It is the policy of this synod not to provide loans to synod officers, directors or employees.

The assets and funds of the synod have been given in trust by members and congregations of this synod to be used for the general operating expenses of the synod, the support of its ministries and the care of its leadership. Further, a substantial portion of the synod’s cash resources are either restricted or have been designated for particular purposes by the donor or Synod Council and cannot be diverted. Finally it is believed that making such loans can lead to resentment and misunderstanding within the organization, negating any positive effect of the loan.

However, given the nature of our organization, exceptions can be made in the case of full-time employees only. No hard and fast rules can be made for exceptions and each request for a loan should be evaluated on its own merits using criteria which include the following:

- Will the loan advance the mission of the synod?
- Has the employee explored other sources of financing?
- Is the employee long-term and/or highly ranked?
- Is there reasonable certainty that the loan will be repaid?
- Will the loan be a just use of the synod’s limited resources?
- Will the loan be in compliance with all applicable regulations and ethical considerations?

An example of a case where an exception might be approved would be in the case of a called member of the staff who is required to relocate to take his or her position. Change in housing arrangements might create an unreasonable financial burden that could be lessened by a loan from the synod.

Whatever the circumstances of the exception, the loan must be:

- Fully amortizing.
- Marked at the current market interest rate.
- Payable monthly.
- Callable for delinquent payments.
- Due in full on or before ninety days after the borrower is no longer an employee of the synod.
- Protected by collateral, whenever practicable.
- Covered by a formal note.

Exceptions must be approved by the Bishop, treasurer, Synod Council and Financial Management Committee. All open loans should be reviewed at least annually to determine if they continue to serve the purpose intended.

Approved by Financial Management Committee 8/10/2010

Approved by Resolution of Synod Council 9/11/2010