

# Seminary Student Educational Debt & Financial Literacy



“The Financial Wholeness Project”  
as response to

The Theological School Initiative to Address  
Economic Challenges Facing Future Ministers

A Grant Initiative of  
Lilly Endowment, Inc.

February 2015

David Neidert, Grant Director, and Michael  
Wiese, Ph.D., researcher  
Anderson University School of Theology

## An Introduction to Study Results

The financial tipping point for those contemplating ministry preparations and the role of education in that preparation is upon us. For many years, student debt issues have claimed headlines across the United States.<sup>1</sup> The last reported figure is that over \$1 trillion is now owed because of student debt. Seminaries are not immune to this student debt issue. Students preparing for ministry are also consuming significant loan amounts and may through these choices place their futures in jeopardy.<sup>2</sup>

The Lilly Endowment, in partnership with the Association of Theological Schools (ATS), made a strategic decision to confront this growing trend among seminaries. They invited accredited seminaries to research and plan how they might increase the financial literacy and awareness of graduate seminary students around debt issues. This grant invitation is the Economic Challenges Facing Future Ministers (ECFFM).<sup>3</sup>

In late 2013, Anderson University School of Theology (AU SOT) received a grant of \$250,000 to research, plan programming, develop materials, and teach its current students and polity about the implications of student educational debt. Its primary objective in 2014 was to understand debt issues through hearing the stories and compiling data from its own current students and graduates.<sup>4</sup> The research project utilized the questions asked by ATS in its Graduating Student Questionnaire (GSQ) related to finances.<sup>5</sup> This paper is a summary of findings from the research conducted.

While this white paper shares our experience with our graduates and students currently studying for ministry, it is our hope that this information will give insights not only to seminary colleagues in other locations, but also those working with students at the undergraduate level

---

<sup>1</sup>Among so many see: [http://www.huffingtonpost.com/2014/11/13/college-student-debt-states\\_n\\_6146242.html](http://www.huffingtonpost.com/2014/11/13/college-student-debt-states_n_6146242.html) (Accessed February 26, 2015); <http://www.forbes.com/sites/specialfeatures/2013/08/07/how-the-college-debt-is-crippling-students-parents-and-the-economy/> (Accessed February 26, 2015); and <http://www.usnews.com/news/articles/2013/12/04/average-student-loan-debt-jumps-10-percent> (Accessed February 26, 2015).

<sup>2</sup> Chris Meinzer, "Theological Education: State of the Enterprise and the Impact on ECFFM," April 2014, Association of Theological Schools. <http://www.ats.edu/uploads/resources/current-initiatives/economic-challenges-facing-future-ministers/presentations-reflections/chris-meinzer-presentation.pdf> ; also Tony Ruger, "Auburn Research on Educational Debt," April 2014 <http://www.ats.edu/uploads/resources/current-initiatives/economic-challenges-facing-future-ministers/presentations-reflections/tony-ruger-presentation.pdf> (Accessed February 26, 2015). The AU SOT grant administrator was present at both these presentations along with all other ECFFM recipients.

<sup>3</sup> To view the full details of this initiative visit <http://www.ats.edu/resources/current-initiatives/economic-challenges-facing-future-ministers> This was a competitive grant where 67 ATS seminaries were funded.

<sup>4</sup> This research project had five distinct objectives: 1) consider the family of origin factors that are associated with personal finance attitudes, beliefs and situations of School of Theology students and graduates, 2) determine what are the financial issues that are impacting ministry plans, 3) investigate the theological and faith perspectives that inform attitudes toward debt and personal finances, 4) determine the level of financial planning knowledge, and where are the needs for financial planning education, and 5) determine what can and should the Anderson University School of Theology do to address the concerns regarding personal and congregational financial management?

<sup>5</sup> The intent was and is to correlate our particular student responses to this survey with what students self-reported to ATS.

concerning educational debt and its impact on ministry.<sup>6</sup> It is also our hope that together we might educate students pursuing ministry preparation beginning at the bachelors' level through graduate study to consider financial wholeness as an essential piece of spiritual formation and ministry effectiveness.

## General Findings of the Student Debt Research Project

As one might speculate, this research study suggested that debt concerns and financial skills are significant issues in the life of students and graduates of the Anderson University School of Theology.<sup>7</sup> In total, over 80% of the respondents say that they have “concern” regarding their financial future, while 43% of this total indicates they are “very concerned.”

The researcher found that “financial challenges influence or shape vocational ministry choices and can be a source of concern that may undermine ministry effectiveness.”<sup>8</sup> In the general survey sample, the following concerns are most apparent related to finances:

- Inadequate income
- Risk of a ministry position
- High debt (especially educational debt)
- Concern about health care costs
- Concern for funding retirement
- Concerns about funding education for children

For full time ministers, the primary concerns are retirement planning, health care costs and funding education for their children and potential debt for their children. This is contrasted with those younger in ministry whose concerns focus on educational debt. This contrast seems to show that established full-time ministers, especially those in senior or lead pastor roles, are more interested in later life issues, while those entering ministry or younger are concerned with student debt.

The following pattern seems to emerge for those currently in ministry regarding finances; 1) educational debt is a greater concern than credit card debt and 2) older ministers shift concern to retirement and education for their children. The younger ministers in the survey are concerned about educational debt. Healthcare costs are a significant concern for all ministers. Thus, from

---

<sup>6</sup> The Anderson University School of Theology funded grant is called, “The Financial Wholeness Project.” The student debt research was conducted by Dr. Michael Wiese, Falls School of Business, Anderson University, during the summer of 2014. The details were reported in August 2014. Details of the overall grant may be located at <http://www.anderson.edu/sites/default/files/migrate/sot/resources/lilly-grant-outline.pdf>

<sup>7</sup> This is the concern nationwide, as suggested by many research projects on the topic of student debt. See <http://www.ats.edu/financial-issues-research-ecffm#overlay-context=financial-issues-research-ecffm> (Accessed February 24, 2015). The researcher for the AU SOT study indicated that “graduates can leave the School of Theology without the personal and organizational financial skills that they will need.” The researcher noted that “early career respondents and the young family respondents are those who tend to express the most concern about their current and future financial picture.”

<sup>8</sup> Through this document, when the researcher is noted and a quotation follows, this refers to the interpretations of Dr. Wiese who also conducted personal interviews with students.

this survey and questions asked related to finances, it is clear that the following issues are considered potential future concerns; a) educational debt, b) sufficient income, c) housing affordability, d) retirement, e) education of children and f) health care.<sup>9</sup>

An overwhelming majority of respondents are optimistic about their financial future. Those currently in ministry have a higher degree of optimism when compared against all respondent totals.

There is strong evidence that many full-time ministry families are relying on income from a spouse to “make ends meet.” Other ministers responding are bi-vocational. Current seminary students indicated that part-time jobs, assistance from family and educational loans are important sources of income. What is clear from the research is a significant number of seminary students are covering living expenses through educational loans.<sup>10</sup>

An important finding of this research identified the most susceptible students to experience financial pitfalls. The researcher identified that the students “most vulnerable to making financial decisions that undermine personal and ministry health appear to be: 1) students entering seminary directly from undergraduate programs who bring with them significant debt already and may incur more debt to fund graduate education, 2) persons coming to the AU SOT later in life from challenging personal situations and 3) women preparing for ministry who will experience limited job prospects.”<sup>11</sup>

## Debt Specific to AU SOT Students

This research focused on understanding the debt load of students entering seminary. Over half of the incoming seminary students arrive at the AU SOT with less than \$10,000 of educational debt. Of this group, 44% did not have any debt from undergraduate school. Only seven percent of the respondents report having more than \$40,000 in debt (with some at \$60,000). However, 70% of the respondents said that they did borrow to attend the School of Theology. Twenty-seven percent borrowed more than \$30,000. Among current students, 27% are not borrowing funds to attend. Thirty percent of the students say that they will borrow more than \$30,000 to complete their seminary degree.<sup>12</sup>

---

<sup>9</sup> Whether or not those in ministry are more challenged than the general population is not clear. The same pattern of concerns is evident among the non-ministerial persons in this study.

<sup>10</sup> From interviews, it is clear that these persons often do not understand the implications of borrowing money for living expenses until just before or soon after graduation. Students at the AU SOT are funding their lives through a combination of work, gifts and loans.

<sup>11</sup> The AU SOT is focusing on each of these items through its grant work. In its grant preparation and research, it was determined that debt issues start early in life and are carried from undergraduate to graduate programming. Thus, the AU SOT is focusing on education for both graduates and undergraduates pursuing ministry careers. An issue at the core of the church and of deep concern to the AU SOT is women in ministry. The seminary has for many years spoken about this concern through its educational materials, web presence and women and men championing the cause for women in ministry. See this information at <http://www.anderson.edu/sot/wim> As the researcher indicated, “It is challenging (for many) to find a ministry position. This is true for all groups of respondents (to this research), *but it is most pronounced for the female respondents.*”

<sup>12</sup> The AU SOT has been working with students during orientation and via internet educational tools regarding debt and loan issues. The seminary created a webpage called, “Counting the Cost of a Seminary

The research also desired to understand the total household educational debt load. The ATS has been asking this more in-depth question the last few years as well during its Confidential Graduate Student Questionnaire of all seminary graduates. Respondents in the AU SOT survey were asked to report the educational debt of the entire household in a mirror question to the ATS questionnaire. Thirty-three percent of respondents report no debt. Slightly over half of the respondents have debt loads below \$20,000.

From the survey results, it can be determined there is a clear correlation between age and debt loads. Thirty-three percent of the respondents have debt above \$40,000. Among these respondents, 10% report debt over \$101,000. The highest debt loads are held by the respondents who are in their late twenties and early thirties. Another item of note is the debt obligations that emerge when parents take on responsibility for educational costs of their children who are attending college.

The research indicated that 34% of those persons currently in full-time ministry have no household educational debt. However, 20% of the current pastors have household educational debt above \$76,000.<sup>13</sup>

Church of God (Anderson) seminary students make it clear that the Blackwelder Tuition Fund is a critical part of the financial equation related to attending the AU SOT.<sup>14</sup> For many, a seminary education became affordable because of the Blackwelder Fund and they are appreciative of the Church of God for this financial resource.

## **Foundations for Financial Literacy**

An essential part of this research was to determine a student's financial literacy. This aspect intentionally focused on the question "where did you learn what you currently know about finances?"

The respondents to the survey indicated they were not explicitly taught finances by their families of origin.<sup>15</sup> Both former and current students indicated they learned the lessons of finance through painful family or personal experiences, but not always.<sup>16</sup> Additionally, students

---

Education." This page and URL are strategically placed before the application process. The desire is for students to understand the costs associated with education before application. The site provides information on how current students finance their education. See the URL at <http://www.anderson.edu/sot/admissions/countingthecost.html>. It should also be noted that the 44% stating they have no educational debt in this survey shows a similar response rate in the Confidential Entering Student Questionnaire administered to AU SOT students each fall by ATS.

<sup>13</sup> The seminary is studying its data from ATS to determine if this educational debt is primarily for the seminarian or if the debt is for a household member, whether a spouse or a dependent.

<sup>14</sup> For detail of the Blackwelder Tuition Fund visit <http://www.anderson.edu/sot/admissions/blackwelder.html>

<sup>15</sup> Most respondents did not get financial training from family members even if their parents were employed in financial fields.

<sup>16</sup> Respondents seem to learn from the actual family experience, i.e., what was modeled. These lessons, however, were often hard. Some students used these experiences as lessons for their own lives to make better choices; while others followed the models they witnessed in the home and repeated these behaviors.

who enter seminary directly from college appear to be financially naïve. It is during this transition that they receive a “reality check.” It was interesting to note, however, that graduates who are currently in ministry “developed a source of knowledge and formed habits that helped them to sustain a fairly healthy financial life.”<sup>17</sup>

Students who enter seminary after working or being involved in ministry have a better grasp on matters of financial literacy. These respondents learned about finances via employment, training, or other experiences.<sup>18</sup> Respondents also noted that programs offered by *Financial Peace University* and *Crown Ministries* are important teaching tools, but their effectiveness is decided by “continuing personal choices about finances and use of resources.”

## **Financial IQ, Motivation to Learn and Educational Delivery**

Another research objective was to determine the financial intelligence or literacy of its current and former students. A series of questions were asked related to “Financial IQ.” Respondents were asked to gauge their literacy on a scale from 1 representing “no Financial IQ” to 10 representing “a high Financial IQ.”

The AU SOT research showed that the overwhelming majority of respondents say their Financial IQ is better than “neutral.” Twenty-seven percent scored themselves at nine or ten. Only 18% say that their Financial IQ is less than five. The persons who score themselves low tend to be current students, who came into a graduate program directly from undergraduate school and do not have work experience. *This is the sub-group of the population where there is the most concern.* The majority of people responding to the survey believe that they have become competent in financial matters through life experience. Much of the sense of competency is found in the “team” skills associated with a spouse who is also employed.<sup>19</sup>

Another set of questions were asked to determine whether or not respondents feel competent in specific areas of personal and church finance. On the personal finance questions, respondents were asked whether they are competent in 1) budgeting, 2) debt management, 3) investment strategies, and 3) tax planning. Respondents express the most confidence in

---

<sup>17</sup> According to the research, “It appears that a significant number of persons who trained for ministry are not in full-time positions. It is clear that finding employment, or suitable employment, is a primary driver for financial concern. There is evidence that the ministry positions available to recent graduates are limited or do not provide for satisfactory income to meet financial requirements. For some individuals in ministry, they have shifted to bi-vocational work because of the realities of finances.” The researcher also noted that “many of the entry-level ministry positions are in small congregations and require many to be bi-vocational or consider other career choices. It was discovered that in many cases for pastors in small congregations (defined as 200 or less in attendance and making up 60% of the respondents) are dependent on income from a spouse to meet financial requirements.” It was also noted that “persons who are in full-time ministry positions who do not have adequate resources tend to be in small congregations and have obligations for high debt loads.”

<sup>18</sup> These respondents believe not understanding finances is a major concern for those in ministry. It should also be noted that respondents also rely on their spouses for financial wholeness and expertise. This is important when addressing the disadvantage that single women experience in ministry placement.

<sup>19</sup> See the earlier information in the General Findings that support this “team” skill. However, it should be noted again that single females have greater difficulty not only in finding employment, but also in not having a spouse to assist in financial matters.

budgeting with over 80% saying that they feel competent in this area. Strong expressions of competency are also cited for debt reduction strategies.<sup>20</sup> Fewer competencies are expressed by respondents in the area of investment strategies. The study also notes there appears to be room for improvement in the areas of investment and tax strategies.

The same pattern concerning financial literacy is found for church financial management. Greater competency is expressed in the area of budgeting. Less is found for investment strategies. Relatively few respondents feel “very competent” in investment, debt management and building program management. Yet, many say that they are “somewhat competent and/or experienced.” Still, a significant number of respondents do not feel experienced or competent in any of the church-financial management areas. Many more persons feel able to handle personal finances as compared to church finances. The two areas where this lack of confidence is most pronounced are for investment strategies and building program management. Clearly, students in the AU SOT who are younger and lacking ministry experience are most likely to be among these people who express concern about church management and finance strategies.

The survey also asked, “How motivated are ministry graduates and current students of the AU SOT to become more competent in financial areas?” Respondents by their statements are very motivated for becoming competent in financial areas. Forty percent say that they are highly motivated, while another 49% categorize themselves as “somewhat motivated.” Very few indicate they are not interested in becoming more competent in finances. It does appear that a very significant proportion of the students and graduates of the Anderson University School of Theology are motivated to improve themselves in this area.<sup>21</sup>

There is evidence that most graduates, in time, acquire the needed financial skills, especially related to personal finance. However, many transition from seminary into ministry without these skills. Persons who come to seminary after careers in other fields tend to have exposure to financial realities in life and have developed appropriate skills. They appear to have realistic expectations, competencies and resources.

The study also suggests there are two groups that struggle with financial literacy. One is the student who matriculates directly into seminary from a bachelors program and who have had little life experience. These students often bring significant educational debt. These students tend to be naïve about financial matters and very trusting that it will “work out.” The second group is composed of people who come to seminary later in life out of challenging situations. These individuals may have experienced divorce, job loss, or some other form of personal tragedy. Their faith compels them to learn, grow and to create a new life. While they are to be commended, some of them are in situations that are very risky.

---

<sup>20</sup> The internet is filled with blogs, free materials, and suggestions on debt reduction strategies. It does not appear that lack of information is the issue, but failure to incorporate these strategies into one’s life. See the earlier section on Financial Literacy and family of origin lessons.

<sup>21</sup> The researcher notes it is possible that the topic elicited responses from the persons most interested in financial matters and thus more motivated than the total survey population. Another interpretation might be that the financial realities of these respondents and the need to manage both personal and church resources create a motivation to learn.

Finally, the AU SOT wanted to learn what it could specifically undertake to address and facilitate financial literacy as well as personal and congregational financial management.<sup>22</sup> The majority of persons responding to this study believe that the AU SOT should provide greater exposure to financial matters faced by students. There is, however, a strong voice suggesting that the seminary should keep “first things first.”<sup>23</sup> By this they mean: 1) the seminary is a school of theology and people come to study theology not finances, 2) exposure to financial skills may not require a full course, 3) the masters programs already require many credit hours, and 4) finances should be taught somewhere else or are “common sense.”

During interviews, both graduates and current students expressed support for the idea of the AU SOT providing means to address financial concerns and training. Strong evidence supports both the desire and need for action in this area. There is an acknowledgement that the School of Theology has tried to provide some education. Most noted were the session with Servant Solutions (the Church of God pension program) and some course content on church management. These steps are appreciated and were considered helpful. Some persons thought that these “short bursts of a lot of information” were overwhelming and hard to process. Other people thought the sessions were very informative and helpful. Yet, most interviewees said that there is a need for more exposure to personal and church finance training.

When asked if the AU SOT should provide increased exposure to learning materials or opportunities in personal finance for persons preparing for ministry, the overwhelming response is “yes.” Approximately 90% of the respondents affirm this direction for topics on budgeting, debt management, Biblical understanding of stewardship, and tax planning. Seventy-five percent say it is needed in the area of investment strategies.

Yet while current students and very recent graduates acknowledge this need, they also admit, in some cases, of not taking advantage of opportunities that were presented to them at the seminary. The reasons given for not participating in opportunities were 1) a need to focus on their theological training, 2) tight schedules, and 3) personal denial of the realities around finances. Some students, by their own admission, are not likely to take this aspect of their training seriously unless confronted with financial realities and forced to consider the implications. Several interviewees spoke honestly that they were not likely to take advantage of “optional” opportunities to learn about finances. It is “out of sight and out of mind” until graduation.

## **Spiritualization of Financial Choices related to Ministry, Seminary Education and Debt**

An important aspect of the research attempted to understand how a student’s theology or beliefs impacted financial matters and decisions. It is clear from the survey that many students and graduates spiritualize their financial decisions. Respondents often said, “God called me and

---

<sup>22</sup> It is hoped the reader might extrapolate opportunities for their own institutions in educating in the areas of financial literacy from these findings.

<sup>23</sup> This strong voice was noted by the researcher when tabulating the open-ended comments made by respondents.



he will have to figure this out for me.” Open-end comments and interviews supported this fact that seminary is an act of faith and that students believe God will provide. Younger seminarians tend to hold this belief more than older seminary students.<sup>24</sup>

Survey respondents were asked questions under the category, “What are some of your specific beliefs concerning the relationship between God, finances and your call to ministry?” These questions dealt with answering a call to ministry, risk, and how those beliefs impact financial decisions.

Overwhelmingly, respondents believe that a call from God to ministry requires a positive response, even if there is financial risk. Over 92% of the respondents agree with this statement, with 67% responding “definitely yes;” only 5% responded “no” related to taking financial risk. The same proportions of responses are found among persons who are currently in full-time ministry as those who are currently students. There is no difference in this belief statement between persons with varying demographic profiles, i.e. gender, race, size of congregation, etc.<sup>25</sup>

This faith is found in their belief that God will sustain them and their families. Ninety percent of the respondents say that they have faith that God will provide. Of this group, 58% express “definitely yes” to the statement. Those persons who are in full-time ministry have the same opinion as the general research sample. Among current School of Theology students, there is an even stronger affirmation of this belief with 97% believing this to be true.

Faith in God does not appear to mean that respondents believe that God will assure financial security. There seems, however, to be two separate camps regarding this financial assurance from the total survey respondents. A majority are either “uncertain” or say “no” when asked if trust in God and faithfulness to His call assures financial security. Yet another 43% does hold to this belief that trust in God and faithfulness to His call assures financial security with 20% saying “definitely yes.” This same pattern of belief is found among current AU SOT students and with persons who are currently in full-time ministry roles. Demographics do not explain the difference in opinion.

What appears ironic in this survey, however, is fact that a majority of respondents do not believe that God desires a person to go into debt. It is a somewhat surprising belief given the debt loads of many respondents to this instrument. So while there is a belief that God does not desire a person to go into debt, there appears to be a willingness to assume debt if that is the financial means required to prepare for ministry. This obviously creates a dilemma for many students. In interviews respondents acknowledge this conflict. But, these respondents are driven

---

<sup>24</sup> From all forms of the data, the majority of people in seminary pursuing vocational ministry are compelled by God to undertake this education. From a financial perspective, for many, it does not make a lot of sense. Debt is often a part of their reality, and they move into job prospects that are sometimes challenging and are almost guaranteed to limit income potential. *Yet, these are people who chose to proceed and for most, with joy.*

<sup>25</sup> Respondents anticipate that their choice to be in ministry will require financial sacrifice. Eighty-seven percent say “yes” to this belief with 50% saying “definitely yes.” The finding is true whether the respondent is currently in ministry or currently studying at the School of Theology. Those in ministry and students preparing for ministry both state “*being in ministry will require financial sacrifice that I must be willing to make.*”

by a sense of duty to prepare for ministry and this belief or call overrides the financial reality concerning borrowing funds.<sup>26</sup>

## **Financial Behaviors for those Committed to Christ**

The survey also asked, “What are the financial behaviors that flow from a commitment to Christ?” One behavior is an affirmation of the importance of tithing and sacrificial giving. A strong majority of respondents, even when broken down into groups (i.e. current ministers and students) say that tithing and a willingness to give sacrificially is essential. Seventy-one percent say “definitely yes.” Only five percent disagree, with seven percent being uncertain.

A second behavior relates to monthly budgeting. A strong majority of respondents believe that “good stewardship of resources calls for living on a monthly budget.” Ninety percent say either “definitely yes” or “probably yes” to this statement. This finding is consistent across all sub-groups of respondents. It is interesting to note that a majority of respondents also do not believe that it is appropriate for a Christian to declare personal bankruptcy. As a whole, the responses suggest that there is a fairly good awareness of appropriate financial management and behaviors that should follow a commitment to Christ.

There was a difference of opinion concerning behaviors around employment and ministry. There is a variance between whether or not it is appropriate for a minister to work two jobs in order to “make ends meet.” Bi-vocational ministry is a reality. Some respondents say that their spouse working allows them to be full-time in ministry, even if the pay is not sufficient in itself for the family needs. Forty-four percent of the respondents say that it is appropriate to work two jobs. Thirty-two percent say “no.” Another 24% are not certain. Persons who are currently in full-time ministry roles share this same opinion. Current AU SOT students are more likely to say that it is appropriate to have two jobs. Understandably so, persons in part-time ministry roles, who also hold another job, are the persons who are most likely to say that this is appropriate. But, for many in ministry, holding two jobs is not the ideal situation.

This line of questions also showed a conflict exists between the need for the pastor to make a living wage and the willingness or ability of the congregation to provide it. Ninety percent of the respondents say that “*a congregation has a duty to make sure pastors are provided for in a way that makes it possible for them to make a fair living.*” Yet, interviews with persons in ministry made it clear that many congregations are not in a place to provide suitable salaries. There are also stories of congregations not being educated in the unique situations of pastoral compensation. Sadly, there are a number of stories of congregations and ministry organizations that seem unwilling to compensate clergy appropriately. The strongest support for this particular insight comes from those persons who are currently in ministry.<sup>27</sup>

---

<sup>26</sup> Interestingly, 73% of the persons who are current students and responded to the survey say that “God does not want us to go into debt” yet as noted earlier, “70% of the respondents said that they did borrow to attend the School of Theology.”

<sup>27</sup> Dr. Daniel Aleshire, Executive Director of the Association of Theological Schools, addressed this issue in a keynote delivered to a gathering of all the ECFM grant recipients in April 2014 at the ATS Offices in

## Concluding Thoughts and Recommendations

The Anderson University School of Theology has learned a great deal from its research on student educational debt. It is currently developing and implementing programming that intends to address obvious conclusions from its study. It is also planning research to dig deeper into decision processes and behaviors that drive financial choices.

The following action items are suggestions schools might consider in addressing financial literacy and stemming the tide of surmounting student education debt in the preparation for ministry.

- Partner with undergraduate ministry programs to enhance financial literacy. It is apparent that students coming directly from undergraduate programs carry the largest amount of debt and continue the process of borrowing at the graduate level. In many cases, curbing educational borrowing at the graduate level may be late. Graduate and bachelors programs should collaborate in how financial literacy might start the freshmen year for those seeking a path to congregational ministry.
- Champion women in ministry. It is apparent that the most vulnerable group of ministry students is single females. Schools and polities must work diligently to connect women with opportunities in ministry as early as possible in their undergraduate or seminary process. It is also essential to provide structures at the time of graduation that also assist women in locating and securing ministry roles in a congregation setting.
- Teach and work on the matters of financial literacy from a spiritual formation aspect. This study indicated there is conflict between what it means to answer a call to ministry and the financial realities students will face not only in preparation, but in initial placement following graduation. Programs focused on ministry training should assist students in their spiritual formation to understand their theology related to finances and stewardship.
- Work with those in ministry over their entire life span related to financial matters. While ministry students seem to learn finances over time, some concerns continue to remain, especially related to health care, retirement, and education of children. Lilly Endowment has noted that financial wholeness and health must take into account the “long arc of ministry.” This study affirms this need to begin financial training early and throughout ministry, even as the seasons of life will require different areas of focus.
- Educate congregations on establishing and maintaining a livable wage for those in ministry. Many polities are currently working with their congregations on this topic. This

---

Pittsburgh, PA. This keynote is available at <http://www.ats.edu/uploads/resources/current-initiatives/economic-challenges-facing-future-ministers/presentations-reflections/aleshire-financing-the-call-to-serve.pdf>

study affirms that training of congregational boards and pastoral search committees regarding clergy finances is critical to ministry financial wholeness and health.

- Provide multiple forms of personal finance training. These forms may include mini non-credit courses on personal finance, making national programs on financial literacy available to students (such as *Financial Peace University* or *Crown Ministries*), implementing courses on personal finance (both in classroom and online), and linking with resources already available in the wider public.
- Discuss the following topics with incoming students, either during re-enrollment or orientation at all educational levels. These topics might include the implications of educational debt and the use of debt to cover living expenses, alternatives to debt and ways to minimize debt, access to part-time jobs, and repayment realities upon graduation of student loans.
- Making personal financial counseling available for incoming students. The following goals might be at the center of this counseling: assessing a student's knowledge and financial aptitudes, reviewing financial practices and implications of such for the future, providing advice on how to handle financial challenges while in seminary, and providing resources to answer questions. This financial counseling might also focus on family of origin models that may continue to influence the decision students make regarding debt.
- Consider seminary or polity placement services to assist students in the transition from school of ministry. The most vulnerable to the impact of debt are those just starting ministry positions. Collaborations might develop between undergraduate schools, graduate programs and their polity to help place ministry students more quickly. Such collaborations might include job search portals, mock interviews with congregational boards, and resume development training.
- Expand paid ministry internships to connect students with prospective placement. Either polity or educational institutional offices might be established or enhanced to identify and solicit congregational support for students preparing for ministry. Paid internships at a livable wage may assist young students in not turning toward educational loans for living expenses.

## **Research Methodology:**

This section provides information on how data was collected for the research objectives.

### **Survey Research**

A list of 419 current students and recent graduates of the Anderson University School of Theology was provided. An email with a link to a *Survey Monkey* instrument was sent to these persons. Among this group were persons in the online masters programs. Forty-six email addresses were returned as permanently undelivered. The total of delivered emails was 373.

After two requests, 120 persons responded to the survey. A response rate of 32% was achieved as of August 1, 2014. The report uses the data collected as of July 28, containing 119 responses. The 32% response rate compares favorably to the response rate achieved from seminary alumni and students in the first phase study of the AU SOT Lilly Grant process (the first study examined attitudes about graduate theological education).

While it was hoped that a better response rate could be achieved among persons associated with the AU SOT, this rate is consistent with or better than prior efforts in Church of God (Anderson) studies.<sup>28</sup> Other factors that probably undermine the response rate are: 1) the subject is about personal financial issues, 2) data collection was in the summer of 2014, and 3) the perception that this survey was for persons who are currently in a pastoral role. Some feedback from respondents also suggested that the instrument was long and that may have caused some people to not respond. From a data analysis perspective, the required data was obtained. An issue of non-response bias does remain.

### **Interviews**

The proposal called for ten phone interviews to be conducted. A list of 58 current and former students to be invited to participate in an interview was supplied by the School of Theology. Ten people accepted the invitation. Interviews were very helpful in understanding the financial challenges of graduates of the School of Theology and were the primary tool for determining the “family of origin” factors shaping attitudes and financial practices.

---

<sup>28</sup> The researcher has conducted a number of studies for the Church of God (Anderson) and its institutions. The researcher’s experience is that the response rate indicated for this instrument mirrors other study results.