

**Financial Leadership
Ministry Excellence Fund (MEF)
Consumer Aid Grant Overview**

Overview

The Lilly Endowment has given us a unique opportunity to address economic challenges that face our ministerial community. Although we are unable to address everything, the Financial Leadership team is eager to help. As a result, a grant that targets punitive consumer debt and burdensome student loans (with high interest rates) is being made available through the Ministry Excellence Fund. An award of up to \$10,000 is available for approved applicants.

The goals of this part of the Financial Leadership initiative are to improve the financial wellness of credentialed Covenant ministers and their families so that:

1. Financial pressures that inhibit effective leadership are reduced
2. A sustained impact is created in overall financial health
3. Longevity in pastoral ministry is encouraged through an improved quality of life
4. Faith and finance become common Christian formation themes
5. Financial leadership proficiency is expanded benefitting the minister, his/her family, and the congregation
6. There is an increase in congregational health, vitality, and mission strength through the application of Financial Leadership training
7. Generosity is modeled through the opportunity to pay forward resources for the next set of pastors who will participate in this program

Please review the grant eligibility requirements at **financialleadership.covchurch.org**.

Consumer Aid Grant Essentials

1. GRANT TARGETS

This grant targets (1) punitive consumer debt; and (2) burdensome ministerial student loans - with the emphasis placed on punitive consumer debt. There are no exceptions to these two targets.

- a. Consumer debt with punitive rates or terms will be considered.
- b. Burdensome student loans incurred in the pastor's entry level ministerial education will be considered for those who have been out of school for at least two years and are considering no additional formal education for the next 18 months.

2. PAY IT FORWARD

All grantees will be asked to sign a non-binding pledge agreement to pay forward an amount equal to 75% of the original grant over time. Therefore, the major benefits of this grant generally accumulate through the elimination of high interest rate debts and the accompanying payments associated with them resulting in a material improvement of cash flow. Alongside these benefits is the broader participation in the grant interactions for personal/formational development.

3. GRANT COMMITMENTS

A commitment of up to a nine-month process includes:

- a. Turn in a completed application along with supplementary materials.
- b. Participate in a Jump Start personal finance retreat with spouse (if married).
- c. Work with an ECC financial coach with spouse (if married).
- d. Develop a financial leadership project to employ in your local church that includes teaching on a personal and corporate theology of finance.

4. GRANT LIMITS

This grant generally cannot provide help when:

- a. Overall debt levels are too high and growing.
- b. Student loans are in Income Based Repayment plans and interest is accumulating with no principal being paid.
- c. Debt is the result of ministry related expenses and/or benevolence activities. These types of debts are outside the Lilly Endowment target areas.

Application Process

Each complete application will be evaluated by a grant review team that includes the Director of Financial Leadership. There are three possible responses to an application (1) approval and entry into the process, (2) denial, or (3) consultation on potential third-way solutions.

Applications are received four times a year. Up to 12 grants will be awarded per quarter. After each submission deadline, applications will be reviewed in the order they are received. Therefore, applicants are strongly encouraged to submit their materials early.

The deadlines for applications are:

- December 7, 2018
- March 7, 2019
- June 7, 2019
- September 7, 2019

Fund Distribution Process

Grant awards will be paid directly to third parties, on the applicant's behalf, based upon approved needs identified in the application and by the grant award team.

Specific questions should be directed to Annette DeMarco or Dan Pietrzyk at financialleadership@covchurch.org.