



Guidelines for Establishing a Student Assistance Fund

What the WELS Is Doing:

One of the most tangible obstacles that may stand in the way of a young person who is thinking about preparation for the public ministry is the cost of education. For example, a young man seeking to begin his training on the preparatory school level and continue through college and the seminary on the path toward the pastoral ministry could face education costs for those eleven years of schooling that total between \$60-70,000.

Of course, when compared to other private secondary school, college, and post-graduate school costs, the expenses for attending our synod's schools of ministerial education are extremely reasonable. Many families, however, may be looking at these costs compared to public education on the high school level and a local community college beyond that point. Against such a comparison, the expenses of a ministerial education may seem great, even overwhelming.

Our synod is aware of this fact and has developed an extensive program of financial assistance for those prospects who demonstrate genuine need. In addition to providing considerable subsidy toward the education of every student in its schools, the WELS also offers special assistance programs which apply to students at each level of its ministerial education system. Information about these programs is available through the admissions offices of each of the synod's four schools.

What Your Congregation Can Do:

In your local congregation, you have the advantage of being close to the home and family situations of each ministerial prospect you identify. A pastor and his board of elders, with input from elementary school faculty where that is possible, can very well assess a prospect's individual needs, including financial needs.

Since this is so, the local congregation is in the best position to know where financial assistance for educational and related costs may be necessary. It can be an appropriate and beneficial element of the congregation's ministry, then, to be able to fill those needs, at least in some measure.

That is where a congregational *Student Assistance Fund* (SAF) comes in. Maintained as an on-going congregational account which may benefit from gifts and bequests from groups or from individual members, such a fund allows a congregation to take concrete action in helping to remove the obstacle of expense from the path of prospects for the public ministry.

Perhaps your congregation already has such a fund. If so, the suggestions that follow may assist you in administering it as productively as possible. If your congregation does not have an SAF, we urge you to consider starting one. These guidelines may support you in your efforts.

Starting Out:

Three basic questions need to be answered as guiding principles for the establishment of a SAF in your congregation. They are:

1. *How will the fund be funded?*
2. *Who will administer the fund?*
- and 3. *Who will be assisted by the fund?*

While situations from congregation to congregation will alter the way each of these questions is answered, the following thoughts may give some food for thought:

1. How will the SAF be funded?

It is useful to be able to start with enough capital to allow the fund to make disbursements soon after being formed. When members are benefiting from the fund, it will be seen as a “working” concern and will gain greater attention and support from the congregation. Several options exist for gathering initial capital: an undesignated gift or bequest to the congregation may be used; or, funds may be transferred from other existing congregational accounts; or, the fund may be made a line item in the congregation’s budget for a year or two, until other means of funding become established; or, a special offering within the congregation may be taken to provide “start up” capital. Subsequently, the fund may be supported independently through designated gifts and memorials or through the channeling of undesignated gifts to the congregation. Including a special envelope in the congregation’s annual offering packet is another support option.

2. Who will administer the SAF?

The amount and types of fund activity may determine who is in the best position to administer the fund for your congregation. Two recommendations are in order in any case:

(a) Keep things simple. It is not advisable for a congregation’s voters’ assembly to be directly involved in administering or dispersing student assistance. Doing so robs your SAF of the ability to be timely and efficient in addressing needs. A two or three-person committee, perhaps from the congregation’s Board of Elders or Education, should be sufficient to administer the fund, with disbursements approved by the Elders or Church Council jointly.

(b) Insure fairness and objectivity. Money matters can be sensitive and emotional, and sinful natures can easily give rise to suspicions of inequity or favoritism. To avoid this is much as possible, never have your SAF administered by a single person, and always have disbursements approved by a recognized board within the congregation. Maintain a written record of all SAF transactions and keep copies of all related correspondence.

3. Who will be assisted by the SAF?

If your congregation intends to apply any limitations to the disbursement of funds from your SAF, it is wise to establish them clearly at the start. Will assistance be available to students at all levels of Christian education (elementary through seminary)? If not, what levels will be eligible? Will assistance be given only to those studying for the public ministry; or, will ministerial students be given preference; or, will assistance be awarded without preferences of any kind? Will individual need be the only criterion for receiving assistance? If other criteria are desired, what will they be? Is the congregation willing to use this fund to support students who aren’t members of the congregation? If so, under what circumstances?

The model SAF *guiding principles* that follow will suggest answers to some of these questions, but they aren’t the only correct answers. What is important is that as many of these questions as possible be answered in advance, before they are asked by those applying for assistance.

Staying Alive:

Most congregations have a certain number of “dead” accounts -- standing funds that have little or no activity over the course of a year and are heard of only in the annual report. To avoid allowing your SAF to fall into this category, consider measures that will help the fund to maintain the following:

Integrity: Your SAF should stay true to its purpose. Resist the temptation to side-track the funds for other uses in years when your congregation may have few, or even no students who are requesting assistance. Resisting will be easier if your fund experiences regular...

Activity: Consider establishing a minimum dispersement from your fund each year. If there are no eligible students in your congregation requesting assistance in a given year, your minimum dispersement can very beneficially be directed to the synod's *WELS Student Assistance Fund* or its *Student Assistance Endowment Fund* from which other needy ministerial education students receive aid. Information about remitting money to these funds is available from the *WELS Board for Ministerial Education* office in Milwaukee (Call 414-256-3236 and speak to Dr. John Lawrence, BME Administrator). Such regular activity can itself serve as a valuable form of...

Promotion: Do whatever is possible and appropriate in your congregation to keep your SAF and its valuable work before your members. A regular report on fund activity at quarterly voters' meetings is a start, but ought not be the end. Consider brief updates or appeals for contributions in the church's newsletter; or, an annual bulletin insert about the fund, perhaps to coincide with the placement of a special support envelope for the SAF in the congregation's offering envelope packet; or, a presentation on the fund (and other congregational recruitment efforts) at parent/teacher meetings or other organizational gatherings. Another avenue for promoting your fund may be through...

Integration: Linking your SAF and its work to other activities in your congregation will help to keep it before your people. In a typical congregational year, a number of opportunities for integrating word about your SAF into other activities suggest themselves: Christian Education Sunday; opening and closing services of your elementary school or Sunday School; Mission Festival; Examination and/or Confirmation; ordinations/installations of new called workers; the hosting of pastor or teacher conferences; PTO meetings; teacher home visits; stewardship cottage gatherings; and on and on.

Above all, make sure that your fellow members recognize that a congregational Student Assistance Fund is not an end in itself. It is merely one means to a greater end -- providing future full-time workers for the church, to lead your congregation and other congregations and missions of our fellowship in carrying out our Lord's gracious commission to bear the Good News of salvation into all the world.

The pages that follow offer a model set of *guiding principles* that might be used in establishing a congregational Student Assistance Fund. Adopt or adapt them at your discretion. For further information about student assistance matters, please contact the admissions offices of our synod's ministerial education schools or the office of the WELS Board for Ministerial Education.



prompted and guided by the Holy Spirit, the congregation shall require no refund of assistance from students who do not complete their training and enter ministerial service.

(Optional) Likewise, it is understood that students who receiving assistance will attending _____ Lutheran High School, though not preparing for service in the public ministry, will faithfully and conscientiously devote themselves to their studies and will strive to be graduated from that school. No refunds will be requested of students receiving such assistance.

VI. Administration of the Student Assistance Fund

The congregation shall designate the primary administration of this fund to the Student Assistance Committee, working under the authority of the Church Council.

The monies in this fund shall be kept aside from the regular congregational treasury and shall be deposited in the name of the _____ Ev. Lutheran Church Student Assistance Fund.

The depositing and investing of monies from this fund shall be left to the discretion of the Student Assistance Committee, with the approval of the Church Council.

The Student Assistance Committee shall annually formulate recommendations of recipients of assistance from this fund and of amounts of assistance grants. These recommendations shall be presented to the Church Council for approval before disbursements are made.

The Student Assistance Committee will make regular reports regarding the administration and activity of the fund to the Church Council and to the congregation.

The books of the Student Assistance Committee shall be audited annually under the direction of the Church Council.

Unless otherwise determined, information as to recipients of assistance and amounts received shall be considered confidential and shall remain with the members of the Student Assistance Committee and the Church Council.

VII. Minimum Disbursement from the Student Assistance Fund

The Student Assistance Committee shall provide for a minimum annual disbursement from the Student Assistance Fund, in the amount equal of \$_____ or one-tenth of the principle in the fund, whichever is greater. (Or, in the case of a more sizeable fund, the amount may be set as \$_____ or one half of the annual interest income of the fund, whichever is greater.)

In the event that, in any year, the congregation has no students eligible for receipt of student assistance from the fund, the minimum disbursement shall be remitted to the *WELS Student Assistance Endowment Fund*.

VIII. Special Considerations

Items not covered in the above guiding principles shall be referred to the Church Council of _____ Ev. Lutheran Church for disposition.

Suggested changes to these guiding principles shall be referred to the Student Assistance Committee for consideration.