

POLICY REGARDING LOAN GUARANTEES

Adopted 11/27/2007

The Presbyterian Investment and Loan Program (PILP), as well as some commercial lenders, requires that the Presbytery guarantee the repayment of loans made to churches. Churches requesting such a loan guarantee must be current in the following obligations:

- Per capita assessment
- Mission giving to PC(USA)
- Pension and medical payments to the Board of Pensions
- Property and liability insurance
- Workers compensation

For purposes of this policy, being current is defined as having made regular or on-time payments for the previous 24 months.

In addition to the above requirements, churches requesting loan guarantees should submit the following to the Property and Finance Committee at least one week prior to their scheduled meeting:

- Year-to-date financial statements for the current year, and a year-end statement for the previous year.
- Minutes of the congregational meeting in which the loan was approved. If request is subject to congregational approval, the date of the meeting with minutes to follow.
- Plans for use of the borrowed funds
- If any part of the church's property is rented or leased to another party, copies of all leases/rental agreements and certificates of insurance naming the church and the presbytery as additional insureds (in compliance with *Policy on the Rental, Lease and Use of Church Property*, adopted 9/28/99).