and Susan Folkman, *Stress, Appraisal, and Coping* (New York: Springer, 1984).

9 Paul L. Hewitt and Gordon L. Flett, "Personality Traits and the Coping Process," in *Handbook of Coping: Theory, Research, Applications*, edited by Moshe Zeidner and Norman S. Endler (Oxford, England: John Wiley & Sons, 1996), 410–433.

10 Martha E. Wadsworth, Tali Raviv, Bruce E. Compas, and Jennifer K. Connor-Smith, "Parent and Adolescent Responses to Poverty-Related Stress: Tests of Mediated and Moderated Coping Models," *Journal of Child and Family Studies* 14, no. 2 (2005): 283–298, doi: 10.1007/s10826-005-5056-2.

11 Amber N. Olson-Garriott, Patton O. Garriott, Marybeth Rigali-Oiler, and Ruth Chu-Lien Chao, "Counseling Psychology Trainees' Experiences with Debt Stress: A Mixed Methods Examination," *Journal of Counseling Psychology* 62, no. 2 (2015): 202–215, doi: 10.1037/cou0000051.

12 Vanessa L. Martiny, "A Needs Assessment of Religious Graduate Student Marriages," (2004), ProQuest Information & Learning, EBSCOhost, 64.

across religious traditions,¹³ there are now many sophisticated research measures for exploring interactions among debt stress, religious/spiritual/moral struggles, and how religious and spiritual resources might relieve or exacerbate such stress.

Spiritually Integrated Financial Resilience (SIFR)

Psychological findings about the prevalence of financial stress, its associated health problems, and the lack of support led us to wonder about the emotional and spiritual consequences of high debt stress for MDiv students at Iliff School of Theology. We surmised that current and future students could easily be among those Americans experiencing extreme financial stress and at risk for associated health problems related to avoidant coping. We wanted to explore how emotional and spiritual support—along with theological meaning-making about financial stress, financial management, and fundraising—might equip our graduates to deal with their own stress and help others in distinctly spiritual ways. We also wanted to reflect on how the burden of student debt affects staff and faculty who recruit and retain students. These members of the Iliff community may be more or less sensitive to students' moral stress and experiences of value conflicts that arise when students

- maintain professional jobs that maximize salaries while they are completing their graduate studies;
- strive for academic success and belonging;
- cope with financial stress and anxiety, including questions about whether they should drop courses, drop out of school, cut back on professional work, or take out loans for living expenses; or
- are challenged to balance work, family, and academic responsibilities.¹⁴

13 See, for example, Julie J. Exline, Kenneth Pargament, Joshua B. Grubbs, and Ann Marie Yali, "The Religious and Spiritual Struggles Scale: Development and Initial Validation," *Psychology of Religion and Spirituality* 6, no. 3 (2014): 208–222, doi: 10.1037/a0036465.supp.; David F. Bradley, Alex Uzdavines, K. I. Pargament, and Julie Exline, "Counseling Atheists Who Experience Religious and Spiritual Struggles," in *Thriving on the Edge: Integrating Spiritual Practice, Theory, and Research*, edited by A. Schmidt, M. Chow, P. Berendsen, and T. O'Connor (2016); and Julie Exline and E. Rose, "Religious and Spiritual Struggles," in *Handbook of the Psychology of Religion and Spirituality*, edited by R. F. Paloutzian and Crystal Parks (New York: Guilford Press, 2005), 315–330.

14 Carrie Doehring, "Systemically Exploring Student Debt: Methodological Challenges for Pastoral Theology," *Pastoral Psychology* 65, no. 5 (2016): 631–641, doi: 10.1007/s11089-016-0696-2.

Given the grim realities of financial stress in America and the ways people are paying for this stress with their health, our long-term goal was to help Iliff students and other Iliff stakeholders develop spiritually integrated financial resilience. Resilience is not an individual trait but rather an interactive relational process that supports positive ways of coping in the midst of adversity and risk.¹⁵

To this end, we designed a multi-layered and systemic initiative for all Iliff stakeholders (students, staff, faculty, trustees, and denominational partners). We hoped the initiative would generate and nurture an Iliff culture of resilience by helping stakeholders experience compassionate support that offsets the isolation of shame, guilt, and/or avoidant coping. The distinctively spiritual and theological aspects of our initiative were designed to foster spiritual integration by using intrinsically meaningful spiritual practices that promote self-compassion. In turn, these practices would increase awareness of how often shame, guilt, fear, and anger generate life-limiting spiritual orienting systems/theologies of debt that are further shaped by attitudes embedded within family systems and the US consumer culture.

We also sought to increase coping through problem-solving by helping students become more financially literate and more effective fundraisers. We approached this in ways consistent with Iliff's progressive theological orientation that is respectful of all religious and spiritual practices and beliefs. We encouraged students to interweave financial literacy with theological literacy that draws on traveling knowledge from all of the critical methods they use to study religion. In this way, Iliff's formation curriculum would help students integrate knowledge and experience, moving them from *literacy* to financial and theological *fluency* when thinking and speaking about financial stress and the burden of student debt.

Spiritually integrated financial resilience would help our graduates live with the long-term reality that the average United Methodist MDiv student graduates with \$49,000 in student debt. The annual compensation needed to repay this debt on a standard 10-year plan is about \$85,000, but the average annual compensation for full-time clergy with one year of service or less is approximately \$50,000. The popular rhetoric of wanting our graduates to "flourish" is naïve in this context and could reinforce

15 Ungar, Michael, *The Social Ecology of Resilience: A Handbook of Theory and Practice* (New York: Springer Science + Business Media, 2012), 1.

the judgment and shame of the North American dream that working hard enough will lead to financial security. Given the realities of pervasive and chronic financial stress, especially for those seeking meaningful yet lower-income vocations requiring graduate education, we proposed goals of relational resilience¹⁶ and spiritual integration. We would achieve these goals by helping students draw upon compassion-based spiritual practices and engage theological reflexivity focused on daily experiences of financial stress. In the long term, we wanted to develop financially resilient leaders who could create and sustain financially resilient institutions where beliefs, values, and ways of coping with financial stress align in theologically complex ways.

Iliff's SIFR initiative

At the beginning of each of the 2014–2015 academic year, we recruited a cohort of students to become Spiritually Integrated Financial Resilience (SIFR) Scholars. Nineteen students initially formed Cohort 1 (2014–15); Cohort 2 included 13 students. These SIFR Scholars committed to taking a year-long sequence of four courses: (1) Self-Care: Theological and Psychological Perspectives, (2) Spiritual Framework for Fundraising, (3) Financial Management, and (4) Authentic EngagementTM (AE). The integrative learning process of these courses is grounded in Iliff's AE process, developed as a pioneering partnership with business leaders.¹⁷ The process helps students, faculty, staff, trustees, and denominational partners

- identify and theologically assess their emotions, lived values, and beliefs about student debt;

16 Our initiative draws upon many of the key components of resilience identified in Steven M. Southwick and Dennis S. Charney, *Resilience: The Science of Mastering Life's Greatest Challenges* (New York: Cambridge University Press, 2012): maintain an optimistic but realistic outlook; confront your fears; rely on your own inner moral compass; draw on faith, religion, and spirituality; seek and accept social support; identify and imitate sturdy role models; commit to good health; train to be physically fit; challenge and develop your mind and stay mentally sharp; show flexibility in response to crises and learn to problem solve; and find meaning and purpose in your life and opportunities for growth.

17 Edward Antonio, Kelly Arora, Carrie Doehring, and Albert Hernandez, "Theological Education and Economic Revitalization: Creating Sustainable Organizations through Authentic Engagement," *Theological Education* 48, no. 2 (2014): 57–67.

- develop relationships of “interconnected and inclusive otherness” that embrace the diversity of values around and experiences with student debt resident in our community;¹⁸ and
- create shared values that generate strategies to foster organizational integrity, resilience, and complex approaches to the financial stress of high student debt levels.

We used workshops to engage Iliff faculty, staff, trustees, and denominational partners in theologically reflexive exploration of the stresses associated with student debt. Our goal was to reinforce compassionate ways of addressing the stress of student debt based on a shared value of theologically progressive justice. Hoped-for tangible outcomes were reduced student debt, increased fundraising activity and results, and compassionate theologically based social support to counteract judgment and blame internalized from the North American dream.¹⁹

At a more concrete level, the SIFR Initiative helps students successfully raise funds for matching scholarships. Although research from The Association of Theological Schools shows that increasing scholarship funds for students is not correlated with decreased student debt, we anticipated that a matching scholarship program would help our SIFR Scholars learn about and practice theologically progressive fundraising skills.

Measuring Spiritually Integrated Financial Resiliency

Our bio-psycho-spiritual-cultural theory of financial stress posited that the North American dream could generate shame, guilt, and avoidant coping by attributing student debt and financial stress to individuals who do not work hard enough. These emotions generate moral intuitions about financial stress.²⁰ We describe these moral intuitions theologically as the

18 Ibid., 60.

19 See “Systemically Exploring Student Debt,” in which a bio-psycho-spiritual-cultural understanding of the moral stress of student debt is based on psychological research on moral emotions, moral stress, compassion, religious struggles, religious coping, and spiritual integration; cultural theories of intersectionality and cultural emotions arising from the North American dream of achievement through individual hard work; and religious and pastoral theological studies of lived religion, lived theologies, and liberative spiritual integration.

20 Jonathan Haidt, “The Moral Emotions,” in *Handbook of Affective Sciences*, edited by Richard J. Davidson, Klaus R. Scherer, and H. Hill Goldsmith (New York: Oxford University Press, 2002), 852–870.

pre-reflective embedded values and beliefs of the North American dream that

- hold individuals responsible for suffering and redemption;
- place hope in the future on higher authorities (deferring to God and/or the government) while surrendering individual self-agency; and
- generate chronic spiritual struggles that make it challenging for students to think in complex theological ways about the ambiguous suffering caused by financial stress and the collective burden of student loans.

We designed an online anonymous survey to capture students' demographic data, emotions, values, and beliefs about educational debt; basic measures of financial literacy; stress levels; and levels of perceived support to cope with financial stress. Questions about shame, guilt, externalization, and self-compassion were adapted from the shortened version of the TOSCA-3 (Test of Self-Conscious Affect) developed by June Price Tangney and Ronda Dearing.²¹ Tangney gave us permission to revise items in order to depict seven financial stress scenarios, each with four choices measuring responses of self-compassion, shame, guilt, and externalization. The original TOSCA-3 scale has items that describe detachment, which Tangney advised us to drop given the paucity of reliable results. She agreed that it made sense to add responses of self-compassion.

In this article, we share initial outcomes from survey data provided by members of the Iliff student body (a quasi-control group) and two cohorts of SIFR Scholars. Each SIFR cohort completed an identical survey in the fall of their first academic year at Iliff and again in the spring of that academic year, after they had completed the SIFR course sequence. Sample sizes are small (student body: 51 respondents / SIFR Cohort 1: 19 fall, 9 spring / SIFR Cohort 2: 13 fall, 13 spring), so our ability to generalize from these results is limited, but we are encouraged by the trends.

21 June Price Tangney and Ronda L. Dearing, *Shame and Guilt* (New York: Guilford Press, 2002).

Initial outcomes

Iliff’s matching scholarship program has been successful across the student body. In academic year 2014–15, all students were eligible for up to a \$3,000 match on funds raised from professional organizations and non-family/friend sources. SIFR Scholars were eligible for an additional \$3,000 match from Lilly Endowment funds. During that year, 68 students raised \$276,000 toward these matching scholarships. In 2015–16, \$3,500 matches were available, and 105 students raised \$379,000. The success of the matching scholarship program continues to shape Iliff’s approach to student financial support. In 2016–17, we will require students to meet with Iliff’s new fundraising coach to help them maximize their fundraising efforts. Table 1 shows that since the inception of the SIFR Initiative, SIFR Scholars have looked favorably on the matching scholarship program as a measure of institutional support, with these favorable feelings increasing over time.

Table 1. Median Responses to “Iliff’s matching scholarship program reflects the institution’s commitment to reducing educational loans.” *Response range: 1 (Strongly Disagree) to 5 (Strongly Agree).*

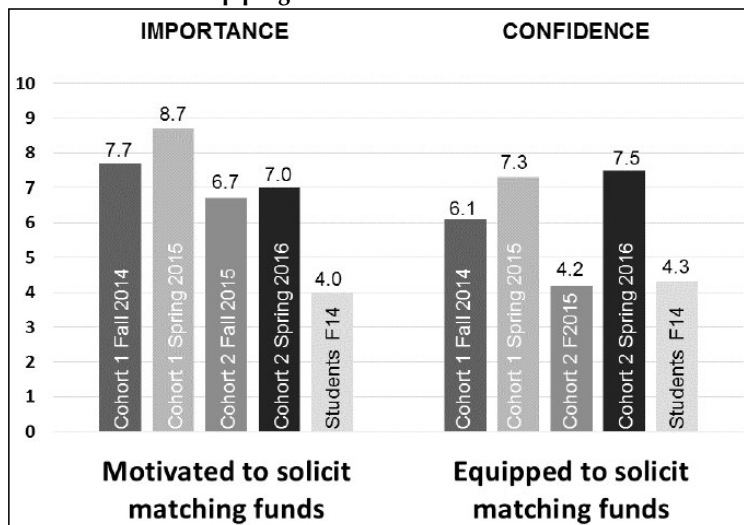
	Fall 2014	Spring 2015	Fall 2015	Spring 2016
General student body	3.4	-	-	-
Cohort 1 SIFR Scholars	4.1	4.4	-	-
Cohort 2 SIFR Scholars	-	-	3.8	4.3

Source: Iliff School of Theology

We engaged Motivational Interviewing theory to evaluate students’ readiness to successfully engage in fundraising activities. People are more likely to succeed at making long-term behavioral changes when the change is important to them and they are confident in their abilities to affect that change. Both SIFR Scholar cohorts showed increased levels of importance and confidence from fall to spring, after they had completed the Spiritual Framework for Fundraising course and engaged in their own matching fundraising activities. We see a more dramatic increase in Cohort

2's median level of confidence about change (see Figure 1). The general student body clearly lags behind SIFR Scholars on both dimensions.

Figure 1. Importance of and confidence to engage in Iliff's matching scholarship program



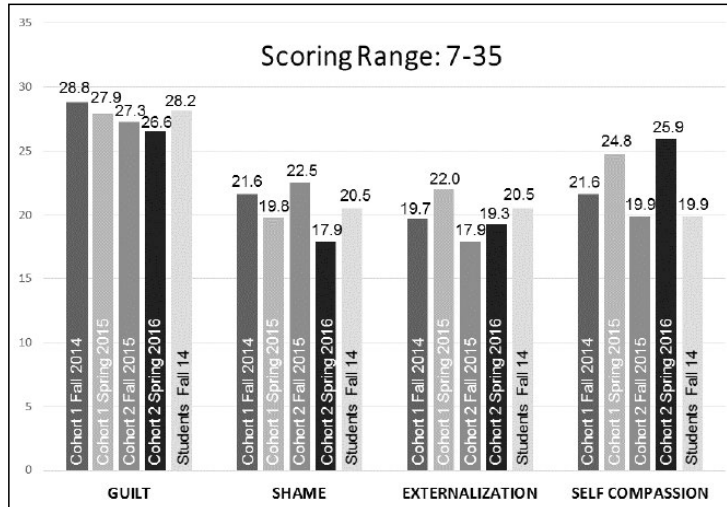
Source: Iliff School of Theology

Students and SIFR Cohort 1 generally disagreed with a survey statement that they were currently experiencing stress related to debt. Median scores on a 5-point scale: 2.1 for students in fall 2014, 2.6 for Cohort 1 in fall 2014, and 2.1 for Cohort 1 in spring 2015. SIFR Cohort 2 was more neutral about the statement: median scores of 3.5 in fall 2015 and 3.2 in spring 2016. Higher scores for Cohort 2 may reflect more explicit attention paid to educational debt within the broader Iliff community during the second year of the SIFR Initiative. In general, neutrality/disagreement with the statement about current stress may indicate use of avoidant coping behaviors.

Responses from the modified TOSCA-3 scale portion of the Iliff survey reveal encouraging trends in support of our theory that enhanced compassion about student debt (both for self and for/from others within the broader community) may lead to greater financial resilience (see Figure 2). Between the fall and spring quarters, SIFR Scholars in each cohort took the self-care course, where they focused on practices of compassion for self and others in support of change behaviors. In both cohorts, we see decreases in shame and guilt between fall and spring. Cohort 2 shows a slight increase in externalization (avoidant coping behavior), but we hesitate to draw

conclusions about this shift in a sample size of 13 students. Of particular interest are the relatively dramatic increases in self-compassion reported by both cohorts. There is also a significant difference in self-compassion levels between SIFR Scholars and the general student population.

Figure 2. Shame Scale Measures



Source: Iliff School of Theology

Overall, survey results suggest that the matching scholarship program helps Iliff students cope with educational debt in a practical way. We now wonder what effect the matching scholarship program and fundraising coaching process will have on the amount of debt students take on when they begin their academic journeys at Iliff. On the SIFR surveys, most students indicated that Iliff scholarships and tuition waivers reduced their needs for student loans. We did not ask specifically about the matching program, as it was in its infancy when we developed the survey. We would also like to determine if the perceived lower need for loans resulted in fewer/smaller loans or simply less stress about the loans students opted to take.

Results also suggest that coursework and community engagement in dialogue around educational debt are helping students to develop greater financial resilience as they face the realities of their debt loads. That said, we have much yet to learn. For example, do low stress levels about educational debt correlate with avoidant coping? Do stress and avoidant coping behavior diminish as Iliff further integrates elements of the SIFR Initiative into the life of its community? What does data from the externalization

dimension of the Shame Scale tell us about students' uses of avoidant coping practices? We will explore these and other questions to identify additional ways to help students address their education debt levels and respond in spiritually resilient ways to financial stress.

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Building a Theology of Economics: The Connective Tissue between Mission and the “Business” Demands of Faith-Based Organizational Leadership

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ABSTRACT: An educational deficit exists in theological preparation for ministry around the issues of finances and organizational management. Many schools have added church administration courses to their curriculums, but the courses are incomplete if they lack the intellectual connective tissue that marks the distinctive mission of a faith-based organization. This article will explore one school’s efforts to blend an applied theology of economics into its curriculum through a three-way partnership among denominational CFOs, a university’s business school, and a seminary faculty.

The need for an applied theology of economics

The relationship between faith and economics has been a recurring topic for theology, religious studies, and the social sciences. Sociologist Lisa Keister’s *Faith and Money*,¹ which provides a contemporary analysis of some of the terrain first explored by Max Weber in his seminal *The Protestant Ethic and the Spirit of Capitalism*,² and Roger Finke’s unique theory about the religious “marketplace” in *Acts of Faith*³ are examples of efforts to display the correlation, if not causal relationships, between religion and money. As capitalism has captured the imagination of one nation

1 Lisa A. Keister, *Faith and Money: How Religious Belief Contributes to Wealth and Poverty* (Cambridge, UK: Cambridge University Press, 2011).

2 Max Weber, *The Protestant Ethic and the Spirit of Capitalism*, 2nd Edition (Kentucky: Routledge, 2001).

3 Rodney Stark and Roger Finke, *Acts of Faith: Explaining the Human Side of Religion* (Berkeley: University of California Press, 2000).

after another worldwide, eclipsing many collectivist models of economy that were popular in the twentieth century, it is perplexing that there are not more practical theological resources wrestling with faith and economics.⁴ Thankfully, in the past 20 years, the relationship between ministry and money has become an important issue in seminary education, where we are preparing the next generation of religious leaders.

In 1992, Lilly Endowment Inc. addressed faith and finances in an important research report called *The Reluctant Steward*.⁵ That report was followed by another study 10 years later exploring the same themes, *The Reluctant Steward Revisited*.⁶ Both reports talked about the lack of enthusiasm among pastors and pastoral leaders for the more mundane duties associated with administration and financial realities in congregations and faith-based organizations. Seminary courses in church administration increased or became refined by this research, but the issues involved in the fiscal health of the church continued to sit on a back burner compared to other issues facing the Christian tradition. This changed in 2013, however, with Lilly Endowment's project: "Theological School Initiative to Address Economic Issues Facing Future Ministers" (ECFFM), an initiative designed to try and change one part of the conversation about faith and money—the lack of attention paid to the levels of educational debt that future ministers have been quietly racking up as they prepare for a field of employment with modest salaries that make paying off large debt of any kind improbable. This latest Lilly-ATS initiative is making it increasingly difficult to avoid the issues of finances and economics in seminary education circles.

4 There are some scholars and practitioners who have given this issue serious thought, although it is unclear how influential their texts have been either in ecclesial circles or seminaries. For some more recent efforts, see Luke Timothy Johnson, *Sharing Possessions: What Faith Demands*, 2nd Edition (Grand Rapids: Eerdmans, 2011); Mark Scandrette with Lisa Scandrette, *Free: Spending Your Time and Money on What Matters Most* (Downers Grove: Inter-varsity Press, 2013); Margaret J. Marcuson, *Money and Your Ministry: Balance the Books While Keeping Your Balance* (Portland: Marcuson Leadership Circle, 2014).

5 *The Reluctant Steward: A Report and Commentary on the Stewardship and Development Study* (Indianapolis, IN, and St. Meinrad, IN: Christian Theological Seminary and St. Meinrad Seminary, 1992).

6 Daniel Conway, *The Reluctant Steward Revisited: Preparing Pastors for Administrative and Financial Duties; A Report and Commentary on a Study Conducted by Saint Meinrad School of Theology with funding from Lilly Endowment Inc.* (St. Meinrad, IN: St. Meinrad School of Theology, 2002).

To us as participants in this faith-finance initiative, it has become clear at Seattle University's School of Theology and Ministry that engaging the complexity of the relationship of faith and finance is essential to the future of seminaries and the future of the church. It is evident that students need to develop a versatile *applied* theology of economics, one preparing pastors and pastoral leaders to talk intelligently about two topics that have been neuralgic in much of Christianity for decades: *money* and the challenges people of faith face in the *workplace* where they *earn money* to support themselves, their families, and the church. As America (and other countries) has become increasingly "consumerized," too often the church and its leaders have been shockingly silent about the moral implications of this cultural economic shift, or woefully unprepared to discuss intelligently the competing values and reorientation of relationships that are a product of consumer capitalist systems.

Some people of faith support capitalist economics almost uncritically, and others consider it the seed of the devil, but capitalism is really a mixed bag. It is an economic system that can elevate the poor to a life of greater dignity or dehumanize a nation's citizens by converting them from persons to commodities. Many of us teaching in seminaries know what is wrong with the capitalist system, but few of us know what is right. Max Roser, a German economist at the University of Oxford known for his pioneering research on trends in living conditions throughout the world, has crunched the huge numbers in global databases and concludes that capitalist economies should get the credit for reducing many aspects of human suffering. His research shows dramatic worldwide declines in hunger and poverty as well as major upticks in the number of people having access to education, healthcare, and better standards of living. He argues that seeing the advance of a global capitalism as only a negative reality is an expression of ignorance or a distortion of the facts. But he is not a Pollyanna for capitalism. He shows deep concern, for instance, with rising income inequality across the globe and other negative trends.⁷

If religious traditions are to impact this runaway economic system, help faith communities negotiate this terrain, and provide spiritual support and guidance for congregants who must work in this system every day, then religious leaders need to have an applied theology of economics

7 Some of Roser's data and interpretation is available in his open access site, accessed August 27, 2016. <https://ourworldindata.org>.

to accompany critical financial and management skills. Such a theology requires deep and sophisticated thought about economics in light of the teachings of a faith tradition, as well as advanced skills in assisting others with discerning how to live in an economic system that can provide so many blessings and curses to the human race.

Creating a new integrated curriculum

In 2012, after hearing increasingly from the 13 partner denominations in our “intentionally ecumenical” school as well as our alumni/ae that financial challenges were haunting almost every aspect of the church’s mission, the School of Theology and Ministry started addressing the financial issues of ministry in a new way. The collective issues that began to surface were staggering in their breadths and complexities: unmanageable student debt burdens, massive bills on deferred maintenance in older congregational buildings, insufficient first-call salaries and benefits packages, older ministers with insufficient financial resources to retire, and vibrant and relevant faith-based organizations with unsustainable business plans. The issue of faith and money has a special resonance for the School of Theology and Ministry given its location in Seattle, one of the wealthiest cities in the world that simultaneously has one of the biggest metropolitan homelessness problems. The School of Theology and Ministry applied for the ECFFM grant as part of its commitment to address this larger palette of financial issues facing the church in the Pacific Northwest. The grant, and the network of people engaged with this issue across the United States, has opened entirely new vistas for the school on this complicated aspect of the church’s mission.

After receiving its grant, the School of Theology and Ministry established two complementary advisory structures. One consists of chief financial officers and key financial leaders from seven of our 13 partner denominations—American Baptist, Episcopalian, Evangelical Lutheran Church in America, United Church of Christ, Roman Catholic, Community of Christ, and United Methodist. The other advisory group comprises faculty members from Seattle University’s award-winning Albers School of Business and Economics. The religious locations of these business advisors are even more diverse—Evangelical, Lutheran, Roman Catholic, and interestingly, two people of the Jewish Reform tradition, one Buddhist and, in the early meetings, an accountant grounded in the Hindu tradition. One learning from this faith-finance experience can see that the disconnect

between theological thinking, religious values, and sound financial thinking and acting is not just a Christian problem.

Over the course of working for a year and a half with these two advisory groups, we have surfaced a host of pressing ecclesial issues dealing with money, money management, and administration that is informing a financial literacy and management curriculum we are developing for current seminary students and working pastors. In order to build a curriculum that teaches practical financial and administrative perspectives and skills, we have followed the traditional business model by creating case studies. Working with our denominational financial managers, we have surfaced more than 40 case studies on financial issues that our partner denominations have faced. The following is one of the more heartbreaking examples:⁸

Pastor and Insurance Case Study

A small, but fast-growing church, with modest financial resources, hired a 30-year-old pastor, who had two young children (ages four and six). The church had every intention of enrolling the pastor in the denomination's benefit plan that included retirement, disability, and life insurance but because of a lack of attention to financial details on the part of the faith community's financial officers and the new pastor, the paperwork was never completed. After two years on the job, the young pastor had a massive heart attack and died suddenly, leaving his wife and two young children without life insurance settlement or other retirement benefits. Amidst all the grief and transition, the congregation experienced tremendous and debilitating guilt. For 15 years, the small congregation had a revolving door of pastors. Due to the lingering loss and guilt that marbled through the congregation's daily life, none of the pastoral leaders stayed longer than two years. It took a decade and a half for the congregation to move beyond its experience with the young pastor and his family to find enough stability in its common life to attract stable leadership.

8 Some of the details in all of our case studies have been changed in order to protect the privacy of the individuals involved as well as the ecclesial communities.

Because economic issues are connected to other facets of human experiences, it is no surprise that all of our case studies have real-life, non-economic consequences as well as the obvious economic ones. The school is using these case studies to build content and pedagogical strategies for our financial literacy and management curricula. Interestingly, one thing has become increasingly apparent to both advisory groups: the best financial skills and tools used by a pastor or pastoral leader will only have a truly positive impact on ecclesial communities if the church leader also has an applied theology of economics to accompany the skills.

The estrangement of Christianity and business

The need for a more theoretical theology of economics has been apparent to many scholars for years, and a body of literature is developing constructs for thinking theologically about money. However, there is less academic activity around trying to identify an “applied” theology of money. Such a theology equips leaders to provide religious and spiritual meaning (and guidance) to the many practical financial and administrative issues that come up every day in the lives of a congregation, a denomination, and a faith-based organization. Ultimately, this theology becomes the connective tissue between mission and the *business side* of ministry by providing a theological orientation and conceptual framework for talking about financial concerns. The more one wades into these issues, of course, the increasingly complicated it all becomes. Faith traditions approach economic issues in very different ways and frame these issues by drawing on different parts of the Christian tradition. Charles McDaniel has provided an interesting analysis of these differences, tracking through recent history a bell curve of Christian attitudes about economics ranging from Christian socialism on one pole to an almost unthinking support of the free-market philosophy of Friedrich Hayek, the father of Austrian economics, on the other.⁹ McDaniel suggests a third way, drawing from such theological thinkers as Reinhold Niebuhr, G.K. Chesterton, and Pope John Paul II,

9 Charles McDaniel, *God & Money: The Moral Challenge of Capitalism* (Lanham, MD: Rowman & Littlefield Publishers, Inc., 2007). McDaniels offers some preliminary resources for an applied theology of economics in the thought of Reinhold Niebuhr, G.K. Chesterton, and Pope John Paul II, all of whom had a great deal to say about a theological orientation toward economics.

all of whom had a great deal to say about the theological implications of money and economics.¹⁰

At both the theoretical and practical levels, Christian thinking about economics and social justice began to mature in the late nineteenth century, through the Social Gospel Movement in Protestantism and papal social teaching in Catholicism. Such thinking, however, has failed to keep up with the evolving dynamics of capitalism and culture, especially at the pastoral level. Ironically, religion and economics once had a unique and supportive relationship, albeit messy and inconsistent. In past centuries, God language and metaphysics provided a framework for many people of faith in society to discuss valid needs as opposed to destructive ones,¹¹ and a religious apprenticeship used to prepare one for ethical decisions, including business choices.¹² Conversely, throughout much of the twentieth century, religions learned to thrive in American society, in large part, by borrowing ideas from entrepreneurs and applying marketing techniques and technological innovation to their religious missions.¹³

But mainstream Christianity and business began a gradual process of estrangement toward the end of the nineteenth and beginning of the twentieth century. Robert Nelson, an unconventional economics professor, explains this disconnect as originating in the Progressive era's co-optation of Protestantism's Social Gospel agenda and the creation of a new cultural "priesthood" of economists who preached a gospel of progress and "scientific management of society" as an alternative to a traditional religious eschatological vision.¹⁴

As theological critiques of what economic structures were doing to the poor and marginalized became clearer through the second half of the twentieth century, many Christians were moving into the middle class and shifting from blue- to white-collar positions that required more

10 For an earlier effort at articulating the complicated issues and providing principles for a more applied theology, see Max L. Stackhouse, *Public Theology and Political Economy* (Lanham, MD: University Press of America, 1991).

11 M. Douglas Meeks, *God the Economist: The Doctrine of God and Political Economy* (Minneapolis: Fortress Press, 1989), 158.

12 Robert Wuthnow, *God and Mammon in America* (New York: Free Press, 1994).

13 L.L. Moore, *Selling God: American Religion in the Marketplace of Culture* (New York: Oxford University Press, 1994).

14 Robert N. Nelson, *Reaching for Heaven on Earth: The Theological Meaning of Economics* (Lanham, MD: Rowman & Littlefield Publishers, Inc., 1991).

management duties. This growing class of managers and leaders started discovering that their faith traditions no longer offered an engaging and meaningful interpretation of their own economic contexts, nor did they provide the guidance needed to face the complex ethical and spiritual issues of the modern work world. A body of research on this estrangement of middle class believers has been growing since the 1990s. Robert Wuthnow discovered a high level of ambiguity between most people's understanding of religious teaching on money and their experiences of their economic contexts. He also found that the religiously involved were just as likely to reduce and privatize their understanding and application of ethics to personal honesty as were the rest of the work force, resulting in an ethical perspective with fewer guidelines for specific behaviors.¹⁵ The finely shaded issues, which made up the majority of the ethical dilemmas in daily work situations, were largely ignored. In the latter 1990s, Laura Nash and Scotty McLennan further studied the ambiguity of God and mammon and found that church leaders tend to conceptualize business as a "monolithic profit machine"¹⁶ and tend to assume that those engaged in business compromise their Christian values as a requirement for success. Overall, Nash and McLennan found that religious leaders see business people as a "set of caricatures . . . (acting) like moral menials or moral genials, doing the necessary evils or taking on the role of Santa Claus."¹⁷ Meanwhile, research showed that most business people tend to think of religious leaders as "fuzzy thinkers" when it came to matters of economics, holding to simplistic understandings of complex economic realities and offering no useful ethical guidance.¹⁸ Nash and McLennan found that Christianity and American business are really two ships passing in the night.

15 Wuthnow, *God and Mammon*, 82–86.

16 Laura Nash and Scotty McLennan, *Church on Sunday, Work on Monday: The Challenge of Fusing Christian Values with Business Life* (San Francisco: Jossey-Bass, 2001), 102.

17 *Ibid.*, 258.

18 *Ibid.*, 131.

If economic systems need reformation, yelling at them from the sidelines will not help. Religiously-informed values, like compassion, kindness, peace-making, and justice will only come about through engagement with an economic system and its leaders and primary institutions. However, this is not an easy thing to accomplish. Few religious leaders, theologians, and well-intentioned people of faith really understand the dynamics of the world's economic systems.

Four models of a relationship between religion and economics

Developing the foundation stones for a biblically based practical theology of financial and administrative issues is precisely the motivation for Donald Senior's recent book, *The Gift of Administration: New Testament Foundations for the Vocation of Administrative Service*. In his explanation for the book, Senior notes that the disconnect between administrative and financial issues and theological understandings of mission and ministry became more significant in his own life as he moved from the professorate into the presidency of the largest Catholic seminary in the United States, the Catholic Theological Union (CTU). Once at the helm, Senior started noticing that nearly all of the available guiding principles for doing well at the necessary administrative duties of CTU came from secular research in areas like organizational psychology, fundraising, conflict resolution, and strategic planning. Virtually all of them lacked a solid biblical and theological grounding. His book attempts to address this gap in the literature. Senior devotes an entire chapter to finances and fundraising, noting that the church's pervasive lack of attention to all things fiscal has resulted in a troubling and persistent ministerial pattern—most Christians are unprepared by the church to make theological sense of one of the major commitments in their lives:

. . . silence about work and professional life—and all of the practical realities about money and management that go with it—is not uncommon in the pulpit and in the

consciousness of many pastoral leaders . . . Preachers may feel they have little to say about one of the most defining experiences of their parishioners' lives. And parishioners may wonder if any significant connection can be made between their faith and their professional and work-a-day world.¹⁹

In the midst of the ambiguity of the relationship between faith and money, and the quest for an effective applied theology of economics, some scholars have looked for patterns in theological positions on faith and money. Patrick Welch and J. J. Mueller²⁰ have surfaced four approaches to maneuvering the terrain between economics and business: economics separate from religion, economics in service to religion, religion in service to economics, and religion in union with economics. All four models exist in both economic and theological literature. The first three models are somewhat self-explanatory. According to Welch and Mueller, the fourth model—*religion and economics in union*—offers the greatest possibilities for both to remain true to their natures, while also working together to improve the human condition. The authors prefer this approach because they believe it gives economics and its structural dynamics their dues while assigning to religion “the distinctly human dimensions of economics,” including the right and requirement to question and challenge an economy’s practices. This model has been the approach taken by mainline religious organizations in the latter half of the twentieth century. Unfortunately, most attempts to create a theoretical division of the spheres of influence between religion and economics have provided little help in lessening the ambiguity between the teachings of faith traditions and the economic context experienced by most people of faith. An effective applied theology of economics needs some familiarity with all of these existing models so that pastoral leaders can assist people of faith with sorting through the competing values present in everything we do involving money and finances. There is clearly no simple way to think about these things as a follower of Jesus Christ.

19 Donald Senior, *The Gift of Administration: New Testament Foundations for the Vocation of Administrative Service* (Collegeville, MN: Liturgical Press, 2016), 107.

20 Patrick Welch and J. J. Mueller, “The Relationships of Religion to Economics,” *Review of Social Economy* 59, no. 2, (June 2001).

Future religious leaders must do more than shout at the rain when it comes to the economic forces swallowing up the world. We must integrate into our theological education the economic context in which most people of faith live their daily lives and express their religious beliefs. Although many of us are reticent to recognize or admit it, those mundane realities are critically important and influence all aspects of life. If future pastoral leaders cannot speak insightfully, relevantly, and persuasively about economic realities, our faith traditions will inevitably become irrelevant to the contemporary world. The Lilly Endowment initiative has helped the School of Theology and Ministry realize just how important these issues are to the mission of graduate theological education and the future leaders of our ecclesial communions.

“*If future pastoral leaders cannot speak insightfully, relevantly, and persuasively about economic realities, our faith traditions will inevitably become irrelevant to the contemporary world.*”

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Fundraising in Religious Institutions: Equipping Religious Leaders for New Contexts

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ABSTRACT: This article explores the practices necessary to prepare seminarians to lead financially healthy institutions. Additionally, we argue that, in highlighting the need to develop these skills within religious leaders, we are able to expand what we mean by stewardship, generosity, and fundraising. Reframing our approach from transactional to transformation giving, we illustrate how these skills and reimagined understandings are essential for success and sustainability for emerging religious leaders.

The next generation of religious leaders in the United States will be called upon to engage both personal and institutional economic challenges. Lake Institute on Faith and Giving, a part of the Indiana University Lilly Family School of Philanthropy, focuses on research, teaching, and public understanding around questions of faith and giving. Across Lake Institute's first decade, we have worked with thousands of congregations and their leaders, as well as scores of seminaries, divinity schools, and denominations on the mindset, practices, and tools necessary to build cultures of generosity. Too often the dominant perspective we first encounter is one of deficit. Alongside rising levels of student debt, most religious leaders we encounter describe feeling ill-equipped to discuss issues of money, stewardship, or fundraising within their organizations. The predominant approach to money in a faith-based context has been primarily transactional, focused on "paying the bills" and appealing to the sense of obligation many people of faith feel toward their congregations.

Of course, this need not be the case. Faithful conversation about money can instead focus on transformation. There is no single theology of money, but exploring stewardship and generosity theologically with a mindset of abundance has the potential to be transformative for an entire community. This shift from scarcity to abundance can influence the way

in which people of faith engage a consumerist culture, the way they live in relationship to others, and how they consider their own vocations. We are not competing for limited resources; instead, God invites people of faith into God's own abundance. This perspective prevents financial issues from being sidelined as merely one aspect of the operations of religious institutions. Instead, taking this approach encourages religious leaders to work out of their strengths, accessing a deep well of biblical and theological language that expands the moral imaginations of our communities. If our images of stewardship only appear to come from business managers and accountants, we may have fallen into the trap of believing that we simply borrowed stewardship from the business world. That presumption, however, undersells the centrality of a theology of money within Christian discipleship.

Most often, religious leaders attribute their anxiety and discomfort in discussing faith and finances in their communities to a lack of exposure and experience. At one level, this can be rectified with education and training. Yet at a deeper level, we have discovered that a more foundational concern is a reframing of the topic of money in ministry. Finances and administration are teachable skills, but many still enter into ministry with a narrow imagination for the ways in which stewardship can impact individuals and the faith practices of a community. In this article, we argue that addressing finances and fundraising in theological education must go far beyond the instrumental benefit of personal financial literacy and organizational fundraising. Deeper questions such as "why, what, or how should I give" are wrapped up in the even deeper questions of the power of material possessions, vocation, and how one lives out one's faith. If these are the deep struggles faced by the people entrusted to our care, they are at the heart of the calling of religious leaders and require the best of our pastoral imaginations.

State of religious giving

Charitable giving in the United States continues to rise, and among all non-profit sectors, faith-based organizations are by far the largest recipient of Americans' giving. Despite declining religious affiliation and attendance, giving to congregations remains the largest piece of the philanthropic pie (32 percent of all charitable giving in 2016), but it continues to lose market

share when compared to other charitable sectors.¹ Alongside evolving levels of commitment, congregations are facing increasing competition for the support of faith-based donors as the number of non-profits and fundraising appeals skyrocket.² The congregation may no longer be the primary locale for one's giving, even giving that is deeply religiously motivated.

Researchers agree that religiosity is often the best predictor of giving. Those Americans engaged in religious practices and faith communities are more likely to give, they give more often, they volunteer more, and they give more to both religious and secular causes.³ Faith can be a tremendous motivator for the stewardship of resources, and for giving. The trends surrounding religious giving demonstrate that it is the ability of the leader to engage these questions of meaning, purpose, and impact through theology, spiritual practices, and faith formation that serve as the key asset in developing generosity within the individuals and communities entrusted to our care. Framed in this way, stewardship again is not a means to an end or a competition with other organizations for scarce resources, but rather a dynamic part of Christian discipleship that must be nurtured.

Leaders as pastoral ethnographers and congregational exegetes

We have observed that pastors and other religious institutional leaders find themselves in need of skills and tools for gaining greater understanding of their pastoral contexts, in order to be more effective in engaging a range of leadership challenges. Not merely a collection of related individuals, a congregation has a story about its own identity and role in a larger community that pastors must excavate, contextualize, and often re-narrate to the people of that congregation. This is foundational to the work of organizational change, including the development of a more generous culture within a congregation or institution. It isn't enough to uncover the facts

1 Lilly Family School of Philanthropy, *Giving USA 2017 Report*, 2017.

2 The number of parachurch agencies and their budgets has grown at double the rate of local congregations over the past few decades. From 1995 to 2007, public charities grew by 78 percent and churches grew by 92 percent, but parachurch public charities grew at a rate of 190 percent. See Christopher P. Scheitle, *Beyond the Congregation: The World of Christian Nonprofits* (New York: Oxford University Press, 2010).

3 2006 Social Capital Community Survey (<https://www.hks.harvard.edu/saguaro/communitysurvey/>).

or read the history written for a major anniversary or milestone; leaders need to understand the point of view of their congregations' members. A religious leader, however, must be more than an embedded participant-observer or armchair anthropologist. Instead, religious leaders must build their skills at telling the peoples' stories back to them. We can think of this work in terms of ethnography or exegesis of the context or congregation.

The goal of ethnography itself is to arrive at a "thick description" of what is happening in a particular social setting, through the collecting of data from observation, interviews, or existing written sources.⁴ Thick description broadly refers to qualitative ethnographic inquiry that describes the observed social activity of individuals and communities within their context in order to make some meaning of this social activity.⁵ By learning enough about their communities to share a thick description with those inside and outside the community, religious leaders can begin to tell a community's story while helping the people to make meaning of it and setting it within a broader narrative. One gift of pastoral ethnography is that it does not take place in isolation; rather, leaders are empowered to set the story of their local organizations or congregations into the broad sweep of the traditions to which they belong. The story of a local congregation or ministry takes on much more significance for its members when a gifted leader can draw connections to the larger narrative within which we live and find meaning.

Just as a deep reading of scripture is the first step for preparing to teach or preach, ethnography is the first step in developing an exegetical approach to a community's identity. Not only do clergy offer care and pastoral leadership to the people in their communities, they also are called upon to analyze and explain the people to themselves. As Nora Tubbs Tisdale notes, "Just as no single approach is adequate for interpreting biblical texts, so no single method is sufficient when it comes to interpreting living bodies as complex, dynamic, and multidimensional as local

4 Clifford Geertz, "Thick Description: Toward an Interpretive Theory of Culture," in *The Interpretation of Cultures: Selected Essays* (New York: Basic Books, 1973), 3–30.

5 Joseph G. Ponterotto, "Brief Note on the Origins, Evolution, and Meaning of the Qualitative Research Concept 'Thick Description,'" *The Qualitative Report* 11, no. 3 (2006): 543. <http://www.nova.edu/ssss/QR/QR11-3/ponterotto.pdf>.

congregations.”⁶ Clergy need to develop comfort with analysis, contextualization, and interpretation of the history and activity of a congregation, just as they have in interpreting scripture. Leaders can shed light on the identity and activity of their communities, just as they clarify and interpret complex texts to make meaning for those they lead.

While we believe few will dispute our call to develop leaders as pastoral ethnographers and exegetes of their communities, we believe fewer have suggested the necessity of applying such an approach to issues of money. Again, financial concerns are often set apart as “secular”—the means to the more “sacred” ends of ministry. This can reduce the place of money in an organization’s life to mere transaction—the business behind the mission—rather than something inherently connected to the purpose of the congregation or organization. And yet, few leaders have emerged from contentious debates with the finance committee or board of trustees without realizing that there was a clear history to the particular way that their organizations approached the issue of money or stewardship. Just because we are dealing with numbers and spreadsheets does not mean there are not deep cultures around money and stewardship in our institutions. What are the stories, theologies, and cultures behind questions such as:

- How does budget planning happen?
- Who participates in the process?
- Does the community have a history of pledging? Do they do it publicly?
- How is stewardship communicated by laity and clergy?
- If you have an endowment, how do you use it and who makes those decisions?
- How do you discuss debt or budget shortages? How do you celebrate success?

Issues of money often have the most developed but underexplored cultures within our institutions, yet as pastoral ethnographers we are also aware that the institutional cultures in which we lead are not independent from the larger cultures in which we live. Often, an American individualist culture works against our religious traditions by emphasizing the

6 Leonore Tubbs Tisdale, *Preaching As Local Theology and Folk Art* (Minneapolis: Augsburg Press, 1997), 57.

necessity of achieving financial prosperity as the marker of success. And while we are seeking financial prosperity, the same consumerist culture portrays a sense of scarcity—that there is never enough. As consumers, we have no problem talking about money, and we proudly display labels and brands even as we brag about the deals we scored on Black Friday or Cyber Monday. Yet, maybe precisely because of the prevalence of money-talk in our daily lives, these individualistic and consumer cultures often trump the call to stewardship from within our faith traditions and serve as barriers to generosity. Our congregational cultures often parrot the scarcity mindset we find in our larger cultures.

In studying congregations, sociologists of religion Patricia Snell Herzog and Brandon Vaidyanathan discovered three key obstacles to generosity.⁷ The first is wealth insecurity. These anxieties are dramatically evident for religious leaders who find salaries and benefits provided for their work insufficient to provide for their families much less repay the significant debt many incurred through their professional theological education. When facing their own guilt, shame, and anger over their own financial situations, many pastors feel uncomfortable or inadequate discussing financial stewardship, and so they ignore the topic altogether. The second obstacle is giving illiteracy. Because of the taboo of money talk, most often, our faith communities speak little about stewardship of finances and offer unclear expectations for those seeking guidance. Some traditions talk of a tithe, others ask engaged members to do whatever they can, and still others ask for sacrificial gifts. Worried that we might offend, we speak in abstractions and therefore offer little clarity as to what any standard of generosity might be. The third obstacle Herzog and Vaidyanathan label as “comfortable guilt.” Most of us believe that our faith requires us to give, but we are content to give just enough to make peace with our conscience that we are not giving more. We are too comfortable, even knowing that our giving does not match our own expectations for what our faith tradition or personal values feel that we should give. Living amidst the tensions that pull us in multiple directions, we too readily resign ourselves to the fact that we are not who we hope to be. This is the culture that has too often defined our approach to money in religious institutions.

7 Brandon Vaidyanathan and Patricia Snell, “Motivations for and Obstacles to Religious Financial Giving,” *Sociology of Religion* 72, no. 2 (2011): 189–214.

There are theological resources and practical skills available for religious leaders to advance the moral and spiritual authority of an alternative, faith-driven model of money talk, yet too often we allow other cultures to dominate or paralyze our efforts. Naming these cultures is the first step in stripping the silent power they hold over us, opening up a more life-giving conversation and inspiring the community to imagine a new way. In narrating a thick description of a community's culture of giving, we are able to call attention to the way things currently are; but in narrating how our institutional stories are a part of a larger story, we also have rich theological resources through which to engage these issues. Through this same narrative approach, we can help imagine and then lead our religious communities to become authoritative drivers of a counter-cultural narrative around money, moving from scarcity into abundance.

Equipping leaders with new language

Before naming these new outlooks in their faith communities, however, religious leaders need to have revisited their own philanthropic autobiographies. Most of us have developed our own views of money from within our families or local communities, including a mindset of scarcity or one of abundance, a transactional approach to economic life that focuses on how much we have or what we owe in contrast to a transformational one that focuses more on meaning-making and freeing ourselves of the hold money has over us. Oftentimes, we are unaware of the preconceptions (both negative and positive) we have about money and the language we use when integrating faith and giving. Just as we encourage the development of self-awareness among religious leaders when teaching pastoral care or Clinical Pastoral Education (CPE), we also must ask leaders to uncover their own histories with money. Beyond knowing if you have a personality bent as a saver or a spender, this self-reflection helps leaders become more comfortable with confronting their own relationships with money. It also opens up a more expansive language to engage giving within our faith communities. What if, instead of focusing on the duty of members and constituents to fund the budget, we begin to reflect on these questions as the frame for money talk in religious organizations:

- What is your earliest family memory of giving and volunteering?
- What cultures around money did you observe in your home? What about in a congregation?
- Who have been some of your heroes and role models who reflect a generous life?
- To what people and places do you feel a sense of gratitude?
- What values do you want to pass on to your family and friends?

We would suggest that no religious leader can effectively lead a community on financial issues unless they have come to terms with their own theologies of money and giving. Not only do such reflections help religious leaders become more self-aware; they also open an expanded set of tools that leaders can use to help shape the organizational cultures to which they have been called.

We believe that by exploring their own stories as well as expanding the way in which they envision the work of stewardship, leaders are empowered to lead out of their strengths and callings. The work is not easy, but it enables pastors to find the confidence necessary to feel that they can do this work, and that it is worthy of their time and attention. Of course, if these expanded frames are to succeed, our theological educational curricula must illustrate similar movement. While workshops focusing on the practical and technical skills of financial literacy and fiscal management are essential, if this is all that we offer, seminaries re-inscribe the same siloed approach that we know needs to change in order for faith communities to truly thrive. These subjects cannot be relegated to practical or administrative courses alone; students must encounter them in scriptural interpretations, Christian history, or theology. What if a course on stewardship and financial management was co-taught by a New Testament professor and a practical theologian? What if seminaries developed courses on stewardship that encouraged theological reflection on the history of the institutional church and finances while also requiring an analysis of the budgeting process for an urban congregation near the seminary? We set the tone for how religious leaders will consider faith and finances through the ways in which we lead students to encounter or dismiss them as the work of ministry.

Incorporating transformational frameworks into our institutional leadership

Many of the observed trends in fundraising demonstrate a shift from implicit trust in institutions toward a more critical engagement on the part of donors. Often, our models of giving among congregations and denominations are falling increasingly flat precisely because we ask donors to give out of a sense of duty or obligation with the automatic trust that the religious institution is a good steward of our gifts. Instead, we can practice engaging the interests, concerns, and values of those who participate in religious life alongside us through their giving. Shifts toward more donor-centered fundraising should encourage us to revisit many of our long-held but unexamined approaches to stewardship.

This shift toward a donor-centered model does not diminish the value or importance of institutions. It may, however, force us to reconsider our institutional thinking. Political scientist and professor of public affairs Hugh Heclo addresses this dynamic, suggesting that we have seen a significant decline in institutional life because of a failure in our ability to think in institutional terms. He describes this challenge:

Thinking about institutions is not the same thing as thinking institutionally because “thinking about” does not tell us what it is like for a person to go around with presuppositions of the relevant institutional values and purposes in his or her head. Accepting and participating in those values and purposes as a moral agent is what makes you a part of the institution. And, reciprocally, it makes the institution an important part of who you are, even though it need never fully define you.⁸

Heclo addresses the activity of stewardship as a model for institutional thinking as it requires attention to and intention about those resources entrusted to us by those who went before, for the benefit of those who

8 Hugh Heclo, *On Thinking Institutionally* (Boulder, CO: Paradigm, 2008), 84.

might come after us.⁹ He speaks of this in a three-part process: entrusting, managing, and returning property to the owner. Drawing on biblical frames and the concept of *oikonomia* (economy), the point made by Hecló with this process-driven example of institutional thinking is primarily one of choice. In order to be effective in stewardship, the moral actor must choose to understand him or herself as such, which in itself is a model for the habit or ethos of “thinking institutionally.” By understanding this alternative viewpoint, we can take seriously the shift away from models that give precedence to the institution as organizing locus for our giving. We can begin instead to see how deep engagement around economic issues in religious life, including the cultivation of generosity, might lend greater meaning to the role of an institutional mindset for the health and integrity of giving that aspires to transformational impact.

Conclusion: from transactional to transformational giving

We know that a theologically rich engagement with questions of economic life, financial management, and stewardship can move leaders into a new depth of meaning-making with their communities. Members, donors, and other constituent stakeholders come to see that abundance is not something that we must produce from human effort but instead is a gift given by God, and it is our own limitation that holds us in a mindset of scarcity. Transactional approaches to the economic life of our institutions maintain a separation between the business model of ministry and the ministry itself, which we can overcome by appealing to the transformational work of stewardship reimagined as discipleship.

Transformational approaches to money require us to think more not only about needs and the mission of our organization but also about the discipleship of individuals entrusted to our care. As Hugh Hecló notes, this can only be done in the context of human relationships, organized for the transmission of memory, tradition, and story. This is the role of the religious institution in ordering its community life in relationship to the broader culture. Hecló points out to us that our anti-institutional bent in American culture is unsustainable; by practicing institutional ways of thinking, we can begin to move in the direction our values would indicate

9 Ibid., 142–149.

we should go. We are then able to move, individually and collectively, toward a mission-focused vision of transformation and away from a scarcity-based focus on the needs of the organization and the obligatory transactions that meet those needs.

As in personal financial management, having an expansive vision of stewardship and generosity within our religious institutions is more than good management of dollars, cents, and donor intent. It is also an opportunity to appeal to the deep wells of scripture and tradition to inform faith formation, spiritual practices, missiology, and ecclesiology. Religious leaders can address financial issues differently once they begin to approach them theologically. We believe that, when reframed in this way, technical skills around institutional financial management allow religious leaders to flourish in ministry. The core foundation for this new frame relies on the gifts of religious leaders' vocation: interpreting texts and tradition, reading contexts and communities, leading religious institutions to engage the world's greatest needs, and the spiritual care of individuals and institutions. This vision for the cultivation of generosity in an organization calls upon the leadership and unique pastoral capacities of religious leaders as such; rather than asking leaders to reorient toward the norms of fundraising or financial management in the dominant culture, instead we can appeal to the counter-cultural values and priorities of faith traditions to introduce a new mindset of abundance, with the potential to transform how we relate to money in our religious institutions. When these financial questions are recast in a broader context, they cannot so easily be dismissed as the means to an end for the "real" work to which religious leaders are called. Instead, engaging theologically around money, including practical engagement with financial management and stewardship, becomes an essential component of pastoral ministry.

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Kicking the Habit: Helping Seminarians Avoid the “Debt” Sentence of Financing a Theological Education

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ABSTRACT: Financial literacy and debt accumulation can be an uncomfortable topic for many. However, through Lilly Endowment Inc. and its Economic Challenges Facing Future Ministers initiative, New Brunswick Theological Seminary has developed a financial literacy program that not only helps students tackle the issue of funding a theological education but also explicitly helps prepare them to anticipate the marketplace they will enter and the debt they must service. This article examines the outcomes and learnings from our initial rollout of the program together with best practices derived from internal and external collaboration.

Introduction

Persons pursuing a theological education do so from a profound sense of calling to serve God and God’s church. The vast majority of students attending New Brunswick Theological Seminary (NBTS) come with a passion for ministry and service. Predominantly bi-vocational, these students enter seminary having already accumulated various amounts of debt (undergraduate, consumer, personal financing, etc.). Yet, when it comes to faith and finances, students demonstrate a disturbing pathology for approaching the issue of debt. Through Lilly Endowment Inc.’s Economic Challenges Facing Future Ministers (ECFFM) grant, NBTS has developed a program that not only helps students tackle the issue of funding a theological education but also explicitly helps prepare them to anticipate the marketplace they will enter and the debt they must service. Financial literacy can be an uncomfortable topic for many, and as with any new program, our implementation was met with unforeseen challenges that exposed both the program’s strengths and its limitations. This article examines the outcomes and learnings from our initial rollout of the

program together with best practices derived from internal and external collaboration.

“Turbo consumption” and the pathology of debt

When interviewed about Western consumerism, sociologist Juliet B. Schor described our cultural proclivity to spend excessively as having rapidly increased in the twenty-first century. In response to what interviewer Jo Little calls “turbo consumerism,” Schor explains,

The dynamics of consumer emulation have changed, and have come to focus much more on very high levels of consumption. In other words, the consumer norm has shifted—from what one would call a “proximate” or “horizontal” norm, in which people are aspiring to lifestyles similar to other people in their economic bracket, to one in which a high-end, affluent, media-driven norm of consumption prevails (although exactly how high you aspire will vary according to where you are). And that’s what I call “vertical emulation.” So my catchphrase is “we went from keeping up with the Joneses, to keeping up with the Gateses.”¹

Since Schor’s 2008 observations, the trend in consumer spending and debt accretion has reached unprecedented levels. An analysis of consumer household debt and credit from 2003 through 2015 conducted by the Federal Reserve Bank of New York in February of 2016 reveals slight decreases; yet

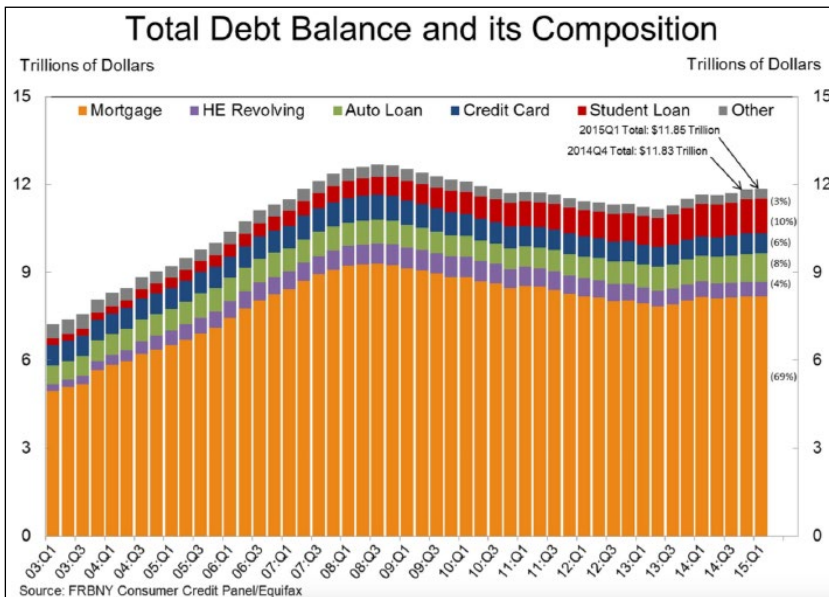
“*An uncomfortable reality is emerging in the United States in which the cost of social participation is beyond the income of most households.*”

overall figures remain relatively high. Johnna Montgomerie has observed that living in debt has become a panacea, “a safety-net” for those who have no other options. Borrowing to live reveals the financial instability that has come to characterize

the households of those who can least afford it. Montgomerie’s assessment acknowledges the escalatory nature of this trend. She asserts that

1 Juliet Schor, “Tackling Turbo Consumption,” *Cultural Studies* 22, no. 5 (September 15, 2008): 589, accessed August 30, 2016, doi: 10.1080/09502380802245837.

“an uncomfortable reality is emerging in the United States in which the cost of social participation is beyond the income of most households.”² The overall portrait of indebtedness points to a cultural obsession with the need for “the new and improved.” This obsession has created a somewhat pathological approach to the use of money and, more importantly, debt accumulation for those who view and use debt as a means to get ahead. In essence, debt accumulation becomes inculcated as a necessary and acceptable risk by a vast number of individuals and families seeking to improve their situations (materially, economically, and/or socially).



Clearly, this approach to the use of money and debt has unhealthy implications for the individual and society in general. Jill Norvilitis, a professor of psychology at SUNY Buffalo State, maintains that “high levels of debt and risky credit card behaviors are related to decreased confidence in one’s money management skills, lower self-esteem, decreased financial well-being, and higher stress.”³ Her conclusions reflect a general consensus in this regard yet also suggest that despite minor gains in attitudinal

2 Johnna Montgomerie, “America’s Debt Safety-Net,” *Public Administration* 91, no. 4 (2013): 871–888, accessed August 30, 2016, doi: 10.1111/j.1467-9299.2012.02094.x.

3 Jill M. Norvilitis, “Changes over Time in College Student Credit Card Attitudes and Debt: Evidence from One Campus,” *Journal of Consumer Affairs* 48, no. 3 (2014): 635.

changes toward money matters, managing debt remains problematic, particularly for those attending college and seminary.

Counting the costs

Federal student debt in the United States now exceeds \$1 trillion dollars and, as indicated in the preceding chart, surpasses figures for consumer credit card debt. The trend is disturbing as it relates to African Americans attending institutions of higher learning. In general, African Americans take on more student loans than their white counterparts.⁴ They are also more likely to have higher loan balances and repayment schedules. Jackson and Reynolds acknowledge the slippery slope that African Americans

“ . . . between 1992 and 2013 the median net worth of blacks that finished college dropped nearly 56 percent (adjusted for inflation) while the median net worth of whites that completed a college degree rose 86 percent over the same period.

face when borrowing for educational purposes. They submit that “despite their greater reliance on loans and the salutary effects of loans on completion, black students are still less likely than white to complete their degrees within six years and are much more likely to end up with a loan default and no degree. That is, black students suffer a much larger relative share of the downsides.”⁵ Evidence suggests that black students also enter college with less knowledge with

respect to financial literacy, knowledge that could potentially affect their borrowing decisions.⁶ The adverse effects of student debt for blacks linger after graduation. Studies indicate that “between 1992 and 2013 the median net worth of blacks that finished college dropped 56 percent (adjusted for inflation) while the median net worth of whites that completed a college

4 Brandon A. Jackson and John R. Reynolds, “The Price of Opportunity: Race, Student Loan Debt, and College Achievement,” *Sociological Inquiry* 83, no. 3 (August 2013): 340.

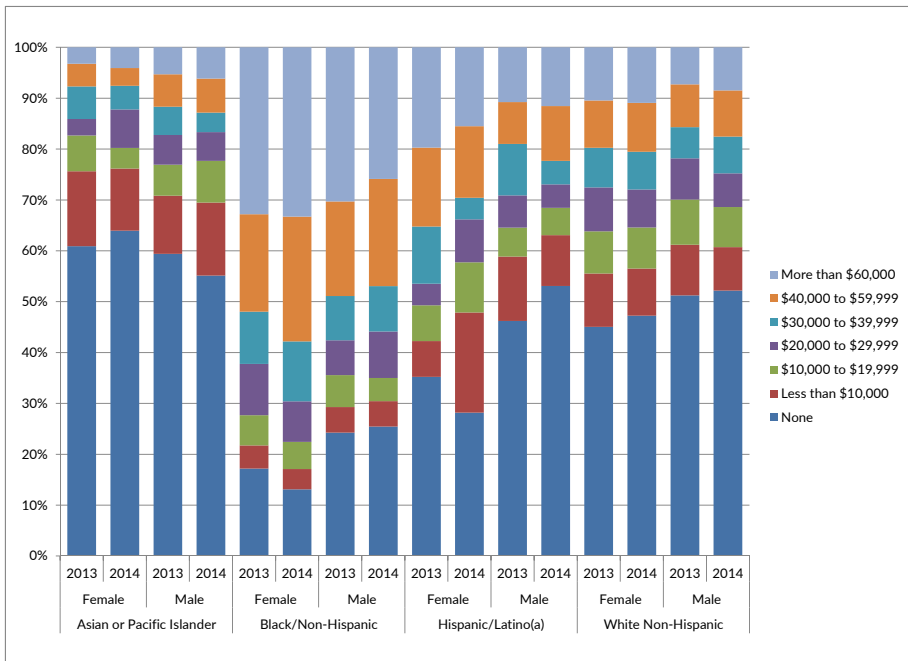
5 *Ibid.*, 356.

6 Angela J. Murphy, “Money, Money, Money: An Exploratory Study on the Financial Literacy of Black College Students,” *College Student Journal* 39, no. 3 (September 2005).

degree rose 86 percent over the same period.”⁷ Comparatively, a somewhat similar state of affairs exists for those attending seminary. As cultural attitudes toward debt have shifted, we find that those preparing for ministry are also willing to assume more debt in pursuit of a theological education.

A 2005 report issued by the Auburn Center for the Study of Theological Education (CSTE), *The Gathering Storm*, revealed that similar to college students, the indebtedness of seminary students has increased at an alarming rate.⁸ In 2014, the CSTE reported that “educational borrowing increased significantly in both extent and amount among Master of Divinity students who graduated in 2011 compared with their counterparts a decade earlier.”⁹

Figure 1. Student debt incurred in seminary by race and gender, all degrees, 2013–2014 and 2014–2015



Source: The Association of Theological Schools

7 Aldemaro Romero, Jr., “Student Debt Affects Minorities More than Others,” *The Edwardsville Intelligencer* (August 31, 2015), accessed June 15, 2016, http://www.theintelligencer.com/local_news/article_ba73e72e-4ff8-11e5-8895-9f49998a1f64.html.

8 Anthony Ruger, Sharon L. Miller, and Kim Maphis, “The Gathering Storm,” *Auburn Studies* 12 (September 2005), accessed May 30, 2016, <http://auburnseminary.org/theological-student-debt/>.

9 Sharon L. Miller, Kim Maphis Early, and Anthony T. Ruger, “A Call to Action: Lifting the Burden: How Theological Schools Can Help Students Manage Educational Debt,” 3. *Auburnseminary.org*, April 2014, accessed May 30, 2016.

Particularly troubling is the data for African American students. Like their white counterparts, most black students attending seminary enter later in life, having already accumulated a significant amount of debt in the form of consumer credit, mortgages, and undergraduate loans. While more students are graduating with little to no debt, the above chart indicates that there is still a relatively large percentage who carry \$50,000 or more in debt after matriculation, the majority of whom are African American and Hispanic students. Moreover, these figures make it apparent that the brunt of seminary debt is carried by females across all ethnic categories. Equally disturbing are the attitudes that seminarians have about faith and finances.

“ . . . the escalation of educational debt among theological students has a host of unintended consequences, not only for the individual theological school graduate and his or her family, but also for the larger Church community and the ministries in which our graduates hope to work.

The optimistic theological affirmation, which insists that “God will provide” as the sole criterion for accruing debt without considering its consequences, can be both risky and unrealistic when faced with the reality of escalating seminary costs and limited opportunities for vocational placement. The Auburn study makes it poignantly clear that “the escalation of educational debt among theological students has a host of unintended consequences, not only for the individual theological school graduate and his or her family, but also for the larger Church community and the ministries in which our graduates hope to work.”¹⁰ If students are unable

to fulfill the purposes for which they entered seminary, if their indebtedness hinders rather than promotes their ministry calling, then the problem becomes one for theological institutions as well.

The debt crisis for African Americans (educational and otherwise) is a persistent and pernicious problem that depicts the overall inequity of economic policies and practices in the United States in general and has

10 Miller, Maphis Early, and Ruger, “A Call to Action: Lifting the Burden,” 5.

affected ecclesial communities to such an extent that efforts aimed at helping seminarians understand, manage, and reduce or eliminate educational debt are underway.

How NBTS students approach financing their education

When surveyed, NBTS students reported that salaries, savings, and government loans served as the predominant source for funding their educational endeavors. Forty percent of our graduates have dependents—and so they have mortgages, car loans, and educational loans for grown children. Many students were already established in the marketplace and, therefore, did not bring any educational debt with them upon entering seminary. However, between 20 and 25 percent of our students entered our institution with prior educational debt of more than \$30,000. While most of our graduates reported that they would have no monthly payment to service educational debt following graduation, between 20 and 25 percent of them reported that their monthly payments will be \$500 or more. These statistics, similar to those found in a large majority of theological institutions across the country, continue to highlight seminary debt as an escalating problem. The Auburn study suggests that “theological schools have the

“ . . . theological schools have the potential to help their students manage the acquisition of educational debt by providing them with information and financial planning resources.”

potential to help their students manage the acquisition of educational debt by providing them with information and financial planning resources.”¹¹ Their findings make it apparent that financial literacy is a wise investment in the future and well-being of seminary students. Based on the generous grant provided by Lilly Endowment Inc., we created the “How Not to Mortgage Your Future” program as a means to address student financial literacy and indebtedness.

11 Ibid., 8.

NBTS and the “How Not to Mortgage Your Future” program

At NBTS, our approach to theological education is unique. Though some students come our way directly after completing their bachelor’s degrees, we actively target second-career students and enable them to customize schedules that fit with their complex work and family lives. Students can enroll part-time or full-time in day and evening classes on our two campuses—in New Brunswick, New Jersey, and in New York, at St. John’s University in Queens. Most of our students remain fully employed, and we maintain our relationships with them through personalized, individual attention and advisement. Many of them will find a position in a traditional ecclesial setting, with full salary and health benefits, a parsonage, and car allowance, and this is a healthy hope we reinforce. However, we seek to prepare students to be bi-vocational, to work part-time as ministers, or to combine ministerial skills along with secular expertise in areas such as healthcare, law enforcement, the military, business, and nonprofit organizations. Given these dynamics, our “How Not to Mortgage Your Future” program is designed to explicitly prepare students to anticipate the marketplace they will enter and the debt they must service. While all students benefit from the program, as indicated above, about one-fifth to one-quarter are in need of more intensive support, and we invest a significant portion of program resources in intensive education and coaching for them.

Our program emphasizes educating and equipping students, alumni/ae, and congregations with the necessary tools to address the intricacies and issues related to achieving financial health and well-being. Using a threefold approach, we seek to impact the emotional, which focuses on attention to stress levels; the spiritual, which reinforces reliance on the guidance of faith together with connections to mentors, coaches, and advisors; and the intellectual, presenting facts, figures, and changing policies that impact student financial decisions. The program’s basic concepts are directed toward financing theological education, helping seminarians and congregations understand the cost structures for negotiating fair compensation and benefits, aiding students in evaluating prospective employers, and providing realistic strategies and methods for handling and managing debt. To quote one participant, “I never thought of debt and finances from a spiritual perspective. But it makes sense as a spiritual discipline; if my

mindset about debt and finances change, then my behavior for handling debt and finances will change.”

Entering students are required to meet for consumer information and entrance counseling in an effort to prevent students from defaulting on loans.¹² We have found that a student’s ability to repay his or her loan is tightly connected to whether the student stayed in school and received a degree. We also seek to make alumni/ae, affiliated churches, and organizations more aware of the need to help support the financial costs of seminary education and to consider the fairness of compensation for clergy and faith leaders as an issue of justice and faith as well as promoting physical and spiritual health.

“*I never thought of debt and finances from a spiritual perspective. But it makes sense as a spiritual discipline; if my mindset about debt and finances change, then my behavior for handling debt and finances will change.*”

Key activities of our program include the following:

- A 15-week course on faith and finances titled “Creating and Sustaining a Debt-Free Ministry.” The course offers a historical, cultural, biblical, and social overview of consumer debt in western society. Students explore the relationship among Christian faith, clergy, and consumerism, specifically the impact of debt on clergy and congregational ministry. Upon completion, participants receiving a passing grade are eligible to receive five free sessions of one-on-one financial coaching.
- Our promotional brochures and video and web resources provide information for family members and home congregations on how and why their financial support factors into the seminarian’s financial health and the sustainability of the seminarian’s career path. These brochures have been integrated in our processes for recruiting, enrolling, and retaining students together with our Field Education Program (student internships).

12 Default rates are driven by students who drop out; those who are left have debt but little means to repay it given their incomplete education and lack of a degree.

- Our financial literacy and career workshops engage students, alumni/ae, and community partners in debt reduction strategies as well as conversations on employment options, compensation, networking, and interviewing and evaluating techniques for prospective employers.

Learnings and outcomes

Our goal is to reduce the seminary’s ratio of full-time-equivalent students to annual total student loans by 15 percent by fall 2017 and to reduce students’ stress levels due to financial concerns by at least 30 percent (based on survey results) during the same time period.

Throughout the “How Not to Mortgage Your Future” program, data is collected, analyzed, and shared with the NBTS community, home churches, and denominations. We also collaborate with institutional partners to share research, programs, and materials. Overall, the program has allowed us to broadly conceive and examine how students approach and respond to debt as it impacts them spiritually, personally, and professionally.

Given that more than 70 percent of our student body consists of persons of color and that 40 percent of NBTS students receive financial aid from the Federal Direct Student Loan Program, we are addressing the implications of debt (short- and long-term) for those most susceptible to incurring large amounts of debts (i.e., African Americans). MDiv students at NBTS have revealed high amounts of debt, particularly among women, who make up more than 50 percent of our student body.



Students participating in the Faith and Finances course were anonymously surveyed regarding their approaches to handling debt and subsequent stress due to debt (i.e., student loans, personal debt, and other areas that impacted their finances, such as current and prospective employment). Half of all respondents incorporated planning and budgeting for managing debt. However, more than 30 percent of those surveyed expressed high levels of stress associated with managing debt despite planning efforts. Approximately 30 percent of respondents anticipated high levels of student loan debt upon completion of seminary. More than 60 percent did not anticipate any changes to their incomes after graduation, and 80 percent of respondents stated their willingness to work with a financial advisor if available. The results affirm that the issue of indebtedness remains a concern for our students, both personally and professionally.

One key learning involved coaching and mentoring. The greatest challenge in this regard involved scheduling. The necessity to create space (i.e., time) for face-to-face sessions was, for the most part, cumbersome due to the varying work commitments, class schedules, and family obligations of students. While this juggling act presented a unique set of challenges to our students, many still felt that having the opportunity to work with a financial coach was extremely beneficial. Another challenge came with the implementation of our financial workshops. Despite the popularity and success of these workshops, (90 percent of those attending stated they would apply the financial principles learned during the workshop), survey results were inconclusive on how participants intended to implement the information learned. In addition, there was no way to measure success in terms of actual debt reduction. This gap suggests the need for a formal follow-up process to determine if the results stem from actual implementation of the principles or from something else. Our plan is to re-survey conference attendees within a two-year period to determine if any significant changes in the attendees' economic situations were derived specifically from their workshop participation.

The Lilly Endowment grant has enabled us to embed the focus on student debt into the fabric of the institution. Yet, we have also found that involvement from both the public and the private sector not only raises the awareness of how debt disproportionately affects certain groups, but also actively engages them as stakeholders such that their financial participation helps to alleviate some of the burdens these groups experience due to

over-indebtedness. We are intentional in our efforts and communication with local congregations, denominational partners, nonprofit organizations, and other stakeholders on the necessity of support for persons attending seminary. Denominations are well-suited to help educate and support our efforts to lower the cost of seminary. As purveyors of information,

“*Denominations are well-suited to help educate and support our efforts to lower the cost of seminary.*”

they can share with their constituents the necessity of clergy health as well as design in-house programs that take seriously the topic of financial literacy. Our goal is to raise awareness that theological education is a communal responsibility; that is, the task and training for ministry

is conceived as a participatory endeavor involving congregations (and others) who benefit from the gifts and talents of our students when they matriculate from our programs. Churches are specifically encouraged to include in their planning and budgeting processes line items that specifically support theological training/education.

As the program completes its third year of implementation, we continue to adapt and apply key learnings from our experiences with the program. The following take-aways guide our next steps:

- Courses on faith and finances must become a part of our curriculum, which suggests that we must rethink how we incorporate financial literacy as an element of responsible Christian stewardship.
- Collaboration with peer groups and denominational and community partners is beneficial in revealing program aspects that can be refined and enhanced.
- Researching and providing alternate sources of funding theological education must remain a high priority given the financial realities that attending seminary poses for our students.
- Providing students with readily accessible resources and tools (online) that help them address and manage the issue of debt accumulation and financial literacy can have an immediate impact on their financial decisions.

Summary

Educational debt and the financial stress it generates greatly impacts the ability of seminary graduates to accept and fulfill their calls to ministry. With a generous grant provided by Lilly Endowment, NBTS has created the “How Not to Mortgage Your Future” program as part of its ongoing commitment to better educate and prepare students to anticipate the marketplace they will enter and the debt they must service. We invest a significant portion of program resources in intensive education and coaching for those who have the greatest need. Financing theological education, helping seminarians and congregations understand the cost structures for negotiating fair compensation and benefits, aiding students in evaluating prospective employers, and providing realistic strategies and methods for handling and managing debt serve as the program’s basic concepts. We aim to change the way churches and organizations think by highlighting the need to help support the financial costs of seminary education and by urging them to consider more broadly the fairness of compensation for clergy and faith leaders.

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The Economics of Ministry— From Classroom to Congregation: Results of the First Financial Survey and Financial Literacy Test

*Carol Ann Holcomb, Angela Jackson, and Molly T. Marshall
Central Baptist Theological Seminary*

ABSTRACT: This research examines data from a financial survey and literacy test administered to students at Central Baptist Theological Seminary in 2014. Key variables were student loan debt before and during seminary. Results indicate that gender, marital status, and ethnicity play important roles in debt. Seminary students scored higher on the literacy test compared to a national sample of adults. The data also show that higher literacy scores are correlated with lower debt and vice versa.

Introduction

Significant student loan indebtedness is an increasing concern that affects both undergraduate and graduate students throughout the United States in every discipline. Reed and Cochrane reported that nearly 66 percent of all students receiving bachelor's degrees in 2011 had an average of \$26,600 in student loans.¹ The average for 2014 graduates increased to \$28,950.² Looking beyond educational loans, CNN Money reported that 2013 graduates averaged \$35,200 in college-related debt, including an average of \$3,000 in credit card debt.³

1 Debbie Cochrane and Matthew Reed, *Student Debt and the Class of 2011* (Washington, DC: Institute for College Access & Success, Institute of Education Sciences, October 2012).

2 Debbie Cochrane and Matthew Reed, *Student Debt and the Class of 2014* (Washington, DC: Institute for College Access & Success, Institute of Education Sciences, October 2014).

3 B. Ellis, "Class of 2013 Average \$35,200 in Total Debt," CNN Money, May 17, 2013.

The most recently published data on student indebtedness in theological schools shows that undergraduate debt for seminary school graduates in 2011 averaged \$17,936. This debt level represents a steep increase from reported averages by graduates in 1991 and 2001 of \$5,967 and \$13,518, respectively.

While reported data show that the average level of *undergraduate* debt for 2011 seminary school graduates (\$17,936) was lower than the national average of \$26,600, it is important to consider the burden of loans from other *graduate* education as well as debt accrued in graduate theological education. According to data published in *Taming the Tempest*,⁴ recipients of Master of Divinity (MDiv) degrees in 1991 borrowed an average of \$10,017 compared to an average of \$37,952 borrowed in 2011. These amounts do not include unpaid loans from undergraduate or graduate education prior to enrolling in seminary.

In order to address student loan debt, Central Baptist Theological Seminary (CBTS) undertook a research project⁵ as part of a grant funded by Lilly Endowment Inc. to address the “Economic Challenges Facing Future Ministers (ECFFM).” The research focused on both *pre-seminary* student loan debt and debt accrued *while in seminary* along with its long-term impact on the financial health and future ministry choices of CBTS graduates in the MDiv program. This article presents the findings of the initial pilot survey to establish benchmarks for further research and institutional planning.

Methodology

Study participants

Participants were recruited by written invitation from the first and second year classes of the 2014 MDiv students. A subgroup of nine newly enrolled students was selected as a pilot cohort for participation in the Economics

4 Sharon L. Miller, Kim Maphis Early, and Anthony Ruger, *Taming the Tempest: A Team Approach to Reducing and Managing Student Debt* (New York, NY: Auburn Theological Seminary, *Auburn Studies* No. 19, October 2014).

5 Molly T. Marshall, “The Economics of Ministry: From Classroom to Congregation,” proposal to Lilly Endowment Inc. for the Theological Initiative to Address Economic Challenges Facing Future Ministers, Shawnee, KS: Central Baptist Theological Seminary, July 2013.

of Ministry study. These students were chosen from applicants who indicated willingness to participate in surveys, financial coaching, seminars, and other financial programs developed by the project director. Additionally, the students selected for the pilot cohort were required to have moderate to high levels of educational debt (\$35,000–\$50,000). In the aggregate, the pilot cohort represented the gender and racial demographics of the overall MDiv enrollment.

Nineteen other seminarians were invited to complete only an initial survey and financial literacy test. Nine of these students were enrolled in the *create* program, an experimental MDiv program for select students. The *create* curriculum shares much with the traditional MDiv program, such as biblical and theological studies, pastoral theology, church history, and ministry praxis. In addition, it includes specialized courses in financial management, entrepreneurial leadership, interpersonal skills, and spirituality and creativity. The remaining 10 students were enrolled in **Formations**, the traditional MDiv curriculum delivered in block classes over a semester rather than in an intensive format on weekends.⁶

Survey instruments

The initial survey, or *financial survey*, was developed by the authors. This instrument contained quantitative items on demographics, current financial support, educational debt, and status of repayment as well as one qualitative item on relatives in Christian ministry. To test financial literacy, CBTS used the *National Financial Literacy Test* (NFLT)⁷ developed by the National Financial Educators Council (NFEC) to measure participants' abilities to earn, save, and grow their money. The 30 test items were written to assess three core areas: *motivation to learn* how financial literacy impacts daily life, *subject knowledge* of financial capability, and *recognition of the first step* toward a sound financial future. The test has been validated by members of the Curriculum Advisory Board, a panel of experts in finance,

6 Informed consent to participate in the study was given when each of the participants completed the financial survey and the National Financial Literacy Test (NFLT). Assurance of confidentiality of responses and permission for use of responses in the research study were also part of the financial survey instrument.

7 National Financial Educators Council website address: <http://www.financialeducatorsCouncil.org/financial-literacy-test>. Permission to use the test in the Economics of Ministry Study was obtained from the developers.

banking, education, real estate, and law. The test has been taken by more than 8,000 people of all ages in all 50 states since January 1, 2012.

Statistical analyses

The sum of all correct responses determined the financial literacy test score for each individual participant. Statistical procedures were used to compare differences among demographic subgroups for the amount of student loan debt prior to enrolling in seminary, the amount of student loan debt accrued while in seminary at the time of the survey, and the financial literacy test score. Spearman's *rho* correlations were used to determine the relationship between selected demographic and financial variables and the financial literacy test scores.

Results

All participants

For the entire group of 28 participants, the averages on the following six variables were 41.8 years of age, 1.3 dependents, annual gross income of \$56,325, student loan debt prior to enrollment in the seminary of \$44,842, debt accrued while in seminary at the time of the survey of \$17,288, and a score of 22 (73 percent) correct responses out of 30 questions on the NFLT.

Demographic characteristics (Table 1)

Nineteen (68 percent) of the study participants were female and nine (32 percent) were male. Marital status was more evenly distributed, with 12 (43 percent) married and 16 (57 percent) single. Sixty-four percent (n=18) of the students reported their races as white, and 36 percent (10) reported their races as nonwhite, including eight African American blacks, one African black, and one Native American. Nine (32 percent) of the 28 participants had completed another master's degree prior to enrolling in the seminary. The students were distributed evenly among three groups by type of MDiv program: nine in the *create* program, nine in the pilot study cohort, and 10 in the **Formations** program. Almost three-fourths (71 percent, n=20) of the study participants were located at the Shawnee campus. The remainder (29 percent, n=8) were at the Milwaukee or Nashville extension sites. Ten of the students reported having at least one relative who was in a Christian ministry vocation. Compared with those students who did not

TABLE 1. Demographic characteristics of participants

Demographic group	Age (yrs)	Number of dependents	Annual gross income (\$)	Pre-seminary student loan debt (\$) ^a	Accrued seminary student loan debt (\$) ^a	Number correct on literacy pretest
Gender						
Female (n=19)	44.2	1.3	66,822	49,900	13,325	22.3
Male (n=9)	36.7	1.3	35,330	39,222	21,250	21.7
Marital status						
Married (n=12)	40.6	2.2	44,797	51,429	10,500	22.0
Single (n=16)	42.7	0.7	64,250	41,000	18,257	22.2
Race or ethnicity						
Nonwhite (n=10)	46.8	1.2	89,556	46,556	12,460	21.3
White (n=18)	39.0	1.4	39,709	43,300	25,333	22.6
Prior education level						
Bachelor (n=19)	38.9	1.4	38,443	40,083	16,383	21.8
Masters (n=9)	47.9	1.1	92,089	53,000	20,000	22.8
Seminary program						
<i>create</i> (n=9)	37.0	1.8	84,533	32,833	n/a ^b	22.6
Pilot study (n=9)	33.0	0.6	26,121	54,222	18,217	22.8
Formations (n=10)	54.0	1.6	55,100	41,750	14,500	21.1
Campus location						
Milwaukee/Nashville (n=8)						
	46.5	0.5	99,286	56,429	11,767	22.3
Shawnee (n=20)						
	39.9	1.7	41,288	38,083	20,600	22.1
Relatives in Christian ministry						
No (n=18)	43.7	1.2	68,889	49,200	17,960	22.3
Yes (n=10)	38.3	1.5	31,197	40,000	16,167	21.8

^aNumber of participants in these categories varies from the numbers in column 1.

^bStudents in the *create* program have 100% tuition waiver.

have relatives in Christian ministry, these students—on average—were younger, had more dependents, and had half of the annual gross income and about \$10,000 less in student loan debt, had borrowed about \$1,800 less while in seminary, and scored approximately the same on the financial literacy pretest.

Financial characteristics (Table 2)

Twenty-two (79 percent) of the 28 participants were receiving financial assistance from their churches, denominations, or both. Twenty-five (89 percent) of the 28 participants were employed at the time of the data collection. Of those who reported current employment, 17 (68 percent) were employed full-time and eight (32 percent) were working part-time. Prior to enrolling in seminary, two-thirds (68 percent, n=19) of the students had

TABLE 2. Financial characteristics of participants

Financial characteristic	Age (yrs)	Number of dependents	Annual gross income (\$)	Pre-seminary student loan debt ^a (\$)	Accrued seminary student loan debt ^a (\$)	Number correct on literacy test
Financial aid from church and/or denomination						
No (n=6)	44.8	2.5	66,833	38,667	9,000	20.3
Yes (n=22)	41.0	1.0	53,322	46,000	18,471	22.6
Current employment						
No (n=3)	41.3	1.0	96,000	72,500	15,250	20.3
Yes (n=25)	41.8	1.4	53,151	41,588	17,967	22.3
Amount of time employed						
Fulltime (n=17)	46.0	1.4	64,516	42,231	15,667	21.7
Parttime (n=8)	33.0	1.3	29,000	39,500	20,267	23.8
Not employed (n=3)	41.3	1.0	96,000	72,500	15,250	20.3
Federal student loan debt						
No (n=9)	46.8	2.0	55,333			21.7
Yes (n=19)	39.4	1.0	56,820	44,842	17,288	22.3
Presently in repayment						
No (n=9)	37.0	0.3	34,125	60,222	19,071	22.7
Yes (n=10)	41.6	1.6	74,977	31,000	4,800	22.0
Not applicable (n=9)	46.8	2.0	55,333			21.7
Presently in deferment						
No (n=7)	42.9	2.3	48,681	26,500		22.3
Yes (n=13)	36.7	0.5	66,833	53,308	17,288	22.2
Not Applicable (n=8)	49.1	1.9	47,250			21.8

^aNumber of participants in these categories varies from the numbers in column 1.

incurred federal student loan debt. Among the students with student loan debt, approximately one-half (52 percent, n=10) were in repayment.

National Financial Literacy Test scores (Tables 1 and 2)

The average number of correct responses on the NFLT for the entire group was 22, or 73 percent. The NFEC considers 21 a passing score. Comparisons of subgroups in each of the demographic and financial variables showed no significant differences in the average scores. Students who were employed part-time had the highest average score, 23.8 correct responses, compared to all of the subgroups. The lowest average score of 20.3 correct responses was among those students who were not receiving financial aid from churches or denominations and who were not currently employed.

Demographic differences in pre-seminary student loan debt (Table 3)

Proportional differences in pre-seminary student loan debt were present in all seven demographic categories included in the survey. The most prominent differences appeared for gender, race/ethnicity, **Formations** students versus the pilot study cohort, and whether or not students have a relative in Christian ministry.

TABLE 3. Differences in demographic subgroups in pre-seminary student loan debt among participants

Demographic subgroup	Pre-seminary student loan debt		Mean pre-seminary student loan debt (\$)	<i>p</i> ^a
	No.	%		
Gender				
Female	10 of 19	53	49,900	
Male	9 of 9	100	39,222	.02
Marital status				
Married	7 of 12	58	51,429	
Single	12 of 16	75	41,000	.09
Race or ethnicity				
Non-white	9 of 10	90	46,556	
White	10 of 18	56	43,000	.15
Prior education level				
Bachelor	12 of 19	63	40,083	
Master	7 of 9	78	53,000	.02
Seminary program				
<i>create</i>	6 of 9	67	32,833	
Pilot study	9 of 9	100	54,222	.07
<i>create</i>	6 of 9	67	32,833	
Formations	4 of 10	40	41,750	.09
Formations	4 of 10	40	41,750	
Pilot study	9 of 9	100	54,222	.87
Campus location				
Milwaukee & Nashville	7 of 8	88	56,429	
Shawnee	12 of 20	60	38,083	.00
Relatives in Christian ministry				
No	9 of 18	50	49,200	
Yes	9 of 10	90	40,000	.01

^aResult of an F-test, with two-tailed probability, that the subgroup comparisons have different levels of pre-seminary student loan debt diversity

The probability that these proportional differences translate to significant variance in mean pre-seminary student loan debt, however, does not hold for all seven demographic categories. While a smaller proportion of women compared to men had pre-seminary student loan debt, they had significantly ($p=0.02$) higher mean debt. More than three-fourths of

the students who had earned another master's degree prior to enrolling at CBTS had student loan debt, compared to less than two-thirds of the students entering with only a bachelor's degree. The mean level of debt was significantly ($p=0.02$) higher for students entering seminary having already earned a master's degree.

Eighty-eight percent of the students from the Milwaukee/Nashville sites had significantly ($p=0.00$) higher student loan debt from their pre-seminary education. Nine out of 10 of the study participants who reported having a relative in Christian ministry had an average of \$40,000 in pre-seminary student loan debt. The nine out of 18 students who reported no relatives in Christian ministry, however, had a significantly ($p=0.01$) higher average debt of \$49,200. Analyses of the other three demographic variables (marital status, race/ethnicity, and seminary program) showed no significant differences in pre-seminary student loan debt. Nevertheless, it is interesting to note that the proportion of borrowers was higher among single students (75 percent) compared to those who were married (58 percent) and considerably higher among non-white students (90 percent) compared to white students (56 percent).

Demographic differences in accrued seminary student loan debt (Table 4)

The data presented in Table 4 represents the mean amount of student loan debt accrued in seminary at the time of the survey in fall 2014. All of the study participants were either first- or second-year enrollees. The number and proportion of students as well as the average amounts in each subgroup were much lower compared to borrowers who came to seminary with prior educational debt. Although the number of data points in each of the subgroups was too small for statistical analysis, some interesting patterns did emerge.

Both the proportion of borrowers and average amounts borrowed were lower for women, for married students, and for students enrolled in the **Formations** program. Non-white students, students without another master's degree, and students at the Milwaukee/Nashville sites were more likely to borrow but had borrowed less for theological education at the time of the study. Both the proportion of borrowers with (30 percent) and without (28 percent) relatives in Christian ministry and the average amounts borrowed (\$16,167 and \$17,960, respectively) were almost the same.

TABLE 4. Differences in demographic subgroups in accrued seminary student loan debt^a among participants

Demographic subgroup	Accrued seminary student loan debt		Mean accrued seminary student loan debt (\$)
	No. ^b	%	
Gender			
Female	4 of 19	21	13,325
Male	4 of 9	44	21,250
Marital status			
Married	1 of 12	8	10,500
Single	6 of 16	38	18,257
Race or ethnicity			
Non-white	5 of 10	50	12,460
White	3 of 18	17	25,333
Prior education level			
Bachelor	6 of 19	32	16,383
Master	2 of 9	22	20,000
Seminary program			
Formations	2 of 10	20	14,500
Pilot study	6 of 9	67	18,217
Campus location			
Milwaukee & Nashville	3 of 8	38	11,767
Shawnee	5 of 20	25	20,600
Relatives in Christian ministry			
No	5 of 18	28	17,960
Yes	3 of 10	30	16,167

^aTotal student loan debt accrued at the time of the survey, not total post-seminary debt. All of the students in the study were current enrollees.

^bThe number of data points in each of the subgroups is too small to return results of the F-test for significant differences in accrued seminary student loan debt.

Correlation of selected characteristics with financial literacy scores (Table 5)

Five student characteristics were selected for analysis in relationship to financial literacy scores. There was no significant correlation of test scores with age, number of dependents, annual gross income, amount of money borrowed prior to enrolling in the seminary, or amount borrowed while enrolled in seminary classes. An interesting moderate (-0.568), though not statistically significant (p value=0.142), inverse correlation was shown between the average scores on the test and the average amount of debt

TABLE 5. Correlation of selected demographic and financial characteristics with the number of items correct on the financial literacy test (N=28)

Characteristic	Spearman <i>rho</i> correlation coefficient
Chronological age (yrs)	-0.221 (Sig = .258)
Number of dependents	-0.002 (Sig = .991)
Annual gross income (\$)	-0.226 (Sig = .258)
Pre-seminary student loan debt (\$)	0.080 (Sig = .744)
Accrued seminary student loan debt (\$)	-0.568 (Sig = .142)

accrued in seminary. The students with the highest scores had the lowest accrued debt or vice versa—the students with the lowest scores had the highest accrued debt.

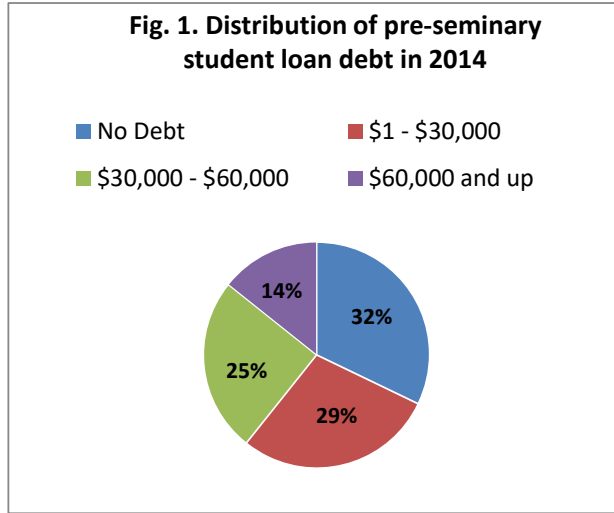
Discussion

Nineteen participants entered the seminary with an average of \$44,842 in student loan debt. Seven of the 19 borrowers brought both undergraduate and graduate loans for an average of \$53,000 in pre-seminary indebtedness. Average undergraduate debt (\$40,083) reported from 12 borrowers was more than twice as high as the average amount (\$17,936) reported in the Auburn Study.⁸ This unusually higher debt load for CBTS students is most likely due to the recruitment of study participants with moderate to high student loan debts. The nine students in the pilot study cohort had an average of \$54,222 in pre-seminary loan debt. The range of indebtedness among these nine students was \$22,000–\$135,000. Pre-seminary education for two of these students was at the master’s level.

Although the debt level of the pilot study cohort is unusually high, it is noteworthy that 61 percent of the total student participants, shown in Figure 1, have either no debt or debt below \$30,000 prior to seminary. In 2014, the national average for undergraduate debt alone was \$28,950.⁹ If

8 Miller, Maphis Early, and Ruger, *Taming the Tempest*.

9 Ellis, “Class of 2013 Average \$35,200 in Total Debt.”



students in the present study, who are in the first and second years of their degree programs, continue to borrow at the current rate, the results of a hypothetical future comparison with MDiv graduates will be much more troubling, as shown in Table 6. Only 33.0 percent of MDiv graduates in 2014 carried more than \$30,000 in student loan debt at the time of graduation, compared to 46.4 percent of students in the present study while still in seminary.

TABLE 6. Comparison of participants in the Economics of Ministry research study with the national sample of persons who have taken the National Financial Literacy Test (2012-2015).

Age group (yrs)	EoM research study participants		National sample of test results	
	No.	Mean correct (%)	No.	Mean correct (%)
19-24	5	79	804	67
25-35	4	71	685	71
36-50	11	76	720	73
51+	8	69	791	75

Source: <http://www.financialeducatorsCouncil.org/financial-literacy-test>

As noted by Miller, Early, and Ruger (2014),¹⁰ institutional characteristics and personal factors play a role in a student's need to borrow money for theological education. Because institutional measures, such as tuition, discount rates, financial support, regional cost of living, etc., were not included in the present study, the following analysis will be limited

10 Miller, Maphis Early, and Ruger, *Taming the Tempest*.

to personal factors. Data from ATS member schools¹¹ show that, in 2011, seminary graduates who were more likely to borrow were those who were younger, were single, were enrolled in MDiv programs, and had dependents. Non-white graduates and females were no more likely to borrow, as a whole, but if they did, they were likely to borrow more than white or male graduates.

In the present study, nine students reported no student loan debt prior to seminary enrollment, and 19 students reported having outstanding student loans. Younger students had the lowest average loan debt prior to seminary, with the mid-age range group having the highest average debt. In this small sample, the age pattern is not consistent with the responses of MDiv graduates from ATS member schools. CBTS female students were less likely to report pre-seminary student loan debt than male students, but they had higher average debt. Women were also less likely to borrow while in seminary, and their average amount was lower than that of the men. MDiv students in the present study who were single were more likely to have pre-seminary student loan debt, but they had a lower average amount of debt than their married peers. Borrowing while in seminary among single students is also much higher than that of married students. Non-white students at CBTS were more likely to borrow prior to enrolling in seminary and to accrue debt while in seminary than were white students. The average amount of pre-seminary indebtedness was higher among non-white students at CBTS, but the average amount of debt accrued at the time of the survey was lower for non-white students. These differences, however, were not statistically significant.

Gender, marital status, and ethnicity appear to play important roles in the need to borrow money prior to enrollment in theological education at CBTS in 2014. Due to the small sample size, interactions among these three personal factors could not be analyzed. Controlling for marital status and race/ethnicity could help to explain the significantly higher amount borrowed prior to seminary for women compared to men and the lower average amount of debt accrued by women while in seminary. If these female seminary students are more likely to be single and non-white without other means of financial support, then they are more likely to borrow higher amounts to support their education. Another factor, not

11 Ibid.

analyzed in the present study, that might account for the lower average amount borrowed by women while in seminary is the institutional support provided for the women's leadership initiative in the *create* program.

Financial literacy scores for students in the present study were compared by age group with those of students from the NFLT. Average scores were highest (79 percent correct) in the 19–24 year age group and lowest (69 percent correct) in the 51+ age group among the seminary students. The opposite pattern was reported in the national sample with the lowest scores (67 percent correct) in the 19–24 year age group and the highest scores (75 percent correct) in the 51+ age group. Due to the small sample size in each age group in the present study, however, it is not possible to draw a meaningful conclusion from the comparison of scores.

The major strength of the present study lies in the first-time availability of data on the financial loan encumbrance of a group of students at CBTS. The methodology and findings provide the foundation for building a more comprehensive and representative assessment of the factors associated with student loan debt, both before and during seminary.

The two primary limitations of the study were the small sample size and the self-reported nature of the responses. The sample of participants may differ from their non-participating peers, particularly with regard to the level of federal student loan debt, sources of income while in seminary, and financial literacy. All responses were self-reported without an independent method of ascertaining their accuracies. It is possible that loan amounts and income were underreported, overreported, or omitted entirely. Also, the participants in the present study did not include Asian students, thus limiting the ability to determine other ethnic and cultural differences in student loan debt.

Replicating the present study with a larger and more diverse student population could provide more definitive insight into the social, cultural, and institutional factors contributing to the rise in student loan debt over the past decade. Such information could also extend the baseline for measuring the impact of modifications of these factors on the future financial health of seminarians, their families, and their employers.

Conclusion

The key findings of this study were that (1) two-thirds (n=19; 67.9 percent) of the participants brought significant average student loan debt (\$44,842) with them into seminary; (2) despite financial support from the seminary, church, and denomination, eight (28.6 percent) students accrued an average of \$17,288 in student loan debt during their first year or two of seminary; and (3) participants scored slightly higher (73.8 percent correct answers) on the National Financial Literacy Test than a national sample (71.5 percent correct answers) of 3,000 adults ages 19 and older.

While CBTS students scored, on average, slightly above the NFEC threshold (70 percent correct answers) for “passing” the financial literacy test, there is still room for improvement. It might be concluded that CBTS students in the pilot cohort are not financially illiterate, but many have made poor financial choices in the past and some continue to accrue student loan debt while in seminary. The preliminary data presented in this report also indicate that higher financial literacy scores are correlated with lower educational debt and *vice versa*. Overall results from the initial survey in the Economics of Ministry project confirm the need for coaching and mentoring not only to improve financial literacy but also to support positive behavioral changes in financial control and management. Reshaping theological education at CBTS has already begun in the implementation of a new curriculum for the MDiv degree with more content and focus on creativity and entrepreneurship as a means of reducing the financial burden of preparing future leaders of the church.

Carol Ann Holcomb is a Board Trustee, Angela Barker Jackson is Project Director, and Molly T. Marshall is President, all of Central Baptist Theological Seminary in Shawnee, Kansas.

Seminary Graduates and Finances: Factors for a Flourishing–Languishing Spectrum

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ABSTRACT: This article highlights qualitative research findings gleaned through focus groups conducted with alumni/ae pastors from Trinity Evangelical Divinity School. Data reveal patterns that form a Flourishing–Languishing Spectrum. While academic debt levels are important, other subtle factors must also be considered. The purpose for this article is to illuminate the spectrum so theological educators can gain a more nuanced understanding of the issues impacting the financial challenges of future pastors and be better equipped to develop fruitful educational interventions.

Introduction

Trinity Evangelical Divinity School is engaging in a collaborative effort with Lilly Endowment Inc. to address economic challenges facing future ministers. Quantitative data from The Association of Theological School’s Entering and Graduating Student Questionnaires reveal that rising numbers of students are incurring high levels of academic debt. Trinity wanted to better understand the stories behind the statistics. For this reason, more than 20 in-depth individual interviews were conducted with students who were carrying higher levels of academic debt. In addition, 20 focus groups were conducted with seminary students, alumni/ae pastors, spouses, and strategic church leaders who partner in the training and placement of Trinity’s students.

Data arising from the scope of the research activity is too exhaustive to address in a single journal article. Moreover, many findings mirror what is already mentioned in other studies and publications such as those

produced by the Auburn Institute.¹ This article will highlight an aspect of Trinity's research that can add to the body of literature that has been published to date. In focus groups conducted with alumni/ae pastors, a unique constellation of factors emerged that form a *Flourishing-Languishing Spectrum*. This article will illuminate the spectrum so that theological educators can gain a more nuanced understanding of the issues impacting the financial challenges of future pastors and be better equipped to address them in fruitful ways.

Trinity Evangelical Divinity School

Trinity Evangelical Divinity School is a broadly evangelical school embedded in Trinity International University.² It emphasizes the centrality of the Gospel, the inerrancy of Scripture, and excellence in scholarship that engages culture. It is affiliated with the Evangelical Free Church of America and follows its statement of faith. However, students from approximately 47 denominations study at the divinity school with a large representation of students from around the world. The school is tuition-driven and dependent on the generous financial contributions of congregations, denominations, foundations, and many individual donors. On average, 300 Master of Divinity students are enrolled at the seminary at any given time. The seminary offers 12 academic programs at both the master's and doctoral levels and has an average yearly enrollment of 1,000 students.

1 The Auburn Institute has published the following articles about the economic well-being and academic debt levels of seminary students and alumni/ae: Anthony Ruger, "Lean Years—Fat Years: Changes in the Financial Support of Protestant Theological Education," *Auburn Studies*, no. 2 (December 1994): 1–18. Anthony Ruger and Barbara G. Wheeler, "Manna from Heaven? Theological and Rabbinical Student Debt," *Auburn Studies*, no. 3 (April 1995): 1–28. Anthony Ruger, "Seek and Find: Revenues in Theological Education," *Auburn Studies*, no. 11 (April 2005): 1–28. Anthony Ruger, Sharon L. Miller and Kim Maphis Early, "The Gathering Storm: The Educational Debt of Theological Students," *Auburn Studies*, no. 12 (September 2005): 1–28. Sharon L. Miller, Kim Maphis Early and Anthony Ruger, "A Call to Action: Lifting the Burden," *Auburn Studies*, no. 17 (April 2014): 1–20. Anthony Ruger and Chris A. Meinzer, "Through Toil & Tribulation: Financing Theological Education 2001–2011," *Auburn Studies*, no. 18 (July 2014): 1–28. Sharon L. Miller, Kim Maphis Early, and Anthony Ruger, "Taming the Tempest: A Team Approach to Reducing and Managing Student Debt," *Auburn Studies*, no. 19 (October 2014): 1–24.

2 Trinity Evangelical Divinity School, (2016), <http://divinity.tiu.edu/who-we-are/about-teds/>.

Research methodology

Four overnight events were designed for alumni/ae pastors, and they were warmly invited to bring their spouses. At each event, three focus groups were convened. The first focus group lasted 90 minutes. The goal for the focus groups was to understand the economic challenges facing alumni/ae and their families, including how strategies for funding their theological education were impacting their lives and ministries. Focus groups were conducted in Minneapolis, Chicago, and the Los Angeles area. Data was collected with 19 alumni/ae pastors and 16 accompanying spouses.

The methodology enabled participants to “cast their stories in their terms,”³ by using semi-structured, open-ended questions.⁴ Alumni/ae were sent the agenda and focus group questions ahead of time so they would be able to reflect upon what they wanted to say. All sessions were recorded and later transcribed, coded, and analyzed.⁵ The report written for the institution included thick description, providing many quotes to illustrate each aspect highlighted in the spectrum. Due to space constraints, however, that level of detail cannot be provided in this article.

Research findings

After reflecting upon the diverse stories shared at these alumni/ae research events, constellations of factors began to take shape and form patterns that helped to make sense of the extensive data collected. One way to capture the essence of the alumni/ae stories was to think of their journeys as falling along a *Flourishing-Languishing Spectrum*. While academic debt levels, or the lack thereof, were a significant aspect of their stories, that component alone was never the sole cause for what was transpiring. It was significant and surprising to discover that other factors were just as important.

While the nomenclature *flourishing* and *languishing* are subjective, the terms seemed to capture the essence of what was shared through their

3 Kathy Charmaz, “Grounded Theory: Objectives and Constructivist Methods,” in *Handbook of Qualitative Research*, Second Edition, eds. N. K. Denzin and Y. S. Lincoln (Thousand Oaks, CA: Sage, 2000), 509–535.

4 Sharan B Merriam, *Qualitative Research: A Guide to Design and Implementation* (San Francisco: Jossey-Bass, 2009), 93–105.

5 Michael Quinn Patton, *Qualitative Research & Evaluation Methods*. 3rd ed. (Thousand Oaks, CA: Sage, 2002), 431–515.

verbal and nonverbal communication. The term *flourishing* connotes an image of growth and vitality. Some dictionaries include the word *prosperity* within the definition. It evokes an image of vigor, hope, and capacity to meet future challenges. *Languishing* is the opposite imagery. It evokes a picture of vitality slipping away and waning capacity to meet future challenges. Neither word is meant to assign value to persons who seem to be flourishing or languishing. Rather, they are descriptive phrases designed to capture a season or time in the lives of alumni/ae who were interviewed from their own perspectives.

While the words themselves cannot capture the internal spiritual dynamic occurring in peoples' lives nor whether seasons of apparent languishment are necessary for later seasons of deeper fruitfulness, by codifying places along the spectrum numerically it became at least possible to understand what factors seemed to be present at various places along the spectrum. What follows is a description of six points identified in the data.

Diagram 1
The Flourishing-Languishing Spectrum



Pattern One: flourishing

Pattern One described an alumni/ae family who was experiencing a season of vitality. There was joy in ministry. They were not unduly burdened with debt or financial challenges that were making daily life seem oppressive or overly difficult. Instead, there was margin and capacity to grow and pursue both ministry and family goals. They expressed gratitude for their current ministry situations. Their descriptions of their current ministry roles and congregations as well as their affects were primarily positive and hopeful in nature.

All of these alumni/ae pursued their MDiv degrees in ways that minimized their time away from full-time compensated employment. Some took many courses through the distance education program before leaving their jobs. Others worked full-time and pursued their MDiv program as part-time students or took the largest number of credit hours possible each semester so they completed in three years. Each family entered seminary with little or no undergraduate debt. If they had academic debt from their

undergraduate programs, they worked and paid it off before coming to seminary. Each incurred a very low level of academic debt or no academic debt for their seminary education through a variety of strategies. These included things such as maximizing their scholarships, having spouses who were working and could support them, or covering living expenses through their own employment.

Those were the factors that were evident during their time in seminary. After graduation, each couple believed the salary package they were receiving from the congregation was fair and just, enabling them to feel like they were providing for their families. If the actual salary was not high enough, a nice parsonage or a generous housing allowance made the comprehensive package sufficient. Their spouses were working outside the home in jobs they truly enjoyed, and they did not feel underemployed. The combined income enabled their families to experience financial margin so they were not constantly feeling financial pressure or financial stress. Lastly, none of these alumni/ae expressed a belief that their churches were obliged to provide a pastoral salary that would ensure their spouses would not have to work outside the home.

Pattern Two: flourishing but with greater challenge

Alumni/ae families described by Pattern Two also appeared to be doing well. They did not have as much financial margin as those in Pattern One due to high levels of academic debt and the fact that all of their wives were stay-at-home moms. Nevertheless, they appeared to have a sense of joy in their ministries. While they had to be more careful with financial expenditures, the descriptions of their current ministry roles and congregations as well as their affects were primarily positive and hopeful in nature.

The alumni/ae families who fell into this category shared attitudes and strategies employed after graduation. For example, each couple believed the salary package they were receiving from the congregation was fair and just, enabling them to feel like they were providing for their families. Their perspectives regarding the level of financial resources needed seemed to be strongly influenced by comparisons with others they knew who had far less, such as pastors serving in other nations or friends they knew who had not been able to find a pastoral position after graduation.

If they had academic debt, even high levels, they were able to live very frugally within their salary packages in ways that enabled them to make steady and sometimes prompt progress in paying off their loans.

Many mentioned that they had made a commitment to continue living like seminary students until they had fully paid off their loans. They were able to meet their financial obligations and be involved in ministry while simultaneously having their wives be stay-at-home moms. The economic challenges were manageable and did not impede their abilities to have children and grow their families, as they desired.

Pattern Three: the mixed bag

Pattern Three indicated a profile of both languishing and flourishing. While there was a sense of joy in ministry, there was also frustration that important family goals could not be pursued because of economic constraints. Financial burdens were much heavier, and corresponding repercussions were regularly being felt. While people in this category expressed appreciation for their ministry contexts, and even acknowledged that their salaries might be higher than some other people in ministry, they frequently expressed frustration as well.

These alumni/ae families continued to experience financial challenges because of ongoing academic expenses associated with pursuing advanced (PhD) degrees. They had high levels of academic loans outstanding, from either current or prior degrees. They seemed to be experiencing growth and enrichment from their ongoing education. They earned a salary that was higher than some others they knew who worked in ministry. Both spouses worked and contributed financially to the needs of the family.

While frustrated, they did not express regret about going into ministry. Despite the challenges, they were grateful to be serving as pastors. However, they also frequently mentioned that they were living frugally and at least one member in each couple expressed deep frustration that a significant family goal such as buying a home or having children might not be achieved because of financial constraints.

Pattern Four: if it's legal, it's ethical

Alumni/ae families in Pattern Four appeared to be relatively happy and content. However, these alumni/ae had significant debt that was beyond their means to repay. Due to messages about governmental policies regarding long-term loan forgiveness, they believed it was not necessary to think about repaying their loans because "if it's legal, it's ethical" not to repay. These students seemed naïve about the long-term financial condition needed to qualify for these loan forgiveness plans and the tendency

of government to change its policies regarding them. There seemed to be no sense that their approaches may be biblically or ethically problematic.

The cost of education for themselves and their spouses left them with an academic debt load of between \$80,000 and \$100,000. They believed that the educational system in the United States was set up in such a way that if a person was not from a wealthy family, then there was no other way to get equipped for what God was calling them to do other than to get the advanced degrees and incur large quantities of debt. They believed that low ministerial salaries made it impossible for many people to pay back academic loans and that everyone knew this was the case even if they didn't admit it.

They were content with the decisions they made to be equipped for ministry because they seemed to be doing well in their jobs, they felt well-equipped for the ministry roles they had, and they were obeying God's calling on their lives to serve in the church. They expressed no regret about going into ministry, only sadness and a sense of injustice that the system required them to go into so much debt. This sense of injustice seemed to serve as a partial justification for not paying back their loans. Because of government aid and deferment options, they felt able to move forward with some of their most important family goals, such as having a child. Their situations were unique in comparison to the people who will be described in the final category. Despite having vast amounts of academic debt, their upbeat and cheerful dispositions were evident throughout the gatherings.

Pattern Five: languishing without academic debt

Alumni/ae in Pattern Five were currently languishing, although in the past they had been flourishing. When they first began their ministry positions, things were going well. However, their situations changed over time. They graduated from Trinity Evangelical Divinity School with no academic debt by employing similar strategies to those that alumni/ae expressed in Pattern One. When they started in their pastoral positions, they also believed that the salaries they were offered were fair and sufficient. When they started in their pastoral positions, their spouses had jobs that paid well and they were not under-employed.

However, later their spouses left their jobs to be stay-at-home moms. Over time, the financial needs of their families exceeded their pastoral salaries. Alumni/ae and their spouses felt frustrated and disappointed that

the church was not able to provide a salary sufficient to meet their family needs. Alumni/ae expressed regret over being in their current ministry settings. What was unique in their stories was the transition that occurred from flourishing to languishing. These couples reflected high levels of stress, angst, frustration, and, at times, anger about their current ministry positions.

Pattern Six: languishing with academic debt

Alumni/ae families in this pattern felt crushed by financial constraints. They struggled with feelings of resentment and often openly wept as they expressed their hurt and frustration. They felt their pay was so low it seemed impossible to live the way they believed God was calling them to live. Some needed to move back in with their parents. Others mentioned considering or visiting food pantries and utilizing government assistance programs to make ends meet. These alumni/ae families struggled with a sense that their pay was wholly inadequate to cover their family living costs and student loan payments. As they described their situations, their words were filled with regret, embarrassment, or shame. They had a strong moral sense that they must pay back the student loans they borrowed to get a seminary education, even if government loan policies would enable them to pay less or would allow their loans to go into perpetual deferment because of their low salaries.

The ongoing financial pressure was making it difficult or impossible to live out some of their most important family values or achieve family goals they knew were necessary for their ongoing health and well-being. For example, some desperately wanted to have children but were deciding to wait until they were in their mid or late 30s, hoping by then they would have paid off their student loans. None of these couples seemed to mention the implications of waiting to have children, such as decreased fertility. Others mentioned going years without a vacation or fear about not being able to adequately provide for the children they do have. It is difficult to capture in writing the heaviness present in the focus groups as they shared their stories. Many of these couples were experiencing a profound sense of isolation because they did not feel like they could talk to others within their congregations about the struggles and hardships they were facing financially.

Educational implications

Trinity Evangelical Divinity School is currently implementing a number of experiments and initiatives to address multi-faceted issues emerging from its research. What follows are four of the educational and partnership interventions being undertaken in light of institutional learning from the *Flourishing-Languishing Spectrum*.

1. In light of this research, the institution has decided that it needs to provide quality financial advice and financial literacy training in ways that will scale given the size of the student body and limited staffing constraints. For this reason, it has contracted iGrad⁶ for all students, alumni/ae, spouses, faculty, administrators, and prospective students. This online resource provides a place to keep track of student loan balances while also streaming customized and engaging resources about a wide variety of challenging and relevant financial topics. All information is vetted through its legal department before posting so the articles, videos, and games are always conveying the most accurate and current information.
2. For the first time, questions regarding financial health and strategies for funding theological education will be included in a mandatory MDiv candidacy process. A website is also being built to provide seminary students with advice and information that will help them to develop realistic financial strategies.
3. Resources are being built to help students, alumni/ae, and spouses have more realistic expectations about clergy compensation. These resources will include advice about how to negotiate salaries during call processes as well as at various times throughout a pastor's career. They will be built by tapping into denominational resources and other research about data on areas such as ministry salaries.
4. Extensive thought and planning is also being undertaken to design the best strategy for vision casting with congregations regarding the various ways loan reimbursement options can be integrated into

⁶ iGrad is a flexible financial literacy platform that serves students, faculty, staff, administrators, potential students, and their parents and spouses. Users set up an account and answer approximately 12 questions, and the software streams to their accounts fascinating videos, articles, games, and additional tools to help them reach their own diverse financial goals. For more information, visit: www.igrad.com.

pastoral compensation packages. This seems appropriate, as congregations are the ones benefiting the most from the educational investments alumni/ae have made. The goal is to provide congregations with ways to consider examining their policies and standards about pastoral salaries, cost of living increases, benefit packages, etc.

Conclusion

At the heart of every theological school's mission is a desire to see current students and alumni/ae flourish in ministry. There will always be trials and difficulties, and these provide opportunities for building character and learning how to depend on God. However, the research at Trinity Evangelical Divinity School reveals that it is not simply academic debt that puts future ministers at risk. A more nuanced understanding from the research reveals a network of issues, some of which can and should be addressed by theological educators. Trinity Evangelical Divinity School is trying to address these in light of what is being learned about the *Flourishing-Languishing Spectrum*. While factors might vary somewhat among groups of alumni/ae from different ecclesial streams, surely paying careful attention to what enables seminary students and alumni/ae to flourish needs to be a paramount concern for all who care about preparing the next generation of church leaders.

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Small Investments Yield Big Rewards: How One Seminary's Faculty, Staff, and Students are Working Together to Put a Dent in the Debt Crisis

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ABSTRACT: The Samuel DeWitt Proctor School of Theology of Virginia Union University (STVU) is a historically black theological school (HBTS) serving a predominantly second-career, nontraditional student population whose life realities and commitment to theological education create a perfect scenario for debt accumulation. In this article, we will discuss how our institutional investment at three levels had discernable impact on reducing average student debt load. Our comprehensive and intentional response to this scenario is consistent with our mission to educate for liberation.

The project in context

Virginia Union University (VUU) had its beginning in the aftermath of the Civil War, established in 1865 by the American Baptist Home Mission Society (ABHMS) to educate newly emancipated slaves who had been systematically kept down and denied training skills, opportunities, and even basic literacy. By 1867–68, classes were being held for freed slaves in a location in Richmond, Virginia, known as Lumpkin's Jail—also referred to as the “Devil's Half Acre.” Classroom windows still had their prison bars, and the former whipping posts were used as lecterns for the professors.¹ In 1942, under the leadership of Dr. John Malcus Ellison, VUU

1 An extensive history of Virginia Union University, its connection to the American Baptist Home Mission Society, and the institutions that merged to form the union can be found at the university website: www.vuu.edu.

launched its graduate school of theology, which is now housed on the campus in Kingsley Hall.² With an enrollment of close to 400 students and offering three academic degrees—the Master of Divinity (MDiv), the MA in Christian Education (MACE), and the Doctor of Ministry (DMin)—the Proctor School of Theology offers a vibrant and engaging theological education to its predominantly African American student body. The majority (75 percent) of our students are enrolled in the MDiv program. Propelled and impassioned by VUU’s history, STVU is a place where education for liberation is taken seriously and practiced faithfully. We saw the Economic Challenges Facing Future Ministers (ECFFM) project as an initiative that was consistent with our deepest held convictions about liberation. The research conducted by The Association of Theological Schools (ATS) and data gathered through the ECFFM project has shown that black students in theological education are significantly more impacted by debt than other students—in many ways due to historical economic inequalities in the United States.³

There were four basic goals to our grant proposal: (1) to increase students’ awareness, understanding, and tools as they seek to fund their theological education; (2) to expand faculty and staff ability to resource students’ financial aid needs and to think theologically about money and ministry from the perspective of their disciplines; (3) to enlist the support of and equip persons of influence within our key constituencies to expand awareness among laity of the issues related to funding students’ seminary preparation today; and (4) to partner with key constituencies to raise endowed scholarship funds to provide non-loan financial aid for more students at higher levels. This article focuses on our goal to expand faculty and staff capacity and discusses how our institutional investment yielded big rewards in enabling us to impact the educational debt of our students.

2 Ibid.

3 Jo Ann Deasy, “Sixty-seven theological schools share strategies for reducing student debt,” *Colloquy Online*, The Association of Theological Schools in the United States and Canada, April 2015.

Investment of the faculty

The first level of institutional investment occurred with the willingness of our faculty to write white papers on the topic of student debt, creating a forum in which to provide theological examination of the topic in a way that provides direction for pedagogical practices and student formation initiatives. We were pleasantly surprised with the provocative and engaging discussions that occurred among the faculty at one of our grant-funded faculty retreats. Four faculty members had been asked to consider the topic of “faith and finances” through the lenses of their own disciplines. Two of them taught in the biblical studies area, and the other two taught courses in practical theology. While these four wrote their reflections, all other members of the faculty were asked to come prepared to contribute to the discussion. The white papers written by the faculty members were then made available to the entire student body.

It is customary that faculty members prefer to attend to the matters of teaching, research, and writing. This early adoption of the project by the faculty, however, gave a level of importance to it that the grant staff would have struggled to create alone. The students assigned value to it because they saw that the faculty members had done so.

One faculty member described debt as the burden of a slave:

In the context of the ancient Near East, owing debt was one of the main reasons why people ended up in slavery or under oppressive conditions. Because of debt, one could lose one’s family by selling a family member or themselves into slavery. Although this institution no longer exists legally today, owing debt is tantamount to economic slavery. As long as one owes a debt, one does not have economic independence or the convenience of living a debt-free life. The loans students owe will affect the quality of their life.⁴

Another faculty member spoke to how historic religious traditions can inform current thinking about wealth:

4 Robert Wafawanaka, “Faith and Personal Reflection,” presentation to School of Theology faculty/staff retreat, Richmond, VA, October 14, 2013, 5.

I want to suggest we draw upon Wesley's preaching and teaching, his written documents and recorded practices, as well as the successful cultivation and nurture of the classes and societies. Because the essential principles of our Christian faith, and the habitual, purposeful practices of faith in regard to wealth can have a transformational impact upon our attitudes and behaviors, some of those employed by early participants in the Wesleyan movement may help us as we support and guide students in our mutual struggles to relate faith and finances.⁵

One professor made this observation about the unevenness in levels of support that are evident among varied seminaries and denominations:

The real concerns about student debt arise because some students take enormous financial burdens for a long time after their graduations. They do not see hopes of paying off in a planned way. While some theological institutions are financially strong enough to give enough scholarships and grants to their students, most others are struggling to give enough support to them. While some students can afford their education, a majority of others depend on federal loans or on other types of resources. There are also denominational differences; the historically rich denominations have more resources for supporting their students than the other non-rich denominations. Minority-run denominations are generally poor and hardly support their students.⁶

In the papers, faculty also shared their own stories about educational debt, struggling through school, financial decision making, and what an investment in education can look like. How could students benefit from such sharing? It certainly proved to the students that they were not alone in their debt crises—their professors struggled with debt in their lives, too. The papers also presented alternatives to debt accumulation that current

5 Lynn Blankenship Caldwell, "Faith and Finances: Some Wesleyan Contributions to the Conversation," presentation to School of Theology faculty/staff retreat, Richmond, VA, October 14, 2013, 4.

6 Yung Suk Kim, "Faith and Finance in Paul's Letters: Mutual Care and Responsibility for God's Gospel," presentation to School of Theology faculty/staff retreat, Richmond, VA, October 14, 2013, 1.

students may not have considered—options that spoke more to living with simplicity. Each paper concluded with suggestions on how the seminary can begin to educate students and/or develop concrete strategies to put a “dent” in the crisis.

In reflection, the faculty investment in this project really is indicative of the learning ethos at the Proctor School of Theology. Students know early on that they are members of a community of scholars who invest in their professional and theological development but also care deeply about them as learners. Faculty members create an atmosphere of collaboration that engenders a deep appreciation for the prior learning of the student and challenges them to go deeper. At its core, the nature of their investment suggested a level of vulnerability and transparency that evoked transformative learning and sharing. The sharing of community narratives leveled the learning field and repositioned the professor as the “guide on the side” rather than the “sage on the stage.”⁷

A faculty member in practical theology had this to say in her paper:

I believe our strategies as a seminary should include assisting students in doing the hard work of budget planning and setting realistic ministerial goals, as well as exploring alternative ways to finance their seminary education without loans. I believe that we have to open the dialogue among seminarians with regard to the place and priority we give our finances, not only in our preaching and teaching but when it comes to the plotting of our ministerial goals. I believe we have to provide more than financial support but also the emotional and psychological support to those who are overburdened and overwhelmed and for whom money is not the best answer. Even in seminary, we may have to lead students to honestly deal with their own quests for financial ease and prosperity.⁸

7 A teaching strategy discussed in Alison King, “From Sage on the Stage to Guide on the Side,” *College Teaching* 41, no. 1 (1993): 30–35.

8 Patricia Gould-Champ, “Faith and Finance in Paul’s Letters: Mutual Care and Responsibility for God’s Gospel,” presentation to School of Theology faculty/staff retreat, Richmond, VA, October 14, 2013, 1.

Staff take the project seriously

A second investment, staff participation in Dave Ramsey's nationally known online program, Financial Peace University, modeled good financial stewardship and empowered them to guide students in making responsible financial decisions. The energy and excitement around the Dave Ramsey course began with our formation director, who first went through the training himself. His enthusiasm about what he had learned was contagious, and it gave birth to his leading a course for staff.

The grant administrator and the coordinator of graduate financial aid, along with six other faculty and staff members, took the class. Participants in the faculty/staff Dave Ramsey class sessions celebrated small and large milestones in managing their own financial debt. One staff member brought her credit cards to one of our sessions and allowed us to witness her cutting them up. Another staff member spoke about the difficulty of getting the first \$1,000 set up in the savings account while ensuring that other family financial needs were being met. Philosophically and practically, we knew that the excitement and energy among the faculty and staff would have a snowball effect on our students. The impact of the faculty/staff class was actualized in how guidance was provided to students during course advisement and through financial aid counseling sessions led by our coordinator of financial aid. Such education also created a level of sensitivity to our largely 75 percent student population of nontraditional, bi-vocational, and commuting students. These students tend to be stretched financially when paying for classes, managing their family households, and dealing with the regular stressors of pastoral ministry.

Students get on board

Finally, and perhaps most impactful, was the investment of the students themselves in agreeing to participate in a seminary-sponsored Debt Reduction Incentive Program offering a small scholarship to persons who reduce the amounts of their student loans. Financial assistance to students as an incentive for changing their borrowing habits supports our educational awareness about small steps to take in reducing debt over time.

The idea of financially assisting students as an incentive for changing their borrowing habits came to mind when a student asked, "How will I cover everything if I give up so much?" This sparked the notion

of rewarding students who made the informed decision to reduce their borrowing by 10 percent of the maximum amount awarded to graduate students. This reduction would serve as an example of how much of an impact reduction could have on students' lives and financial habits.

The proposal was made that, for the first 50 students each year who attend an educational event during a free meal *and* agree to reduce the total amount borrowed by 10 percent per year, the institution would award them a \$500 scholarship. For a student at STVU who is awarded the maximum federal student loan of \$20,500, reducing that loan amount by just 10 percent (\$2,050) can mean a significant savings over the life of the loan, based on the interest rate and selected repayment schedule. An estimated 10 percent of the student population borrowed less than the total \$20,500 per term.

Students were regularly sent information by email and given information during orientation sessions, community formation weekends, and other annual gatherings throughout the year but especially during registration periods. Students were encouraged to be good stewards of their resources and to consider reducing their maximum Department of Education allowable loan amount of \$20,500 each year by 10 percent, which would mean only \$512.50 per term. When students were given Table 1: Savings Analysis for Loan Reduction, indicating the potential savings over a one- to three-year period, it began to spark a wealth of questions from the students. They were told that each \$500 reduction can save twice as much in repayment, estimating a \$1,127 savings.

While the Debt Reduction Incentive Program proved to be a great way for students to take practical steps in reducing their debt, other educational strategies also contributed in helping our students put a "dent" in their debt crises. Through various discussions, we discovered that students were unaware of many of the resources available online. Students were introduced to the Department of Education websites⁹ that specifically offer information on student loan history, consolidation, and repayment plans, including a variety of plans to fit income. One tool that has been particularly helpful to students is the repayment estimator on the studentaid.ed.gov website. This tool allows students to enter their loan amounts or proposed amounts, household sizes, incomes, states, and tax

9 www.studentloans.gov, www.studentaid.ed.gov, and www.nslds.ed.gov.

Table 1: Savings Analysis for Loan Reduction

Graduate Student	One Year Reduction	Two Year Reduction	Three Year Reduction
Maximum amount available annually*: \$20,500 1st yr (Junior) \$20,500 2nd yr (Middle) +15,375 3rd yr (Senior) \$56,375** Every loan has interest: 6.8% Interest paid = \$77,773 Estimated interest rate for Consolidated loans	If you choose to reduce your annual loan for one year: \$18,450 1st yr (Junior) \$18,450 2nd yr (Middle) +15,375 3rd yr (Senior) \$52,275** Every loan has interest: 6.8% Interest paid = \$65,000	If you choose to reduce your annual loan for one year: \$18,450 1st yr (Junior) \$18,450 2nd yr (Middle) +15,375 3rd yr (Senior) \$52,275** Every loan has interest: 6.8% Interest paid = \$68,200	If you choose to reduce your annual loan for three years: \$18,450 1st yr (Junior) \$18,450 2nd yr (Middle) +13,325 3rd yr (Senior) \$50,225** Every loan has interest: 6.8% Interest paid = \$63,053
So, the total <i>estimated*</i> amount repaid for borrowing the maximum amount every year would be: \$127,148	The total <i>estimated*</i> amount repaid would be: \$117,275	The total <i>estimated*</i> amount repaid would be: \$122,525	The total <i>estimated*</i> amount repaid would be: \$113,278
* Loan amount is based on eligibility determined by the Department of Education. Repayment amount is based on repayment plan processing.	Estimated Savings: \$4,623	Estimated Savings: \$9,873	Estimated Savings: \$13,870
** A 1.0% origination fee is deducted by the Department of Education prior to receipt of funds.			

filing statuses. It then calculates the estimated payments and lists them in the individual repayment plans. This offers the students a quick look at what payments may be for various amounts borrowed. It also helps the students who have already borrowed to decide on future requested amounts. Students were given the opportunity to input amounts and work through examples.

As a part of regulations, graduating students are given their loan histories based on information retrieved from the National Student Loan Data System (NSLDS) website. With this initiative, students are given their histories once per year. With this approach, students are reconsidering the amount borrowed based on total debt. The NSLDS provides students with their specific loan history, including institutions attended, amounts borrowed, and lender contact information.

In-depth financial planning sessions were also offered by a local certified financial planner, who set up individual meetings for students and their spouses. This personalized advising and development of strategies regarding their financial management was provided at no cost to them. Twenty-five students participated in the same Financial Peace University program that staff had completed, designed to provide education on financial planning strategies for the express purpose of living debt-free. Students were provided a kit that included an audio CD version of each session for review, a copy of the book, *Dave Ramsey's Complete Guide to Money*, access to online budget and financial advisors, and other essential tools. Twenty-two students completed the program. Financial Peace University is based on nine sessions that discuss the following topics:

- Super Saving: Common Sense for Your Dollars and Cents
- Relating With Money: Nerds and Free Spirits Unite!
- Cash Flow Planning: The Nuts and Bolts of Budgeting
- Dumping Debt: Breaking the Chains of Debt
- Buyer Beware: The Power of Marketing on Your Buying Decisions
- The Role of Insurance: Protecting Your Health, Family and Finances
- Retirement and College Planning: Mastering the Alphabet Soup of Investing
- Real Estate and Mortgages: Keeping the American Dream from Becoming a Nightmare

- The Great Misunderstanding: Unleashing the Power of Generous Giving¹⁰

Students wrote reflection papers on each topic and were asked to carefully review presented material from the readings and video presentations. Responses from students suggested that they were beginning to look at educational debt differently. One student stated, “This struggle is not only financial, but it is spiritual.”¹¹ Another commented, “One of the first statements that got my attention was that ‘money is active.’ No one has ever caused me to see money from that perspective before. It was almost like a culture shock when I heard those words.”¹² Small and large discussion groups allowed students to hear the concerns, struggles, and success stories of their peers. This opportunity to share was extremely enlightening for the students. Three students cut credit cards, two students stated that they did not use credit cards, and several students shared their experiences of actually closing out their credit card accounts. Students also discussed the disparity between student debt and income from churches or ministry related occupations.

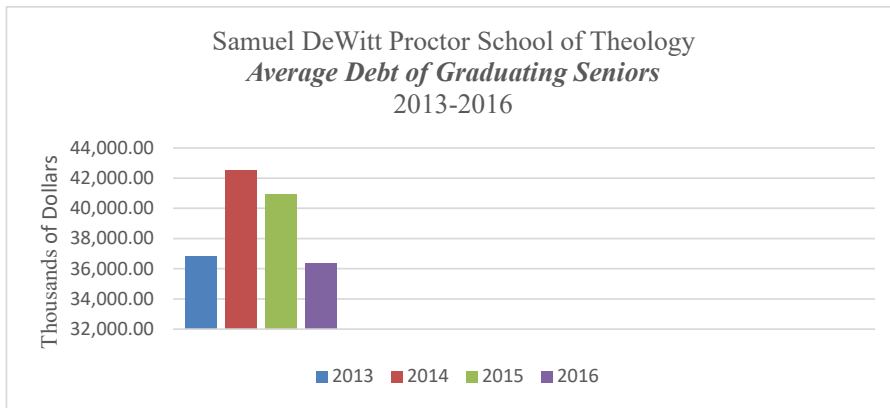
Due to these efforts, students have continued to reduce loan borrowing without the incentive funding. Also, by making an effort to present detailed information during the orientation process, students are making the decision earlier and borrowing less. We celebrate the fact that—as indicated in Chart 1: Average Graduating Student Debt—over the last four years, significant reductions have taken place since 2014 when student debt was at its highest.

10 Dave Ramsey, *Dave Ramsey's Complete Guide to Money* (Brentwood, TN: The Lamp Press Group, Inc., 2011).

11 Leroy Salary, Jr., “A Review Reaction of Financial Peace,” class assignment, Samuel DeWitt Proctor School of Theology, Richmond, VA, Winter 2015–16.

12 Latisha Flood, “Financial Peace Reflection Paper #3,” class assignment, Samuel DeWitt Proctor School of Theology, Richmond, VA, Winter 2015–16.

Chart 1: Average Graduating Student Debt



Conclusion: celebrating the rewards

Reflecting on our work, the Economic Challenges Facing Future Ministers project has proven to be much more impactful for students, faculty, and staff than originally imagined. One of our major goals was to help students develop healthy personal financial practices that will carry over to their work in churches and congregations, thereby positively affecting their administrative practices in pastoral leadership and the management of debt in their personal lives. During the first grant year, faculty members started talking about this as a deeply theological issue that was akin to “mutual care and responsibility” for our students. We also felt that, as a seminary, we were engaged in the deep ethical tension between “getting students” and “knowing that those students are going to accumulate debt.” We all agreed that owing debt is synonymous to economic slavery. But we were also convinced that if we invested in providing students with a good education about debt, it would yield big dividends for the students’ ministerial future, particularly as it relates to personal and professional financial management.

Moving forward, a big reward for the seminary has been the need and desire to carefully examine our curriculum and ensure that student education around debt takes place early in the process as a requirement as opposed to the end of the curriculum simply as an elective choice. A new course, titled *Managing Debt in Life and Ministry*, is now available to students as early as their first years. The awareness raised through faculty and staff involvement in the project sent signals to students that the matter

of student debt is important and that they were not alone in their struggles. This systemic engagement at the institutional level caused a ripple effect in the personal financial practices of the students themselves. Many of them began to talk about debt more openly, to participate in discussion sessions that examined financial issues, and to take practical steps to reduce the debt they were accumulating at seminary. Many of them made intentional decisions to reduce how much they borrowed through federal loans. The seminary celebrates the reduced debt for individual students and a lower average debt

for the entire student body. We are aware of the need for more direct student impact through the grant and realized this year through our sustainability efforts that, with such a large student population, our student-focused grant initiatives

“The need for early and intentional debt management strategies is the one big idea that is emerging in our institution . . .

should be multiplied and enhanced. Informal conversations with students indicate that, even though financial aid counseling is provided, many of them feel like more intensive guidance about student debt is needed when they embark upon the seminary journey. *The need for early and intentional debt management strategies* is the one big idea that is emerging in our institution that will shape how we address the issue of student debt now and into the future. While we can't change the debt that students bring from previous academic programs, we realize that we can certainly impact how much debt they accumulate as they study with us. We see this effort on our part being realized through a variety of initiatives to include financial mentoring, curricular changes, and continued attention to minimizing tuition costs.

Through education of students, faculty, staff, and seminary constituents, we have sought to impact thinking and psychology around money that ultimately leads to healthy financial practices in life and ministry. Specifically, we wanted to bring attention to the critical concerns of mounting debt for theological education within the student body we serve. Considering the demographics of our students, we knew that attacking this problem was not optional. Many of our students are more mature persons who, as they become burdened with debt at this point in their lives, will never pay it off. An education about how informed awareness and smart

practices can help curtail the accumulation of debt later in life was imperative for our students. We made some small investments, and they yielded big rewards!

At the time this article was written, Mary H. Young was Assistant Professor of Christian Education and ECFEM Lilly Grant Administrator at the Samuel DeWitt Proctor School of Theology of Virginia Union University in Richmond, Virginia. At the time of publication, she is Director of Leadership Education at The Association of Theological Schools in Pittsburgh, Pennsylvania. Michelle E. Hatcher is Graduate Financial Aid Coordinator at the Samuel DeWitt Proctor School of Theology of Virginia Union University.

Congregational Polity, Religious Freedom, and a Nontraditional Student Body as Factors Affecting Financial Training

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ABSTRACT: Participation in the Economic Challenges Facing Future Ministers (ECFFM) program has presented unique challenges and opportunities at New Orleans Baptist Theological Seminary. Three significant factors have affected the design and implementation of our program to address student personal finances and future indebtedness: congregational church polity and the autonomy of the local Baptist church; diverse educational delivery systems to a geographically widespread student population; and the seminary's position regarding federal funding and nonparticipation in the federal student aid program. These factors have convinced us of the need for such training in the seminary, necessitated outside partnerships, and fostered innovative delivery methods.

When the Southern Baptist Convention (SBC) voted to establish a seminary in New Orleans in 1917, it knew it was placing a missional outpost in a region largely unreached by Baptist churches. New Orleans was arguably the most cosmopolitan and international US city of its day, and its founders saw great advantage in training students in such an un-Baptist place. They probably never imagined that the school they founded would one day be one of the largest seminaries in the world, that seminary programs could reach nearly 4,000 individual students in a single year, and that students would learn not only on their New Orleans campus but also in more than 20 extension centers across the South. They certainly never conceived of online education or the notion that seminary education could cost thousands of dollars a year and that the federal government could have a hand in funding it. As the New Orleans Baptist Theological Seminary (NOBTS) enters its centennial year, the school continues in its mission to equip leaders to fulfill the Great Commission and the Great Commandments through the local church and its ministries but does so

in an environment affected by many factors its founders could never have imagined.

As an entity of the Southern Baptist Convention, NOBTS maintains a commitment to traditional Baptist understanding of church organization and congregational polity. Likewise, NOBTS has upheld a commitment to religious liberty and the separation of church and state as evidenced in its choice not to participate in federal student loan programs. The NOBTS student body is somewhat nontraditional in its makeup, in that so many students attend classes in extension centers and online. This has affected seminary decisions on course delivery and delivery of student services, including financial aid and training. Baptist church polity, commitment to religious liberty, and the particular educational goals and student constituencies of the seminary have all impacted the personal financial support and training the seminary offers its students.

Congregational church polity

The first challenge falls under the broad heading of congregational church polity. Baptists are committed to the autonomy of the local church. The Southern Baptist Convention defines a New Testament church as “an autonomous local congregation of baptized believers, associated by covenant in the faith and fellowship of the gospel Each congregation operates under the Lordship of Christ through democratic processes.”¹ That commitment, while not exclusive to SBC churches, is one of the things that makes a Baptist a Baptist. However, congregational church polity and the autonomy of the local church lead to unique challenges for the financial training of ministers.

Denominational placement and hiring practices differ, but for Southern Baptists there is no uniform hiring process for the local church staff. Individual churches set their own policies and requirements for prospective staff members. Structured hiring practices exist within the SBC for the appointment of North American missionaries, church planters, and international missionaries. However, those more uniform hiring practices do not exist for graduates seeking positions as church staff members in SBC churches. For one thing, there is no requirement for seminary training for

1 Article VI, “The Baptist Faith and Message, 2000,” <http://www.sbc.net/bfm2000/bfm2000.asp> (accessed September 2016).

ministers, and indeed many NOBTS students are already ordained and serving in various church positions before they begin seminary. While the seminary does offer résumé and referral services for students and churches, the hiring process varies greatly from church to church and is not unlike a secular hiring process in its basic structure. The process allows individual congregations and ministry candidates great freedom to make good decisions regarding ministry hires, but hopeful church staff members can be left waiting if they have not secured a ministry position prior to seminary graduation.

Likewise, Baptist congregational polity means that there is not an authority over the pastor outside the local congregation. Pastors are accountable to their churches and to God, but most often no one is checking on their finances or requiring accountability or training in financial matters. Local and state denominational organizations usually offer some resources for counseling or other interventions, but these are seldom related specifically to finances or debt management and must be sought out independently by the minister. Training in personal financial management is voluntary on the part of most Baptist ministers serving in the local church. For those future ministers who go to seminary, there is still little in the way of formal academic training related to personal financial practices. Currently, no SBC seminary offers a required course in personal finances. Courses related to church finances and administration are offered, and at NOBTS those courses sometimes include units or assignments on personal finances, but there is no single course dedicated to personal finances. While the number of pastors leaving the ministry over finances seems to be small, more than 50 percent of pastors in a recent survey cited concern about their family's financial security as a significant stressor in ministry.² This sort of stress is distracting and can lead to personal burnout. While individual circumstances vary, the bottom line on financial training for ministers in Baptist life is clear—when available, the seminary is most often the best and last place that such training can be delivered effectively and to a large number of ministers.

2 Lisa Cannon Green, "Despite Stresses, Few Pastors Give Up On Ministry," [www.lifewayresearch.com](http://lifewayresearch.com), September 1, 2015, <http://lifewayresearch.com/2015/09/01/despite-stresses-few-pastors-give-up-on-ministry/> (accessed September 2016). This article summarizes the research and offers links to both the qualitative and quantitative reports.

NOBTS response to the challenge

Congregational church polity offers great freedom to the local church and minister, but with that freedom comes responsibility on the part of the seminary to train future ministers in good financial management. In December 2013, the seminary established the Program for Research, Education, and Planning—the PREP Program—as part of the Economic Challenges Facing Future Ministers (ECFFM) initiative, funded by a grant from Lilly Endowment Inc., to address the issues of student indebtedness and financial well-being. The program is coordinated through the seminary Student Services Office and works in close cooperation with the seminary Financial Aid Office and Business Office. The program targets three areas: research, education, and planning.

The PREP Program has sought to address this issue by providing direct training to seminary students. PREP began offering courses using the *Compass—finances God's way*[™] curriculum every semester beginning in summer 2014. The courses are offered free of charge to NOBTS students and their spouses, and curriculum costs are subsidized by grant funding and other gifts. Students who complete the training and want to use the program in their own churches are given enough curriculum for their first *Compass* groups. The hope is that when pastors and other ministers understand the importance of good financial stewardship and are equipped in this area in their own lives, they will then lead churches and congregations in good financial practices and reduce the effects of an established ministry stressor.

Since the program's inception, 240 students have participated in small group sessions. Student participants have reported a reduction in their current debt loads by thousands of dollars. Several students have reported reducing their debt by up to \$6,000. One student participant reported reducing his student loan debt by \$25,000. This student is paying off his student debt a decade earlier than required, significantly reducing his loan costs. When asked how he paid off so much debt in a relatively short period of time (about two years), he replied that it was the *Compass* group training and sticking to the principles he learned in the group. He and his wife indicated that they remained committed to their debt reduction plan, even when it was uncomfortable, because they knew reducing and avoiding more debt would give them greater freedom in the long-term.

In addition to the *Compass—finances God's way*[™] groups, NOBTS has worked to integrate personal finances training into the overall curriculum

of the seminary. To this point, the seminary has not added courses in personal financial management to the curriculum, but professors teaching courses in areas such as personal spiritual disciplines, church administration, or general Christian ministry have been happy to include the material, most often by allowing a guest speaker from the PREP Program in a class meeting or assigning students to develop personal budgets. Professors in some programs actively encourage students to participate in *Compass* groups. Counseling faculty, for example, have seen the value in the practical financial training for student counselors to provide to their clients dealing with financial stress and encourage students to participate in PREP programs.

Seminary delivery system

As the seminary has grown, its particular geographic setting and commitment to preparing students for ministry in smaller and bi-vocational churches have led to the expansion of its educational delivery systems, including online delivery and a large network of extension centers across the southern states. Of the six SBC seminaries, NOBTS has the smallest number of churches within a 100-mile radius. The seminary was not established in a traditional Baptist area. Nevertheless, the seminary serves a primary five-state area that stretches from Louisiana to Florida. This geographic setting has led to the need to innovate in course delivery.

NOBTS also serves many nontraditional students, including many students older than traditional age and without traditional ministry education backgrounds. A common humorous quip in Baptist circles states that to become a Baptist pastor, one must simply be saved, be called to ministry, and be able to convince at least one congregation that the first two are true. While this is an obvious oversimplification of the situation, it reflects the truth that there are many people—especially in smaller rural churches—who are serving as pastor and in other ministry capacities without the benefit of a seminary education. Many smaller Baptist churches do not require seminary training for their pastors. This being the case, the seminary implemented a strategy early in its existence to make ministry education accessible to any God-called person.

This commitment led directly to the development of the extension center system and online program. This diversity in delivery methods has allowed the seminary to make theological education more accessible to

future ministers as well as those already engaged in ministry, in that students are able to pursue seminary education without leaving their current places of ministry. They are also able to maintain their positions in local churches and not assume the financial burden of moving or commuting long distances to New Orleans. This has been especially important for students preparing for ministry in smaller and bi-vocational churches. According to data obtained from the NOBTS Leavell Center for Evangelism and Church Health, approximately 90 percent of SBC churches have a regular Sunday attendance of fewer than 250, and nearly 70 percent of all SBC churches have 100 or fewer in attendance each week.³ Southern Baptist seminary graduates entering the pastorate or other church-based ministries will most often serve smaller churches with limited financial resources. Many of the staff serving in these churches will find it necessary or preferable to serve in a bi-vocational capacity. Compensation for seminary graduates will be fairly low in the typical vocational setting, and servicing a large debt load will be a significant complicating factor.

NOBTS response to the challenge

The extension center and online programs offer students an opportunity to reduce the negative financial impact seminary can have on personal finances, particularly in that they need not bear the expenses of leaving jobs and relocating to the main campus, but they present very real challenges to providing students with personal financial training. The development of outside partnerships and a healthy engagement between the PREP program on the main campus and the extension centers are necessary to make the financial training opportunities available to all of our students.

The PREP Program has had some success in addressing these challenges, though much remains to be done. Financial training groups using the *Compass—finances God's way*TM materials have been made available at two of the larger extension centers. Our largest extension center offered groups during two semesters, with moderate participation. A key to the success of these groups was some modification of the standard time format for the training, but there are limits to this sort of modification. The other center advertised the group, but the group did not meet due

3 W. Day and M. Tolbert, "Small is the True Big," unpublished presentation at Leavell Center for Evangelism and Church Health, New Orleans Baptist Theological Seminary, 2014.

to minimal interest in participation. At issue is the design of our current financial education program and its usefulness for the different type of student at these centers. While the main campus has a large population of resident students and families, for whom the standard meeting format is convenient, extension center students are all commuters who most often have significant outside commitments to ministry positions, bi-vocational jobs, and family. Adding another item to an already overflowing plate can become overwhelming.

In order to find a low-cost solution that offered high quality financial intervention and required minimal time commitment from already-busy students, the seminary has partnered with financial planners identified through the Kingdom Advisors organization⁴ to offer individual financial planning on a pro bono basis to seminary students. The program was piloted successfully on the main campus and will be implemented at selected extension centers. In four semesters, 100 people on the New Orleans campus met with professional financial planners to discuss a variety of topics, including budgeting, saving, and retirement planning within the context of the student's ministry goals. Students who participated indicated that they found the meetings to be helpful and encouraging rather than a stressful or intimidating experience. Several students noted how refreshing it was to have a financial planner who prayed with them. The current challenges for PREP will include finding the appropriate advisors, effective advertising strategy, and methods of incentivizing the program for online and extension center students.

Religious liberty and church-state separation

As part of its commitment to religious freedom, the seminary does not participate in the Federal Loan Program. Freedom of religion and separation of church and state are key Baptist beliefs, going back to the early Baptists in America who successfully lobbied James Madison to include freedom of religion in the Bill of Rights.⁵ In that spirit, the seminary has never accepted any form of direct state or federal funding. While PELL grants and other state and federal programs would assist our students

4 For more information about Kingdom Advisors, visit www.kingdomadvisors.com.

5 H. Leon McBeth, *The Baptist Heritage* (Nashville: Broadman Press, 1987), 279–283.

financially, the “strings attached” could limit our abilities to teach consistently with our doctrinal confessions.

It is also the seminary’s hope that we can help students avoid further indebtedness by creating a culture in which borrowing to finance ministry education is seen as a last resort rather than a normal part of the process. PREP coordinates with the Student Enlistment Office to give prospective students a clearer picture of the financial requirements of a seminary education at this institution. The Student Enlistment Office employs a split-time staff member who addresses this issue specifically in venues for prospective students, as well as with the seminary referral base when speaking in churches or pastoral associations. In connection with the Financial Aid Office, PREP staffers discuss the funding and financial aid options outside of student loans with interested students. All students seeking private educational loans are referred to PREP before certification. PREP also participates in the Alumni Office Life after Seminary event to address post-seminary financial planning with graduating students.

It is hard to determine the exact effects of student loan debt on those in ministry, but it is our sense that it is not positive. We know that debt hinders entry into some ministry positions, that ministers cite financial limitations as stressful, and that many of our graduates will serve small churches with limited resources or on the mission field. Quite a few years ago, NOBTS offered in-house student loans. The seminary halted the practice largely due to concerns regarding high default rates. This was perhaps the first hard evidence that student loan debt was not necessarily a good fit for ministry students. Considering these factors, the seminary has not been eager to enter into a system in which borrowing is seen as a primary source of support for students.

NOBTS response to the challenge

Overall, NOBTS students are in a favorable position in terms of tuition cost and financial aid. Students who are members of Southern Baptist Convention churches receive support from the SBC Cooperative Program that equals an approximate one-third reduction of the total cost of tuition. Additionally, the seminary houses the Caskey Center for Church Excellence, which offers resources for students who serve in paid bi-vocational or small church staff positions in Louisiana, Mississippi, and Alabama

while enrolled at NOBTS. Students in the program are provided a full-tuition scholarship as well as support from the center as they balance their ministry and academic efforts. In all, NOBTS provides some financial aid to well over 90 percent of its qualified students, and financial aid totals about 40 percent of institutional tuition income. Financial aid awards are relatively small for most students, but this support, combined with reduced tuition for Southern Baptist students, makes NOBTS an affordable option. We are mindful, however, of the 2014 research findings from The Association of Theological Schools that higher tuition discounting through scholarship aid is not the simple or exclusive solution for reducing educational debt.⁶

A key component of the research work done by PREP is the financial well-being survey offered to new students each semester. From this survey, PREP has been able to glean valuable data related to the total debt for incoming students. As an example, in fall 2015, 85 new students arrived at NOBTS with educational debt from other academic programs. Those 85 students carried an average educational debt of \$21,564. This debt amount is typical of an incoming NOBTS class for those who carry existing educational debt. Since most students choose to defer student loan repayment while continuing their education, it is likely these debt totals will remain relatively stable or grow while they are pursuing theological education if the debt is not addressed in a purposeful manner. This debt load can cause unexpected difficulty as students enter the ministry.

NOBTS students may pursue student loan options through private educational loan providers (e.g., Sallie Mae Smart Option Loan). The seminary will certify these loans on behalf of students. The use of private educational loans certified through the seminary allows NOBTS to more closely manage the loan certification process. In order to receive the private educational loan, students must complete the "NOBTS Loan Approval Form" before the loan is certified. This form requires students to report how much money they are seeking as well as what the money will be used for during the semester. Students may receive only what is requested and noted on the form as educational expenses. The definition of educational

6 Jo Ann Deasy and Chris Meinzer, "The Two Biggest Myth about Educational Debt," *Colloquy Online*, December 4, 2015, <http://www.ats.edu/uploads/resources/publications-presentations/documents/the-two-biggest-myths-about-educational-debt.pdf> (accessed September 2016).

expenses does give wide latitude for fund requests, but with the form students are confronted with the reality of what they are requesting.

In addition, NOBTS is able to require students who have already received loans certified by the seminary to participate in financial advising and planning before additional loans are certified. Not participating in the Federal Loan Program has an impact on the funding options for students, but the private educational loan process gives NOBTS greater freedom in helping students to understand the commitment they are making when they pursue educational loans.

Though the seminary does not have a long history of data on graduate educational debt, a snapshot of student educational debt data is available. In spring 2015, the NOBTS graduating class totaled 202 students in graduate and undergraduate programs. Of those graduating, nearly half incurred less than \$4,000 of educational debt during their theological training at NOBTS. Ninety-three percent of graduates incurred less than \$10,000 of educational debt. It is our hope that the seminary culture of debt avoidance and support for students has helped our students in this arena.

Conclusion

As a theological seminary with denominational ties operating within a tradition of congregational church polity and separation of church and state serving a broadly distributed nontraditional student population, NOBTS has faced unique challenges when attempting to assist students in navigating issues of finances and student debt. These challenges have presented NOBTS with opportunities to consider different options for students to pursue financial training, educational financing, and ministry preparation. We look forward to continuing the process of helping to train future ministers in preparation for vocational ministry, including how to live financially healthy.

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Flourishing in Complexity: Training the Leaders of Large Congregations

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ABSTRACT: Large congregations produce, prepare, and call pastors for the church. There has been a lack of focus on training lead pastors of such congregations, preparing them to flourish. As pastors with large constituencies flourish, so grow the churches and their contributions/commitments to the larger institution, including training of future pastors through excellent, affordable seminary education. In 2014–15, The Lutheran Theological Seminary at Gettysburg developed training for current and potential lead pastors of larger/complex congregations: “Leading Multi-Staff Ministries: Flourishing in Complexity.” This article explores that process and indications for the future.

Making the case

Large congregations (with worshipping communities of 400 individuals per weekend or more) are instrumental in encouraging, preparing, and calling leaders in the church. Because many of these congregations have correspondingly larger budgets, they are uniquely positioned with the financial means to make significant contributions off-setting the cost of a seminary education, thereby lowering the burden of educational debt for future pastors. At the Lutheran Theological Seminary at Gettysburg (LTSG), for example, in fiscal year 2014–15, 60 of the 183 Leadership Giving Circle Donors (annual supporting units providing between \$1,000 and \$5,000 per year, which comprises 75.6 percent of the annual income for the general operating fund), were congregations, most of them mid-sized or larger. These Giving Circles are key components in the 65 percent increase in general fund giving to LTSG, which has occurred in less than three years. Such generosity deeply impacts the fiscal state of theological education.

However, despite the significance of this support, there has been a notable lack of focus on adequate official training modules for lead pastors of such congregations that would prepare them to flourish in the congregations to which they have been called. For example, one of the participants in the current program, Reverend Mike Louia, who serves First Lutheran Church in Ellicott City, Maryland, wrote the following:

Most assuredly this type of learning event/process is something that could not be as effectively coordinated on a congregation, conference, or synodical level. Having the seminary not only organize this program but also having representation from across the Evangelical Lutheran Church in America (ELCA), has opened my eyes to the similarities and the differences within the ELCA. Learning from others and having a support structure across the ELCA is a helpful by-product of this experience.

Pastor Louia's comment was echoed by many other participants, who also expressed appreciation for the skills learned throughout the training program. We posit that as these pastors of large congregations flourish, so grow the churches, their ministries, and, with intentional and deliberate education, their contributions and commitments to all the ministries of the church—including the training of future leaders through excellent and affordable seminary education.

The Lutheran Theological Seminary at Gettysburg, which unified on July 1, 2017, with its sister seminary, The Lutheran Theological Seminary at Philadelphia, had committed to providing tuition-free education for all entering full-time ELCA residential students in the 2016–17 academic year and beyond. While this has resulted in a positive response from potential ministerial candidates, the capability of sustaining such tuition-free educational options will depend upon financial support from congregations and generous individuals; congregations are best able to offer such support when they are guided by a well-trained and expert leader. Within this article, the process of building, evaluating, and imagining the wider applicability of the “Leading Multi-Staff Ministries: Flourishing in Complexity” training program is described. The goal of this training program is to equip leaders with the fundamental abilities necessary to lead and flourish in just such a faithful and fruitful manner.

Process—how the training program was developed

Grant application

Lilly Endowment Inc. was interested in receiving applications from seminaries under the title of Economic Challenges Facing Future Ministers (ECFFM). With the strong encouragement of the seminary's president and dean, as well as faculty members (particularly those who themselves had experience in large congregations), newly hired vice president of seminary advancement, the Reverend Glenn E. Ludwig, began the development of a training program for senior pastors that spoke to the complexities of serving larger congregations. No such intensive and comprehensive program existed in the ELCA.

The proposed training program fell under that category of "Developing and Strengthening Partnerships," one of the goals of the grant. It was hoped that in serving this portion of the clergy roster that stronger ties to the seminary could be made and maintained with these larger congregations who have more resources to support ministries outside of their walls. An early consideration was the scope of the program, since ELCA seminaries hold to a commitment outlined in the denomination's bylaws to only fundraise with congregations in their designated geographical region. With a clear understanding that only those congregations in the seminary's region would be encouraged to begin or expand seminary support, we wanted to make the program available throughout the entire ELCA. This approach was affirmed by bishops throughout the church and has proven to be the case in terms of our Giving Circles.

Using a portion of the grant, Ludwig was appointed project director. His appointment to that role by seminary president Michael Cooper-White was strategic in giving the program broad credibility. Prior to coming to the seminary, Ludwig served for three decades as the senior pastor of large congregations. He is highly regarded among all seminary constituencies, including the faculty, by virtue of having served for six years as chair of the LTSG board prior to his becoming vice president.

Interviews and data gathering

The first item of business, once the grant was received, was to gather data about what should and could be offered in such a training program. And what better place to begin than with interviews of current senior/lead

pastors in the church? Seventy serving pastors were interviewed, with the majority of those interviews being conducted personally and a small minority through phone or email. All of the interviews were conducted by Ludwig, who had more than 27 years of experience as a senior pastor.

The interviewed pastors were informed about the grant and the intent to develop a training program for persons who serve as senior/lead pastors of larger congregations in the ELCA. They were then asked to respond to two questions: (1) What should we include in this training program? and (2) What do you wish you had known when you first became a senior/lead pastor?

What the data revealed

At the end of that first grant year, the data was collated, and what emerged were five specific areas for consideration with a sixth “other” category. Those five main areas were staffing issues (far and away the number one issue), administration (including governance, management, visioning, decision-making, leadership styles, and size-transition issues), finance and stewardship, systems training, and the role of the pastor as leader. The undefined sixth area included areas such as conflict resolution, managing tensions, faith formation, communication, mentoring, and sharing of best practices.

Appointment and work of an advisory task force

Next, a working task force was appointed to review the data and plan a training program. Because the vision was for a national training program, invitations were made to persons from throughout the church who either had served or were then serving as senior/lead pastors in the ELCA. It was also decided to invite a serving bishop to the task force to give guidance to the process of determining who should be invited to participate in the training program.

Over a two-day retreat, these advisory task force members reviewed the data and designed a training program titled *Leading Multi-Staff Ministries: Flourishing in Complexity*. Six topics were chosen for presentations:

- Pastoral Identity
- Staffing
- Administration
- Communication

- Money and Ministry
- Visioning and Planning

It was decided to invite the best possible keynote speakers to address these topics, and names were suggested. The delivery system of these topics was to be three intensives (four days each) over a one-year period. Two topics were to be presented at each intensive.

A shared learning model was to be designed into the intensive schedule. Participants would be assigned to small groups for processing of information and for sharing of learnings. The number and size of what came to be called *cohort groups* was to be determined by the size of the participant pool and demographics of that group. The advisory task force members all agreed to be cohort leaders through the first full training program.

Worship and reflection on the Word were to be a part of each intensive as well, and to that end a chaplain was to be assigned to each of the weeks. We decided to share that responsibility among the task force members.

We discussed at length how to define a large congregation and chose to define it as one with program staff. Complexity is often in the programming and not in the size of worship attendance, although there is a strong correlation between those two things.

Finally, we decided upon an admissions process. It was determined that the best way to seek persons for this training program was through the Office of the Bishop of the 65 Synods of the ELCA. We wanted it to be a nomination process based on knowledge of the potential participant's gifts and talents. A list of qualities for the program along with nomination information was developed and shared with all of the bishops. We asked those bishops to nominate persons in one of two categories: persons serving from zero to six years in a new senior/lead pastor role and pastors who the bishop or the bishop's staff feel have gifts to serve as a senior/lead pastor in the future. In addition to the nominations, we asked each bishop to consider financial support for their nominees both as incentive for persons to participate and as support for them, as the expectation was that the participants would complete all three intensives in that year.

Results of the nomination process

With strong publicity and an equally strong advocate in Bishop Dunlop at the Conference of Bishops, nominations began to come in early in 2015.

Our plans were to hold the first intensive in August 2015 at Gettysburg Seminary, with the second intensive to be in February in Florida, and the third one in August 2016 in either Chicago or Minneapolis. We received 43 nominations and sent each nominee a letter of invitation to join the training program, along with a registration form. A number of bishops indicated that they would help subsidize the cost.

During the spring, 30 participants registered for the program, which was actually our initial goal. After the program began, four persons had to drop out because of either scheduling issues or changes of call.

The participants were assigned to one of three cohort groups: (1) those who were identified by their bishops as having gifts to serve as senior/lead pastors, (2) those who had served up to two in a senior/lead pastor role, and (3) those who had served three to six years in a senior/lead role. As the demographic worked out, the participants were evenly divided among those three cohort groups.

The advisory task force members agreed to serve as cohort leaders during the intensives. Two leaders were assigned to each cohort group, with one of those two being a currently serving senior/lead pastor.

What we have learned

After two intensives, the advisory task force met to evaluate the program so far and to plan the third intensive. We also wanted to discuss the broader issue of continuance of the program. The exhaustive evaluation of the program revealed both positive assessments and aspects that needed to change. On the positive assessment side are the following:

- There is a strong overall sense that this program has exceeded our high expectations.
- One of our guiding principles was that there would be quality at all levels of this training program, but especially where it came to keynote speakers. We sought the best possible people to address the basic themes of each intensive, and we got them. The downside of that is that because these folks are at the top of their respective fields, the cost to contract with most of them was high. But the entire task force firmly believes that the cost was worth every penny spent.
- The cohort's shared-learning model was well-received and important to the program. Shared learning, along with the processing of

information and the chance to discuss implementation ideas back in congregations, was extremely important to our participants. What the cohort leaders discovered is that these groups developed trust at varying rates during their time together. It is interesting to note that the slowest to develop trust was the group that comprised serving senior/lead pastors who have been in their call for three to six years. Is it that pastors become more protective of themselves over time? Is it that there were so few opportunities in the early years to be with like-situation pastors? We are not sure of the answers.

- The timeframe for the intensives worked for everyone. Four days seemed about right for such an intensive program, and the Monday-through-Thursday schedule allowed folks to be back in their parishes for Sunday morning responsibilities.
- With participants from all over the United States, it was important to move the location of the intensives around so that travel expenses could be equally distributed among the participants.
- The Lilly grant enabled us to have some flexibility in registration and expense costs. In spite of that, it is still a fairly expensive continuing education program. From all the feedback we have received, the costs are deemed worth it for the quality and experience of both the keynote speakers and the staff.
- It actually came as no surprise that the advisory task force members really enjoyed the intensives as much as the participants. There has been a clear sense that what we are doing is important for the church.
- Worship has been viewed as both important and appreciated. We sought to ground the intensive experience in prayer, worship, word, and sacrament. Each of the chaplains has done an outstanding job, all with their own gifts and distinctive styles clearly on display. Many of the participants even noted how much they enjoyed not having to lead a meaningful worship experience, but simply being free to enjoy those reflective, prayerful moments.
- One of the creative features of the intensives was the introduction of SAM (“simple and meaning”) moments. At the end of two of the plenary sessions, one of the task force members would offer a five- to seven-minute reflection on a topic related to what was presented. This was a way to have the group begin to reflect on the presentation but also a way for participants to hear from task force members other than

their cohort leaders. In many ways, these are intended to model TED talks, and they have been informative, delightful, and enriching.

So, with all the positive things that happened, what needed to be improved and/or changed?

- We discovered that we needed to loosen the intensive schedule in successive workshops as friendships developed and participants wanted more free time to further those relationships and be together. So, we shortened the “cohort times,” allowing for more interpersonal interactions or more personal time to reflect on learnings. The participants have appreciated that move.
- During the second intensive, it was evident that Church Administration was too broad of a topic to cover in the time allotted. We even tried to narrow that topic down before the intensive by having participants do a survey of what they wanted to cover in that session. The results were decidedly unhelpful. No clear consensus was reached. Consequently, moving forward as we plan the next training session, the task force has chosen to substitute the general topic of Church Administration with Governance Models and Leading Change, believing that discussion of issues related to those will, in more decisive terms, cover the general issues in church administration.
- The task force struggled with how to develop accountability between intensive sessions as well as how to encourage continued interactions among cohort participants. The task force strongly felt that the participants themselves needed to take some initiative here. As a result, two of the three cohort groups have formed closed Facebook groups where questions are shared and discussions have taken place on relevant issues facing the members.
- Finally, and this is related to the loosening of the schedule, we learned the value of having a hospitality suite. Participants and leaders needed a place to gather after sessions—a place that fosters relationships and affords sharing opportunities. Therefore, as we move forward, we are intentionally setting aside a place at the conference centers to meet this need.

Future plans

The success and valuable feedback from the first training program have been a strong source of encouragement as we begin to make future plans. Current participants' feedback, offered after each intensive, has helped guide the planning and development of each successive intensive. A more comprehensive, narrative-style evaluation after the last intensive is planned.

After the first two intensives, the advisory task force met once again to do a thorough assessment of the program and to review the evaluations submitted by participants. At that point, we asked big questions: Should we do this again? Has this program served the purpose for which it was intended? Has the church been served by having pastors who have been offered some new perspectives in understanding the complexity inherent in larger congregations? Have the participants gained new insights into their roles as lead/senior pastors? And have those who attended, both participants and leaders, been enriched, encouraged, and resourced through this program?

The answers to all those questions by the advisory task force was a resounding "Yes!" With no other intensive and intentional program like it in the Evangelical Lutheran Church in America, there was unanimous acclamation for the effort and the program. A task force member even made the comment, "This is the most important and fulfilling project in which I've ever been involved." That was high praise from this effective, serving senior pastor.

The next big question to the task force members was obvious: Are you willing to continue to serve if we do this program again? With the exception of one member who had to drop out mid-year due to added pastoral responsibilities, all members indicated their strong willingness to continue.

Plans are consequently underway for a second training program. In response to Lilly Endowment's invitation that seminaries submit applications for sustaining grants, a proposal was submitted for assistance in continuing this program and a sustaining grant received. Publicity pieces were developed and initial communications with bishops had begun to seek their nominations for participants for the next training program. With some minor adjustments, the program launched in fall 2016, seeking those nominations from bishops and early communications with

potential participants. The first intensive was scheduled for August 2017 on the Gettysburg Seminary campus. Because of the positive feedback we have received and the encouragement of bishops to continue to offer the program, we anticipate a larger group of potential participants than the last time. We have added staff to help lead cohort groups during the intensives, and dedicated staff time to oversee the entire project has been determined.

We are currently looking to actively expand our offerings under the seminary banner of a “Leadership Academy.” The last section of this article will reflect our initial thinking, for which we are eager to receive feedback, encouragement, and/or critique.

Future plans: continuation and expansion

The planning phase for the next round of training under the banner of “Leadership Academy” for United Lutheran Seminary (the name of the new seminary) is under way and has been met with enthusiastic support. However, the question of how to continue and expand this program is multi-faceted. There are three possibilities for immediate consideration. First, and definitively being enacted, is the continuation and duplication of the current successful program with minor alterations. Second, there have been questions around the possibility of implementing a similar program with a focus on leaders in other settings, including multi-point parishes. Finally, the current program is limited to and geared toward lead pastors serving in or recognized as possessing the potential to serve in large, complex congregations in the Evangelical Lutheran Church in America. When a report on this program was presented at the Economic Challenges Facing Future Ministers Lilly Conference in March 2016, it was met with great interest from across the denominational spectrum. The question was, therefore, raised as to whether to expand the availability of the program into other denominations.

The challenge to each of these scenarios continues to be the start-up cost. Clearly, it is possible for the programs to build, relatively quickly, into self-sustaining entities; that has been demonstrated in our initial program. Yet it was the grant from Lilly Endowment Inc. that allowed the first iteration of the program to take place. Perhaps similar funding would yield similar results in one of the other prospective approaches. As we discern how to move forward, and when, it is instructive to hear the final word as a clarion call from one of our participants, Reverend Keith Pearson, senior

pastor of Peace Lutheran Church in New London, Minnesota, in response to the following question: *In your opinion, has participation in the "Leading Multi-Staff Ministries: Flourishing in Complexity" training program enhanced your effectiveness as a pastor?* "Absolutely. Each lesson has been something I could take back and immediately use at my congregation. My only complaint is that I could have used all of this sooner"

What are we waiting for?

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Residencies: Lessons from Medical Education

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Denver Seminary*

ABSTRACT: The process the medical profession uses to educate physicians is a good model for educating occupational ministers. Comparing and contrasting formal education and practical application is a guide for training future clergy. While the financial model for future physicians is still working, it isn't working well for future ministers. This paper highlights the debt problem and why it won't change anytime soon. It presents one alternative in Denver Seminary's Ministry Residency Program as well as theorizing why that program might be working.

The rise of the mega church over the past 25 years has led some to view the lead parson as the “CEO” of a local house of worship. One potential problem of this metaphor is that the primary *work* of a faith leader doesn't have anything to do with that of a CEO. Eugene Peterson says, “The pastors of America have metamorphosed into a company of shopkeepers, and the shops they keep are churches. The vocation of pastor has been replaced by the strategies of religious entrepreneurs with business plans.”¹ A better metaphor might be to view the faith leader as a “physician of the soul.” The origin of that metaphor dates back hundreds of years, probably predating a famous sermon by George Whitefield in the mid-1700s.² The metaphor derives from Jesus's famous retort to those questioning the company with which he chose to keep: “Healthy people don't need a doctor—sick people do” (Matthew 9:12).

The primary work of faith leaders is to tend to the spiritual health of those in their care. For that reason, the analogy of the faith leader as a

1 Twitter, @PetersonDaily, accessed August 28, 2016, <https://twitter.com/PetersonDaily/status/769875427842228224?s=03>.

2 Sermonsfortheworld.com, accessed August 30, 2016, http://www.rlhymersjr.com/Online_Sermons/2011/022711AM_ChristThePhysician.html.

physician of the soul seems apt. My proposal is this: *The process by which the medical profession educates physicians is a good model for educating occupational ministers.*

The medical profession reorganized the delivery of medical education 11 years ago. A medical doctor's education is now roughly divided into two parts. Years one and two are spent learning science and diseases. These are two years of intensive book learning after which— according to Dr. Greg Ozark, former head of the residential medical program at Loyola Medical Center for 15 years—you have a “highly qualified paperweight.” Thus the second half of medical school is devoted to rotations in actual hospitals—*clinical*s. *Clinical*s are defined as “pertaining to a clinic or to the bedside; pertaining to or founded on actual observation and treatment of patients.”

I interviewed Caleb Van Essen, a recent graduate from the Creighton University School of Medicine who accepted a surgical residency in Washington State. He outlined the rough path through medical school—the two years of intense book learning and two years of doing rotations in a hospital. Students are evaluated with roughly 50 percent of the weight based on written testing and 50 percent based on evaluation of peers and patient interaction. This rubric highlights the tension a physician must manage between diagnoses and empathy, between knowledge and interaction.

One of the truly important skills physicians in training need to learn is their bedside manner. “Translation is paramount to human interaction,” Van Essen told me. While it's technically accurate to tell a patient that they have an ecchymotic lesion with some erythema, it won't make any sense to most of us. Instead, a good doctor will explain that you have some bruising on the skin with some redness. The bedside manner a medical student is learning is, in part, translating complex medical concepts into everyday language with empathy.

In much the same way, a physician of the soul will step into a situation where people are hurting and translate timeless spiritual truths into everyday language they can understand. Understanding that “translation is paramount to human interaction,” someone grieving the loss of a child doesn't need or want to know the various theories of eschatology throughout church history. What they need is someone to translate the spiritual reality of God's grace and mercy into very practical human empathy that may or may not include words of comfort. As Jesus said about those in

the Kingdom of Heaven, “Blessed are those who mourn, for they will be comforted” (Matthew 5:4).

In this way, there is sometimes a big difference between theological education and ministry (the act of serving). It makes sense to want and need a spiritual leader to have a solid theological education. It makes sense to want that education to inform the work they do for the rest of their lives, but we need leaders that can take that education and translate it to our common shared experiences.

In theological studies, scholars compare and contrast *orthodoxy* (correct belief) and *orthopraxy* (correct practice). Theologians theorize that correct belief leads to correct practice, and/or that correct practice creates paths for correct belief.³ For the occupational minister, this can serve as an ideological model for combining the theoretical and the practical, the intellectual and the physical, the belief and the practice. In the Gospel of John, Jesus addresses this divide when he says, “A time is coming and has now come when the true worshipers will worship the Father in spirit and truth . . . his worshipers must worship in spirit and in truth” (John 4:24). Both are important.

When it comes to training occupational ministers, it’s important to note that training in the practical as well as the intellectual has happened throughout most of the history of theological education. A young clergy person would apprentice under an experienced leader. The concept of “more is caught than taught” really worked well because a large quantity of time was spent together. The current model for higher education doesn’t allow large amounts of time to be spent in observation of experienced professionals. This is true of most professions, including future clergy. It’s not unusual to hear of a student who graduates from undergrad, goes straight to seminary, then graduates from seminary and is called to pastor a small church in a rural setting where they become the orthodoxy and orthopraxy leader of that faith community. This newly minted leader hasn’t had a significant quantity of time under a grizzled veteran during which he or she could observe the way an experienced leader navigates a variety of situations.

Throughout history, the educational model provided for students to spend a quantity of time with a spiritual mentor doing practical service,

3 “Orthopraxy,” Wikipedia.org, <https://en.wikipedia.org/wiki/Orthopraxy>.

and their education was cemented through teachable moments. In the Bible, Samuel went to live with the priest Eli “after he was weaned” (1 Samuel 1:24). Jesus’s disciples lived and served with him day and night for three years. Friars (like Thomas Aquinas) through the Middle Ages would often leave home in their teens to live and study full time under a scholar.⁴

The current model of higher education emphasizes the intellectual over the practical. While everyone understands the value of the intellectual and the importance of “correct belief,” the trending model of higher education is starting to show stress fractures. While the higher future salaries of physicians can maintain the apprentice model for medical students, future clergy don’t have the same financial prospects.

When comparing the educational model for physicians and pastors, at least one major difference is notable; *the financial obligations of higher education may be manageable for physicians, but they often are too burdensome for occupational ministers*. As has been widely reported and analyzed elsewhere, student loan debt has grown dramatically over the past 10 years.⁵ Debt is only a problem in relation to income—large amounts of debt are serviceable and manageable if there is also a large income. In

4 “Thomas Aquinas,” Paris, Cologne, Albert Magnus, and first Paris regency (1245–1259), Wikipedia.org, https://en.wikipedia.org/wiki/Thomas_Aquinas.

5 Nationally (both in theological education and across all higher education), the problem of increasing student loan debt has been very well articulated. Media outlets of all types (including on my blog at www.graduatefree.com) have highlighted statistics such as the following:

- Between 2004 and 2014, the number of student borrowers rose 89 percent.
- Between 2004 and 2014, the average debt held grew by 77 percent.
- Debt is significantly higher in women and African American students.
- Student borrowing is often bifurcated, with healthy students remaining healthy while those with high levels of borrowing have disproportionately increased their borrowing.
- More than 40 percent of student borrowers aren’t making payments.

Neil Swidey, “The College Debt crisis is Even Worse than You Think,” *Boston Globe*, posted May 18, 2016,

<https://www.bostonglobe.com/magazine/2016/05/18/hopes-dreams-debt/fR60cKak-wUIGok0jTlONTN/story.html>.

Additional debt information taken from Vanderbilt Institutional Research Group financial survey shared via ECFFM shareserve email on June 8, 2015.

Additional information: <https://graduatefree.com/2015/06/15/research-findings/>.

Additional information: <http://www.forbes.com/sites/jmaureenhenderson/2016/04/07/the-scary-truth-about-millennials-and-student-loan-debt/#21c92adeb8ae>.

Additional information: <http://www.wsj.com/articles/more-than-40-of-student-borrowers-arent-making-payments-1459971348>.

his Tennessee colloquialism, Dave Ramsey describes this as having dug yourself into a big hole, but the good news is that you have a big shovel to dig out.

Of all the degreed professionals in America, pastors and teachers are the lowest paid.⁶ The discrepancy between predicted income and potential debt creates a financial reality where it becomes burdensome for the next generation of spiritual leaders to commit the needed time to both theological education and practical ministry skills. The concern is that we are going to see too many future occupational ministers who either forgo theological education and go straight into ministry or graduate from seminary without any practical empathetic skills. One of the main findings of Economic Challenges Facing Future Ministers (ECFFM) initiative is that the financial path into occupational ministry is no longer clear.⁷

Why student loans aren't going away

One reason it will be so hard to see student loan reform in the near future is that it is wildly profitable for the government. As *Consumer Reports* has stated, "Step by step, one law after another has been enacted by Congress to make student debt the worst kind of debt for Americans."⁸ The US government is uniquely positioned to act as a large investment bank. The basic business plan of a large investment bank, such as Goldman Sachs for example, is to borrow cheaply and reinvest that money at a higher return, a practice referred to as borrowing short and lending long. None (or very little) of the bank's own money in the deal creates a tremendous profit margin.

The US government is able to borrow money very cheaply because it is backed by the full faith of the government. At the same time, the government is quite well positioned to collect, should people be unable to pay the bills for their student loans. Because we cannot bankrupt out of student

6 "Average Pastor Salaries in United States Churches," Patheos.com, <http://www.patheos.com/blogs/christiancrier/2013/12/15/average-pastor-salaries-in-united-states-churches/>.

7 Jo Ann Deasy, "ECFFM: A Theological School Initiative to Address Economic Challenges Facing Future Ministers," presentation given in Pittsburgh, PA, March 1, 2016, PDF available through ATS.

8 "Student Debt: Lives on Hold," *Consumer Reports*, <http://www.consumerreports.org/student-loan-debt-crisis/lives-on-hold/>.

loan debt, the government is able to withhold our tax returns, Social Security benefits, Earned Income Tax credits, and more social services primarily designed for the poor.

In 2013, the *Huffington Post* reported that the Department of Education forecasted a \$51 billion profit (after expenses!) from student loan borrowing.⁹ For context, Walmart, the world's largest company by revenue and one of the most efficient and well-run organizations in the world with 2.3 million employees, earned less than half that (\$24 billion) before taxes and interest.¹⁰ For that reason, it seems unlikely that student loan reform will get much political traction.

For lower income and nonprofit workers, the government enacted the Public Service Loan Forgiveness (PSLF) Program. But this program specifically prohibits "proselytizing," ostensibly a big part of any spiritual leader's responsibilities, so clergy are all but eliminated from using this program.

While it may be easy to be discouraged, solutions do exist. As the problem of student loan debt continues to surface, it's likely that creative alternatives will emerge. *Innovation always responds to a problem needing to be solved.* One possible solution is a program currently being offered to students at Denver Seminary.

The Ministry Residency Program

As a direct result of the Lilly-funded ECFFM initiative, Denver Seminary initiated the Ministry Residency Program in spring 2014. Denver Seminary is an accredited, graduate-level school of theology in the Denver metro area with extension campuses in Washington, DC, and west Texas. The school enrolls approximately 950 students and is a primarily tuition-funded institution with no direct denominational ties.

The concept of the residency program was to build partnerships with local congregations to create tuition-paid internships. The ministry partners create positions in their contexts where students can gain part-time,

9 "Obama student loans policy," *Huffington Post*, posted May 14, 2013, http://www.huffingtonpost.com/2013/05/14/obama-student-loans-policy-profit_n_3276428.html. Additional information: <https://www.revealnews.org/article/who-got-rich-off-the-student-debt-crisis/>.

10 "Walmart," *Wikipedia.org*, <https://en.wikipedia.org/wiki/Walmart>.

practical, apprenticed learning while concurrently earning up to a full tuition-paid degree. Residents typically serve 10 to 28 hours a week with an organization doing very practical ministry tasks.

These internships address two major issues that seminary students have. First, they provide practical ministry experience. Similar to a medical student's rotations in an actual hospital, students who participate in the Ministry Residency Program serve side by side with an experienced professional in a variety of ministry roles, including student ministry, worship arts, children's ministry, small group coordinators, and assistant pastors.

This practical ministry experience is the ideal outlet to "work out" the theology a student is learning in the classroom. While intellectual knowledge is valuable, its real value is knowing how to implement it in the real world. Learning how to translate theological truths like propitiation into the practical language of God's loving favor despite our sin is vital. Similar to a physician learning to manage the tension between diagnosis and empathy, a future minister can work out translations in their current cultural contexts. There are many medical professionals who work in a laboratory and do important research work. But a physician is someone who *practices* medicine. In the same way, a *theologian* does important work but a *minister* is someone who is actively practicing. Learning the practice of ministry requires training.

Practical ministry experience is also required for managing a team. Most clergy will be responsible for some staff, often an elder board, and a congregation. Learning to communicate a vision, resolve conflict, relate to subordinates with respect, and navigate interpersonal relationships is vital to effective ministry. These skills are often best learned by observing someone doing them well, trying them yourself under observation, and making adjustments based on feedback as needed. This process of supervised autonomy or freedom with feedback creates a very positive learning environment. Students who participate in the Ministry Residency Program work side by side in real ministry while they are still in seminary. They have responsibilities with supervision.

Second, these residency positions provide a financial resource to cover a portion of students' tuition. For example, a Denver Seminary student named Jimmy is currently serving as a local Sunday school teacher for a small church located about three miles from campus. His internship requires 10 hours per week, which is spent preparing, teaching a class on Sunday mornings, and meeting with the senior pastor to review, reflect,

and redirect. He receives \$5,000 per year toward his tuition. In addition, Denver Seminary offers a 10 percent tuition discount for students serving in the residency program. Between the internship and the discount, Jimmy will have approximately 60 percent of his tuition covered. He serves in a local church on Sunday mornings and spends the remainder of the 10 hours in staff meetings and weekly preparation, flexing around his school schedule.

Several larger churches in the Denver area are able to accommodate and supervise multiple internship positions. The students serving in these churches commit to 25 hours per week of ministry-related duties. The full cost of their tuition is paid by the church, in addition to a taxable living stipend.

While Denver Seminary is only a couple of years into the Ministry Residency program, there are some empirical results already. While it's difficult to measure the practical experience that students are gaining, the anecdotal evidence has been very positive, and the financials are measurable. From spring 2014 through summer 2016, ministry partners have contributed \$454,000 toward students' tuition. More importantly, of the students who participate in the program, significantly fewer of them borrow at all (34 percent versus 38 percent of the overall student body and 59 percent of graduating students). Those who do take out a loan borrow \$2,730 less per year than students who do not participate in the program.

Colin, a Denver Seminary student, was asked to share his thoughts about his ministry position being structured as a tuition-funded internship instead of as a part-time job. He answered that if he was paid a wage, he would most likely find ways to spend that money on something other than tuition, forcing him to borrow additional funds to cover the cost of his tuition. Instead, his church covers his tuition costs as he serves 20 hours per week of ministry. Colin borrowed a total of \$3,800 in student loans in 2015. Of students that borrow at all (38 percent of the student body), the average student at Denver Seminary borrows nearly \$14,552 per year.

At first glance, this doesn't seem to make sense. Most students have jobs that pay them a market rate equivalent to the annualized hourly rate of those students participating in the residency program. Why then would students who participate in the Ministry Residency Program have less debt than those students in the broader student body?

One theory is that this is an example of a principle financial planners use called “Pay yourself first.” The idea is that if you wait to save money until all your bills and expenses are covered, you’ll never have enough left over to save. Instead, financially healthy people “pay themselves” first into savings and then live off the remaining amount. This insight into human behavior is probably at the root of God’s call to give of the “first fruits” of one’s labor.

The theory is that when a student’s tuition is paid first, they more frequently choose to live within their remaining income rather than incurring additional debt for living expenses. The general student body borrows enough to cover tuition and expected expenses at the beginning of the semester, then find that their expenses grow to fit the resources available.

Another theory is that students really lack clear alternatives to borrowing. Borrowing on student loans is often thought of as the clearest path rather than the last resort. There are other paths to paying for graduate school, including working, fundraising, scholarships, spousal support, using savings or family support, and “paying as you go” (slowing down the rate at which classes are taken). When students are provided with a clear alternative to borrowing, such as the Ministry Residency Program, they are more likely to have hope that they can graduate with less or no debt. This hope is critical.

When it comes to alternatives to debt, often students don’t need more information. What they need is hope. We live in a world in which education and even resources are often readily available. What isn’t as readily available is someone providing students real hope that they can navigate theological education in a way that won’t leave them with a financial burden. There is real truth to the biblical admonition that “where there is no vision, the people perish” (Proverbs 29:18).

One of the reasons Dave Ramsey has become such a well-known financial teacher is that he is a very aggressive vision caster. He does “debt free screams” and develops catch phrases (“Live like no one else now so later you can live like no one else”) to create a culture where people believe they CAN win with money.¹¹ Of course, he combines this with very practical instruction, but if that were the valuable part, he wouldn’t give it away online for free. The real value he offers is inspiration. Hope.

11 Dave Ramsey, “Live like no one else,” multiple sources including <https://www.daveramsey.com/blog/live-like-no-one-else>.

Real hope (as opposed to a wish or impossible dream) gives life. Crushed hope makes the heart sick (Proverbs 12:12). While we need practical resources and direction to give to students, perhaps more importantly we need to give them *a hope and a future*. We need to learn the language of inspiration and motivation. We need to encourage and empower students who really want to address the issue of debt. We can plant a seed of desire in students toward a debt-free future. Perhaps partnerships like the Ministry Residency Program can provide students with alternative paths into occupational ministry that include hope that they can succeed financially.

It is important to note that these theories are observational. These are small sample sizes over a short period of time, but it does seem to fit with personal human observations. When The Association of Theological Schools gathered for the ECFFM Forum in Pittsburgh in March 2016, one of the main findings was that the issue of student debt is complex, with multiple causes and no single clear solution. It affects students to varying degrees depending on gender, race, age, geography, and social and economic status.

Conclusion

While Denver Seminary is quick to acknowledge that the Ministry Residency Program is a small pail of water from a boat with a large leak, hopefully it is a step in the direction toward sustainable financial pathways for future clergy. Theological institutions are addressing a need: the need for future clergy to be theologically educated and practically trained. This need isn't going away, so the future isn't dim for theological education. What must be adjusted is how this education is packaged and delivered. Theological education has followed a higher education model for the past several hundred years. That model is under significant financial strain, and the education of future ministers requires innovative solutions.

The role of local minister is a vital part of the faith ecosystem. Having these positions filled with ministers who are not theologically educated will become increasingly more common unless there are more attractive paths into occupational ministry. Creating an economic system that enables students to receive a theological education without incurring a crushing debt needs to remain a top priority. Collaboration among theological institutions, churches, and students is needed to discover solutions. Similar to the medical community's revision of its training for physicians,

one solution to the current financial strain on theological education is to create partnerships with local congregations to provide financial support in addition to practical experience for future ministers.

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Estate Planning and Asset Stewardship for the Future of the Church

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ABSTRACT: By focusing on estate planning and current gifts using assets within the church, Talbot School of Theology had a unique opportunity to create three videos that invite people to give to its endowment, which makes the educational experience of future pastors more affordable through scholarship support and by providing funds for Talbot's ongoing operational costs. Doing so will enable Talbot graduates, as well as other seminary graduates, to focus on their ministries rather than being bogged down by debt.

When the Economic Challenges Facing Future Ministers (ECFFM) Initiative was launched at Biola University's Talbot School of Theology, it soon became clear that our goals could only be realized with a dynamic approach that reached beyond simple scholarship support. It required out-of-the-box thinking that prompted students and the church to reflect strategically about how they steward the resources God has given them. While cash donations certainly help ease the financial and economical strain of seminary education, a thoughtful estate plan can help people steward their resources wisely by ensuring they have a greater long-term reach. By focusing on estate planning and current gifts using assets within the church, we had a unique opportunity to create three videos that invite people to give to Talbot School of Theology's endowment. A gift to the endowment makes the educational experience of future pastors more affordable through scholarship support and by providing funds for Talbot's ongoing operational costs.

Originally, we envisioned creating three videos: one that would address the theology of faith and money, one on the psychological and spiritual issues surrounding the economic challenges our students face, and a third that would combine the content of the previous videos to create a fundraising tool. However, as the project progressed, this idea felt too similar to the resources we already made available on our website

through lecture videos, online tools, and the report of our research findings. We wanted to fill a need that wasn't already being met. It was during a meeting with Greg Ring (cofounder at Fulcrum Philanthropy Systems) that an alternative idea was brought forward to create a series of videos focused on estate planning. Our target audience was the church, since it was our concern for its future that drove our overall efforts with the ECFFM Initiative. Furthermore, the idea of producing a resource about the under-discussed topic of asset stewardship seemed like a prime opportunity to contribute a very useful tool that could help address the objective of this project from a different angle. While there are many resources on the market dealing effectively with stewarding cash, there are very few that address where most Americans have 91 percent of their total net worth; that is, assets such as home equity, life insurance, and retirement plans.

In the area of estate planning, creating a will or living trust is one of the most important things that individuals can do for themselves and their families. If a person dies without a will, there is no guarantee who will end up with their assets after the potentially long, costly probate process. Even if the family knows the deceased person's wishes, the state will step in and make the final decisions. Generally, the assets go to surviving spouses and children. If the children are minors, the state has to select a guardian who will oversee things. For those who are single and childless, the state will most likely select the relative who will inherit their assets. Many times this process has led to further distress in an already emotionally trying time. By creating a will and deciding which loved ones and charitable organizations will receive their assets, people are saving their families that pain. Another benefit is minimizing estate taxes.

Likewise, a living trust also ensures that a person's assets are handled according to their wishes after death, but it does so without having to go through probate. Created during a person's lifetime, a living trust is an arrangement in which property and other assets are transferred into a trust and one or more people manage it for someone else's benefit. Should the creator become incapacitated, the interest accrued from the living trust can be used to care for them. A living trust also has the added benefit of preventing a person's financial affairs from becoming a matter of public record, which is not the case with a will. Because it has to be actively managed upon its creation, a living trust is more expensive to set up than the typical will.

Why is it that estate planning is an often-ignored aspect of personal finance? One of the simplest reasons is that people don't want to think about dying. Even Christians, who have a very different take on death and what comes next—thanks to their hopes in Christ—don't like thinking about death. Because the topic can be awkward and uncomfortable, people set it aside, assuming they will have time to do it later. Furthermore, some people believe that if they aren't millionaires, they don't have a need for a will or living trust. Christopher B. Johnson, an attorney in Pasadena, California, reports the following staggering statistics:¹

- 51 percent of Americans between the ages of 55 and 64 do not have a will.
- 62 percent of men and 67 percent of women between the ages of 45 and 54 have not created a will.
- 92 percent of American adults under 35 have never drafted a will.
- 13 percent of people in the United States assume that their spouses or children will automatically receive their assets after they die.
- When asked why people did not create a will, 57 percent admitted that planning was not a priority, 17 percent assumed they did not have enough assets to justify the expense of creating a will or living trust, and 14 percent did not want to think about dying.

If you have a home, furniture, a car, a bank account, a retirement account, insurance policies—the list can go on—you need a will or living trust. Age is irrelevant, as life is unexpected, which is why planning for the future is so critical. However, by failing to do so, millions of Americans are losing the opportunity to determine where their money and assets go when they die. From a Christian perspective, it means they are missing out on a chance to maximize their impacts on Kingdom work. In other words, they are missing out on a final opportunity to be good stewards of the resources God gave them.

The Bible makes it abundantly clear that “the earth is the Lord's and everything in it” (Psalm 24:1). It all belongs to God, as creator, not to us. We come into the world with nothing, and in the same state we leave it. Yet during our time here on earth, God has seen fit to provide us with

1 <http://www.christopherbjohnson.com/>, accessed April 27, 2016.

things—money, a home, clothes, abilities, and time—because we are His children and He loves us. All He asks is that we manage these gifts wisely and recognize that He is the true owner of all we have. As we see in the parable of the talents (Matthew 25:14–30), the master demands an accounting of what each servant has done with the talents they were given, and it does not go well for the servant who does nothing with his talent. Likewise, God will hold us accountable for how we have managed what He has bestowed on us. When it comes to financial resources, this does not merely include the cash in our bank account but property and investments as well. To say it would be a missed opportunity for those who have spent a lifetime being good stewards only to neglect their estate plans would be an understatement.

Having a will or living trust does not necessarily mean a person is a good steward, although it certainly is a step in the right direction. Being a good steward means being deliberate. It requires that every person strategically consider how what they leave behind will best further the work done in honor of God and his Kingdom. This requires asking tough questions. How does God want me to distribute my assets? Should the entirety of my estate pass to my children? Would it be wiser to give a portion of it to my church in an effort to steward everything God has given me and not just my paycheck? What can my church or the Christian ministry of my choice accomplish with these assets that my children cannot? The answers to these questions and others like them are not easy and can best be sought through prayer and wise counsel.

We cannot speak for God, but we can educate the church on the topic of estate planning—something that we believe is in line with His concept of stewardship. According to Liz Skinner in *Investment News*, more than \$30 trillion will be passed down from baby boomers to generation X to millennials over the next 30 years.² This is being done largely through assets rather than cash. While many Christians recognize the importance of getting out of debt and personal financial responsibility, the topic of stewarding assets is being overlooked, particularly by the church. Given this tremendous transfer of wealth, we have an immense opportunity to fund seminary education, as well as other ministries, for years to come.

2 Liz Skinner, "The Great Wealth Transfer is Coming, Putting Advisers at Risk," *Investment News* (July 13, 2015).

For years, Biola University's Office of Principal and Planned Giving has helped people navigate the periodically tumultuous waters of estate planning free of charge. Therefore, it felt natural that our efforts to ensure the affordability and accessibility of a Talbot education led us in that direction. Our hope with this project was to help people broaden their minds to the possibilities of how their legacies and commitments to God can continue on after their deaths by supporting the future of the church through seminary education.

For the videos, we invited Greg Ring of Fulcrum Philanthropy Systems and Jeanne McMains of Foreground Solutions to share their expertise on estate planning in the church to maximize Kingdom impact with a panel of local pastors. The overarching issue that guided the discussion was how estate planning can benefit seminary education and the church in general. Specifically, the three 10-minute videos focused on the following:

- **Head:** We discussed the various challenges, including economic, facing future ministers and how these issues negatively impact their ministries.
- **Heart:** We shared how people can make a lasting, positive impact on the ministries of future pastors, as well as the church at large, by addressing the issue of affordability through an estate plan gift to a seminary like Talbot.
- **Hands:** We shared practical tools to make an effective estate plan with the goal of seeing more people create a plan that will support their families and the church.

Currently, we are editing the videos and finalizing our strategy to distribute them as a free resource to our Talbot alumni/ae serving as pastors with the hope that they will share them with their congregations. Additionally, we will encourage those interested in learning more about estate planning to seek the counsel of their financial advisors or utilize the estate planning services provided by organizations like Biola University and Fulcrum Philanthropy Systems.

The honest, heartfelt discussion that took place between Greg Ring, Jeanne McMains, and our panel of pastors as we filmed was amazing

because the church is often so hesitant to openly delve into the topic of personal finances. Given that there are more than 2,000 verses in the Bible that touch on the topic of money, this hesitancy is an oversight that should be corrected. We believe these videos are a step in the right direction.

Our first goal with the project is to create awareness in the church on the issue of economic challenges facing future ministers. We believe that this issue has been going largely unnoticed by congregations. It is true that most people are aware of the high cost surrounding higher education, but they do not seem to take this into consideration when hiring a minister. Perhaps they believe that the call to the pulpit demands high sacrifice and minimal financial compensation in order to strengthen one's reliance on God. Perhaps it is a mere oversight. Perhaps that particular church simply cannot afford to offer a larger salary. Regardless, the economic challenges our ministers face take a spiritual, psychological, physical, and emotional toll on them as indicated by the results of the research we conducted during the first year of the ECFFM Initiative. More than 40 percent of current Talbot students responded that debt had a negative impact on their physical health (41 percent), ministries (40 percent), focuses on school (45 percent), career paths (42 percent), family lives (40 percent), psychological health (45 percent) and social lives (49 percent). Additionally, 27 percent responded that it negatively impacted their relationships with God. Clearly, there is a problem here that must be addressed. It is time that churches understood the struggles that their ministers are facing and move to do something about it through opportunities like estate planning.

For that reason, the second goal of the project is to see increased support of seminary education through current and future gifts of assets coming from people in the local church. We want local congregations to ask important questions about the topic and host workshops led by experts in estate planning. Another objective we have is for people to work with their financial advisors or take advantage of the free estate planning services offered by Biola University to determine where their assets will go when they die. This isn't merely about bringing peace of mind to loved ones and making charitable donations when someone dies. Yes, having an estate plan will do that, but it is so much more. It is a conscious decision, one that involves time and prayer, to be intentional with your estate. Ideally, in addition to caring for their families, it is a conscious decision made by people to commit a portion of their resources to the future of the church by partnering with schools like Talbot School of Theology. Since estate planning

and stewarding assets is almost universally applicable, everyone has an opportunity to contribute financially to the future of the church. The size of the estate is not the point. Rather, the point is for Christians to take their investments in the Kingdom one intentional step further by being faithful with their talents until the very end.

Just how would an estate gift make a Talbot education more affordable for future ministers? There are two distinct ways. By policy of Biola University's Board of Trustees, when someone dies and their undesignated estate gift to Talbot School of Theology matures, a percentage of it is designated to scholarships and the remainder goes to the general endowment. Scholarships naturally ease the financial burdens of seminary students because they diminish a student's reliance on loans and, therefore, the student accumulates less debt. If the students are paying for their education out of pocket, the scholarships they receive mean they can use the income that would normally go toward their education for something else like rent or clothing. Talbot students fall into both categories.

The research we conducted during the ECFFM Initiative indicated that more than 50 percent of Talbot students primarily pay for school through employment (56.6 percent), loans (55.9 percent), or grants (52.9 percent). Furthermore, 50 percent of students responded that they have debt greater than \$25,000, and among them, 30 percent responded they have debt greater than \$40,000. An increase in scholarship support enables us to lower these percentages and raise the percentage of graduates who responded that they have no debt after graduation (just over 20 percent).

Increasing the endowment means that Talbot has to rely less on tuition dollars to maintain and expand its programming. Money and assets donated to endowments are invested, and each year a percentage of the interest earned off the principal is used by the university or seminary. Typically, an endowment consists of several funds, some of which have set restrictions on how they can be used (e.g., endowed scholarships and endowed chairs), but the general endowment has no such restrictions—that money can be used to keep a university or seminary operational. For example, if a seminary had a \$50 million endowment and the policy of spending 4 percent of the interest earned, that means the seminary would have \$2 million in available income. As the endowment grows, so does the amount a seminary like Talbot can use to fund ongoing expenses like programming and faculty salaries without relying on tuition dollars. Essentially, the endowment helps ensure that the seminary exists in perpetuity

to achieve its mission. Regardless of whether the money is going to scholarships or to the endowment, it is our students who benefit. They go on to receive a quality education that prepares them for a lifetime of relevant, effective ministry.

Of course, that's the point. The mission of Talbot School of Theology is the development of disciples of Jesus Christ, whose thought processes, characters, and lifestyles reflect those of our Lord, and who are dedicated to disciple making throughout the world. We want to see our graduates strengthening and expanding the reach of the church rather than being bogged down by debt they can never repay.

All of the seminaries participating in the ECFFM Initiative share in this concern to support and equip our respective students, which is why we have chosen to make these videos available to everyone. At the ECFFM conference in spring 2016, we had the opportunity to watch several videos created by participating seminaries about the affordability and accessibility of seminary education. One thing we noticed was that each video focused solely on the school that created it. While that is understandable and appropriate, when we set about to create these estate planning videos, we intentionally did not brand them or refer to Talbot as the only place individuals should consider supporting through their estate plans. We might have created these videos with Talbot in mind, but all seminaries can benefit by sharing them with the congregations connected to them. The logic behind this is simple. It is our desire to increase the impact of the Kingdom, and as fellow co-laborers in Christ, we are pleased to accomplish this task together. Affordability, particularly when it is tied to spreading the Gospel, is a very big issue. By concentrating only on our own seminary's efforts, we are missing a chance to collaborate and lengthen the strides we take to address the issue.

We are the body of Christ, and the body is stronger when it is united. As Christians, we have the opportunity to witness and participate in a new chapter in the future of the church. With God's help and guidance, it is one that we can accomplish if we work together with an intentional, long-term focus.

The ECFFM Initiative has brought to the forefront a growing concern for the affordability and accessibility of the education Talbot School of Theology provides. It has challenged the way we consider raising support for our students, prompting us to concentrate on the unique opportunities afforded to Talbot and the church through estate planning. It is our belief

that this aspect of the ECFFM Initiative at Talbot will raise awareness and garner support that will last for generations to come.

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The first part of the document discusses the importance of maintaining accurate records in a laboratory setting. It emphasizes the need for clear labeling and consistent data entry to ensure the reliability of experimental results. The author notes that many common mistakes, such as using ambiguous abbreviations or failing to record units, can lead to significant errors in data interpretation.

In the second section, the author provides a detailed overview of the experimental procedures used in the study. This includes a description of the equipment used, the specific steps of the protocol, and the methods employed for data collection and analysis. The goal is to provide a clear and replicable account of the work performed.

The third section presents the results of the experiments. The data shows a clear trend, with the measured values increasing as the independent variable was varied. The author includes several graphs and tables to illustrate these findings, along with statistical analysis to determine the significance of the results.

Finally, the document concludes with a discussion of the implications of the findings. The author suggests that the results support the hypothesis and offers potential applications of the research. The document ends with a list of references and a declaration of authorship.



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