

WELS Church Extension Fund

Project Categories for Capital Funding Requests/WELS CEF Grant and Loan Programs

	Latest Effective Date	Topic	
	September 2018	Grant Program Policy	

The District Mission Board and / or the World Mission Board must actively participate in the development and implementation of the outreach ministry plans for the applicant congregation to become eligible for CEF grants or loans.

Categories	Definitions	Applicable Grant Programs	Lending Rates / Policy	
Mission Establishment Phase	This is a fully funded effort by the BHM or by the BHM along with funds from a self-supporting congregation for a specified period. The exploratory work has been done and approval has been granted for 2-3 years for the mission to establish itself.	Unless the BHM EC would grant special approval, mission churches are not typically encouraged to purchase land or construct a worship facility during the establishment phase.	May apply for CEF loan at lending rate for parsonage acquisition.	_____
Mission Development Phase	This is a fully funded effort by the BHM to develop a mission congregation which has gone through the 2-3-year establishment phase. They are moving toward the goal of financial self-support status within five to seven years. They have entered a multi-year Mission Program Subsidy Agreement.	Eligible for matching grants – Mission Development: <ul style="list-style-type: none"> ▪ 4 to 1 CEF land grant ▪ 2 to 1 CEF facility grant ▪ Matching grants based on 10% down payment ▪ Maximum eligibility: 5 acres of land, 7,500 sq. ft. of facility ▪ Existing facility purchase – grants determined by CEF MAI appraisal assigned values to land & facility. ▪ Separation of CEF Land and Facility grants for existing property purchase is allowable as follows: Land grants at time of purchase, facility improvement loan / grant request within 24 months of purchase date. ▪ Purchase down payment funds attributable to existing facility not used / matched for grant purposes is eligible for facility improvement grant match. 	May apply for CEF loan at lending rate for land and worship facility. “Mission” status congregations are eligible for discounted initial note / term lending rates.	_____

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Mission Enhancement Phase	This phase includes: a) A mission congregation blessed with growth calls a second staff person. The congregation receives declining subsidy for up to 3 years to help fund the 2nd worker. b) A self-supporting congregation receives BHM approval returning to Mission Development Phase.	Based on the understanding that the congregation has already received land and worship facility grants, the congregation is not eligible for a CEF matching grant.	May apply for CEF loan at lending rate	_____
Mission Partner Phase	This phase may include: a) Mother/ Daughter partnership b) Multi-Site partnership c) Unsubsidized Mission partnership (without synod subsidy, the goal is to start a new church)	Eligible for matching grant – Mission Partner: <ul style="list-style-type: none"> ▪ 4 to 1 CEF land grant ▪ 2 to 1 CEF facility grant ▪ Matching grants based on 10% down payment ▪ Maximum eligibility: 5 acres of land, 7,500 sq. ft. of facility ▪ Existing facility purchase – grants determined by CEF MAI appraisal assigned values to land & facility. ▪ Separation of CEF Land and Facility grants for existing property purchase is allowable as follows: Land grants at time of purchase, facility improvement loan / grant request within 24 months of purchase date. ▪ Purchase down payment funds attributable to existing facility not used / matched for grant purposes is eligible for facility improvement grant match. 	May apply for CEF loans at lending rate for parsonage, land, and worship facility. “Mission” status congregations are eligible for discounted initial note / term lending rates.	_____
Mission Relocation	A congregation still under the supervision of the DMB / BHM requests and receives approval to relocate their center of operations.	Based on the understanding that the congregation has already received land and worship facility grants, the congregation is not eligible for a CEF matching grant.	May apply for CEF loan at lending rate	_____
Mission Expansion Phase	A mission congregation has grown and needs to expand. Working with the DMB, approval is given to move forward with expansion.	Not eligible for Mission status subsidy or grants, second CEF extension of credit -- CEF classification moves to SS-MM status if approved.	May apply for CEF loan at lending rate	_____

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Congregation with a WEF Unit	A mission or self-supporting congregation that operates out of a WEF unit and has not previously received a full matching grant allocation for expansion. (Expires April 2021)	Eligible for the 2 to 1 CEF matching grant on down payments of 10% for facility expansion (capped on up to 5,000 sq. ft.)	May apply for CEF loan at lending rate -- "Mission" status eligibility for lending rate minus 0.25%	_____
Mission-minded, Self-supporting Congregation	A congregation not under the direction of the BHM but has a mission mindset and seeks to expand its operations (i.e. school, expansion, merger, etc.)	Self-supporting congregations -- not under BHM supervision -- ineligible for Grant / Subsidies	May apply for CEF loan at lending rate	_____
Campus Ministry	Ministry that is serving the needs of students on or at a college campus and seeks to expand with land and facilities.	Eligible for matching grant – Campus Ministry: <ul style="list-style-type: none"> ▪ 4 to 1 CEF land grant ▪ 2 to 1 CEF facility grant ▪ Matching grants based on 10% down payment ▪ Maximum eligibility: 5 acres of land, 7,500 sq. ft. of facility ▪ Existing facility purchase – grants determined by CEF MAI appraisal assigned values to land & facility. ▪ Separation of CEF Land and Facility grants for existing property purchase is allowable as follows: Land grants at time of purchase, facility improvement loan / grant request within 24 months of purchase date. ▪ Purchase down payment funds attributable to existing facility not used / matched for grant purposes is eligible for facility improvement grant match. 	May apply for CEF loan at lending rate	_____
Schools Owned and/or Operated by an Association	An area high school or elementary school supported and operated by an association of WELS congregations with the approval of the DMB/BHM.	Church / School projects -- not under BHM supervision - - ineligible for Grant / Subsidies	May apply for CEF loan at lending rate	_____

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World Missions	Facilities operated by the Board for World Missions to serve ministries abroad.	Not under BHM supervision -- ineligible for Grant / Subsidies -- CEF to World Missions Line of Credit	May apply for CEF loan at lending rate	_____
WELS Owned or Affiliated Facilities	Facilities owned and/or operated by a WELS affiliated organization.	Not under BHM supervision -- ineligible for Grant / Subsidies -- LC / Board review	May apply for CEF loan at lending rate	_____
Existing CEF credit - financing renewals	Previously LC, LC-Board approved extensions of credit -- no new extension of credit. Existing CEF loans - term renewals both "performing" and "impaired"	Ineligible for new Grants -- LC / Board review	May apply for CEF loan at lending rate	_____