

LOAN AND GRANT OPPORTUNITIES

DISBURSEMENT POLICY AND PROCEDURES

- ∞ **Executive Committee** of Council receives and acts on J. Warren and Lois McClure Discipleship Discovery 2000 Funds **Initiative One**
- ∞ **The Congregational Support and Resources Committee** receives and acts on J. Warren and Lois McClure Discipleship Discovery 2000 Funds **Initiative Two and Three**
- ∞ **The Outreach and Social Justice Committee** receives and acts on J. Warren and Lois McClure Discipleship Discovery 2000 Funds **Initiative Four**
- ∞ **The Congregational Support and Resources Committee** receives and acts on **Walter P. Irish Bequest Funds**

For J. Warren and Lois McClure Discipleship Discovery 2000 funds, the managers of the Fund (currently the Chittenden Bank) will make available for disbursement, at each calendar quarter end, one and a quarter percent of the average value of the Fund over the past 12 quarters. The amounts available will then be approximately five percent per year of market value. This policy is based upon the governing statutes of the State of Vermont and reflects a judgment as to what level of disbursement is “prudent” in terms of the expected profitability of the invested funds and the need for growth in the funds to offer protection from inflation.

COMMUNICATIONS

McClure/Discovery 2000 Fund and Walter P. Irish Fund reports, including income, disbursements, activities and results, will be regularly carried in the *Mountain Echo*.

ADMINISTRATIVE PROCEDURES

It is strongly recommended that the congregations/regional ministries apply for loans as early as possible in their planning effort. Funds are sometimes not totally available to accommodate requests quickly. Therefore, it is important to local planning efforts to make early contact with the Diocese concerning availability of funds, applications and planning assistance where necessary.

Forms for loans and grants are in Section 5 of this handbook

J. WARREN AND LOIS MCCLURE DISCIPLESHIP DISCOVERY 2000 FUNDS

INITIATIVE I BISHOP BUTTERFIELD LOAN FUND

Replenish and Increase the Bishop Butterfield Loan Fund

“Built over the years with sacrificial gifts from every congregation, this fund has for over a generation enabled congregations to borrow money to make needed physical plant

improvements such as emergency repairs, energy conservation projects and handicap access.” *from the *Discovery 2000 prospectus*.

LOAN POLICIES

Loans shall be granted to congregations or regional ministries, with interest, for **capital improvements only**.

All applications for loans from this Fund will incur a nominal interest rate as part of repayment. This rate will be changed every January 1st and will be the established rate of increase of the Consumer Price Index for the 12 months ending in the preceding April, plus 1%. However, the interest rate charged will never be less than 3%. (In 2003, the rate is 3%*, in 2004 the rate is 3.2%) The rate, once set, will last for the lifetime of the loan. It is important to be good stewards of the funds, raised for McClure/Discovery 2000, and to work to keep the principal intact through charging this nominal rate to Fund users. Funds available shall be loaned to the fullest extent prudent in support of documented need.

It is expected that congregations/regional ministries will support the projects for which loans are requested with matching funds consistent with the local situation.

Repayment of loans:

- a. Beginning April 1, 1997, payments will be applied first toward interest and the remainder will be applied to principal outstanding.
- b. Rapid repayment of loans shall be encouraged with maximum loan period of ten (10) years. The ten-year repayment period would begin no later than two (2) years after completion of the project.
- c. New requests for loans shall be considered on a consolidated basis with the existing loans and the congregation/regional ministry shall propose the repayment schedule.
- d. The recommended rate of repayment of all the outstanding loans to a particular congregation/regional ministry shall not be less than five percent of the annual budget of the congregation/regional ministry.

To make this truly a “revolving fund” which will never be dissipated, payments must be made in accordance with the amortization schedule. If a congregation/regional ministry experiences difficulty in meeting the terms of its loan, it should contact the Executive Committee of Council through the Financial Administrator. A complete and audited report of the Bishop Butterfield Loan Fund must be published in each printing of the Diocesan Journal.

APPLICATION GUIDELINES

Applications are available in Section 5 of this Handbook or by calling the Diocesan Office. Instructions are contained with the application concerning the information required as well as addenda and approvals necessary to complete the application.

The submission of the **current parish audit** is required with each application, and either an engineer's report or minimum of three bids must be provided for any request over \$10,000.00.

Completed applications must be returned to the **Financial Administrator** for review and transmittal to the **Executive Committee** who must make a recommendation to the **Diocesan Council**. The Rector/Vicar and at least one member of the Vestry/Executive Committee or authorized person should attend the Executive Committee and the Diocesan Council meetings at which the application is to receive consideration. In the case of small, non-controversial loan requests the Bishop and/or Treasurer may waive attendance at these meetings. It is the responsibility of the Treasurer to notify the applicant of the time and place of the meeting.

All loans once approved by the Diocesan Council are administered through the office of the Diocesan Treasurer. Loan payments, unless otherwise arranged, shall be made on a quarterly basis as established by the loan agreement. The Treasurer must report to the Diocesan Council any loans in default for more than three months for appropriate action.

Emergency loans not to exceed \$1500.00 may be approved by the Bishop. Emergency loans, not in excess of \$2500.00 may be approved by the Executive Committee without consultation with the Diocesan Council. All such loans shall be reported to Council at its next meeting.

Approved by Diocesan Council 12/14/1984

Amended by Diocesan Council 4/20/1996

Amended by Action of the 1996 Diocesan

Convention

Amended by Diocesan Council 6/14/1997

INITIATIVE TWO

The Talent And Resource Network

Grants are to be used “. . . to help defray the costs of travel, supplies, materials, coordination and training, as well as other costs related to enabling experienced clergy and lay leaders (from both within and outside our Diocese) to share their time, energy and talents . . .”**from the Discovery 2000 prospectus*. Examples of Initiative Two requests are the Leadership Program for Musicians, conference costs, computer upgrades, prayer books, and consultants. **The deadlines for receiving Initiative Two grant requests are January 15, April 15, August 15, and October 15.** Other requirements are that your parochial report and assessment are current and all past grant accountings are filed. A grant accounting is required for all grants upon completion.

1. The Fund will be administered by the Congregational Support and Resources Committee (CS&R). CS&R is a Committee of Diocesan Council charges with stewardship of certain resources for the encouragement and up building of congregations. Current members of the Committee include council members, Living Stones Coordinator, and a Diocesan Ministry Support Team liaison.
2. The Fund will be a line item in this Committee's budget entitled “McClure Discipleship/Discovery 2000 Talent and Resource Network”.

3. The Fund is currently invested in the Unit Funds. The Fund will use income as distributed by the Unit Fund.
4. Parochial Reports, assessments and grant accountings (required for all grants upon completion) must be current in order to apply.
5. In the event granted funds are not needed/used for purposes requested, the funds not used must be returned.
6. The deadlines for receiving grant requests are January 15, April 15, August 15, and October 15.
7. See grant guidelines on page 37 of this section.

INITIATIVE THREE

The Congregational Renewal and Emergency Assistance Fund

Grants are to be used “. . . to address vital issues facing congregations or their communities – issues such as new ways of involving young people in the life of the church, or solving a pressing community problem, or addressing the spiritual needs of our growing elderly population . . .”**from the Discovery 2000 prospectus*. Examples of Initiative Three projects are furnace and chimney repairs, feasibility survey for a building project, replacement of a leaky oil tank. **The deadlines for receiving Initiative Three grant requests are January 15, April 15, August 15, and October 15.** Other requirements are that your parochial report and assessment are current and all past grant accountings are filed. A grant accounting is required for all grants upon completion.

*

1. This Fund will be administered by the Congregational Support and Resources Committee.
2. The Fund will be presented as an Opportunity Fund in this committee’s budget rather than as a budget line item.
3. Requests for funds may be met by a mixture of both grants and loans. If there is a loan portion, it will carry the same nominal interest rate as the Butterfield Loan Fund.
4. The Fund is currently invested in the Unit Funds. The Fund will use income as distributed by the Unit Fund.
5. Parochial Reports, assessments, and grant accountings (required for all grants upon completion) must be current in order to apply.
6. In the event granted funds are not needed/used for purposes requested, the funds not used must be returned.
7. The deadlines for receiving grant requests are January 15, April 15, August 15, and October 15.
8. See grant guidelines on page 35 of this section.

Grant Request Guidelines

The questions below are ones the Congregational Support and Resources Committee (CS&R) ask when considering any application (Initiative Two, Three and Irish Fund),

and are offered to help you write a request which includes all the necessary information. We understand that a request for \$200.00 for new music does not require the same level of support as a request for a \$10,000.00 capital project. Grant requests above \$1,000.00 should have detailed documentation. While we would like to be able to approve all grants in full, limited resources do not allow this. Decisions will be made based on the answers to the questions below, and the relative need and urgency of completed requests. Thank you!

1. Is the congregation keeping up with its diocesan responsibilities?
 - ∞ Assessment is being paid regularly or has been waived/forgiven, or is being negotiated.
 - ∞ Parochial Report has been filed
 - ∞ All previous grant reports are current

If “no” for any of the above, please explain mitigating circumstances and/or when this obligation will be met. Monies ordinarily cannot be released unless these items are answered in the affirmative.
2. Has the grant been developed through a process appropriate to the asking?
 - ∞ Clergy and Vestry/Executive Committee aware and supportive
 - ∞ Congregation/group has ownership and supports the effort – including raising money locally and/or using congregational funds
 - ∞ The project addresses a relevant need, in context of a larger mission
 - ∞ The grant request has come directly to the CS&R committee, via Diocesan Office.
3. Is the requested grant both enough to accomplish the stated goals, and a reasonable use of diocesan funds?
 - ∞ If the congregation/regional ministry is working with a ministry developer, is he/she supportive of the grant request? There is a place on the grant request form for the ministry developer to sign off on the grant request.
 - ∞ Bids, expenses, and schematics are well researched, seem appropriate, and are included with the application.
 - ∞ Separate projects are requested separately, and prioritized, and the application clearly states what project or part of a project the grant will support.
 - ∞ The amount is in proportion to the benefit, both locally and in the diocese.
 - ∞ CS&R grants are just one funding source. Have other resources been considered.
 - ❖ Butterfield Loan
 - ❖ Outside grants: Efficiency Vermont, Arts Council, Historical Society
 - ❖ Local fundraising, capital drive, etc.
4. Grants which come in after the deadline will not be considered until all the others have been acted upon.

INITIATIVE FOUR

Diocesan Outreach Fund For Congregations

“Each congregation is invited to request (through the Outreach and Social Justice Committee of Diocesan Council) seed funds for outreach projects they feel called to sponsor. Habitat for Humanity, food banks, shelters, thrift stores and fuel assistance are

only a sample of the ways we could extend our mission to our communities.” **from the Discovery 2000 prospectus.*

1. The McClure Discipleship/Discovery 2000 Initiative Four is administered by the Outreach and Social Justice Committee of Diocesan Council.
2. Congregations, Regional Ministries, and Deaneries may apply to the McClure Discipleship/Discovery 2000 Outreach Fund.
3. The emphasis is on local Outreach projects. Applications that emphasize outreach work beyond the walls of the Church will be most favorably received.
4. The Fund is currently invested in the Unit Funds. The Fund will use income as distributed by the Unit Fund.
5. The Outreach and Social Justice Committee will make disbursement reports to Diocesan Council.

Initiative Four Grant Criteria

As adopted by the Diocesan Council December 1, 2001

1. Grant funds will be available for outreach and social justice initiatives. The funds will be used primarily for seed money. Examples of outreach projects include food banks, shelters, thrift stores, and fuel assistance.

Social Justice is a general area of ministry that arises out of our baptismal promise to “seek and serve Christ in all persons, loving our neighbors as ourselves” and “striving for justice and peace among all people, and respecting the dignity of every human being”.

Social Justice includes economic justice. The social justice ministry attempts to address the fundamental causes of social justice problems perhaps through legislation or empowering local groups to address their needs. It addresses systemic problems. Examples of social justice projects include:

- ∞ Efforts to address the lack of affordable housing in a community
- ∞ Education and support for the implementation of a livable wage for workers in the community and in the State.
- ∞ Collaboration with interfaith and other social justice projects in the community and State.
- ∞ Initiatives to address racism in the community
- ∞ Efforts to get community and government support for high quality and affordable child care services
- ∞ Support for initiatives to reduce domestic violence and child and adult sexual assault

Funds can be used for community and organizational development. Projects should demonstrate the involvement of the client.

2. Goal: 50% of the funds will be dedicated to outreach and 50% to social justice.
3. Projects will serve people who are not members of the parish and are at risk.

4. Projects should serve the community within the reach of the parish. Limited funding will be available to support mission projects such as Honduras and El Salvador.
5. The vestry will commit matching funds at the time of the grant application.
6. Applications demonstrate evidence of parishioner involvement in project.
7. Applications are considered 4 times a year
8. \$2,000 is the maximum grant award.
9. Deadlines for submission of applications to the Outreach and Social Justice Committee are **January 15** for action by February 28, **April 15** for action by May 31, **July 15** for action by August 31 and **October 15** for action by November 30.

WALTER P. IRISH FUND GRANT

These funds were bequeathed to the Diocese by Walter P. Irish in 1998 to provide assistance to small parishes in Vermont. Congregational Support and Resources Committee includes in its budget each year a sum of money to be allocated to congregations/regional ministries in need of Diocesan Support. It has established the following guidelines for deciding on grants from this fund:

1. Long range potential for congregational development and the existence of a plan to achieve it, including specific goals for the period of the grant, will be given considerable weight. In the absence of a plan the congregational/regional ministry's commitment to develop one will be considered. Grants will be considered to aid the development of long range plans.
2. There should be a positive track record for the congregational/regional ministry showing movement towards viability as opposed to stagnation. Congregations should have a well-developed sense of trust, interdependence, and mutual responsibility in the Diocese, rather than an attitude of dependency, complacency, or independence.
3. Grants may be made which are needed to maintain an Episcopal presence or congregation deemed essential by the Diocese.
4. In the case of emergencies where the above criteria do not seem to apply, grants will be considered if funds are available.
5. **The deadlines for receiving Irish Fund grant applications are January 15, April 15, August 15, and October 15.** The Committee receives Irish Fund money once per year in January. It is awarded, until spent, at quarterly meetings in February, May, September, and November. Other requirements are: parochial reports, assessments, and grant accountings must be current in order to apply.
6. In the event granted funds are not needed/used for purposes requested, the funds not used must be returned.

All Grant and Loan applications are in Section Five of the Diocesan Handbook