

Standing Committee Expected Timeline of Activity on Canon 14.1.b Debt Requests

1. As soon as the church leadership realizes that debt will be incurred past the canonical threshold of Canon 14.1.b, , indicating a need for operating cash flow, or may get close to doing so, the President of the Standing Committee should be contacted and a liaison from the Standing Committee will be assigned to work with the church leadership. A typical funding mechanism for such debt is a Line of Credit.

2. The requesting church will complete the required documents as outlined by the Standing Committee. These documents must, per Canon 14.3, include a plan of repayment of the indebtedness.

3. In most cases, the church will present its case for approval in person to the Standing Committee and the assigned liaison will assist the church in being placed on the agenda of a specific meeting. The need to make a personal appearance will be determined by the President of the Standing Committee, acting on the advice of the assigned liaison and the Treasurer of the Diocese.

4. An initial copy of the fully completed Standing Committee requirements for the consideration of debt approval is to be sent to the Treasurer of the Diocese no later than three weeks prior to the designated meeting. This may be sent electronically. The Treasurer, or designee, will review all documents and will respond to the church contact within three business days with any suggested modifications.

5. A final copy of the required documents is to be sent to all members of the Standing Committee no later than two weeks prior to the designated meeting.

6. If approved, such debt approval will be noted in the minutes of the Standing Committee and the President of the Standing Committee will issue, or will direct the Treasurer of the Diocese to issue, a letter to the church indicating that said church has met the canonical guidelines for the approval of the specific amount of total debt.

Current Expense Indebtedness per Canon 14.1.b

Request Document Worksheet

Please provide the following information:

1. A copy of the lender indebtedness agreement.
2. A description of the approval process for the proposed debt, including:
 - a. Confirmation of an affirmative vote by the congregation, if church property will be encumbered by the proposed debt.
 - b. Vestry minutes showing such approval.
3. If there will be church property encumbered by the proposed debt, please provide a statement showing the names and dated signatures of those persons with trusteeship of the property which indicates their consent. If the planned debt will be unsecured, this step is not required. However, please advise if the debt is unsecured or not.
4. Current church membership and projected membership for the next two years.
5. Average Sunday Attendance for the prior two years.
6. Financial information:
 - a. Current year budget, including year-to date actual results and projected budget for following year.
 - b. Budgets should reflect the repayment plan for the debt.
 - c. Current audit statement, which should reflect any existing debt held by the church, whether it is long-term debt or other current debt.
 - d. Number of pledges and average pledge in current and prior year
 - e. Current and prior two-year history of pledging to the Diocese of Virginia. The church must meet the minimum pledge as stated in current diocesan policies in order to receive approval.