



## **Policy for Financial Support for Seminary Students**

### **1. Purpose and Context**

- 1.1. MCBC was established based on the following Biblical principles: to worship the true God with one-heart; to nurture and to equip the believers with His grace; to live out the Body Life; to fulfil the great commission of Jesus Christ through evangelism, missions and social ministries.
- 1.2. In line with the purpose of the church and our statement of faith, one of the objectives of overall mission ministry is to raise and equip servants for the advancement of God's kingdom. To that end, the Mission Board wishes to provide financial support to students who are pursuing full-time theological education in preparation for Christian services as their life-long vocation.
- 1.3. The cost of seminary studies can be substantial and become a financial hurdle for students who otherwise must borrow significantly to finance their education. Those students preparing for full-time Christian ministries would benefit greatly from spiritual and financial support from brothers and sisters of their home church and community.
- 1.4. The financial support afforded by MCBC under this policy is reserved for those active members of MCBC who have demonstrated their commitment in the Lord in the home church and has been affirmed by an MCBC pastor of his/her calling to enter into seminary studies.
- 1.5. The policy articulates a set of general funding and process guidelines. In its discretion, Mission Board may make exceptions as appropriate in the circumstances.

### **2. Financial Aid Options**

The financial aid options afforded by MCBC is designed to support those seminary students who have committed themselves to, at minimum, a Master of Divinity program or equivalent on a full-time basis in an accredited seminary institution in North America.

## **2.1. Grant**

- 2.1.1. A grant of up to 50% of the annual tuition for the duration of the academic program can be awarded to eligible students to put towards their tuition. It is a financial incentive for their commitment to full-time seminary studies. As such, there is no obligation to repay the amounts awarded to the student as long as the student maintains a reasonable standing in their study each year.
- 2.1.2. The grant is renewable subject to an annual review by Mission Board. Mission Board reserves the right to terminate or change the amount of grant awarded to the student each year.
- 2.1.3. The grant is treated as a scholarship or award for income tax purpose and a T4A will be issued, for the tax year when the grant is paid in cash, for compliance.

## **2.2. Interest-free Loan**

- 2.2.1. Eligible students have an option to apply for a loan from MCBC for up to 50% of the annual tuition.
- 2.2.2. During the full-time seminary studies, the loan is both payment-free and interest-free to the student.
- 2.2.3. The loan will be forgiven provided that the conditions specified under section 2.4 of this policy are met. Otherwise, the loan will be repayable in full with interest after graduation based on the provisions in 2.3.2 below.
- 2.2.4. Students are required to sign a letter of acknowledgement signifying his/her understanding and agreement to the terms and conditions of the loan.
- 2.2.5. The loan is renewable annually upon request by the student subject to review and approval by Mission Board.

## **2.3. Repayment of the Interest-free Loan**

- 2.3.1. Mission Board and the student shall begin discussions of repayment arrangements when approaching the end of the student's studies.
- 2.3.2. For sponsored graduates who do not intend to immediately enter into full-time ministry (i.e. not actively seeking full time ministry serving opportunities), as determined by the Mission Board:

- 2.3.2.1. The payment-free and interest-free period normally ends at the time the graduate begins his/ her gainful employment, or 6 months after graduation, whichever is earlier. Repayment of the loan including accrued interest becomes due thereafter.
- 2.3.2.2. The relevant interest rate to be applied to the outstanding loan will be based on the rate that is applicable at that time to the church's revolving line of credit. The duration of repayment shall not exceed a maximum of 2 years, unless negotiated otherwise.
- 2.3.2.3. A notice will be prepared by the Mission Board to advise the graduate of the details for repayment, including the fixed monthly payments the interest rate to be applied, the total amount payable and the schedule of repayment.

#### **2.4. Interest-free Loan Deemed Forgiven**

- 2.4.1. For sponsored graduates who demonstrate continuous efforts and commitment in actively seeking opportunities to enter into full-time Christian ministries immediately after graduation:
  - 2.4.1.1. As an affirmation and encouragement to the sponsored graduate, the Mission Board may forgive the loan in full after he or she has contributed a minimum of 2 years of full-time service in Christian ministries.
  - 2.4.1.2. If, at the end of the two-year period after graduation, the graduate is still actively seeking full-time employment in Christian ministry, or is continuously serving in Christian ministry although for less than 2 years, the Mission Board may, upon request by the sponsored graduate, forgive the loan in part or in full.
  - 2.4.1.3. At the time the loan is forgiven, the church is required to report the amount as income on the T4A.
- 2.4.2. Forgivable loans are not intended for sponsored graduates who have non-Christian related employment. Until the loan is deemed forgiven by Mission Board under sections 2.5.1.1 and 2.5.1.2 of this policy, the sponsored graduate is accountable to

Mission Board in the disclosure of any other employment or changes in full-time ministry status in a timely manner.

## **2.5. Annual Renewal of Financial Support**

- 2.5.1. All grants and loans are renewable subject to an annual review by the Mission Board.
- 2.5.2. As part of the annual review, students are requested to update the Mission Board of their status of continuous full-time enrollment, progress of the studies, and any ministries goals and involvement.
- 2.5.3. The student shall advise the Mission Board of any significant changes in their circumstances and financial conditions that may require the Mission Board to revise the amount of financial support or apply for additional loan.
- 2.5.4. Upon the annual review, the Mission Board may renew, revise or revoke the financial support to the student.

## **2.6. Church Support**

- 2.6.1. MCBC recognizes that entry into full-time theology education is an exhilarating time of learning as well as hard work and personal sacrifice for students and their families.
- 2.6.2. In efforts to provide a congenial environment at home church that will foster personal growth and support, the Mission Board encourages each sponsored student to invite a pastor or a ministry leader as their personal mentor before and during the course of the study.
- 2.6.3. The student and his/her mentor are encouraged to work together for the purpose of fostering growth and accountability toward achieving the student's God-given potential and calling. The student may work with the mentor to identify his/her ministry goals within the MCBC community to develop his/her spiritual gifting.

## **3. Eligibility Criteria for Financial Assistance**

- a) A born again Christian, baptised, who shows evidence of a saving relationship with Jesus Christ and love for the teachings in the Bible.

- b) Demonstrated spiritual maturity and have active serving experience at home church
- c) A member of MCBC for 2 years or more, regularly attending MCBC (or another church in the case of an out-of-town student)
- d) The student must be accepted in and pursuing a graduate level seminary degree (Master of Divinity or equivalent) program in an accredited seminary or theological college which has sound doctrinal beliefs, and endorsed by the MCBC Mission Board pastor-in-charge.
- e) Priorities will be given to students entering into pastoral ministry training and related studies.
- f) Genuine commitment and sincerity to pursue full-time Christian education in preparation for Christian ministries as a life-long career
- g) References from 2 church leaders (including a pastor in MCBC) in his/her division or ministry
- h) A completed application
- i) A certification of acknowledgement of the terms of the loan (if applicable)

#### **4. Application Process**

- 4.1. Any MCBC member interested to enter into full-time seminary is encouraged to discuss with the divisional pastor at an early stage regarding his / her calling into full-time seminary studies.
- 4.2. Upon acceptance by the theological institution, the student should begin discussions with the Mission Board as early as possible to establish an understanding of the MCBC financial aid provisions available to students and the process involved for applying.
- 4.3. The student is required to complete an application which includes the following mandatory elements:
  - a) An application form
  - b) A letter of calling by the applicant
  - c) Proof of acceptance by the Bible College
  - d) Two references from MCBC leaders, including one from the pastor in his/her area of service. A written recommendation by one of the 2 leaders is required.

- 4.4. A panel composed of a minimum of 3 appointed members of the Mission Board and the divisional pastor of the student will be formed to review the application and conduct an interview with student applicant. The interview shall also include the division chair and representative(s) from Deacon Board to receive multiple stakeholder's views. The approval will be done by the review panel with input from the interviewers.
- 4.5. The final approved amount of financial assistance, in form of a grant and / or a loan, will be determined by the Mission Board after assessment of the application by the interview panel.
- 4.6. For greater accountability, the name of the accepted student will be notified to all Mission Board stakeholders and division chair for endorsement and prayer support. The name of the student will also be shared with the pastoral team for their acknowledgement.