

ISSUES

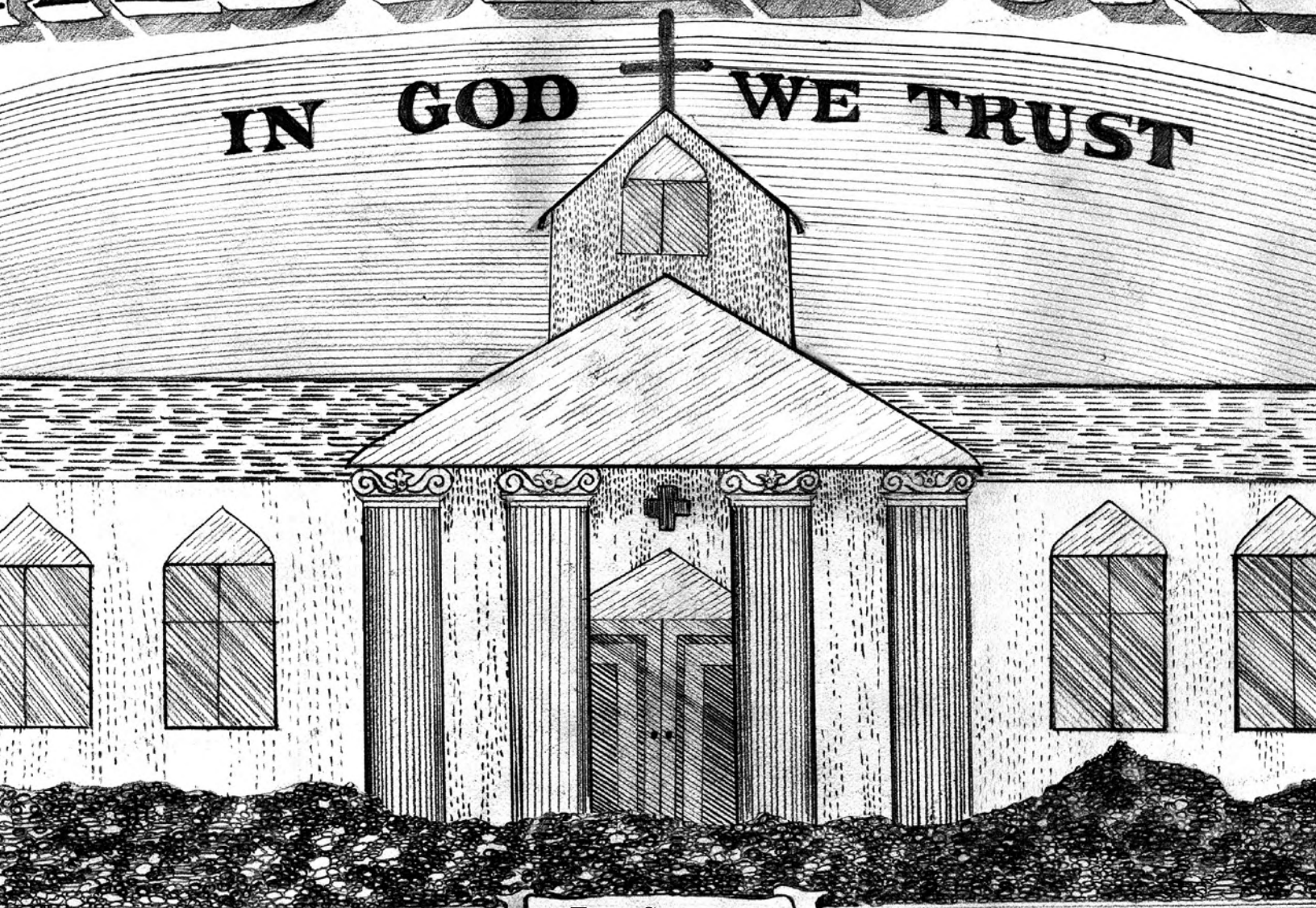
IN CHRISTIAN EDUCATION

Winter 2006

Vol. 40, No. 3

UNITED STATES OF AMERICA

IN GOD WE TRUST



• THE CHURCH •

UNITED STATES OF AMERICA

• CHURCH WORKER INDEBTEDNESS: A Search for Solutions •

Winter 2006
Vol. 40, No. 3

ISSUES

IN CHRISTIAN EDUCATION

A PUBLICATION OF CONCORDIA UNIVERSITY, SEWARD, NEBRASKA

Church Worker Indebtedness: A Search for Solutions

3 Reflections

Brian L. Friedrich, President

4 Editorials

8 Church Worker Indebtedness: What Research Tells Us

Roland Lovstad

16 The Financial Support of Church Workers: Theological Perspectives

David Peter

22 Now What?

David Muench

30 Personal Reflections

Editor

Marvin Bergman, Ed.D., Ph.D.

Editorial Committee

Editorials

Russ Moulds, Ph.D.

Book Reviews

Rebecca Fisher, Ph.D.

Associate

Daniel Thurber, A.D.

Associate

Brian L. Friedrich, M.Div., Ph.D.

Graphic Design

Paul Berkbigler, M.F.A.

Copy Editor

Marlene Block, B.A.

Printing and Circulation Coordinator

Holly Matzke

CIRCULATION POLICY — *ISSUES . . . in Christian Education* (ISSN0278-0216) is published three times a year by the faculty of Concordia University, Seward, Nebraska 68434. *ISSUES* is sent free to each church, school, district and synodical office in The Lutheran Church–Missouri Synod. Copies are also sent to high schools, colleges and universities affiliated with the Synod.

Individuals wishing personal copies may obtain them as follows: Single copy @\$2.00 each; Subscription @\$6.00; 10 or more copies mailed to the same address @\$1.20 per copy. Call 800 535-5494 ext. 7276 or email hmatzke@cune.edu

Readers are invited to reprint portions of *ISSUES* materials provided that the following credit line appears: "Reprinted from *ISSUES in Christian Education*, Volume 40, No. 3, Winter 2006, a publication of Concordia University, Seward, Nebraska." This edition is on Concordia University's Web site at www.cune.edu/issues.



Walking Together

I walked out of my office to make a copy. It was noon, and all was quiet. My administrative assistant's phone rang, and I answered it. Twenty minutes later, I was glad I did. I heard first-hand from one of our alumni who had been a church worker and is married to a church worker his concerns about the cost of attending Concordia University. Recently, he had read that the average sticker price for a four-year degree at one of our Concordias is \$100,000. "Wow," he said. "How will my wife and I afford a Concordia education for our now eight-year-old son?"

Tough question. No simple answers. I firmly believe debt is not the answer. In the August 31, 2006, edition of the *Lincoln Journal Star* in an article titled "Debt Rising Slowly, Study Finds," Melissa Lee noted: "Since 2001, average indebtedness of Nebraska's college graduates has not increased as much as you might think. Private school grads haven't racked up that much more debt than public school grads ... but wait ... Nebraska's graduates still accrue nearly \$18,000 in debt—a huge chunk of most entry-level salaries. And because federal Stafford loans are capped, indebtedness logically can't increase rapidly unless the cap goes up—which it will next year for the first time since 1994." Lee also noted, based on the Project for Student Debt, that Concordia University, Nebraska graduates from the class of 2005 had an average indebtedness of \$15,522—well below the state average.

But "beating the average" is not the point. Debt is debt and needs to be repaid. As Lee's article reminds us, students are graduating with a debt that represents "a huge chunk of most entry-level salaries." Many times that is even more true when it comes to the salaries of new church workers.

This edition of *Issues* articulates church worker indebtedness which has serious and sometimes lasting impacts on the congregations, schools and called workers of our church.

What shall we do? Much has been done. More can be tried. During the conversation with our alum I suggested that one answer is partnership, *walking together*, if you will. Christian education never has been or ever will be inexpensive. It costs! Preparing future generations of students to serve our congregations and schools costs. But *walking together*—parents, students, universities and seminaries, alumni, donors, congregations, each and all of us—blessed by the abundance of our gracious God we can ease (or better yet eliminate) the debt load of our church workers and be wiser stewards of the physical and material blessings given us to proclaim the Good News of the Gospel of Jesus Christ.

By the way, in case you think this is pie-in-the-sky thinking, earlier this week an LCMS pastor shared with me that three of his four children have completed their Concordia educations without taking on any debt. Number four has two years left here, and it appears he will graduate debt free also! What a blessing *walking together* can be!

Brian L. Friedrich, President

Layout, design and graphics by CONCORDesign of Concordia University, Seward, Nebraska.
Issue designed by Paul Berkbighler with illustrations created by Tonya Boenisch.

TYPEFACES USED IN THIS PERIODICAL
Titles set in 22 point Mrs. Eaves Roman (Imigree of Sacramento). Tracking normal.
Subheads set in 13/13 point Mrs. Eaves bold.
By-lines and author information set in 13/13 point Mrs. Eaves small caps.
Footers and folios set in 11 point Mrs. Eaves.
Feature articles set in 11/13 point Mrs. Eaves.
Three column text set in 9/10 point Mrs. Eaves.

The Laborer is Worthy of His Wages

There is alarming news about the indebtedness of theological students.

In the last ten years the percentage of students who have debt has increased, and the average amount of debt has increased dramatically. Graduates are finding the repayment of their debt difficult.

The situation causes stress and may affect the graduates' persistence in ministry.

There is, however, some encouraging news. Some schools, some students, and some congregations have found ways to enable students to avoid debt or to keep it manageable.

The alarming student loan indebtedness at our LCMS seminaries can be verified. When comparing the average indebtedness for the last two graduating classes at one seminary, the percentage of students that borrowed more than \$50,000 in student loans doubled. And this only pertains to the student's indebtedness and does not include the spouse's student loan information. At both seminaries the percentage of students graduating with debt has grown to more than 65 percent. The average overall indebtedness is more than \$30,000. This is enough to strike a note of fear. Once graduated, one may have to add a house mortgage beyond a debt load.

\$100,000 is the approximate cost to educate a pastor today who earns a master of divinity degree. A typical single student incurs, let's say, \$15,000 a year in actual expenses payable to the seminary (tuition, health insurance, room and board). The average award from a district is about \$1,500 per year, while the average grant by a home congregation is about \$2,500 a year. That leaves an approximate balance of \$11,000, and note that this does not include expenses for books, supplies, car insurance, summer classes, and so forth. The figures are even higher for married students with children. The bottom line for many students is that while the cost of tuition, room and board increases, the amount of support from congregations and districts remains stable. Unfortunately, students must bear more of the cost, and, for some students, a loan is the only option to pay their expenses.

There are two reasons, at least, why pastors have incurred this level of debt: increased costs for higher education and low income levels. This situation brings stress. It's no wonder that the 2004 Daedalus Research Report noted that 67 percent of the respondents knew a fellow church worker contemplating leaving the ministry due to financial issues. One has to be really persistent in his or her vocation to struggle through the concerns surrounding one's indebtedness.

At the same time there are more trends that exacerbate the indebtedness issue. Members in congregations have changed their giving habits and practices. One result is that the Synod gives severely reduced support to institutions for church workers. It appears the burden of payment falls to the church worker. At the same time congregations have tight budgets which can lead to low salaries and reductions in the health care support of church workers.

Student indebtedness may inadvertently cause problems for the seminaries, for the congregations, and church plants that seek to engage a pastor. That means we are all affected by this debt.

The reader needs some encouraging word at this point, and there is some. The LCMS Commission on Ministerial Growth and Support reported in the August 2006 Supplement to the *Reporter* that an action team will "craft a strategy for coordinating the efforts toward providing help and hope in this matter." The Economic Vitality Action Team will "strive to help LCMS church workers and the Church establish economic vitality. The plan intends to equip them to make wise decisions centered in faith, hope and love for joyful service to the Lord, identifying and coordinating emergency financial assistance to workers in crisis." This is a team effort worthy of your prayers.

The seminaries have taken some steps, too, like implementing entrance counseling online, working with Concordia Plan Services and individuals to offer workshops regarding budgeting and debt information, while changing the loan application to give a more meaningful understanding of how a loan can affect one's ministry.

I personally am an advocate, but have found few supporters, of the practice that would require each student, loan or no loan, to submit with his application a "business plan" to show exactly how he will finance his four-year seminary education (starting out with a full disclosure of both consumer as well as credit card debt). That in itself would bring about some understanding and knowledge that is lacking, and answer the question, "Do they know what they're doing?"

What more can be done? At our seminaries I would suggest: give more consideration to limiting the speed and the convenience of access to loans; work to substitute grants for loans; stretch out the educational program for working students and/or offer more night and weekend classes; screen applicants more closely for financial viability.

For our church body and congregations I would suggest encouraging higher compensation for clergy, the development of scholarships and endowments (perhaps

the denomination could pay back \$3,000 a year for graduates who go to smaller congregations, and congregations could apply for matching fellowship dollars for support of a seminarian), closer financial scrutiny and planning by candidates at the "District Seminarian Interview" level, and a church body endowment for assistance programs.

Until there is a substantial increase in seminary graduates' compensation, the best recourse against the "curse of debt" is to prepare the students carefully so they can understand and manage their debt.

As Kim Marxhausen wrote in her August 2006 *Reporter* commentary, only by God's increase of faith in us through His means of grace will there be increase in financial support, scholarship awards, salaries, and in our giving to address this issue.

L. Dean Hempelmann

S. T. M., Ph.D.

Executive Director, LCMS Pastoral Education, International Center
St. Louis, Missouri

The Cost of a Church University Education

The cost to educate a church worker has increased 1,000 percent in 25 years. Yes, you read that correctly. This is the difference between the cost of my undergraduate degree in 1981 and what it would currently cost our daughter to graduate from one of our Concordias. To add a new perspective to these numbers, base pay for salaries has increased over this time period about 300 percent. I may be a kindergarten teacher, but even I can see $1 + 1 =$ debilitating church worker debt.

A year and a half ago, our daughter Anne was applying for admission to colleges with the goal of earning a music education degree and teaching at one of our Lutheran high schools. What we experienced in that process was quite the learning adventure. We dutifully filled out the FAFSA only to discover that this report was not so much a judgment of your financial need as it is an expression of your credit rating. Our family has a very good credit rating, so Anne's SAR (Student Aid Report) indicated we should be able to contribute an amount equal to 25 percent of our take-home pay. We would, of course, need to take out a loan to do this. In spite of the fact that banks would be more than happy to lend us this money, it would not be financially prudent for Anne or her family to do so.

Yet, we did not despair. Anne began applying for scholarships. She earned over \$13,000 in academic and music scholarships to the school of her choice. Unfortunately, this equals only a little more than one-third of her total costs. The only scholarship/grant money related to church work which we could find was a \$500 award from a university and a similar amount from her church. That is the same amount I received 25 years earlier, only then it represented 25 percent of my total costs. Any scholarship money she earned, including a grant from *For the Sake of the Church*, would be applied to her financial aid package and would not lessen her own financial responsibilities. The bottom line became clear. The only way our daughter could attend a synodical school to obtain a church work degree was for us to cover \$60,000 with savings and loans.

Needless to say, Anne is attending the University of Nebraska, and our state is paying her tuition through her academic scholarship. With money she earns working and some funds from money her father and I set aside, she should graduate with little or no debt. She, of course, will not be eligible for a call, but she can seek to be rostered through a colloquy if she finds a position at a Lutheran school. But as a church worker, I wonder if her secular degree plus a colloquy are equal to a synodical education. She is

missing the opportunity to be a part of a school that integrates the faith, that nurtures faith development, that encourages its staff to model servanthood, that provides mission and servant opportunities, and that worships together. These are the intangible yet vital elements of a synodical education in the preparation of a church worker.

Whose job is it to prepare Anne for church work? It is God's responsibility. He has chosen her to be His own, and He will prepare her for the work He has set aside for her. However, knowing this does not absolve her parents and her church community from the responsibility of educating her. We are the means by which God accomplishes the task of preparing His servants. Her father and I have prayerfully done our best to follow the directives of Deuteronomy 11:19 to "teach them to your children." Her church and schools have nurtured her faith and provided her with models of servanthood. The rest of her church work education is up to Synod. I am not talking about Synod the organizational entity, but Synod the people. We are responsible for educating future church workers to serve God here on earth.

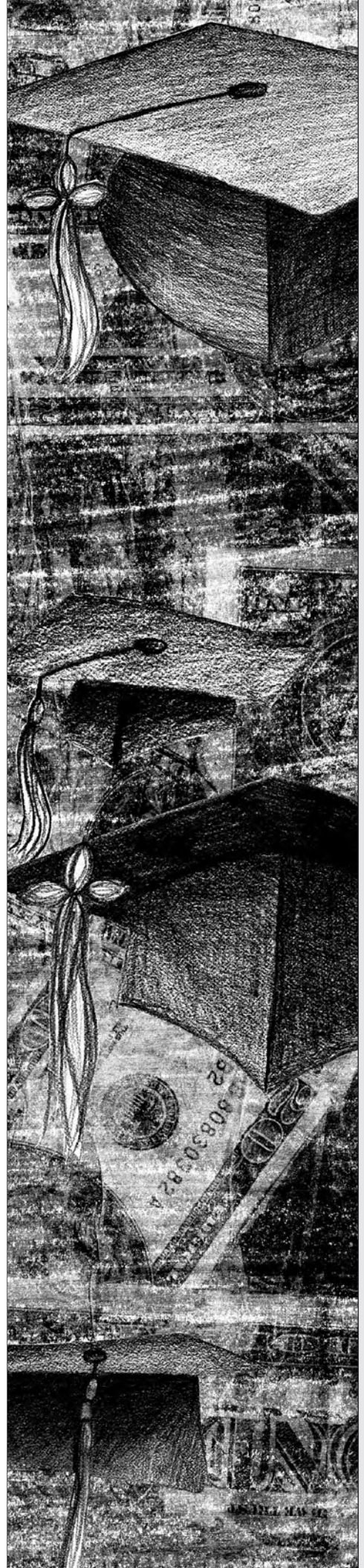
Twenty-five years ago, Synod began to pull back on financial support for its colleges. The people of our Synod have not done enough to take up the slack. We now have a debt/earnings ratio for our future church workers that is dangerously out of proportion. Before we point our fingers at injudicious credit card use as being the cause of church worker debt, we need to work on the log in our own eyes when it comes to faithfully tithing for church, district and synodical work.

If we tackle the problem of a lack of financial literacy and ignore the other issues, we will create a generation that when investigating future earning potential and holding that up to the loans they will accrue at synodical schools, will come to the only logical conclusion: They cannot afford to become full-time rostered church workers.

Kim Marxhausen

Teacher, Faith Lutheran School
Lincoln, Nebraska

Member, Commission for Ministerial
Growth and Support



Living a Simple Life

"Surely God is good to Israel, to those who are pure in heart. But as for me, my feet had almost slipped; I had nearly lost my foothold. For I envied the arrogant when I saw the prosperity of the wicked." Psalm 73:1-3.

Among the many failures of socialism/communism was its inability to attract widespread support in America. Instead, most Americans considered themselves to be middle class, or engaged in the pursuit of this attainable economic station. While this remains largely the case, a skewed vision of the middle class life has arisen. Perpetrated by the commercial media and Madison Avenue, a lifestyle that was formerly considered upper class is now sold to Americans as middle class. Some teachers, unfortunately, have (literally) bought into this mindset.

Much has been written about the cost of higher education, credit card debt, fiscal literacy, and the financial responsibilities of the congregation and church, and for good reason. Much less, however, has been said about this mindset and its consequences. I would suggest that in reality, it is a matter of the heart. Consequently, it may be more accurate to refer to an individual's "heartset." "For where your treasure is, there your heart will be also" (Matthew 6:21).

Consider the fascinating report published by the U. S. Bureau of Labor Statistics, "100 Years of US Consumer Spending Data for the Nation, New York City and Boston." In 1901, 79.9 percent of family income was spent on food, clothing and housing. By 2002-2003, however, families enjoyed three times as much income, and only half of that income went for food, clothing, and housing. While families now spend 30 percent less on the necessities of life, many report it is "harder" to maintain a "middle class" lifestyle. Why is this so?

The concept of living a simple, contented life seems to be a lost ideal. Have we forgotten Paul's message to the young church worker in 1 Timothy 6:6-8? "But godliness with contentment is great gain. For we brought nothing into the world, and we can take nothing out of it. But if we have food and clothing, we will be content with that." Have we forgotten Hebrews 13:5? "Keep your lives free from the love of money and be content with what you have, because God has said, 'Never will I leave you; never will I forsake you.'" As further proof, words such as prudence, thrift, frugality, delayed gratification, and stewardship have virtually disappeared from our financial lexicon. When they do enter a conversation, they tend to be given a negative connotation. Moreover, the notion of living a simple life has been parodied by two spoiled brats on reality TV.

Jesus, the disciples, and the apostles lived simply, unencumbered by worldly possessions. Jesus tells us in Matthew 8:20, "Foxes have holes and birds of the air have nests, but the Son of Man has no place to lay his head." Likewise, when the disciples were sent out, they were instructed to travel light in Luke 9:3: "Take nothing for the journey—no staff, no bag, no bread, no money, no extra tunic." In possession of the pearl of great price, Paul could tell the Philippians (4:11b-12), "I have learned to be content whatever the circumstances. I know what it is to be in need, and I know what it is to have plenty. I have learned the secret of being content in any and every situation, whether well fed or hungry, whether living in plenty or in want."

To be sure, I am not suggesting that teachers should lead ascetic lifestyles of self-denial, solely dependent upon the good graces of passers-by or congregation members. Nor am I advocating that the important issues of college debt and teacher compensation be ignored. The result of a misguided "heartset," however, has exacerbated the problems addressed elsewhere in this publication. It has led some teachers to substitute expectations of a certain level of comfort that is commensurate to that presented by the world. Dedicated to this imprudent pursuit, they squander money on frivolous purchases, questionable acquisitions, and unnecessary interest on excessive debt. These dubious fiscal decisions have led to career decisions that, at best, distract from the teaching ministry. At worst, they precipitate the end of a teacher's ministry in the classroom.

We, too, have been called to ministry and then sent forth. As aliens and strangers in this world, we wisely remember that, "a man's life does not consist in the abundance of his possessions" (Luke 12:15b). Our life is in Jesus, and our citizenship is in heaven. With our treasure stored in heaven, we can join the psalmist in saying, "Whom have I in heaven but you? And earth has nothing I desire besides you" (Psalm 74:25).

Mark Cheney

Teacher and administrator
Faith Lutheran Junior/Senior
High School, Las Vegas, Nevada
cheneym@faithlutheranlv.org





ROLAND LOVSTAD

Church Worker Indebtedness: What Research Tells Us



The Lutheran Church—Missouri Synod (LCMS) church professional who is most likely to be uncomfortable or very uncomfortable with a level of debt fits this profile: under age 35, new to the ministry, serving a small congregation, a commissioned minister, and female.

Not surprisingly, that profile also is most typical of the 15 percent of church workers who are “high risk”—uncomfortable with debt and experiencing stresses in family life and ministry because of it.

The pictures of debt concerns among LCMS ordained and commissioned ministers come from the Rostered Church Worker Survey, completed in July 2006 by Behavior Research Center of Phoenix, Arizona. Conducted for the Lutheran Church Extension Fund (LCEF), the survey was based on in-depth telephone interviews with 1,000 ordained and commissioned LCMS ministers.

Expressing confidence that the findings reflect an accurate sample of the households of LCMS church professionals, the report included these findings:

- **77 percent** of all LCMS church professionals say they are “very comfortable” (31 percent) or “comfortable” (46 percent) with their level of debt. About one in four is either “uncomfortable” (20 percent) or “very uncomfortable” (3 percent) with his/her level of debt.
- **15 percent** of LCMS rostered workers fall into high-risk categories based on debt-related stress that affects their personal and family lives and their ministries. (see Sidebar on page 14)
- Highest on the list of financial concerns among church professionals are **rising health insurance costs** (83 percent), **retirement planning** (71 percent), and **being able to pay for their children’s educations** (56 percent).

ROLAND LOVSTAD IS A FREELANCE WRITER WHOSE ARTICLES HAVE APPEARED IN THE LUTHERAN WITNESS AND IN OTHER PUBLICATIONS. LOVSTADENT@EARTHLINK.NET

- **One-third of church workers say they have experienced debt-related stress** to the extent that it negatively affected their ministries or their personal lives. Of that group, one-third indicated that debt is a continuing issue, while two-thirds say the issue has been resolved.
- **16 percent** of all church professionals have considered leaving their ministries because of financial issues. Among the risk group, the number climbs to 45 percent.

The current study was conducted because of concerns about indebtedness among church professionals, according to LCEF President Merle Freitag. It follows a 2004 study of workers in The Lutheran Church—Missouri Synod, the Evangelical Lutheran Church in America, and the Wisconsin Evangelical Lutheran Synod.

LCEF began offering debt consolidation loans in 2000—at the request of the 1998 LCMS Convention. Close to 40 percent of the applicants were rejected because of extreme conditions of their debt, Freitag said, adding that LCEF’s obligation to its investors is to make prudent loans. He also emphasized that LCEF tried to assist the rejected applicants by steering them toward services that included debt counseling.

Freitag also noted that the recent study validated the 2004 study of Lutheran church workers. That study found that 20 percent of all workers were in personal financial stress, and that workers had high debts in addition to their home mortgages.

Educational Debt Among Professional Workers

“Our concerns are with the level of debt and the cost of indebtedness among church workers who cannot afford that level,” Freitag says. “It’s a *personal* issue, but it’s also a *personnel* issue for the church.”

According to the 2006 research, almost half (48 percent) of LCMS professionals incurred educational debt, while only 11 percent now have outstanding educational debt. Among workers who have served less than 10 years, 45 percent hold outstanding educational debt, and 14 percent of those

with 10 to 19 years service have outstanding educational debt. Among all rostered workers with outstanding educational debt, the median level of outstanding educational debt is \$15,600.

Three-fourths (74 percent) of those in the high-risk categories borrowed money for their educations, and one-fourth (24 percent) still owe on their loans.

When those with educational debt were asked to estimate how much they owed, 23 percent say that their educational debt is less than \$5,000. Eight percent of the workers owe \$5,000 to \$9,999; 33 percent owe \$10,000 to \$19,999; 32 percent say their debt is \$20,000 to \$49,999; and four percent owe \$50,000 or more.

Behavior Research Center sought to study a sample that is reflective of the overall LCMS church professional population. If the percentages were to be extrapolated for the 15,496 LCMS church professional households, the numbers look like this: 1,705 households have educational debt. Among those households, 392 families owe less than \$5,000; 136 owe \$5,000 to \$9,999; 563 owe \$10,000 to \$19,999; 546 owe \$20,000 to \$49,999; and 68 owe \$50,000 or more.

The study showed that 44 percent of pastors and 51 percent of teachers incurred debt to finance their educations. Currently, eight percent of pastors and 13 percent of teachers have outstanding educational debt. The percentages are higher, however, among other rostered workers: 72 percent incurred debt to complete their educations, and 33 percent have outstanding educational debt.

The Rising Costs of Education

In 1998, a Financial Aid Task Force reported to the LCMS Convention that direct educational costs—tuition, books, and room and board—at LCMS colleges and seminaries are not out of line with costs at comparable universities. However, the report cited “... expenditures on legitimate living expenses and other needs such as medical coverage ... [are part of] the underlying cause for the growing level of student indebtedness.”

That task force cited average debt among graduates leaving LCMS colleges and universities approaches \$13,000, while the figure approached \$15,000 for seminary graduates. (Note: This is the average among students who *incurred* debt. Not all students borrow to complete their educations.)

“The Gathering Storm,” a report on educational debt of theological students from the Auburn Center for the Study of Theological Education, completed in September 2005, notes that average educational borrowing among master of divinity students nearly tripled between 1991 and 2001 (rising from \$5,267 to \$15,599).¹ In 1991, more than half of master of divinity graduates did not borrow for their seminary education; in 2001, only 37 percent had no debt. The Auburn research included graduates of major Protestant denominations, including Lutherans.

The Auburn study cites several reasons for the increase in debt among seminary graduates:

- Availability of funds and low interest rates.
- Rising costs of education as programs saw tuition increase by 74 percent, while student aid remained constant—resulting in students paying 25 to 50 percent more for their education.
- Living costs and demographics, especially the fact that more students are married with children and are “well beyond the age when they would consider living in a dormitory.”
- School characteristics—depending on participation in federal loan programs, levels of financial aid, tuition and living expenses, educational programs, and financial counseling services.

“Extensive student loans may hinder graduates from accepting calls to challenging positions that do not pay well,” said the Auburn researchers. “Denominations sponsoring traditional missionary appointments find their candidate pool shrinking as candidates must be largely debt-free to serve in subsistence settings. Small churches, ‘start-up’ churches, social action ministries,

nonprofit organizations and other innovative forms of service may similarly be unlikely to provide compensation generous enough to service substantial student loans.”

In the Missouri Synod, Dr. Kurt Krueger, President of the Concordia University System, notes that tuition at the LCMS colleges and universities falls in the mid-range of liberal arts universities. “We also need to keep in mind that the Concordias annually provide \$59 million for all financial aid, and of that, \$21 million goes to church work students,” he said. “Our schools are trying to keep net tuition low for church work students who have financial need.”

Tuition for the 2005-06 academic year at the ten LCMS colleges and universities ranged from \$9,200 at Concordia College, Selma, Alabama, to \$21,312 at Concordia University, St. Paul, Minnesota. The span of room and board costs was \$3,800 at Selma to \$6,850 at Concordia University, Bronxville, New York.

Like most educational institutions, the Concordias face rising expenses, especially auxiliary services such as counseling, career services, staffing for medical services, and technology improvements. Krueger notes that capital expenditures to improve academic facilities, housing, and food services are necessary to attract students.

Other Debt Among Church Professionals

The 2006 survey sponsored by LCEF also asked respondents about their current debt, excluding mortgages or balances on educational loans. According to the findings:

68 percent owe less than \$10,000
17 percent owe \$10,000 to \$24,999
11 percent owe \$25,000 to \$49,999
4 percent owe \$50,000 or more

If the research findings on debt—excluding mortgages or educational loans—were extrapolated for the 15,496 church worker households, the numbers would look like this:

Amount Owed

<\$10,000	10,537
\$10,000 to \$24,999	2,634
\$25,000 to \$49,999	1,705
>\$50,000	620

The breakdown of those owing \$25,000 or more showed a spread across all years of ministry experience:

18 percent with less than **10 years** in ministry
19 percent, **10 to 19 years**
15 percent, **20 to 29 years**
13 percent, **30 years or more**

Among those who owe \$25,000 or more:

13 percent report incomes
lower than \$35,000
20 percent report \$35,000
to \$44,999 income
16 percent earn \$45,000 to \$54,999
14 percent report \$55,000 or more

More than two out of every five in the high-risk category have debts—excluding mortgages and educational debt—that exceed \$25,000.

DEBT CALCULATIONS OF ROSTERED CHURCH WORKERS

(includes household and educational debt, but not mortgages)

TOTAL HOUSEHOLD DEBT	ALL WORKERS	WORKERS WITHOUT CURRENT EDUC. DEBT	WORKERS WITH CURRENT EDUC. DEBT
Under \$10,000	62%	71%	*%
\$10,000 to \$24,999	18%	16%	35%
\$25,000 to \$49,999	13%	10%	37%
\$50,000 to \$99,999	5%	2%	27%
\$100,000 or more	2%	1%	1%

*less than 0.5 percent

SOURCE: BEHAVIOR RESEARCH CENTER, INC.

Although the researchers did not ask for mortgage balances, they did ask if workers owned their homes. Eighty percent of pastors own their homes; 16 percent have a home provided; and four percent rent. Among teachers, 86 percent own their homes; three percent have housing provided; and 11 percent rent. Among other rostered workers, 72 percent own; five percent have housing provided; and 23 percent rent.

Making Payments, Feeling Stress, Using Credit

Are workers able to keep up with their payments? According to the survey, 88 percent of all workers say that they are able to pay all their current bills and keep up with debt payments 12 months out of the year. Among pastors, 90 percent say they keep current; 86 percent of teachers say so; and 85 percent of other rostered workers keep current. About one in 10 workers (11 percent) with family income below \$35,000 say that they pay all their current bills during six or fewer months each year.

As noted earlier, one-third of workers (33 percent) say that debt has given them sufficient stress to negatively affect either their ministries or personal lives at some point in their careers, although only 11 percent cite continuing stress. Related findings are that 16 percent of all workers (14 percent of the men, 20 percent of the women) have considered leaving the ministry because of financial problems or issues. Almost two in five (39 percent) of the workers in small congregations (less than 200 members) reported debt-related stress, with 15 percent saying it is continuing, and 23 percent saying that they have considered leaving the ministry.

Ninety-four percent of workers use credit cards and use an average of 2.4 cards per household. Only four percent report cards that are "maxed out," but 33 percent report continuing balances on an average 1.8 credit cards. Nearly two out of five workers with up to 29 years in ministry have continuing balances on almost two cards per household.

LCMS church professionals are no different than society as a whole, observes Eustolio Gomez, director of education for Concordia Plan Services. Since 2000, Gomez has led seminars on financial planning and preretirement planning. He finds that workers in the church are subject to the same marketing pressures, taking on debt as other people do.

What's different, says Gomez, "Normally speaking, church workers are expected to participate fully in the culture, but their compensation is not proportionate. All workers have a decision on what to do. For example, there is pressure in the culture to dress your children in a certain way."

The second point Gomez underscores is the inadequacy of paying attention to finances. "Church workers live in a fishbowl, and people watch how they handle their money. They are expected to perform in an 'above average' way without the tools—namely money."

Gomez, who was in private practice as a financial planner before joining the Concordia Plan Services staff, underscores a point: "The fewer dollars you earn, the better you need to plan." He believes the proportion of church workers who are experiencing problems with debt is about the same as the broader American population.

INCOME LEVELS OF LCMS WORKERS

HOUSEHOLD INCOME	TOTAL%	PASTORS	TEACHERS	OTHERS
Under \$35,000	14	11	15	25
\$35,000 to \$44,999	27	28	28	18
\$45,000 to \$54,999	16	18	15	18
\$55,000 or more	43	43	42	40*

*Total exceeds 100 percent due to rounding.

SOURCE: BEHAVIOR RESEARCH CENTER, INC.

"From my perspective, those who take up church work are people-oriented, and they have little interest, or ability, to do financial planning," he observes. "But that doesn't absolve them from the responsibility. They must address the basic issues of personal finances—and it goes beyond 'not getting paid enough.'"

The basics of financial planning, Gomez adds, include knowing what you *owe* and what you *own*, understanding where you are going (setting financial goals), and learning how to make monthly decisions about your money. While there is often concern about income, Gomez adds, "The real answer is how to deal with expenses."

Yet, the recruitment of church workers has to change, in the opinion of the Rev. David Muench, executive director of the LCMS Commission on Ministerial Growth and Support. "We have recruited by saying, 'Money will take care of itself,' or 'Don't consider money when taking a call,' but that can be harmful if it's not said in terms of financial literacy," he says.

"Ministry is a sacrifice, but when parishes balance their budgets by paying low salaries, it becomes a penalty," Muench continues. "When they treat a worker that way, it says they don't value the worker—and that affects their ministries."

Income Levels

The Behavior Research Center found 11 percent of pastors, 15 percent of teachers, and 29 percent of other rostered workers have a household income less than \$35,000. However, the median household income in the Synod among pastors is \$50,800. The median household income for teachers and other commissioned ministers is \$49,900 and \$49,300, respectively.

In comparison, figures released in September 2006 by the U. S. Census Bureau show the country's median household income during 2005 to be \$46,000. ("Median" is the point where half make more and half make less.)

The LCMS study found 92 percent of pastors are married. It also found 29 percent of wives work full-time, and 25 percent of wives work part-time. Only 26 percent of the pastors have children under 18, and 75 percent have children older than 18.

Among teachers, the study found 84 percent are married, and 64 percent of spouses are employed full-time and 15 percent part-time. In teacher households, 39 percent have children under 18, and 48 percent have children older than 18. Among other rostered workers, 76 percent are married, and 63 percent of spouses are employed full-time with 17 percent employed part-time. In those households, 40 percent have children under 18, and 38 percent have children older than 18.

Attitudes on Financial Matters

Behavior Research Center also asked rostered workers about their attitudes toward financial matters:

- **65 percent** say they “strongly agreed” or “agreed” that they did not consider the financial ramifications when considering church work as their call.
- **52 percent** receive continuing financial support that is not job-related—family support, trusts or inheritances, spousal income, or other sources.
- **48 percent** say they would tell a leader in their congregation if they had debt from school.
- **37 percent** say there is sometimes conflict in their family regarding money management issues.
- **24 percent** say their level of personal debt negatively impacts their desire and their ability to support healthy stewardship principles in the congregation they serve.
- **11 percent** say they received adequate education about money management issues and financial literacy during their church work training.
- **11 percent** agree with the statement, “My unpaid debt has given me a personal sense of failure or shame.”

Representing Concordia Plan Services, Gomez is available to present seminars on financial planning and preretirement planning, and one of his emphases is hope. “As God’s people, we have that hope. When we find ourselves in need, the forgiveness has been taken care of through Jesus Christ.”

“There is a great heart for the church and its workers among the people in the pew,” adds LCEF’s Freitag. LCMS organizations and individuals invest in LCEF; these invested dollars provide funds that allow LCEF to make loans, such as housing and debt consolidation loans for church professionals. LCEF also is starting a home equity loan program for rostered church workers.

Freitag said LCEF encourages workers to consult with a financial planner, noting that contacts are available through Gomez. The LCEF president emphasizes that LCEF is pledged to confidentiality when church workers seek assistance.

15 PERCENT OF WORKERS ARE HIGH-RISK

In its 2006 study of LCMS church professionals, Behavior Research Center formulated three risk groups to identify the volume of workers who were experiencing various levels of stress in their lives due to financial issues.

- **High** — Workers who say they are uncomfortable with their current level of debt *and* are concerned with being able to provide their family with basic needs.
- **Very High** — Workers who are experiencing the two issues above *and* personally experiencing stress about debt that negatively affects their ministries or personal lives.
- **Extreme** — Workers who were experiencing the three “Very High” stresses, *plus* experiencing family conflicts regarding money issues.

Fifteen percent of church workers fall into the “High” risk group. In the “Very High” and “Extreme” groups, which are subsets of the “High” risk group, nine percent *of all workers* fall into the “Very High” risk group, and seven percent *of all workers* are in the “Extreme” risk group.

If the percentages were extrapolated for the Synod’s church worker households, 2,624 current church workers fall into the “High” risk group. Of that group, 1,170 are in the “Extreme” category.

The “profile” of “High” risk workers shows that more than half (58 percent) are teachers. Almost a fourth are younger, newer workers who have lower incomes and serve small congregations.

The researchers specifically cited three attitudes that were especially pronounced among the risk groups: 73 percent reported family conflict regarding money matters; 63 percent said debt negatively affects their ability to support healthy stewardship; and 38 percent said unpaid debt has given them a personal sense of failure or shame.

Knowing Where to Seek Help

About one-third (30 percent) of the church professionals surveyed this year said they have consulted with a financial professional for assistance with money management issues. That percentage, according to the survey, remained about the same regardless of the size of the worker's congregation or level of income. Younger and newer workers were more likely to have consulted a professional.

The survey also asked if rostered workers would consider speaking with a financial professional at the district or national church level for assistance if their debt problems were impacting their ministry. Among the respondents, 68 percent say they would "definitely" or "probably" consider consulting a professional.

For the Synod, the challenge will be to make the services known, since only 30 percent of workers are aware that programs and services are available to assist workers who are experiencing debt problems. The survey found 41 percent of workers are unsure if such programs exist, and 29 percent think such services do not exist. Regardless of how they answered the question, nine out of ten agreed that debt assistance programs should be available.

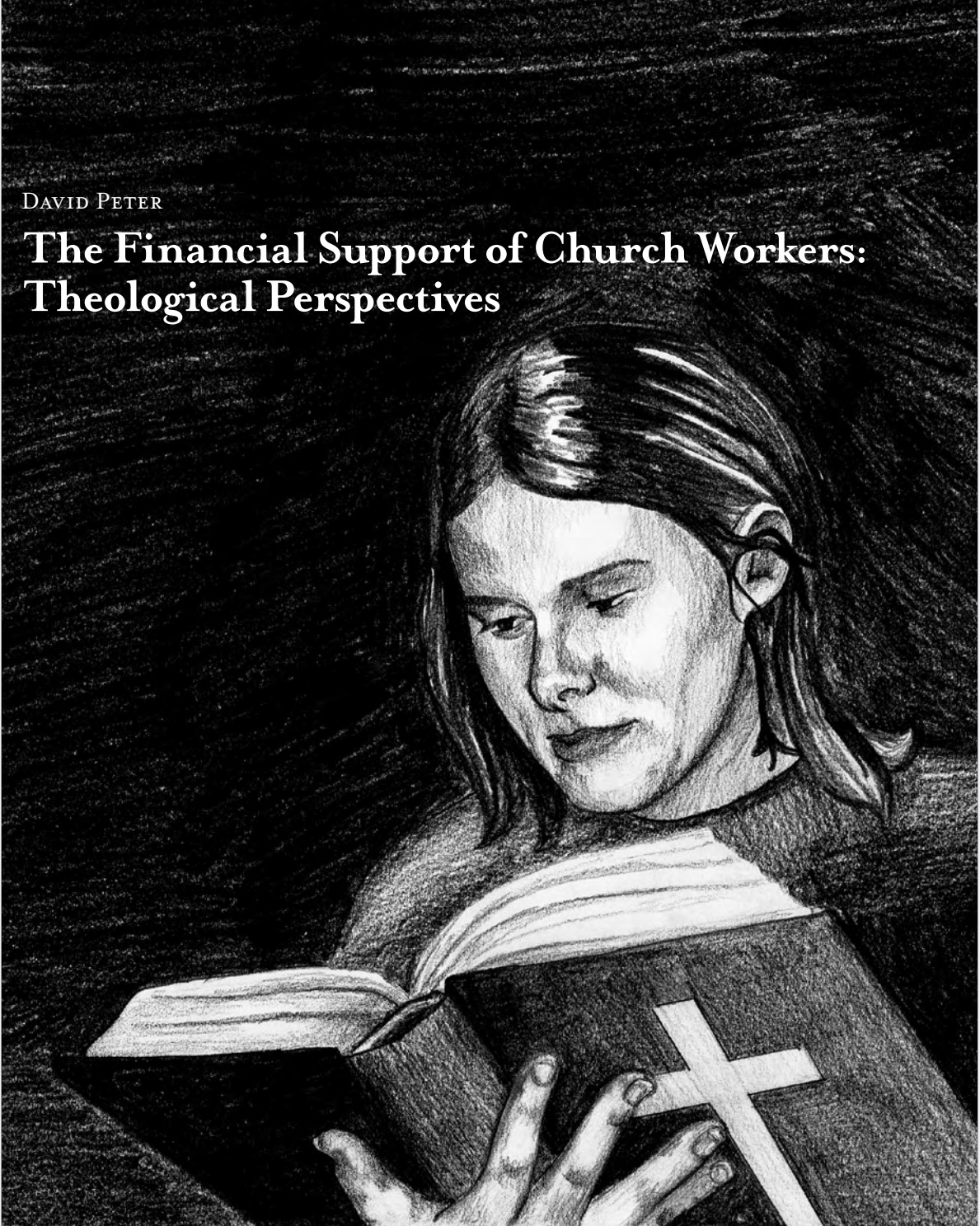
References

The Gathering Storm: The Educational Debt of Theological Students, Anthony Ruger, Sharon L. Miller, and Kim Maphis Early, September 2005, Auburn Theological Seminary, Center for the Study of Theological Education, New York, N. Y.



DAVID PETER

The Financial Support of Church Workers: Theological Perspectives



Ron, the president of St. Michael's Lutheran Church, called the monthly meeting of the congregation's administrative council to order. After sharing an opening devotion, he directed the attention of the council members to Sally, the director of the Board of Personnel. "I have allotted half an hour of our meeting time for Sally to present a matter of concern to her and to others in this congregation," Ron stated. "It regards an issue that this council has struggled with for some time now, the issue of the financial support of our church workers."

Sally stood and moved to the front of the conference room to speak. She was a long-time member of St. Michael's Church and highly respected in the congregation as an intelligent lay theologian and a godly volunteer worker. "Thank you, Ron, for providing me this opportunity to address the council," Sally began. "The reason I have requested to speak to you is because I am gravely concerned about our congregation's treatment of its called church workers in recent years. As you know, St. Michael's Lutheran Church employs seven full-time

professional church workers: one pastor, one Director of Christian Education, and five teachers at our Lutheran grade school. During the past two years, due to a very tight budget, the congregation has frozen the salaries of these church workers. Moreover, this administrative council is proposing to do so again for a third year. We all recognize that this amounts to an actual decrease in financial support for these church workers, since although their salaries have been frozen, the cost of living has increased approximately four percent each of the last two years. Furthermore, last year we dropped the health care coverage of the staff members' children, and there is talk this year of dropping the coverage of the workers' spouses. This provides a significant additional financial burden on the church workers, who are forced to subsidize the expensive health insurance premiums for their families with their own decreasing financial resources.

"In earlier meetings of this council I have made my argument for increased financial support of our church workers based on Christian ethics—an appeal for fairness and justice. Today I will make my argument from scripture, providing a theological rationale for a higher level of financial support for our staff at St. Michael's."

Sally moved to the white board attached to the wall of the room in which the council had gathered. She picked up a marker, removed its cap, and transcribed at the top of the board these words: **The biblical position on financial support of church workers.** Then she spoke: "The Holy Scriptures, which are the guide and norm for our doctrine and practice, are not silent when it comes to the Christian community's responsibility to provide for the creaturely needs of those who minister to us with God's Word. Although there is certainly material from the Old Testament that is relevant to this subject—

such as God's command that the Israelites provide for the physical needs of the Levitical priests—I will limit my focus to the New Testament. First let's consider what Jesus has to say about the financial support of people who are called to be ministers of His Word. Then we will consider what Paul states about this subject."

Sally wrote on the white board this heading: **The teaching of Jesus.** Under this heading she penned a Bible reference: **Matthew 10:1-11.** She opened her Bible to this passage and began reading at verse one. When she had completed verse 11, she commented: "This is the first time in Matthew's gospel that all 12 disciples of Jesus are identified. In verse two they are referred to as apostles, a word which means 'those who are sent forth.' And that is exactly what Jesus does—He sends them forth throughout the land of Israel to carry out ministry in His name—preaching the message of God's kingdom and healing the sick and oppressed. They do this not by their own power or resources, but by that which is given to them as a gift from God. Thus verse eight reads: 'Freely you have received, freely give.' In other words, ministry is carried out through God's provision, and he certainly provides His servants the spiritual gifts to bring Christ's Word and care to others. However, God also provides physical gifts to His workers. How? His provision is mediated through the physical resources offered by the recipients of the apostles' ministry." She read again verses 9-11.

"Now I recognize that this is a unique historical event that doesn't parallel exactly the situation of our church workers today. However, there is an underlying principle that does apply. That principle is that church workers who freely receive the gifts of the Holy Spirit for ministry joyfully share those gifts with others as they preach, teach, and care for others. Their motivation for ministry is not a mercenary one, and so they do not charge fees for their service. But there is another side to the principle. Jesus expects that those who receive of His servants'

DR. DAVID PETER IS ASSOCIATE PROFESSOR OF PRACTICAL THEOLOGY, DIRECTOR OF THE DOCTOR OF MINISTRY PROGRAM, AND ACTING DIRECTOR OF PLACEMENT, CONCORDIA SEMINARY, ST. LOUIS. PETERD@CSL.EDU

ministrations will also respond with gracious giving. They will do so first and foremost by sharing their physical resources with those who serve them.

"Moreover, this support of the minister's physical well-being is not optional; it is an obligation! Jesus affirms that a reason for providing this support of creaturely needs is because, as verse 10 states, 'the worker is worth his keep.' The recognition here is that those who minister God's grace *do work*. They are referred to as workers by Jesus. And we refer to them as workers today as well—professional church workers. God has established in the created order that people should receive their livelihood from their work. So also should those receive reasonable compensation that do the work of preaching and teaching God's Word, of leading others in God's mission, and of caring for others in the name of Christ and His Church. 'The worker is worth his keep,' Jesus says—that is, he or she is deserving of physical and financial support from those who receive the benefits of that work."

Sally continued: "Now let's look at another passage from the gospels." Sally picked up the marker and wrote "**Luke 10:1-16**" on the board. Several council members retrieved Bibles from the center of the table and opened them to Luke's gospel. Sally inquired, "Tom, since you have found the passage, will you read it out loud?" Tom gladly obliged.

After Tom completed the reading, Sally commented on it. "You notice a similar context to what we read in Matthew's gospel. However, this is a different occasion, because in this instance Jesus sends out not 12, but 72 folks to be, as he puts it, 'workers in his harvest field' in verse two. But the same general principle that we discovered in the sending of the 12 applies here. Christ's workers go forth into the mission field trusting that God will provide for their physical needs. And those who receive ministry abundantly share their physical resources with those who serve them.

"In these passages Jesus clearly associates the message with the messenger. How one treats the messenger reflects how one values

the message. Those who value the message will show appreciation to the messenger. The two—messenger and message—are integrally bound together. As Christians, we receive the message of God's Good News with thankfulness. In the same manner we should receive the messengers of that news. This passage clearly indicates that a thankful reception of the messenger means a gracious provision for his physical needs: food, shelter, and creature comforts. The messengers that God has sent to us are our pastor, DCE, and Lutheran school teachers. The spirit of Luke, Chapter 10, tells us that we should provide for them not begrudgingly but appreciatively, not stingily but abundantly."

Sally picked up her Bible and pointed to Luke, Chapter 10. "Especially consider verse seven," she noted. "Here Jesus gives a foundational rationale for compensating our church workers. He instructs the 72 messengers with these words: 'Stay in that house, eating and drinking whatever they give you, for the worker deserves his wages.' This tells me that financial compensation of a church worker isn't based simply on what the congregation's cash flow is—what a congregation thinks it can afford. It is also based on what the worker is deserving of. Although in our relationship with God we can't do anything to earn His blessings, in our relationships with one another as human beings we must earn a livelihood. In this dimension of working with and for one another, even in the work of the church, it is entirely appropriate and godly to speak in terms of 'deserving' and 'earning' the means for surviving and living. God has created us with physical bodies, and those bodies need food, shelter, clothing, and other material goods which money purchases. God meets these physical needs through physical work, and so a church worker is entitled—as Jesus puts it, 'deserving'—of wages and financial compensation for her work. Accordingly, for us not to provide appropriate financial compensation to the worker is defrauding our neighbor of what she rightfully deserves. It is failing to love our neighbor as ourself."

Sally glanced at the clock. "Oh my!" she exclaimed. "I have used up a good proportion of the time allocated to me. And I haven't even yet attended to what the epistles have to say about this subject! Well, I'll have to be more concise in my analysis of these." Sally went to the white board and inscribed another heading: **The teaching of St. Paul.**

"The first passage from the epistles to consider is from First Timothy," Sally stated. "I think you will see a connection to what we just read in Luke 10." She then scrawled the scripture reference: **1 Timothy 5:17-18.** The council members began flipping the pages of their Bibles, and Andrew arrived at the passage first, volunteering to read it aloud. Immediately following this reading Sam, the chairman of the Board of Elders, blurted out: "Hey! I think this passage is saying that we elders ought to be paid for our work! I've been an elder at this church for 13 years, and I've never been paid for what I do here!" Tom, the congregational president, responded: "But you can't deny that for each year that you have served as an elder we have doubled your remuneration for the position!" Everyone laughed.

With a smile Sally began explaining the scriptural passage. "This term 'elder' actually refers to one who fills the pastoral office," she clarified, "not to a layperson who serves as a volunteer on a church board called 'elders.' In the course of Christian history, the idea of a lay elder is actually a relatively recent one.² So I'm sorry, Sam. This doesn't give you hope for earning a few bucks for your service as a lay elder, because it doesn't apply to you.

However, it does apply to our pastor, and by extension to our DCE and Lutheran school teachers who work with him in professional ministry.

"This passage says that pastors are deserving of honor for their work of leading the affairs of the church and especially of preaching and teaching God's Word. Those who excel at this work are worthy of special honor. The phrase 'those who work' in verse 17 is actually translated from a word that means 'those laboring' or 'those toiling.' This is a word most commonly used to express the work people engage in for a living—that is, work they receive pay for.

"Furthermore, verse 18 makes it explicitly clear that the honor they deserve is not just in the form of intangible respect and esteem. It also includes tangible financial remuneration. Paul here quotes two passages of scripture. The first quotation is from Deuteronomy 25:4: 'Do not muzzle the ox while it is treading out the grain.' The point Paul is making here is that even an animal is provided physical food and support for its labor. If that is true for an animal, how much more it is true for a human being whose work brings God's salvation to others! The second quotation is especially significant. Remember that I told you that this passage has a connection with the passage we considered previously from Luke 10? Well, the second quotation is of Jesus' words that we read in Luke 10:7, which say: 'The worker deserves his wages.' The significance of this is twofold. First, Paul applies what Jesus said about providing for the 72 itinerant messengers



to the support of pastors who serve churches permanently. The principle of providing physical support to ministers of the Gospel is a timeless one that extends beyond the unique occasion of the sending out of the 72. Second, Paul commends what Jesus had said—that church workers *deserve* fair and commensurate remuneration for their labor in ministry, just as other laborers do in their vocations of agriculture, business, commerce, government, education, and the like.”

Sally picked up a book from the table. “In my preparation for this presentation,” she said, “I ran across a quotation from a commentary on this passage that I think expresses its message particularly well. I’d like to conclude our study of I Timothy 5:17-18 with this quote. Dr. Donald Guthrie, in his commentary on I Timothy, states this:

Whatever the apostle is here citing, he intends Timothy to understand that a divine sanction underlies the principle of fair provision for those who serve the Church. Too often a niggardly attitude has been maintained towards faithful men who have laboured for Christ in the interest of others. The apostle has already deplored money-grubbing (iii.3), but he equally deplores inadequate remuneration. If God ordained ample provision for oxen treading out corn, it is incumbent upon Christian communities to see that those who devote time and energy to their service are adequately rewarded.”³

Tom, the council president, stood up. “Sally,” he interjected, “according to my watch, you have only five minutes left. I just want you to be aware of this.”

“Thanks for this notice, Tom! I’m just glad it’s not the ‘two-minute warning’ yet.” Sally chuckled. “I have only one more scriptural passage for us to consider, and I think we can cover it in five minutes.” Tom sat down and Sally moved to the white board, upon which she penned: **1 Corinthians 9:1-14**. As the members of the council were locating this passage in their Bibles, Sally asked for someone to read it out loud, and Rachel, the director of the Youth Board, volunteered.

Immediately after the section of scripture was read, Sally offered her comments: “Paul is writing to the Corinthian Christians as one who has worked in their midst—as a church worker, if you will. In verse one he even contends that their very status as Christians is a result of that work: ‘Are you not the result of my work in the Lord?’ he asks them. It is because of his work of preaching and teaching that they were brought to faith in Jesus and nurtured in that faith.

“But apparently the Christians in Corinth didn’t provide much financial support to Paul while he was with them. As a result, Paul was constrained to earn his living through other means, probably as a tent-maker. Despite this difficult situation, he put up with it in order to continue to minister to this community of believers. As the apostle writes in verse 12, ‘... we put up with anything rather than hinder the gospel of Christ.’

“Yet although he put up with a lack of compensation, he here informs the people whom he served that they are wrong to neglect the provision for his physical needs. In fact, he claims that he has a *right* to that compensation. He says in verses four and six: ‘Don’t we have the right to food and drink? ... Or is it only Barnabas and I who must work for a living?’ Similarly, in verse 12 Paul asserts: ‘If others have this right of support from you, shouldn’t we have it all the more?’ In verses 7 and 10 Paul maintains that workers in other occupations have the right to ample remuneration for their toil—those who serve as soldiers so that the Corinthians may live in security; those who plant vineyards, tend flocks, and produce grain so that the Corinthians can eat and be clothed. These workers get fair compensation for their labor. So also, Paul asserts, should church workers receive ample remuneration for their work of providing spiritual nurture to others.

“Notice how in verse 9 Paul quotes Deuteronomy 25:4 to support his argument, the same Old Testament passage he quotes in I Timothy 5:18: ‘Do not muzzle an ox while it is treading out the grain.’ In verse 10 Paul says that this command applies less to our treatment of animals and more to our treatment of human beings who work for us,

especially those who provide us with spiritual nurture. Paul asks a question in verse 11: 'If we have sown spiritual seed among you, is it too much if we reap a material harvest from you?' The implied answer to this rhetorical question is: 'Absolutely no! It is not too much for church workers to expect just and abundant material resources for their work!' Similarly, our school teachers, DCE, and pastor who have sown spiritual seed among us in their faithful service are deserving of fair and ample material compensation from us for their labor!"

Sally had become more passionate as she spoke. But now she paused to catch her breath. She sat down. For a brief moment there was silence, and it lay heavily upon the room. Then Sally submitted her final entreaty. "My dear sisters and brothers in Christ," she uttered with deep sincerity, "I am afraid that the church workers here at St. Michael's are putting up with our neglect of their needs in order not to hinder the work of the Gospel of Christ in this place. They're putting up with it. But that doesn't mean that it is okay. They have a God-given right to fair compensation. Look at what verse 14 states: '... the Lord has commanded that those who preach the gospel should receive their living from the gospel.' This is the Lord's *command*! Can we honestly say that we have been obedient to God's command as we have overseen the erosion of fair compensation to our faithful pastor, teachers, and DCE?"

Sally paused once again, and then concluded her comments. "Tonight I have addressed you as brothers and sisters in Jesus. You and I are part of God's family, the Church, purely by the grace of God. We are Christians. And Christians are motivated to carry out God's will, His commands, not by the threats of the law, but by the power of the Gospel. Tonight we have considered the issue of financial provision for our church workers. As we do so, we also remember the abundant provision God has for us in Jesus Christ. In Christ, we are truly rich! Luther reminds us of God's riches to us in his explanation of all Three Articles of the Creed. In the First Article he says that God the Father '*richly* and daily provides me

with all that I need to support this body and life.'⁴ In the Second Article Luther affirms that God the Son 'has redeemed me, a lost and condemned person, purchased and won me from all sins, from death, and from the power of the devil; not with gold or silver, but with His holy, precious blood and with His innocent suffering and death.'⁵ And in the Third Article the reformer reminds us that the Holy Spirit 'daily and *richly* forgives all my sins and the sins of all believers.'⁶ What riches—physical, spiritual, and eternal—God has bestowed upon us in Jesus Christ! We now have the opportunity to respond to God and His gracious gifts by joyfully doing His will, by faithfully following His commands. And this includes His will that we provide for the earthly needs of those who minister to us the riches of God's grace."

The room was quiet. After a period of silent reflection, Tom, the council president, arose to speak. "Although there are other items on our agenda for tonight's meeting," he declared, "Sally's presentation has convinced me that nothing is more important at this time than for us to reopen discussion on the issue of compensating our church workers. So let's talk."

References

1 Scriptural quotations are taken from *The Holy Bible, New International Version*, copyright 1984 by the International Bible Society.

2 Albert Collver, "Lay Elders—A Brief Overview of Their Origin in the Missouri Synod: Implications for Elders Today," *Concordia Journal* 32.1 (January 2006): 38–53.


3 Guthrie, Donald. *The Pastoral Epistles*. *Tyndale New Testament Commentaries*. Grand Rapids: William B. Eerdmans Publishing Company, 1957:106.

4 Martin Luther. *Luther's Small Catechism*. St. Louis: Concordia Publishing House, 1986: 13.

5 *Ibid.*: 14.

6 *Ibid.*: 15.





DAVID MUENCH

Now What?

Shortly after I was installed into the professional ministry¹ as a Lutheran elementary school teacher in 1975, I received a beautifully embroidered sampler from a dear friend on which a cross was stitched with the following statement: "Working for the Lord ... the pay isn't much ... but the retirement plan is out of this world." That lovingly created gift hung on the wall in our bedroom for many years, through many moves to different locations, serving as a reminder that one does not enter the professional ministry with the intention to "get rich." It's remarkable how often one hears that phrase, or something similar to it, when exploring the topic of indebtedness among professional church workers.

The same sentiment is bound to surface at some point among congregational members involved in extending a divine call to ministry and in the deliberation of that call by one having received it. In fact, traditional efforts encouraging young persons to consider the professional ministry have included assurance that one need not worry about the financial aspects of ministry, because "God somehow always seems to take care of that." Again, when considering a call, professional ministers have traditionally been taught to be careful about placing too much interest on the arrangements for housing, or how the salary compares to one's current compensation. Rather, the encouragement has been to give more weight on whether or not one's particular gifts for ministry might be well suited for the specific needs in the calling congregation. The message has always been, "Money and material matters should be at the bottom of the list of considerations."

Now, however, there is growing alarm related to the level of indebtedness among professional ministers. I'm grateful for this publication of *Issues* and the commitment to presenting various components of this very real problem among us. It's my privilege to explore opportunities we have for responding

as a synodical system. I engage the task with a prayer that our gracious Lord will bless the efforts, granting patience, persistence, and progress toward resolutions which glorify Him while strengthening and expanding His Kingdom.

A Systems Perspective

In considering this challenge, it's helpful to remember that professional ministers function as an element of a *system*, a set of interconnected parts working together in the context of a changing environment. A system functions with many circular, interlocking, and time-delayed relationships among its individual parts. We have named our system The Lutheran Church—Missouri Synod. Like any other system, all members of the synodical system have some level of impact on all other members of the system. A few elements in our synodical system include professional ministers and staff, their spouses, their families, the congregational leadership, congregational members, circuit counselors, district presidents, the synodical president, and other officers, staff, district and synodical conventions, boards and commissions at district and synodical levels, Lutheran elementary schools, Concordia universities and seminaries, and others. As you know, an element cannot belong to a system without impacting and being impacted by all the other members of the system, even if the impact seems minimal. That reality alone makes the issue of church worker indebtedness highly complex.

It is neither necessary nor helpful to identify one member of a system as the *exclusive* possessor of a problem in the system. Often we'd like to try to attribute successes to, or blame failures on, one individual component, when there are multiple paths within a system to any outcome. Attempting to identify one member as exclusively responsible for dysfunction in the system risks the assignment of energy toward developments of allegation and defense so that little energy remains for the discovery and work towards resolution. We all have a stake in the problem and in working toward constructive change. It's meaningless to look at a single part without looking at the interconnectedness of the whole.

THE REV. DAVID MUENCH IS THE EXECUTIVE DIRECTOR OF THE COMMISSION ON MINISTERIAL GROWTH AND SUPPORT. DAVID.MUENCH@LCMS.ORG

Similarly, it's not necessary to identify and analyze the negative aspects of absolutely every relationship in a system before beginning efforts toward improvement. Instead, because every member is impacted by the interactions of every member, "minor" adjustments in the system, even at the periphery, will "ripple" through the system and impact all its members. That systemic truth gives us encouragement to get started instead of being fooled into thinking that we must have the ultimate, "all-encompassing" solution in hand before we make a beginning.

Though systems function within environments that are constantly changing, a system will try to maintain balance by minimizing change. As we make a beginning, we need not be surprised by resistance to proposals for change. Resistance will surface, sometimes in the form of "subtle sabotage," even from surprising sources within the system. Remember, the system has not arrived at its current form by accident, and it's the nature of a system to try to maintain itself.

How Change Occurs

Another consideration in our search for resolution to this indebtedness problem is a theory related to the Stages of Change. Development of this model is attributed to James Prochaska and Carlo DiClemente, although others have shared in the work. Their premise is that behavioral change involves progression through six stages, each with its own tasks. Those stages are identified as:

1. **Pre-contemplation**—denial of the need for change;
2. **Contemplation**—beginning to acknowledge a problem;
3. **Preparation**—planning to take action;
4. **Action**—modifying undesired behavior;
5. **Maintenance**—sustaining new behavior;
6. **Termination**—new behavior is a habit.²

A valuable insight within this model is the realization that action undertaken when a person is in the stage of pre-contemplation or contemplation usually fails and then increases

the level of discouragement and despair regarding the potential for change.

As redeemed children of God, we also understand that every change which is in harmony with God's will and follows the "guide" of His law is motivated and accomplished by Him in us as a function of sanctification, acknowledging that without faith, it's impossible to please Him (Hebrews 11:6).

A Charge

In August of 2005, realizing the need for changes in our system, and pledging the support of himself and his office, LCMS President Gerald Kieschnick charged the Commission on Ministerial Growth and Support (CMGS) to "assume leadership in addressing the issue of Rostered Church Worker Indebtedness in the LCMS."

In response, the CMGS has formed the Economic Vitality Action Team (EVAT) and assigned the tasks of 1) identifying the nature and various dimensions of the problem; 2) identifying available resources; and 3) developing strategies for resolution. This action team is functioning under the following purpose statement:

The Economic Vitality Action Plan strives to help LCMS professional ministers (ordained and commissioned) and the church body to establish economic vitality. The plan intends to equip them (professional ministers and church body) to make wise decisions centered in faith, hope and love for joyful service to the Lord, identifying and coordinating emergency financial assistance to workers in crisis.

The first commitment of the EVAT is to pursue this project within a framework of love, flowing from Jesus' instruction that the hearts of those professing to be children of God are dominated by mercy (Luke 10:37). There is plenty of opportunity to discuss what might have been done differently in the past. Without question, mistakes have been made and opportunities overlooked by various elements of the system, but God's

grace through Jesus redeems us from the guilt of these errors. These mistakes should not prevent us from engaging in actions of mercy which identify and connect us with our Father who is Love and Mercy.

There is potential for a heavy burden of shame to be attached to professional ministers as we make our way through this process. In spite of the reality that all members of a system play a role in the processes of that system, the worker is the most likely target for placement of blame, and will be most directly impacted by the consequences. That shame is often a result of many dynamics from within our culture, not the least of which is the honor afforded to those who have much money and to those who appear to handle money well. At the same time, our culture has a tendency to be somewhat disgusted with those who appear to handle money poorly, or have little of it. When people become overwhelmed with shame, however, there's a tendency to "miss" well-reasoned avenues for resolution.

We have legitimate reason, accepting by faith the righteous life and innocent death of Jesus on our behalf, to be free of the shame. Until that *freedom* is "real" in our systemic relationships, there will be a tendency to avoid disclosing the true extent of financial indebtedness on personal levels. It will be difficult to engage the necessary discussions about adjusting behaviors toward resolution to the problem. But changing nothing is not an option. Pursuit of resolution, therefore, must be engaged in the understanding that the discussion of behaviors within the system is under God's gracious declaration of *righteousness* by grace through faith in Jesus (Romans 3:28). This grace-filled declaration of God allows us to have value apart from the need to defend behaviors and decisions that have not worked well. It should not be difficult for a group of Christians to commit to plans of action that are dominated by love. After all, love fulfills the law (Romans 13:10).





Next Steps

One of the initial strategies toward resolution involves research. Appropriate strategies for change must be informed by specifics. For instance, are we able to identify through research the objective dimensions of Rostered Church Worker Indebtedness? Are the professional ministers themselves able to identify the perceived impact of their own debt load on the ministry they pursue? Do we have a way to establish the impact of indebtedness on a professional minister's family and on the decision of the next generation to choose a career in ministry? Do we also have access to some of the previous efforts of the synodical system to discover what was successful in this arena and why, along with what did not work and why not? Are there practices and values from non-church, nonprofit, and for-profit organizations that might provide guidance and insight? Research such as the study conducted by the Lutheran Church Extension Fund and discussed in the previous article will also serve to establish a baseline so that current and future efforts may be measured relative to outcomes.

As the research indicates, professional ministers as a group must pursue increased expertise with the basics of financial literacy as they begin the long and expensive process of educational training and as they serve in ministry. It's no longer sufficient, if it ever was, to say, "I'm not worried about the finances, I'll pursue ministry faithfully and let the Lord take care of the money."

In this age of easy credit and elevated materialism, it's easy to be distracted from sound fiscal judgment relative to personal and family expenses. Professional ministers will benefit from increased appreciation of and access to responsible financial advisors as they consider appropriate uses of credit, credit cards, and alternative resources to make ends meet on meager salaries. It will be a blessing for called workers to be fully aware of tax requirements and benefits. As with many other dimensions of support and accountability, there may be great value for the professional minister and spouse to be involved in a support/accountability group relative to discussion and management of personal and family finances.

We dare not overlook the biblical stewardship. Professional ministers are under the same call to live as wise stewards with what God has provided, setting aside and cheerfully returning to Him a sacrificially proportionate measure of the first fruits. When professional ministers take seriously their responsibility to teach and model healthy scriptural stewardship to those they serve, the impact will be noticed in the resources available to pursue ministry locally and beyond, including provision for those who serve in the professional ministry.

What also will make a difference in the lives of professional ministers is that they serve the congregation to which they have been called in ways which honor the people as beloved children of God. The minister's intentional efforts to promote connections of healthy, respectful, servant relationships will go a long way toward the provision of adequate material needs by the congregation in response. Within this context, professional ministers will need to grow in their willingness and ability to appropriately engage discussions with the congregational leadership regarding compensation.

What Congregations Can Do

Congregations are key participants in the implementation of strategies for resolution. Significant help will be known through an honest evaluation of their commitment to honor and provide for the professional ministers who serve them. It would be of great benefit for congregations to establish a "ministers' care committee," appointed by called workers, and set apart from the governance structures in the congregation. Their role is to exercise discretion as they intentionally discover how the congregation might best care for its professional ministers and then work toward bringing this about.

It would also be a blessing if this committee were willing to interact with the professional ministers relative to their specific and unique financial situation. Their agenda may include a recommendation of connecting with trustworthy and reputable financial advisors in the community. Monitoring a fund

that would provide some level of matching assistance toward educational loans accrued before arriving could result in positive actions. This would require high levels of integrity, honor and trust on the part of all involved, with a determination to demonstrate love. Congregations will want to fight the temptation to allow provision for their ministers to fall short because they haven't thought of another way to meet the budget. They will refrain from decision-making based upon a statement like, "They knew there wouldn't be any money in it when they decided to enter the ministry, so why are they so upset now?"—a view that can lead to a disregard for proper consideration of compensation and benefits.

Congregations will want to seek opportunities to demonstrate the high value they place on those who serve among them. When that is matched by the genuine efforts of ministers to honor those they serve, a shift will happen in the congregation. The two entities of that relationship, ministers and congregations, instead of practicing their best techniques to avoid being taken advantage of by the other, will each be seeking to serve and honor each other, eager to accommodate the other.

What Educational Institutions Can Do

Our educational institutions will bring value to the effort through an increase in their attention to the level of an applicant's financial literacy and stability as a regular part of the admissions process. At both the university and seminary level, students seeking admission will be assisted in the development of a realistic and fiscally sound strategy demonstrating how one's education will be financed. That plan is not likely to be free of all debt, but it would be constructed within parameters of fiscal responsibility, with an eye toward the reality that beginning salaries in the field of professional ministry are not in the upper tiers of vocational options.

Educational institutions will be the instrument of tremendous blessing to the

entire church and to the issue of worker indebtedness specifically if they will initiate a curriculum of basic financial training based on a theological foundation for all students. Age appropriate curricular materials might also be developed for use in the elementary and high schools of our system as well.

The discussion of this issue almost always involves the topic of student loans and the rising costs connected to gaining the educational credentials to serve in professional ministry. Our educational institutions are in a difficult position as the support for their work received from synodical dollars has continued to decline while the costs for providing their “product” have continued to climb. The obvious result is an increasingly heavy burden on the students. Our institutions serve the students well when they do not simply encourage further debt without helping the student to honestly evaluate the ability to repay later.

What Synod Can Do

It would be easy to offer the suggestion that the Synod should simply increase its support for the education of professional ministers at the same levels as two generations ago. The reality is that synodical dollars flow ultimately from congregational offerings. Very quickly, the systemic nature of our efforts for resolution becomes quite obvious. Levels of personal and corporate stewardship will have to grow for this to be a reality.

The officers and staff, boards and commissions of the synodical and district administrative structure will play an important role as they provide workshops and advocacy for professional ministers. Districts will have the best opportunity to encourage congregations in the development of salary and benefits packages. District salary guidelines have brought significant blessing already, and they are even more beneficial when they include factors accounting for the average household income of the specific zip code in which a minister is serving. The collection and sharing of “Best Practices” in the various districts regarding church worker indebtedness can foster creativity and encouragement.

District officials are well placed to promote healthy relationships of mutual accommodation in service as they work with congregations during the calling process. They also can be instrumental in advocacy for the provision of an educational loan “repayment match” mentioned earlier. These efforts might best be accomplished through a person identified as the District’s Advocate for Ministerial Wellness, a position already existing in some districts.

The Synod might initiate a program through which congregations receive special recognition and church-wide honor for their sincere and creative methods of care for their professional ministers. The Synod might also provide various resources, such as a national help-line, the gathering and management of emergency “rescue” funds, and communication materials and encouragement for a church-wide involvement. Other organizations connected to the synodical system, such as Lutheran Church Extension Fund, Lutheran Church—Missouri Synod Foundation, Concordia Plan Services, Lutheran Education Association, Thrivent, and many others can be recruited to share expertise and resources. The Lutheran Church Extension Fund has already stepped up with low-cost mortgage, debt consolidation, and home equity loans for rostered church workers, and Concordia Plan Services has engaged a brilliantly gifted financial advisor who regularly offers financial workshops and training events.

These are only some of the strategies that will lead toward resolution in the issue of indebtedness among our professional ministers. The discussion of and process for discovering further avenues of resolution must continue.

As awareness of the problem grows, some will be asking “What Now?” from the perspective that someone is *always* asking for *something*, so, what is it now? They’ll remain reluctant to admit that there is even a problem, and even if there were a problem, they’ll be tempted to deny that it is in any way *their* problem.

Others will ask "What Now?" in a genuine desire to know "what can I be doing to make a difference?" and, "How can I get involved?"

The diminution of pain and the pursuit of pleasure are leading motivators in getting people to the "action" stage of change. Christians, however, are also motivated by the sanctified and responsive desire to live "rightly." With each of us being part of a system, I urge you, whatever your role, whatever your access to resources, to pray that God would lead you to understand the serious nature of this problem and motivate you to action. I remain confident that He will shower unimaginable blessing beyond what we could hope to ask for upon the efforts of all the many and various members of our synodical system to eliminate indebtedness among our professional ministers. In our having been blessed, His name will be glorified and His Church strengthened.

References

1 The terms "professional ministers" and "professional ministry" are used throughout this document to refer to both ordained and commissioned ministers.

2 *Changing for Good*, James O. Prochaska, John C. Norcross, and Carlo C. DiClemente, Avon: New York, 1994.



personal reflections

Needed: Fair Compensation

When I was a young 18-year-old, my dad said, "You know if you become a teacher you won't earn much." Being young and adventurous, I didn't care. How true my father's words became. My husband and I both hold advanced degrees. We are both involved in helping professions—me as a Lutheran educator for over 20 years.

Debt is a difficult subject. We often feel guilty and foolish for acquiring debt as the "if only's" pile up. If only my school helped to pay for advanced degrees, if only I didn't have a chronically ill child, if only my children didn't attend a Lutheran high school where we still have to pay tuition ... maybe then we could be in control of our finances.

I have come to realize that the Lutheran church bears part of the responsibility for my crisis. I can't count the number of times the budget of the church has been balanced on my back ... no raise, one percent raise. To add insult to injury, I also now teach 12 months of the year but continue to be paid on a 10-month call. No one in my congregation seems to think this is unusual or that this kind of added year-round responsibility deserves a fair salary increase. My husband and I both work additional jobs—as a matter of fact we have for the past 12 years. We are tired and feel burdened.

Don't be fooled into thinking I am just grumpy. I love my call. I wouldn't want to give it up. But I would like to have a salary that compensates me fairly. I was visiting a new college graduate who has never held another job, other than part-time positions. He will begin with a salary of \$45,000. How sad. I probably will not even make it to the \$40,000 mark in the next five years.

None of my children is looking into church work. Why? I think it's because they see how much work you do with so very little financial or verbal reward. The dollar isn't necessarily their driver, but they have seen how it has influenced the choices we are able to make as a family. They are aware of the sacrifices their own family will have to make ... and my children are not going in that direction. Helping professions? Yes. Professional church work? No.

Administrators, boards, and church leaders must pave the way for fair and ethical compensation for church workers.

Name Withheld Upon Request

Financial Challenges of a Lutheran Educator ... Time for a Union?

No one ever said, "If you want to be rich, become a Lutheran educator!" But I doubt any have entered Lutheran education with the hopes of struggling from pay check to pay check. Are the modern financial pressures of being a Lutheran educator affecting congregational ministry, recruitment and the worker's performance? I think the answer to these questions is yes, and the long-term impact for the church could be devastating.

This article arose from a comment I made to the Lutheran Education Association's email listserv for administrators in the summer of 2006. On a fairly regular basis the topics of adequate teacher compensation, paying for staff benefits, low morale, and high indebtedness are addressed in this professional forum. My tongue-in-cheek remark that we should organize a union to address these issues may have raised some ire, but at least it has helped bring attention to the need to address these financial issues impacting our commissioned and ordained ministers.

In the past it was possible for a church worker to graduate from one of the Concordias with no debt. Even though salaries were low, church workers could live sensibly because they had no debt, the congregation embraced them as kingdom workers, and the congregation paid for all of the Concordia Plan premiums. With few exceptions, it is impossible for most students to graduate today without debt. Low salaries, high expectations, a growing number of congregations asking the worker to pay for a part of the benefit package, are a recipe for failure. Many workers get second jobs or quit to seek other employment. Many who stay in the ministry feel stressed by finances, and their ministry suffers. Many potential workers don't even consider a church profession because of the low salary potential, high cost of education, and high job expectations.

The church is blessed with many dedicated workers. However, as a principal of a larger Lutheran school and father or father-in-law to several young church workers, I see financial pressures on workers as probably the biggest threat to all congregational ministries in the near future, especially Lutheran schools.

Are there solutions to these and similar financial issues impacting the church? Of course there are! The Lord didn't institute the church and then walk away from it. Some of my suggested solutions are a little radical, but not mean spirited.

1. The most obvious solution is to pay more. Don't balance the congregational budget through the salaries and benefit package of the workers. Charge a tuition that allows for the workers to be paid on the District scale.
2. Skew the salary scales to give higher percentage raises to the young workers. This allows them some additional money to compensate for starting ministry and paying loans. Many businesses give signing bonuses to new recruits; why not the church? Don't penalize the more experienced worker; instead, give the younger worker a higher salary.
3. Lower the cost of college for those studying for any ministry within the LCMS. Perhaps tuition could be lowered in exchange for years of service in the church similar to what our military does.
4. Force congregations to be realistic about salaries. Placement officers and district presidents have the power to effect a change by not placing workers into situations that aren't paying a fair wage. While this may not be popular, it is the right thing to do.
5. Require the young worker to take an intensive money management and biblical stewardship course before graduation. Don't wait for disaster; avoid it. There are many Bible-based stewardship programs on the market.
6. Organize the workers. No strikes, slow downs, or picket lines, but a forum, probably electronic, where the topic can be discussed and where solutions can be found. Don't fear the topic; address it openly and in the spirit of improvement.

Consider Philippians 4:8-9 as you evaluate this topic.

Gary Spieler

Principal, Zion Lutheran School
Belleville, Illinois
email: gspieler@zionbelleville.org

God Always Provides

I need to begin with this conviction: no matter what, God always provides. In my lifetime, there has never been a time that He has not. Yet I have had to do an amazing amount of juggling to stay in church work, with significant stress on my family. Here is my story:

In year one, my salary did not cover repaying student loans, paying rent and buying food. On paper it didn't work, ever, that first year. One Sunday I wrote a check for my last 12 dollars to the church — my tithe — and gulped, because my fiancé was coming to visit, and I didn't know where to get the money for a Thanksgiving meal. Yet folks from my congregation showed up at my door with a basket of Thanksgiving fixings that very afternoon. Many stories like these followed. All church workers have them. It shouldn't have worked on paper — yet it did.

My church worker husband and I moved to a highly urban teaching setting where we felt God had called us. Unfortunately, we couldn't make the loan payments on our salary and pay the rent. We laid the burden on the Lord. We both considered second jobs. A relative died and left me some inheritance money, so I paid off the loans, which allowed me to stay in ministry. But again, it shouldn't have worked.

Our next call included a major pay cut, but despite the fact that we rented a house from generous members, I had to waitress weekend nights to make the family budget stay in the black. My husband's second job evolved into a business venture, and he left church work. Then came Baby One with the hope I could take some time out to raise her. We tried it for a year, couldn't make ends meet, and I found myself waitressing night shifts to avoid daycare. I wanted with all my heart to go back to Lutheran education, but having to make enough money to survive, I taught in the public schools instead. It was either that or teach by day, waitress by night. You can only pay so many electric bills on your credit card before you begin to seriously question where God is leading you.

After three years of teaching in the public school while serving as chairman of the board of education in our Lutheran school, Baby Two arrived. Staying home was a challenging option, so I found a compromise by teaching part time at the Lutheran school while my oldest was in kindergarten. That became full time. Why didn't I go back to the public system where I was making considerably more than I was at the Lutheran school? Because my daughter responded to my public application with "But, mommy, you're so good at leading Chapel!" She was right, and it was time to lean hard on God once again.

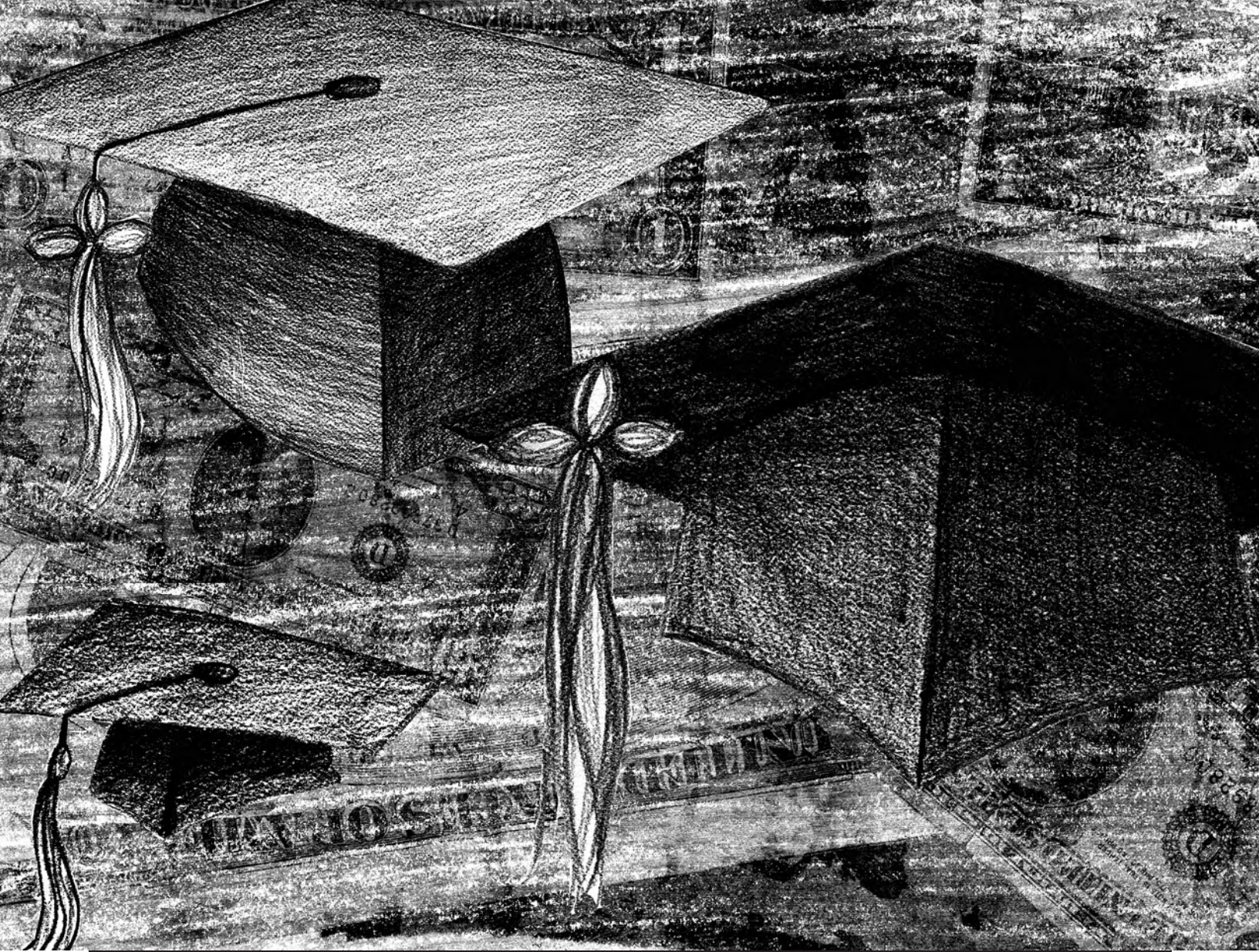
Today my husband's business enables me to serve as the administrator of a Lutheran school, and I see this struggle from the calling/interviewing side of the desk.

As an administrator, I'm embarrassed when I'm trying to call top-quality teachers, and I have to tell them our salary—and we don't even have a low salary compared to other Lutheran schools in our district! From my perspective, the "plum" teachers are the ones who are married to someone with a steady income because they can afford to work for my school. When they are financially stable, it is so much easier for them to say, "I'm here by choice," and celebrate this. Their energies are not turned toward putting food on a table or clothes on the kids, but they can focus on teaching and investing in their ministry and children. I lost two very good teachers this year because of finances. They doubled their salary by moving into the public schools, even though they would much rather continue teaching at our Lutheran school. I wanted them to stay, but how can I say to a brother or sister without clothes or daily food, "Peace, be warmed and fed," but do nothing about his physical needs (James 2:15-16)?

No matter what, God always provides. But shouldn't the church be the vehicle for adequate provision when it comes to caring for its church workers?

Name Withheld Upon Request





CONCORDIA UNIVERSITY

800 North Columbia Avenue
Seward, Nebraska 68434

Return Service Requested.

Route to: _____

Non-Profit Org.
U.S. POSTAGE

PAID

Seward, NE
Permit No. 4
