

**SERVICE AND EDUCATION FUND GUIDELINES
REVISED MAY 1, 2007**

I. PURPOSE

The purpose of the Service and Education Fund is to provide Seattle Mennonite Church (“SMC”) members with the resources necessary to “reach out” in service to those in need as well as to ensure the fullest participation in Mennonite educational opportunities, so as to witness to a hurting world in response to the gospel of Jesus Christ.

II. SERVICE AND EDUCATION COMMITTEE

Leadership Council (“LC”) is authorized to appoint the Service and Education Committee (“S&E Committee”), whose purpose it will be to establish and revise as necessary application procedures and guidelines regarding eligible use of funds and payment procedures, and to review applications and make grant award determinations. Oversight of the Service and Education Fund and the S&E Committee will be the responsibility of the Education Commissioner. The Stewardship Committee shall provide financial oversight to ensure that the Service and Education account has sufficient funds to provide the grants as recommended by the S&E Committee. The intent is to ensure that the funds are accessible to further SMC’s charitable and educational purposes within the meaning of Internal Revenue Code Section 501(c)(3), and that no SMC funds are used for improper purposes.

III. NONDISCRIMINATION POLICY AND PERSONS NOT ELIGIBLE TO RECEIVE SERVICE AND EDUCATION FUNDING

SMC shall select Service and Education Fund grants and loan recipients on an objective and nondiscriminatory basis. Recipient selections are not intended to benefit present members of SMC’s leadership, members of the S&E Committee, or the Education Commissioner, members of their families, or any other person who is a “disqualified person” with respect to SMC within the meaning of Internal Revenue Code Section 4946(a). SMC’s selection process shall ensure that the Service and Education Fund awards uphold and further the SMC’s charitable and religious purposes, within the meaning of Internal Revenue Code Section 501(c)(3).

The following individuals are not eligible to receive grants or loan awards from the Service and Education Fund:

- S&E Committee members and members of their family (spouses, siblings, siblings spouses, ancestors, children, grandchildren, great grandchildren and the spouses of children, grandchildren and great grandchildren); and
- The Education Commissioner and members of his or her family; and
- Any other individuals participating in the application review and determination process, or members of their family.

IV. RECORDKEEPING

The S&E Committee shall keep records of the Service and Education Fund grant and loan awards, which shall include:

1. All documentation that SMC secures to evaluate the qualification of potential recipients;
2. The identity of each recipient, including any information on relationships that would cause the recipient to be a disqualified person with respect to SMC within the meaning of Internal Revenue Code § 4946(a) (e.g., Pastor, Associate Pastor, key managers of SMC, substantial contributors to SMC, members of the LC, members of the S&E Committee, the Education Commissioner, and members of their families including, spouses, siblings, siblings spouses, ancestors, children, grandchildren, great grandchildren and the spouses of children, grandchildren and great grandchildren);

3. The amount and purposes of each grant or loan;
4. A copy of the letter notifying the recipient of the grant or loan;
5. Documentation of the recipient's acceptance of the terms of the grant or loan;
6. The receipts/invoices received by SMC for the expenses covered by the Service and Education funds.

V. SERVICE GRANTS

Service Grants are made available for those undertaking voluntary service in furtherance of the charitable or religious purposes of a Mennonite-related organization or with an organization living out Anabaptist values. See sample list of Mennonite Service Opportunities attached as Exhibit A. Service Grants are intended to cover receipted expenses incurred as a direct result of service (e.g. housing or subsidy for mortgage, travel or moving expenses, training, college loan repayment assistance and other expenses that are ongoing while engaged in voluntary service).

Service Grants may be requested up to a maximum amount set annually by LC. Currently this cap is set at \$5,000 per year for an individual.

A. Eligibility

To be eligible for a Service Grant, an applicant must be an active, contributing participant of the SMC congregation for at least two (2) years prior to receiving the Service Grant.

Service must be performed with an "official" Mennonite service organization and/or a program developed or approved by SMC. It is recognized that in some cases, unique circumstances may prevent participation in "official" Mennonite service programs. In such cases, exceptions to allow participation in other programs may be granted on a case-by-case basis by the S&E Committee under direction of LC.

B. Application Process

Applications for Service Grants may be submitted to the chair of the S&E Committee at any time; however, since the Service and Education Fund budget is set on an annual basis with limited funds, applications should be submitted as early as possible in the budget cycle.

Applications should include, but need not be limited to: 1) a description of the organization and position/activities for which the applicant is seeking support; 2) a brief personal statement describing the applicant's motivation for pursuing this service; and 3) an overall budget for the service work, including expenses and sources of funding (both potential and assured sources of funding may be included).

C. Review Process

The S&E Committee in coordination with the Education Commission Coordinator will review the applications in a timely manner and report its award determinations to Leadership Council.

In some cases, the S&E Committee may request further information or dialogue with an applicant before making a decision about whether to award a Service Grant. Allocations for Service Grants are made on an annual basis and an award in one year does not imply that financial support will be awarded for subsequent years.

D. Education Follow-Up

Recipients of a Service Grant are strongly encouraged to participate in one or more educational events during or after completion of their grant-funded service. This follow-up to the service activity closes the loop for the

supporting SMC community, helping the whole congregation to grow from the service for which they have provided resources. Educational events include, but are not limited to: adult study, speaking in worship, leading a Sunday school class, and participation in other church-organized presentations or discussions. Upon completion of service funded by a Service Grant, the recipient should initiate a discussion with the S&E Committee about education follow-up options.

VI. UNDERGRADUATE EDUCATION LOANS

Undergraduate Education Loans are made available to enable students to attend an accredited Mennonite institution. It is recognized that in some cases, unique circumstances may make it more desirable for a student to attend another Christian college. In such cases, exceptions may be made to provide Undergraduate Education Loans to students attending another Christian college. These low-interest loans are forgivable in cases where a student completes at least a year (2000 hours) of voluntary service after graduation.

Loans may be requested up to a maximum amount set annually by LC. Currently this cap is set at \$5,000 per year for an individual. Loans are renewable up to an aggregate limit of four (4) loans at the cap amount.

A. Eligibility

To be eligible for an Undergraduate Education Loan, an applicant must be an active, contributing participant of the SMC congregation for at least two (2) years prior to receiving the loan.

Potential recipients must demonstrate that they have vigorously looked for other sources of grants, scholarships, etc. (i.e., the applicant is required to demonstrate that he/she has submitted grant/scholarship applications to at least three (3) other funding sources). The intent of this requirement is to avoid complacency on the part of SMC applicants who might otherwise assume that these funds will be available. Additionally, recipients of an Undergraduate Education Loan are required to maintain a minimum overall G.P.A. of 2.0 and maintain satisfactory progress toward a degree to be eligible for further Service and Education loans.

B. Application Process

Applicants must complete an application form including the following statements: a) applicant's statement of faith and Christian commitment within the context of the Mennonite/Anabaptist tradition; b) explanation of why a particular undergraduate institution has been chosen and how it will prepare the applicant for service; and c) statement explaining the applicant's theology of service, vision of service, and plans for service. Applicants must document acceptance into a program of studies as well as financial costs and needs. Completed applications must be submitted to the SMC Administrator or Education Commission Coordinator by May 31 for the following academic year. Students who have received an Undergraduate Education Loan in a prior year may fill out a Short Form application.

C. Review Process

The S&E Committee in coordination with the Education Commission Coordinator will review the applications in a timely manner and report its final award determination to LC.

In some cases, the S&E Committee may request further information or dialogue with an applicant before making a decision about whether to make an educational loan. Allocations for educational loans are made on an annual basis and an award in one year does not imply that financial support will be awarded for subsequent years.

Undergraduate Education Loans will not be "means tested" for financial applicability. In other words, it is up to the applicant to determine the amount he/she will need to cover incurred expenses.

D. Loan Repayment/Loan Forgiveness

As an Undergraduate Education Loan recipient nears completion of his/her academic studies, she/he should contact the SMC Administrator or a member of the S&E Committee to discuss the recipient's plans to repay the loan or to pursue forgiveness of the loan through the voluntary service commitment option.

If the recipient is pursuing the loan forgiveness option, the recipient must provide, within three (3) months of completion of his/her academic studies, a written plan for fulfilling the service commitment. Recipients are strongly encouraged to enter a full-time service program and complete their voluntary service commitment within a one (1) year timeframe, rather than spreading out part-time service over multiple years. Alternative means of fulfilling the service commitment may be allowed in exceptional cases; any such alternative must be approved by the S&E Committee under guidance of LC. If the pre-approved service commitment is not fulfilled according to the written plan within a reasonable period of time, the recipient will be required to commence full repayment of the loan. If substantial voluntary service of less than one (1) year has been completed, partial forgiveness of the loan may be considered based on a written appeal to the S&E Committee.

If no written plan for fulfilling a service commitment is received within three (3) months of completion of the recipient's academic studies, the recipient is obligated to begin repayment of the loan at that time. The standard repayment schedule will be 120 monthly payments (10 years), with interest charges accruing from the date the recipient completes his/her academic studies. The interest rate will be 5%* unless otherwise determined by LC. An alternate repayment schedule may be requested in writing, and may be approved on a case-by-case basis by the S&E Committee under direction of LC. The request for an alternate repayment schedule must include a clear justification for why the change is necessary and a clear plan and schedule for completing repayment of the loan.

VII. UNDERGRADUATE EDUCATION GRANTS

Undergraduate Education Grants are made available to enable students to attend an accredited Mennonite institution. It is recognized that in some cases, unique circumstances may make it more desirable for a student to attend another Christian college. In such cases, exceptions may be made to provide Undergraduate Education Grants to students attending another Christian college. Undergraduate Education Grants are made available based on the understanding that the recipient will complete at least a year (2000 hours) of voluntary service during the education process or after graduation.

Grants may be requested up to a maximum amount set annually by LC. Currently this cap is set at \$5,000 per year for an individual. Grants are renewable up to an aggregate limit of four (4) grants at the cap amount.

A. Eligibility

To be eligible for an Undergraduate Education Grant, an applicant must be an active, contributing participant of the SMC congregation for at least two (2) years prior to receiving the grant.

Potential recipients must demonstrate that they have vigorously looked for other sources of grants, scholarships, etc. (i.e., the applicant is required to demonstrate that he/she has submitted grant/scholarship applications to at least three (3) other funding sources). The intent of this requirement is to avoid complacency on the part of SMC applicants who might otherwise assume that these funds will be available. Additionally, recipients of an Undergraduate Education Grant are required to maintain a minimum overall G.P.A. of 2.0 and maintain satisfactory progress toward a degree to be eligible for further Service and Education grants.

B. Application Process

Applicants must complete an application form including the following statements: a) applicant's statement of faith and Christian commitment within the context of the Mennonite/Anabaptist tradition; b) explanation of why a

* The intent of charging interest is to motivate timely repayment of the loan, not to generate income for SMC. As a result, interest monies earned from the loans should be used to support the Service and Education Grants and Loans Program. In this way, loan recipients can enable further voluntary service by others where they are unable to participate directly.

particular undergraduate institution has been chosen and how it will prepare the applicant for service; and
c) statement explaining the applicant's theology of service, vision of service, and plans for carrying out the voluntary service commitment. Applicants must document acceptance into a program of studies as well as financial costs and needs. Completed applications must be submitted to the SMC Administrator or Education Commission Coordinator by May 31 for the following academic year. Students who have received an Undergraduate Education Grant in a prior year may fill out a Short Form application.

C. Review Process

The S&E Committee in coordination with the Education Commission Coordinator will review the applications in a timely manner and report a final award determination to LC.

In some cases, the S&E Committee may request further information or dialogue with an applicant before making a decision about whether to award a grant. Allocations for educational grants are made on an annual basis and an award in one year does not imply that financial support will be awarded for subsequent years.

Undergraduate Education Grants will not be "means tested" for financial applicability. In other words, it is up to the applicant to determine the amount he/she will need to cover incurred expenses.

D. Voluntary Service Fulfillment

As an Undergraduate Education Grant recipient nears completion of his/her academic studies, she/he should contact the SMC Administrator or a member of the S&E Committee to discuss the recipient's plans to carry out the voluntary service commitment. The recipient should, within three (3) months of completion of his/her academic studies, provide a written plan for fulfilling the service commitment. Recipients are strongly encouraged to enter a full-time service program and complete their voluntary service commitment within a one (1) year timeframe, rather than spreading out part-time service over multiple years. Alternative means of fulfilling the service commitment may be allowed in exceptional cases; any such alternative must be approved by the S&E Committee under guidance of LC.

If the pre-approved service commitment is not fulfilled according to the written plan within a reasonable period of time, or if no written plan is received within three (3) months of completion of the recipient's academic studies, the recipient will be required to commence full repayment of the grant. If substantial voluntary service short of the one (1) year commitment has been completed, partial repayment may be considered based on a written appeal to the S&E Committee. The repayment schedule will be in accordance with the terms and interest rate described in Section VI, D above.

VIII. SEMINARY EDUCATION GRANTS

Seminary Education Grants are made available to encourage members of SMC to undertake serious and sustained theological education and training in preparation for living out the Mennonite/Anabaptist ethic of peace and service to God and to humanity, and cultivating new leaders in ministry for the local, national, and global church.

Active members of SMC may apply for annual grants from the Service and Education Fund to support seminary study at Mennonite institutions or other approved theological institutions that reflect Mennonite/Anabaptist values.

Grants may be requested up to a maximum amount set annually by LC. Currently this cap is set at \$5,000 per year for an individual. Grants may be renewable up to an aggregate limit equivalent to four (4) grants at the cap amount.

A. Eligibility

An applicant for a Seminary Education Grant must be an active, contributing participant of the SMC congregation for at least two (2) years prior to receiving the grant.

A Seminary Education Grant is not an entitlement. Grants are made on an annual basis and an award in one year does not imply that financial support will be awarded for subsequent years. There are no automatic renewals; applications must be submitted annually.

B. Application Process

Applicants must complete an application form including the following statements: a) applicant's statement of faith and Christian commitment within the context of the Mennonite/Anabaptist tradition; b) explanation of why a particular theological institution has been chosen and how it will prepare the applicant for service; and c) statement explaining the applicant's theology of service, vision of service, and plans for service. Applicants must document acceptance into a program of studies as well as financial costs and needs. Completed applications must be submitted to the SMC Administrator or Education Commission Coordinator by May 31 for the following academic year.

C. Review Process

Applications will be reviewed in a timely manner by the S&E Committee in coordination with the Education Commission Coordinator. The Education Commissioner will forward the S&E's final award determination to LC.

Given the deep and sometimes complex connection between seminary study and calling within the church body, the Education Commission Coordinator or the S&E Committee may request that applicants for Seminary Education Grants pursue further dialogue between the applicant and members of LC and/or the S&E Committee.

D. Service Commitment/Follow-Up

As seminary study is typically undertaken in a context of calling to ministry, it is anticipated that recipients of Seminary Education Grants will fulfill their service commitment by continuing to pursue God's call to ministry among God's people. While a full year of voluntary service would be one means of fulfilling the service requirement, other options can be considered. The S&E Committee will work with each recipient of a Seminary Education Grant to develop a service plan and accountability structure suited to the particular circumstances of each person.

IX. FUNDING

To provide for the grants or loans, up to \$100,000 per year will be made available from general or specified funds for the Service and Education Fund budget. The S&E Committee shall develop an application period and set a maximum amount available to individuals. The application period shall be developed in such a manner as to ensure funds are available at appropriate times throughout the year.

The amount available in a given year may vary depending on the overall finances and budget of SMC, as well as the number and type of applications received. All issues related to determining the amount available in a given year, the movement of funds from one line-item to another and the carry-over of funds from one year to another will be done in accordance with the guidelines developed by the Stewardship Committee, endorsed by LC and approved by the congregation at the annual budget meeting.

In general, the Service and Education Fund will only pay bills for which an invoice is received (cash advances may be allowed on a case-by-case basis where it is impractical to follow the invoice procedure). Payment may be made directly to the institution (preferred) or the individual if a receipt is provided. The intent is to minimize even the appearance of any inappropriate use of funds. Additionally, potential recipients must demonstrate that they attempted to obtain other sources of financial support, either through government programs, their Voluntary Service program or Mennonite Mutual Aid.

EXHIBIT A
MENNONITE SERVICE OPPORTUNITIES

While an attempt has been made to create a comprehensive list of Mennonite Service Opportunities, it is recognized that programs change (some are added, others discontinued) and that some programs may have been inadvertently omitted. Consequently, programs that are not listed below may be eligible for consideration in this program.

MENNONITE VOLUNTARY SERVICE (VS) (formally MVS & MBM-VS)

722 Main Street, Box 347
Newton, KS 67114-0347
Phone: 316 283-5100

(and)

500 South Main Street
P.O. Box 370
Elkhart, IN 46515-0370
Phone: 219 294-7523

One or two year assignments in North America in designated VS units.
Mostly college age, but also for other adults and some youth (17+) options available.

MENNONITE DISASTER SERVICE (MDS)

21 South 12th Street, Box 500
Akron, PA 17501-0500
Phone: 717 859-2210

Short term (a day to a few weeks) voluntary work after natural disasters such as floods, tornadoes, hurricanes, and other storms.

MENNONITE CENTRAL COMMITTEE VOLUNTARY SERVICE (VS)

21 South 12th Street, Box 500
Akron, PA 17505-0500
Phone: 717 859-1151

One to three year assignments in North America and abroad in designated VS units, for all adults. There are also other programs such as the Sharing With Appalachian People (SWAP) project, Urban Community Development Summer Service Program, and SALT.

EASTERN MENNONITE MISSIONS SERVICE PROGRAM

P.O. Box 628
Salunga, PA 17538-0628
Phone: 717 898-2251

Various service programs as listed below.

Summer Training Action Team (STAT): High School youth - four weeks of discipleship training followed by four weeks of cross-cultural experience.

Voluntary Service (VS): One or two years service in VS units in NE U.S.

Youth Evangelism Service (YES): Young adults for three months of discipleship training followed by four to eight months of cross-cultural service in another country.

School of Witness: For persons previously involved in service or who desire three months of advanced training followed by a supervised internship of six months.

MENNONITE BOARD OF MISSIONS SERVICE MINISTRIES

500 South Main Street, P.O. Box 370
Elkhart, IN 46515-0370
Phone: 219 294-7523
Various service programs as listed below.
(Voluntary Service amalgamated with GCMC MVS Program)

Mennonite Service Venture (Youth Venture): High school youth serve for three weeks in summer in various cities in North America.

Service Adventure: Ten and a half month service and learning program for post-high school young adults.

Service Opportunities for Older People (SOOP): Short-term service assignments for older adults.

Short Term: Summer or Winter short term Voluntary Service opportunities.

OTHER SERVICE OPTIONS

Christian Peacemaker Teams
P.O. Box 6508
Chicago, IL 60680-6508
Phone: 312 455-1199 cpt@igc.apc.org

Short term internships and 10 day-2 week delegations for students and adults.

Reserve Corps available for 2-12 weeks/year for peacemaking projects, 18 years and older.

Full time Corps (3-year commitment).

Mennonite Central Committee-Canada Native Gardening Program
201-1483 Pembina Highway
Winnipeg, MB
R3T 2C8 Canada
Phone: 204 475-3550
(early May-harvest time assignments in Canadian native communities;
also - may be some MCC-Canada summers service opportunities)

Washington Study Service Year (WSSY)
??? North Dakota Ave., NE
Washington, DC 20???
Phone 202 529-0704/529-5378
(10-month study and service program for university students (offering credit)
in Washington, DC)

Rosedale Mennonite Missions
9920 Rosedale-Milford Center Road
Irwin, OH 43029
Phone: 614 857-1366

Three year overseas program North American Programs for High School Graduates

SHORT TERM PROGRAMS

Ad-Ventures groups (Franconia Mennonite Conference)
Overseas Ministries and Partners in Mission of Virginia Conference

Mennonite Urban Ministry -- Denver Opportunity for outreach and reflection (DOOR)
430 W. 9th Ave.
Denver, CO 80204
Phone: 303 892-1039
Door programs are short term - weekend and one week service opportunities.