



# Gifts of Grace

Toward Financial Wellbeing

## 2022 Grant for Reduction of Student Educational Loans

Grant amount: Up to \$4,000

### Eligibility and Guidelines

1. All rostered ministers actively serving in the Southwestern Minnesota Synod are eligible to apply.
2. The student loan debt must have been used to pay for expenses the roster minister incurred attending college or seminary.
3. Past recipients of this grant are eligible to apply.
4. Complete the following – (for a \$2,000 grant, complete a-b. For a \$4,000 grant, complete a-c.)
  - a. Complete your 2022 Report to the Bishop.
  - b. See that your congregation's 2021 ELCA Parochial Report (forms A & C) are completed.
  - c. Attend a free one-session financial check-up with LSS Financial Wellness Services<sup>(1)</sup> and submit a copy of the "Certificate of Attendance" to the Gifts of Grace program director.
    - i. Visiting with another financial advisor is also possible.
    - ii. Those who are in an income-based repayment plan are especially encouraged to speak with an LSS Financial counselor (or financial advisor) about the plan's requirements and how to prepare for future scenarios of loan repayment or forgiveness.

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## Unique to 2022: Public Service Loan Forgiveness (PSLF)

The US Department of Education has waived two requirements for the Public Service Loan Forgiveness Program (PSLF). The waivers allow rostered ministers to qualify for PSLF under certain circumstances until those waivers end on October 1, 2022. PSLF applies to federal educational loans. This is a great opportunity to lessen the burden of education debt in your life.

In light of this opportunity, the Gifts of Grace staff recommends the following:

- d. If you have federal student loans, we strongly encourage you to seek PSLF with the help of Lutheran Social Service Financial Counselling. Application for PSLF is complex and LSS has the expertise to advise you along the way. Please start as soon as possible because it will take some time to get through the required steps.
  - e. If you are applying for PSLF and have private student loans, we recommend you use the Grant for the Reduction of Education Loans for your private loans. This may avoid complicating the process for PSLF.
  - f. If you only have federal student loans and are seeking PSLF, you are still welcome to apply for the Grant for the Reduction of Education Loans. We ask that you first visit with LSS about how best to use the grant in conjunction with your application for PSLF.
5. A TEEM trained pastor is eligible for a one-time loan reduction grant for seminary expenses. If you have not received this grant, please contact the Gifts of Grace program director for a special application. (Pastor Andrew Hermodson-Olsen, [pastorandy@flcstjames.org](mailto:pastorandy@flcstjames.org)) A TEEM trained pastor who has college loans may apply for the grant outlined above.

6. Recipients of this grant are encouraged to report to your council(s) about the Gifts of Grace program and the Ministerial Excellence Fund. Materials for visiting with your council about Gifts of Grace / Ministerial Excellence Fund are available.

<sup>(1)</sup> The LSS financial check-up may be done in person, virtually, or over the phone.

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## 2022 Grant for Medical Expenses

Grant amount: Up to \$1,500

### Eligibility and Guidelines

1. All rostered ministers actively serving in the Southwestern Minnesota Synod are eligible to apply.
  2. A rostered minister may request this grant for yourself or for an immediate family member for a physical or mental health expense that causing financial stress.
  3. Previous medical grant recipients are eligible to apply annually.
  4. Complete the following:
    - a. Complete your 2022 Report to the Bishop.
    - b. See that your congregation's 2021 ELCA Parochial Report (forms A & C) are completed.
    - c. Submit a billing with your application.
  5. It is recommended that you attend a free one-session financial check-up with LSS Financial Wellness Services as part of your overall financial wellbeing and planning.
  6. The grant will be paid out at the end of the month that it is approved.
  7. The grant will be paid to the medical provider so that the applicant will not be taxed on the money. The applicant may choose to have the grant paid to them and a 1099 will be issued.
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## 2022 Grant for Retirement Readiness

Grant amount: Up to \$1,400

### Eligibility and Guidelines

1. All rostered ministers actively serving in the Southwestern Minnesota Synod are eligible to apply.
2. Previous retirement grant recipients are eligible to apply.
3. This grant has two parts. You may apply for one or both if you are eligible.
  - a. Part A: A Matched Contribution
    - i. A rostered minister who personally contributes to her/his Portico retirement plan with a pre-tax deduction can have their contribution matched up to \$600 for the year.
  - b. Part B: A Retirement Equity Contribution
    - i. A full-time rostered minister whose base salary is at or below 90% of our synod's guidelines for his/her years of experience is eligible for a \$800 contribution to her/his retirement account.
    - ii. A part-time rostered minister is eligible for a \$800 contribution to her/his retirement account.

4. All applicants are expected to:
  - a. Complete your 2022 Report to the Bishop.
  - b. See that your congregation's 2021 ELCA Parochial Report (forms A & C) are completed.
5. It is recommended that each year you talk to a Portico financial advisor about retirement or have a LSS Financial check-in session as part of your planning and financial wellness.
6. Payment of the grant: The Gifts of Grace staff will work with your congregation's treasurer to get the grant directly deposited into your retirement account. To do this, the grant will be distributed to the church with instructions given to the congregational treasurer detailing how to submit the money to the rostered minister's retirement account as a special payment. The grant will not be taxable to you if done this way.