**LOAN FORGIVENESS AND ALUMNI DEBT**

SAINT JOHN’S UNIVERSITY SCHOOL OF THEOLOGY•SEMINARY

Collegeville Minnesota

GOALS

1. increase our understanding of the debt load of our students and graduates and the effect of this debt on their lives and ministry;
2. strengthen the preparation of our students to be more effective and faithful economic stewards both of their own resources and those of the parish;
3. strengthen the networks of support for non-ordained ministers as the animating rationale for financial support;
4. develop and test a loan forgiveness program for non-ordained ministers.

Activities

This past summer we launched an effort to gather information from our 2003-2012 graduates on how they financed their educations and the on-going impact of any debt incurred. Through diligent effort we were able to get responses from 25 graduates (33%). We are not able to determine the lack of more vigorous response. However, one reason, as will be evident in the results, is that our issue is not an issue for many graduates. A summary of salient facts:

* Graduates generally report not seeking information from the University about the best way to finance their educations. Those who did fond it adequate.
* Only a small percentage relied on federal or state loans or credit cards to cover educational costs.
* The largest source of funding reported came from grants and scholarships from the School of Theology. The next two most important sources were personal savings and on-going employment. Together, 60% of the respondents cite these three sources as the source of funding their educations.
* Overwhelmingly, graduates disagreed with a survey question asking whether educational loans permitted them to pursue study fulltime. This reflects the fact in this sample, one 4 of the 25 respondents attended school fulltime, and on average the rest worked a minimum of sixteen hours a week.
* In terms of beginning graduate school with significant previous debt (described in the survey as $10,000 or more) or ending up with significant debt, the results were split nearly in half.
* The question of educational debt and its effect on people’s decision to stay in ministry found that only one person indicated that was case. Other participants were no longer in church ministry but not for financial reasons.

The results of the survey of graduates lead to the conclusion that the contours of student debt described in the Auburn studies do not necessarily reflect what has been happening at the School of Theology; this is a conclusion we continue to probe.

Another major activity has been interviews with pastors around the region to assess the state of potential partnership as the School of Theology seeks ways to sustain and extend its own generosity in supporting lay students. These conversations with senior pastors came about when a pastor who had served on our Board of Overseers suggested we examine two things: whether there was a real market for our graduates and whether there was a sustaining interest by other pastors in hiring our graduates and, by extension, persons with graduate level degrees for ministerial leadership. The first question was relatively easy to answer. Our records indicate that most of our graduates find employment in their fields. This may be due in part to the fact that a portion of our student body are “working students” who already have positions in parishes and other ministry settings. The second question proved provocative.

* Pastors interviewed believe a graduate degree is an asset but not essential. More than one felt that the ability of the person to do the work with “pastoral common sense” could trump someone who had the credential but not the skill to use it. However, there was at least one mention of needing to mentor new ministers as they develop “pastoral common sense.”
* One pastor felt that the complexity of the setting or the size of a parish might argue for people trained at a graduate level. “But that may not be the case in a smaller parish where the pastor is able to function in a more hands on fashion.”
* Graduate degreed people share a level of theological inquiry and analysis with the pastor that can lead to greater theological insight into what needs to be done. Such persons also have a better understanding of the relationship between the parish, diocese, and universal church.
* People who are well-prepared, a pastor said, exhibit a maturity in faith informed by their theological studies. This same individual was able to expand the meaning of “pastoral common sense.” In his view it meant being able to take people where they are at, to manage oneself, to listen in order to enter into someone else’s journey.
* Of the eight interview, only one pastor volunteered that parishioners recognize his lay staff colleagues as integral to the pastoral care of the parish.
* Budget is an issue in hiring, and in small parishes or clusters there is an inability to pay salaries that match the expectations of someone with a graduate degree. Anecdotally, our students who are already in parish work do not report that they receive a notable increase in salary after completing their studies.
* There is still some hesitation about where lay ecclesial ministers fit. One pastor reported that his bishop will not certify/authorize any further lay ministers because of a bad experience with someone recently certified. Another bishop asked pastors to not include lay ecclesial ministers in liturgical petitions for the church’s ministers in order to keep the focus on the need for vocations to the priesthood. Neither of these decisions were reported as ill-willed, but they represent a reality that makes forming partnerships to support lay students a challenge.

These results are helpful in shaping the agenda for the first consultation with pastors and representatives of lay parish leadership later this spring to discuss the state of lay ministry.