



Loans to Churches

EMPOWERING PEOPLE TO CHANGE LIVES!

Loan Master Plans

To assure a successful building project, it is recommended that you have three master plans clearly outlined. If these plans have not been determined or are not currently in writing, take some time to discuss and document them. Your master plan for the vision and ministry of your church must be completed first. This is the most critical plan because it establishes what you ultimately want to accomplish. The second, your facilities master plan describes an environment conducive to fulfilling your vision. Once these two plans are in place, the third, a financial master plan may be assembled. The financial master plan is ineffective unless the other two master plans are well defined and mutually supported.

A MASTER PLAN FOR THE VISION AND MINISTRY OF YOUR CHURCH

1. Develop a mission statement.
2. Define your community.
3. What are the needs of your community?
4. What are your ministerial objectives?

A FACILITIES MASTER PLAN TO CARRY OUT THE FIRST PLAN

Before you go to an architect, consider the following questions:

1. What kind of environment will you need to fulfill your ministerial objectives?
2. Which facilities are most needed?
3. What is your timeline?
4. Will planned facilities accommodate future growth?
5. Will your future growth support the planned facilities?

A FINANCIAL MASTER PLAN TO SUPPORT BOTH OF THE PREVIOUS PLANS

1. Operating income growth?
2. Stewardship?
3. Capital Funds?
4. Development of a permanent endowment?
5. Managing debt?

**BUILDING REQUIREMENTS
2016 BOOK OF DISCIPLINE
PARAGRAPH 2544**

The 2016 Book of Discipline of The United Methodist Church outlines the planning and financing requirements for local church building, if the church desires to build, purchase or remodel a church, educational building or parsonage. The following is a summary of those requirements.

<u>RESPONSIBLE ENTITY</u>	<u>TASK</u>
LOCAL CHURCH	Establish a study committee.
STUDY COMMITTEE	Analyze the needs of the church and community. Project potential membership and attendance. Develop the Church's Program of Ministry. Develop an accessibility plan. This information will form the basis of the report to be presented to the charge conference and to be used by the building committee. The study committee's findings become a part of the report to the district board of church location and building.
LOCAL CHURCH	Secure the written consent of the pastor and the district superintendent (2544.2). Submit the data to the district board of church location and building (2544.3).
DISTRICT BOARD OF CHURCH LOCATION AND BUILDING	Review and approve (if applicable).
CHARGE CONFERENCE	Authorize the project and elect a building committee of no less than three members (2544.4(a)).
BUILDING COMMITTEE (2544.5)	Estimate the facilities needed. Determine the cost of property to be obtained. Ensure that all newly constructed or purchased buildings and parsonages contain ground level handicapped accessible facilities. Estimate construction costs.

RESPONSIBLE ENTITY

TASK

BUILDING COMMITTEE
(2544.5)

Develop a financial plan for the total costs including cash, pledges and borrowed amounts.

Submit a statement for the need of the proposed facilities, architectural plans and financial estimates and plans to the district board of church location and building (2544.6).

CONDUCT CAPITAL CAMPAIGN

DISTRICT BOARD OF
LOCATION AND
BUILDING

Review and approve preliminary data from the church.

SENIOR PASTOR

With written approval of the district superintendent, call a church conference to recommend the project including all preliminary data (2544.7)

CHURCH CONFERENCE

Review and approve preliminary data from the building committee (2544.7).

BUILDING COMMITTEE

After approval of the preliminary data, obtain detailed plans and estimates of costs and submit them to the charge conference and the district board of church location and building. (2544.8).

CHARGE CONFERENCE

Review and approve final data (2544.8).

DISTRICT BOARD OF
CHURCH LOCATION AND
BUILDING
(2544.8)

Review and approve final data (if applicable).

LOCAL CHURCH
(2544.11-13)

Obtain fee simple title to the property.

Submit formal loan application (if needed).

Shall not enter into a contract or use any volunteer labor that would incur any financial obligation until there is cash in hand, pledges payable during the construction period, or a loan (or written commitment for a loan).

Recommend that contractor be properly bonded.

HOW MUCH SPACE DO YOU NEED?

Worship Area: 12-square-feet per person

Education

- A. Nursery & Kindergarten: 35-square-feet per person
- B. 1st – 6th Grades: 30-square-feet per person
- C. 7th-12th Grades: 25-square-feet per person
- D. Adult: 20-square-feet per person

Fellowship Hall: 12-square-feet per person

Narthex: 3-square-feet per person

Offices: minimum of 150-square-feet per office

Restrooms: 150- to 200-square-feet per room

Kitchen: 20% of fellowship area

Corridors and Storage: 20% of total above

Parking: at least 1 space for every 2.4 people in attendance (may be determined by local building codes).

Please note: This is a guide only.

WHAT BUILDING(S) SHOULD WE BUILD FIRST?

We have observed that new and relocating churches have less financial difficulty when they build in the following order:

1. Multi-purpose space
 - large open area
 - kitchen
 - classrooms/office area
 - many times this is a metal building with a brick exterior
 - is usually converted to fellowship/youth space at a later date
2. Education space
3. Additional Education/Office space
4. Sanctuary