

2.100 COMMITTEES OF COUNCIL: FINANCE AND BUDGET

2.103 Good Faith Loans

A. Guidelines:

1. Limit for loan pool: \$80,000.00;
2. Limits for each loan: \$1,000-\$10,000.00;
3. Interest is computed from initiation of loan, but interest is waived if paid within two (2) years;
4. There will be no project review; the ability of parish to repay is the only prerequisite;
5. Finance and Budget Committee will formulate a contract form with an attorney.
6. Borrower will complete and notarize a contract to initiate the loan.
7. In case loan is not paid in two (2) years, Borrower will be liable for immediate payment of three (3) per cent interest for the two (2) years, with regular monthly interest payments until the loan is paid in full.
8. Borrower will not be allowed more than one (1) loan at a time.

B. Procedures:

1. The application will be signed by the Moderator and Clerk of Session unless the church has a separate board of trustees, in which case it will be signed by the Moderator and Clerk of the Board of Trustees.
2. The application will be mailed or delivered to the Presbytery office.
3. The Presbytery Office will copy the application and send it to the Chairperson of the Finance and Budget Committee (F&B).
4. F&B will meet to consider the application, with a Presbytery Trustee in attendance.
5. If approved, F&B will sign the approval and deliver or send it to the Presbytery Trustee for his/her signature of approval.
6. The Presbytery Trustee will send it to the Presbytery Treasurer.
7. The Presbytery Treasurer will issue a check to the church, sign that the loan has been made, keep a copy, send a copy to the chairperson of F&B and send original to Presbytery Office.

8. If desired, the Presbytery Treasurer will report quarterly to the F& B chairperson, with a list of the loans made to confirm that the chair has not missed any of the copies.