

THE STUDENT AID FUND FOR MINISTERIAL CANDIDATE STUDENTS OF THE CENTRAL PENNSYLVANIA CONFERENCE OF THE UNITED METHODIST CHURCH

MISSION

The purpose of The Student Aid Fund is to offer financial assistance to persons preparing to fulfill their Call to full time pastoral ministry in the above-named Conference of The United Methodist Church (see header).

HISTORY

The original name of this fund was “The Central Pennsylvania Conference Education Society of the Methodist Episcopal Church.” The earliest records date back to 1873. However, a charter adopted November 1, 1897 established the Fund as a legal corporation. The Central Pennsylvania Conference changed the name to “The Student Aid Fund” in 1944. The merger of the Methodist Episcopal and Evangelical United Brethren Churches in 1968 precipitated the merger of both Denomination’s funds into the current entity in 1970. The Student Aid Fund is a legal, non-profit charitable corporation registered with the Commonwealth of Pennsylvania.

ELIGIBILITY

- You must be a certified candidate for the ordained ministry in the above-mentioned Conference (see header).
- The Fund will, however, give consideration to persons with special needs who provide letters from their pastor, supervising pastor, and/or the District Superintendent explaining the situation surrounding the application and the need for assistance.
- To be eligible, the applicant must be attending or planning to attend a school approved by the University Senate of the United Methodist Church.
- The applicant must maintain a grade point average of at least 2.0 on a 4.0 scale or its equivalent as indicated on transcripts and on the School Recommendation Form found in each application packet.
- The applicant must demonstrate need in the application form of The Student Aid Fund, as well as by completing the Financial Aid Profile Forms of the College Scholarship Service (CSS). Seminarians may substitute the federal S.A.R. form if their seminary uses it in place of the CSS form. The applicant must specify on either the CSS or S.A.R form that results are to be sent to The Student Aid Fund (in care of the Executive Secretary) as well as to the school involved. The Executive Secretary must have all forms in your file before the Fund offers or releases any assistance. There are no exceptions to this requirement.

TYPES OF AID AVAILABLE

Two types of financial assistance are offered: (1) **The Service Loan** and (2) **The Loan**.

A student may apply annually for a Service Loan and a Loan for a maximum of four years for undergraduate study and for a maximum of four years of seminary study.

DEADLINES

The deadlines for submitting applications are: **June 1** for the next full academic year; **November 1**, for the second semester of the current academic year.

THE SERVICE LOAN

The service Loan for seminary students is currently set at a maximum of up to \$5,000 per academic year. The Service Loan amount for undergraduate students is currently set at a maximum of up to \$2,000 per academic year.

In accepting Service Loan assistance from The Student Aid Fund, the applicant agrees to serve a period of not less than five(5) years in pastoral ministry in the Central Pennsylvania Annual Conference following graduation from seminary. Recipients of the Service Loan must provide a signed formal agreement, a promissory note, and other necessary forms.

The Fund will forgive 20% of the Service Loan for each year of full-time pastoral service rendered within the Central Pennsylvania Conference following graduation from seminary. Should the recipient fail to fulfill the agreement referred to above, the Fund will convert the Service Loan (or any unforgiven portion thereof) to a regular loan, which will be subject to the terms of the Loans from the Fund at the time of the conversion.

THE LOAN

Should the applicant need additional assistance beyond the Service Loan, he or she may also apply for a regular Loan from The Student Aid Fund. The current Loan ceilings are: \$1,500 per academic year for seminary students, and \$1,200 per academic year for undergraduate students.

Distribution of Aid

The Fund distributes all Service Loan and Loan monies in two equal installments in late August and December of the academic year. The Service Loan payments are made directly to the educational institution. The Loan payments are made directly to the student.

LOAN REPAYMENT

The Fund will charge interest on all loans at a rate of 6% (simple interest) per annum, beginning after the student has graduated or left school. The Fund will mail interest and account statements quarterly, in March, June, September, and December.

Recipients must pay back loans over a seven year period. Payment of interest must be kept current. The principal is to be paid back using the following schedule:

- 10% of the beginning principle by the end of each of the first four years following graduation.
- 20 % of the beginning principle by the end of the fifth through seventh years.

At the borrower's request, after he or she has repaid the Loan, the Fund will return the signed notes and other forms marked "paid."

BOARD OF MANAGERS

The Student Aid Fund is administered by a Board of Managers composed of seven clergy and seven lay persons of the Central Pennsylvania Conference of The United Methodist Church. An Executive Secretary coordinates the day-to-day affairs of the Fund. The list of the Board of Managers is found in the current edition of the Annual Conference Journal.

CONTACT FOR ACQUIRING FORMS TO APPLY FOR THE LOAN OR THE SERVICE LOAN

*The Executive Secretary
Rev. Dr. Ronald S. McElwee
711 Tristan Trail
Chambersburg, PA 17202
(717) 264-7447
drmcelwee@innernet.net*

CONTRIBUTIONS WELCOME

If you would like to make a contribution to The Student Aid Fund and/or include The Student Aid Fund in your estate planning, please contact one of the following or the Board of Managers:

*The Executive Secretary
Rev. Dr. Ronald S. McElwee
711 Tristan Trail
Chambersburg, PA 17202
(717) 264-7447
drmcelwee@innernet.net*

*The Treasurer of Central PA Conference
of The United Methodist Church
303 Mulberry Drive, Suite 500
PO Box 2053
Mechanicsburg, PA 17055-2053
(717) 766-5273 or (800) 227-6529*

In addition, The United Methodist Stewardship Foundation of Central Pennsylvania is also available to help you in making any such arrangements, or to help you address any other estate planning or investment concerns you may have. The services of the Stewardship Foundation are at no cost to the clients they serve.

*The United Methodist Stewardship
Foundation of Central Pennsylvania
303 Mulberry Drive, Suite 100
Mechanicsburg, PA 17055
(717) 766-7343 or (800) 272-0113*

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