

# Many ministers saddled with seminary debt

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When Congress overwhelmingly approved a measure last month to relieve spiraling student debt, churches probably didn't realize the problem hits closer to home than expected—many pastors are leaving seminary and divinity school with tens of thousands of dollars in loans.

"It's becoming a huge issue," said Bill Wilson, president of the Center for Congregational Health. "I've heard of totals approaching \$60,000. I had one resident who showed up with \$40,000 between school and credit cards."

## 'Troubling' Auburn study

Theological educators characterize the trend as troubling. [A 2005 paper](#) by the [Auburn Center for the Study of Theological Education](#)—grimly titled "The Gathering Storm" —found more than half of master of divinity students in 1991 had not borrowed for their seminary education. By 2001, only 37 percent could make that claim. About 1 percent of master of divinity graduates had borrowed \$30,000 or more to fund their theological education in 1991; 10 years later, 21 percent had borrowed at that level.

It no longer is unusual for seminary graduates to leave school with \$70,000 to \$80,000 in debt, Sharon Miller, associate director of the Auburn center, told the Huffington Post in 2012.

An official at one Baptist seminary, who asked not to be identified, said a recent graduating class revealed the depth of the issue. Of 57 graduates, 21 had no debt, six owed less than \$20,000, another six between \$20,000 and \$50,000, eight between \$50,000 and \$90,000 and 11 more than

\$100,000—all acquired while at the seminary.

The growing student debt problem may just now be appearing on the radar of many Baptists in the South and Southwest. For decades, generous allocations from the Southern Baptist Convention to its six seminaries, which educated the lion's share of SBC pastors, kept tuition affordable—a pattern that continues, but to a lesser extent.

### **Moderate institutions more expensive**

But after 1990, when the SBC and its theological institutions shifted to the right, many moderate students found a more compatible home at the wide array of new—and inevitably more expensive—seminaries and divinity schools.

Some of those schools, like [Wake Forest University School of Divinity](#), are addressing the problem with scholarships that range from full tuition and a stipend to one-third tuition.

Others, like [Baptist Theological Seminary at Richmond](#), which is unaffiliated with a university, are increasing student scholarship amounts from existing and new financial donations.

James Peak, the seminary's director of business affairs and facilities, said average loan debt at his school is \$34,900.

"Based on the research from 2012-2013 numbers, 47 percent of our students have loan debt from BTSR, 41 percent have absolutely no loan debt, and 12 percent had loan debt from before getting here, but haven't taken any out since," Peak said.

David Garland, dean of Baylor University's [Truett Theological Seminary](#), said that while his students "do not in general report an overwhelming debt problem," he detects a growing impact.

## **Debt load affects churches**

"The debt load on students does have its effect on churches as graduates are sometimes forced to find secular instead of ministerial employment to pay off student loans," he said. "Churches sometimes help their ministers with their debt when they call them, but it would be cheaper in the long run to have helped to subsidize their seminary education expenses."

Garland added he spends "a lot of time trying to increase endowed scholarship funds to keep costs lower for students."

Mercer University's [McAfee School of Theology](#) is participating in a Lilly Endowment pilot program—the Theological School Initiative to Address Economic Challenges Facing Future Ministers—which aims to address the cost of seminary education and student debt.

"We are the only Baptist school in the group, and we were awarded one of the three-year grants," Dean Alan Culpepper said. "At the beginning of the summer, we added a staff member to supervise the grant program; collect information; counsel students about financial aid, loans and financial planning; and lead workshops in these areas. We are trying to raise funds for scholarships on one hand and educate students about financial planning on the other."

At [Central Baptist Theological Seminary](#) in Shawnee, Kan., student debt is high for a small sector of students and growing, President Molly Marshall said.

"Central is beginning a program to address student debt through financial counseling and instruction in financial management," she said. "The economics of ministry—from classroom to congregation—needs engaging. I believe that student debt precludes graduates from effective long-term service, because ministry compensation is not enough to service educational debt."