

**STATEMENT OF LOAN POLICY  
COLUMBIA DISTRICT CHURCH EXTENSION SOCIETY (CDCES)  
OREGON-IDAHO CONFERENCE**

**I. GENERAL POLICIES:**

A. The loans of CDCES shall be reviewed and evaluated by the Loan Committee of the Society. Each application shall be recommended for approval or denial, with or without conditions or modifications, to the Board of the Society.

B. Loans made by the Society are intended to assist church and ministering units located within the Columbia District of the Oregon-Idaho Annual Conference in the extension of our shared ministries through projects which require resources beyond the local capability. Loans may include funds for staff, materials, equipment, and supplies as well as maintenance and purchase of property.

C. Loans will be extended upon evidence that local resources have been sought (through stewardship campaigns, special askings, and/or fund raisers) and that capital and other needs remain.

D. Extension activity includes, but not necessarily limited to:

1. Projects or programs which are intended to attract the unchurched to worship and/or other religious activities.
2. Projects or programs which provide opportunity for United Methodists to be in ministry.
3. Projects which preserve assets related to projects or programs defined in D1 and D2 above.

**II. GUIDELINES AND CRITERIA FOR GRANTING LOANS:**

A. Applications:

1. Applications for loans must be submitted on forms provided by the Loan Committee. Completed applications are to be forwarded to the Columbia District Office or the Chair of the Loan Committee. The Chair will call committee meetings as needed to review loan applications on a timely basis.

2. Criteria for Loan Applications:

- a. Be for projects or programs which will extend the work of the Church.
- b. Be for projects or programs which will enhance the extension activity of the United Methodist Church within the Columbia District of the Oregon-Idaho Annual Conference.

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- c. Address financial needs which cannot advantageously be met through conventional lending sources either within or outside the United Methodist Church.
- d. Be approved by the appropriate local and district committees and/or officials.

**III. SPECIFIC GUIDELINES AND CRITERIA FOR LOAN FUNDING:**

A. Some percentage of interest earnings from the general unreserved loans of CDCES shall be designated as grant resources.

B. Loan Fund: All funds made to the Society to be used for loans are deposited in the CDCES Loan Fund. Sixty-six percent of these funds are available only for loans. Interest on this 66% portion of the fund must be returned to the fund. The 34% balance of the fund has no specific restrictions and is utilized as determined by the Board.

C. Loan applications will be acted on in order (sequence) in which they are received.

D. Preference will be given to loan applications which, in the view of CDCES, offer the greatest opportunity for extension work and vital church ministries.

E. Terms will be negotiated between the CDCES Loan Committee and local church leaders. Loans should be for 10 years or less but can be longer if approved by the Board. Extra principle amounts may be prepaid at any time.

F. All loans shall be secured by a promissory note. Loans exceeding \$50,000 shall require a Title Search. Loans exceeding \$250,000 shall require a Trust Deed filed with county.

G. Local churches are expected, as a condition of any loan, to pay their CDCES Askings.

H. If a church with a loan has temporary financial difficulties, the church may apply with a written letter to the CDCES for a 90-day period where loan interest is paid, only, which would extend the length of the loan. This interest only period would go into effect when a revised promissory note is signed by the church.

Approved: June 15, 2016

Amended: May 19, 2020

Amended: Sept 15, 2020

**CDCES BOARD OF DIRECTORS**