

August 22, 2024

Dear Seminarians,

I am very pleased that you are studying at the SDA Theological Seminary at Andrews University, deepening your call, and preparing to be even more useful for the Lord! I really want the years you spend here to be the best and most meaningful of your life. Let me share with you a very serious burden which lies on my heart.

For several years, there has been a deepening concern for Seminary students who are entering or graduating with extensive debt. When the topic was brought to the attention of the Seminary's Executive Committee, which includes the GC President, NAD President, and NAD Union Presidents, they requested that the Seminary leadership seek ways to educate and encourage students to avoid excessive student loans.

There seems to be a number of factors that are contributing to the rising student debt load that may include the following: (1) entering Seminary with high undergraduate debt; (2) relying on debt for living expenses while in the Seminary; (3) using loans to boost standard of living (not living as a student); (4) unawareness of the dollar amount of monthly payments and the relationship to denominational wage scales; (5) ease of obtaining student loans ("just sign here"). Often individuals do not understand how the repayment of a loan, which includes principal and interest, will affect their future income and standard of living.

When employed as a pastor, your income may be approximately \$45,000 (depending on the area in which you will serve, the years of service, your experience, etc.), but after paying taxes, giving tithe and offerings, and repaying your educational debt, you will be left with substantially less to pay your bills and living expenses—rent/mortgage, utilities, car expenses, food, children's education, medical, travel, gifts, and so forth. To a certain extent, the amount of your monthly payment on your student loan will determine how much will be left for your living expenses.

The Seminary administration is not against the careful use of student debt to finance one's education, as long as the student has a realistic plan for the ability to pay back the loans without undue strain on the family budget. We are strongly against excessive debt that leads to high payments for many years. Too often it seems that some students simply take the loan proceeds because the money is available, without calculating the cost of repayment.



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In Spring Semester 2022, Tyler Kern, 2021–2022 Seminary Student Forum Co-President, and Sharyn Nash Smoot, Director, Seminary Business Administration, presented a financial resources seminar. Please view that presentation here: <https://www.andrews.edu/sem/sem-chapel/chapel/index.html> under Lectureships > Care Team > Finance & Resources. If you wish to consult with Sharyn regarding your personal financial situation, you may e-mail her at shari@andrews.edu or arrange an appointment through Karen Rodriguez (phone: 269.471.6941; e-mail: seminary@andrews.edu). She is available to help you to make the right financial decisions. During your Seminary experience, I wish to encourage you to take advantage of the DSLE652 Personal and Family Finance course we offer each academic year. Students who have taken this course have testified that it has been one of the most practical courses both for them personally and professionally.

Please reflect prayerfully on the following wisdom from the Word of God:

- “The rich rules over the poor, and the borrower is the slave of the lender.” (Prov 22:7 ESV)
- “Be not one of those who give pledges, who put up security for debts. If you have nothing with which to pay, why should your bed be taken from under you?” (Prov 22:26–27 ESV)
- “The wicked borrows but does not pay back, but the righteous is generous and gives.” (Ps 37:21 ESV)
- “This is how one should regard us, as servants of Christ and stewards of the mysteries of God. Moreover, it is required of stewards that they be found trustworthy.” (1 Cor 4:1–2 ESV)

May our loving Lord grant you wisdom, discipline, and the right discernment to know how to manage life and the financial part of it that your usefulness can grow and not be hindered by poor choices and decisions. Remember, you are a steward of the assets God is giving you (Matt 25:14–46; Luke 16:1–13). Manage all God’s gifts well to His glory and may our gracious Lord be with you!

Most cordially,

Jiří Moskala, ThD, PhD
Dean