

# Transformational Leadership Debt Assistance



## DEADLINE

Rolling; no more than 50 awards per year

## ELIGIBILITY

- MDiv graduate of an accredited ATS seminary and a PCUSA Teaching Elder
- With educational debt equal to or in excess of the amount requested
- Serving a PCUSA congregation or emerging worshipping community with 150 members or less in:
  - Any part time installed pastoral position
  - Or, full time/part time temporary or designated pastoral position
- Demonstrate financial reliability (PCUSA will view your credit report).

## Introduction

Transformational Leadership Debt Assistance (TLDA) is a program designed to help reduce educational debt acquired by seminary graduates called to minister to communities without means to install a full-time pastor. It can fund up to 50 culturally proficient, adaptive and innovative, critically thinking and emotionally intelligent Christ-like pastors called to serve small PCUSA congregations or emerging worshipping communities.

Eligible applicants apply after they have begun serving in a pastoral position that meets the requirements. Applications are evaluated by staff to determine if the applicant is eligible for the TLDA Loan. Eligible borrowers are provided with links to additional elements of the application to complete. Awards range from \$3000 to \$5000, depending on the amount of debt. Ineligible applicants will be offered loan consultation to assist the applicant in finding alternative ways to manage their debt.

Upon acceptance, the proceeds of the PCUSA Transformational Leadership Debt Assistance will be paid to the borrower's educational debt servicing agency. *This is a loan.* The condition for loan forgiveness is continuous service for 18 months in a PCUSA congregation with 150 members or less in any part-time installed pastoral position or full-time/part-time temporary pastoral position. If the forgiveness condition is not met, the loan must be repaid, with interest.

If selected, the borrower's 18 month period of service will start no earlier than January 1, 2017 or the start date of eligible service.

PCUSA educational loans are managed under loan administration policies established by the Office of Financial Aid for Service. A complete copy of loan policies is located at [www.pcusa.org/edloan-guidelines](http://www.pcusa.org/edloan-guidelines). Questions about the program? Contact Financial Aid for Service at 800-728-7228 ext. 5735 or email [finaid@pcusa.org](mailto:finaid@pcusa.org).

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## Getting Started

**Send the following by fax, mail, or email:**

- Getting Started
- Statement from Loan Servicer

<b>Name</b>	<b>Social Security Number</b>
<b>Address</b>	<b>Date of Birth</b>
<b>City, State, Zip Code</b>	<b>University or Seminary</b>
<b>Phone</b> <input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Cell	<b>Last Degree Earned</b>
<b>Email</b>	<b>Graduation Year</b>

<input type="checkbox"/> FULL TIME		<b>START DATE</b>
<input type="checkbox"/> PART TIME	<b>CHURCH</b>	<b>ANTICIPATED END DATE</b>
	<b>PRESBYTERY</b>	(TEMPORARY/DESIGNATED ONLY)

### Information About Your Educational Debt

*If you have consolidated and are unable to separate debt by program, use the column that corresponds to the last degree earned.*

Educational Debt	Undergraduate	Graduate	Post Graduate
<b>Federal</b>			
<b>Private</b>			
<b>Total</b>			

Private Educational debt may have been offered with less favorable terms—if you have federal and private loans, attach a copy of the promissory note or disclosures for the private loan.

### Release and Disclosure

I am requesting loan from the Presbyterian Church (U.S.A.). I understand that I may be offered an educational loan with loan forgiveness for Presbyterian Church (U.S.A.) pastors serving small PC (USA) congregations in part-time or temporary pastoral positions. The loan is eligible for loan forgiveness after the borrower completes 18 months of continuous service in an eligible call. If the loan forgiveness requirements are not met, the loan must be repaid with interest. The information that I have provided for this application is true and accurate. I understand that the Presbyterian Church (U.S.A.) will use information in my credit report to determine financial reliability; I also understand that the Presbyterian Church (U.S.A.) will be required to contact the Presbytery I am a member of to obtain information pertinent to assessment of my application for a grant and/or eligibility for the loan and/or forgiveness.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

**TLDA**  
**Oct 2016**

### Mailing Address & Contact Information

Financial Aid for Service  
Presbyterian Church (U.S.A.)  
100 Witherspoon Street  
Louisville, KY 40202-1396  
Toll Free: 800-728-7228 ext. 5224  
Fax: 502-569-8766  
[finaid@pcusa.org](mailto:finaid@pcusa.org)



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Make Your Educational Debt Work for You

## MANAGING EDUCATIONAL DEBT

If you have educational debt, you are not alone. In 2011 only 36% of Masters of Divinity students graduated with no educational debt. 19% of students graduated with more than \$50,000 of debt. This is compounded by the fact that over 70% of students leave their undergraduate studies with student loan debt.

Financial Aid for Service is dedicated to providing tools and resources that can help student loan debt become just one part of a healthy and responsible life of stewardship.

**Understand your debt.** Go to <https://www.nsls.ed.gov/npas/index.htm> where you can find everything from what you owe, to contact information for your student loan servicer. The repayment calculator on this site provides a comprehensive view of the repayment plans you are eligible to use.

**Contact your servicer early and often.** It is vitally important to keep your loans in good standing. Many borrowers will go into default without ever contacting their servicer to request relief.

**Consider an Income Driven Repayment Plan.** Many borrowers are wary of entering an income driven repayment plan because it increases the life of the loan. While this is true, Income Driven Repayment provides relief and an element of control when you reduce your required monthly payment and take advantage of your right to overpay without penalty. This could give you added flexibility in your budget. For more information and to calculate your monthly payment: <https://studentaid.ed.gov/sa/repay-loans-/understand/plans/income-driven>

**Remember the bigger financial picture.** While it is important to keep your student loans in good standing, they are only one part of your financial picture. One common mistake borrowers make is to prioritize paying off student loans at the expense of paying off other, higher interest debt or saving for retirement. Successful student debt management will include other aspects of solid financial planning: making and sticking to a budget, managing spending, growing an emergency fund and saving for retirement.

## Using Loan Management Tools

Borrowers can request deferment, forbearance, or income based repayment in order to suspend payment or reach an affordable payment or maintain the loan in good standing while the borrower is without income or gainful employment.

Discomfort with indebtedness, denial about the gravity of defaulted student loan debt, and a reluctance to acknowledge that there is a problem may keep borrowers from asking for help.

Board of Pensions offers plan members financial counseling services through the Employee Assistance Program. Visit [www.pensions.org](http://www.pensions.org) and search for Employee Assistance Program.

### **Contact Loan Servicer If**

- You are unable to make a payment
- You are moving
- You have not received a statement and you are no longer attending

### **Requesting Deferment/Forbearance**

This is a fairly simple process that requires documentation. Borrowers request deferment or forbearance forms from the agency servicing the loan(s). It takes about five minutes to complete the one-page form. Additional documentation may be required. The loan status is not changed by requesting deferment/forbearance, or by submitting the form. The loan servicer must receive and act on the information.

Unemployment deferment and forbearance requests may require verification that the borrower is seeking employment full-time (at least 30 hours) in any field, at any salary or responsibility level and have registered with a public or private employment agency. (NOTE: School placement offices and "temporary" agencies do not qualify as public or private employment agencies, and seeking a call through Church Leadership Connection does not satisfy the 'any field' requirement). Call seekers with federal student loan debt should register with employment services. To find employment services, visit [www.servicelocator.org](http://www.servicelocator.org) and search by zip code or state.