

## **Policy 3.11: Loan Funds for Justice Projects**

### **Purpose**

This policy establishes a process by which committees aligned to the Justice Council may accept donations to the Unitarian Universalist Fellowship of Corvallis (UUFC) and create revolving loan funds to assist organizations conducting justice-related projects.

### **Criteria for Establishing a Loan Fund**

- A UUFC committee proposes a loan fund to the Justice Council for approval.
- Before loaning money to the project, the committee agrees to (1) inform the congregation about the project, (2) inform the congregation on how to participate, and (3) provide annual updates about the project to the Justice Council, Finance Council, and the congregation as a whole.
- The proposed project conforms to and supports our Unitarian Universalist principles and is in accordance with the UUFC's mission.
- Donations for the project conform with the guidelines of Policy 3.4: Designated Financial Contributions. Donations are considered to be ultimately used for UUFC operations, capital funds, or endowment.
- Loans will be made to organizations that conform with the definition of socially responsible investing in Policy 3.8, Investments, although defined interest return is not required.

### **Donation and Loan Process**

A loan fund will be established with money donated to the UUFC and designated for use as a loan fund. Donors of more than \$100 will sign a Donor Statement confirming that (1) they are donating the money to UUFC for the UUFC to loan to the designated project, (2) they waive all control of the donated money, and (3) they understand that UUFC will endeavor in good faith to carry out the requested use of the donation, but that the Board of Trustees may close the fund if it determines that it is in the best interest of the UUFC to do so.

Upon receipt of money, the Treasurer will notify the responsible committee, the Justice Council, and the Finance Council. The responsible committee will create a contract with the borrowing organization. The contract between the borrower and the UUFC may specify the use of the donation for one year or less, after which time the UUFC may renew the contract, write a new contract for a different use, or convert the money to UUFC uses as directed by the Board of Trustees. Once the contract is signed by the President of the Board of Trustees, the Treasurer will disperse the money in the fund as appropriate under contract terms.

The loan will be repaid to UUFC in accordance with contract terms and may be re-loaned until such time as the project no longer needs the money, if such provision is provided in the contract, or until the Board of Trustees stops contract renewal. At that time, the money will be available to UUFC for other uses per Policy 3.9.

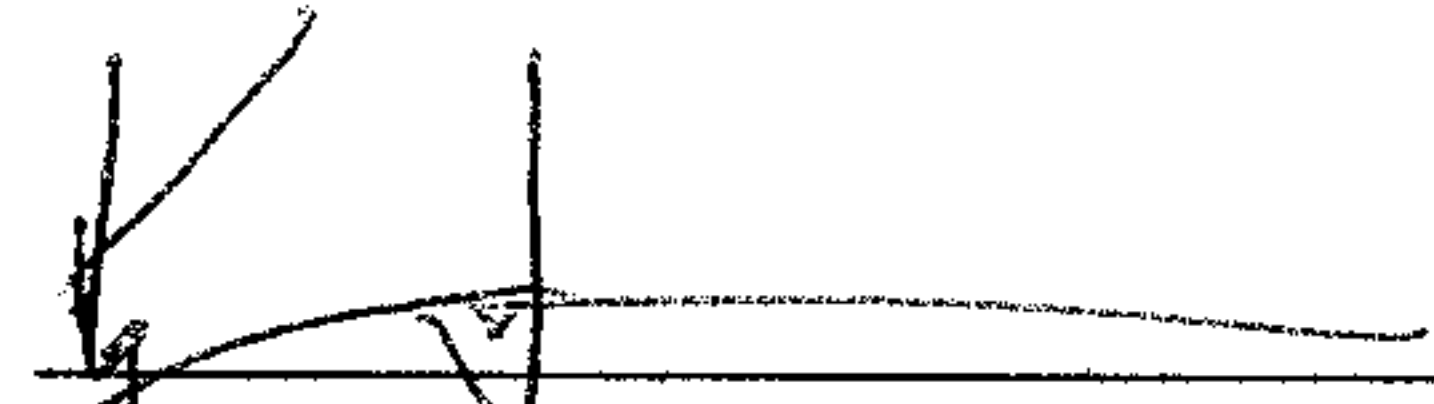
### **Review of Fund Activities**

The responsible committee will review each fund's activities annually and submit a brief report for the Justice Council and the Finance Council, describing the work accomplished and summarizing the financial status. The same report or another communication tool will be used to annually inform the congregation of fund's activities.

**Contract Renewal and Closing a Loan Fund**

The Board of Trustees may stop the renewal of any contract at the end of its term and make the money in that contract available for UUFC purposes. A fund will be considered closed when it has no active contracts.

Approved by the Board of Trustees on April 4, 2016

  
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Kyle Jansson, President