Tennessee Baptist MISSION BOARD

Outline of Macedonian Loan Program for Tennessee Baptist Churches and Associations

A. Qualifications
   1. Church's or Association's viability over the next five years: Church or Association should be able to demonstrate that they were at least a stable organization with good prospects for success just prior to the time of the Coronavirus Disease 2019 (COVID-19) pandemic declaration by the World Health Organization on March 11, 2020. Further, they should have a clear vision and strategy for coming out of the pandemic, regathering their flock, and moving forward.
   2. Demonstrated need: Church or Association should be able to document that receipts dropped because of the pandemic (jobs lost, retirement income lost, drop in contributions, etc.) and not because of other factors. Application should reflect fixed costs in categories of personnel, debt service, and other fixed costs anticipated for the period of March 1, 2020 through June 30, 2020.
   3. Cooperative Program commitment: Church should have a demonstrated commitment to giving through Cooperative Program in the past and a stated intent to continue to give in the future. Association should have a demonstrated commitment to support and promote the Cooperative Program in the past and a stated intent to continue such support and promotion in the future.
   4. Church must have had less than $400,000 in undesignated receipts during calendar year 2019, as reported on the 2019 Annual Church Profile.
   5. Church is expected to have utilized most reserves on hand.

B. Uses of Funds (Based on period of March 1, 2020 through June 30, 2020)
   1. Support of staff: Compensation and medical insurance for staff. This would not include school or affiliated ministry staff.
   2. Debt Service: Mortgage on facilities and other types of loans related to the ministry of Church or Association.
   3. Other fixed costs: Property insurance, regular facility operations, contracted services.

C. Loan Calculation
   1. Maximum loan will be $25,000.
   2. General calculation is that loan will cover up to 50% of Church's or Association's documented actual or anticipated expenses as identified in section B above for the period of March 1, 2020 through June 30, 2020, up to the maximum.
   3. Team of TBMB staff and directors will consider each application based on the specifics presented and knowledge of the situation.

D. Loan Specifics
   1. Collateral: Promissory note signed by Church's or Association's leadership, pledging to pay off loan within three years and to acknowledge loan from TBMB to any other lenders they pursue during this time.
   2. Due Date: Payment is due within 36 months. Church and Association are encouraged to repay as soon as possible.
   3. Interest Rate: 0% interest for 36 months, 5% interest thereafter.

E. Administration
   1. Program oversight will be responsibility of TBMB Administrative Committee, through the Executive Director. Team of selected TBMB staff and directors will consider applications, approve loans, monitor progress of Churches or Associations, and track loan repayments.
   2. Once approved, loans will be administered by the Tennessee Baptist Foundation. An initial transfer of Tennessee Baptist Disaster Relief funds in the amount of $250,000 will be placed with the Foundation. An additional $250,000 will be maintained by TBMB in the Disaster Relief Fund if the need should arise.
   3. Churches will be encouraged to make application for a loan/grant through the Paycheck Protection Program administered by the Small Business Administration before applying for this loan.