

## Criteria for Debt Write-off

The church council/Synod will take the following matters into consideration when deciding on a Debt Write-off application.

1. The congregation has to provide a regular update of its financial situation to the treasurer/church council if the congregation is experiencing financial difficulties.
2. Is the congregation currently paying their contributions?
3. Has the congregation made an effort to save costs?
4. Has the congregation made a concerted effort to improve giving (tithing)?
5. Has the congregation fulfilled their promises on agreed debt reduction arrangements with ELCSA (N-T)?
6. Does the congregation have assets (buildings, financial reserves etc.) which could cover the debt to ELCSA (N-T) if the congregation eventually had to close down?  
Obviously church council does not want congregations to close down and thus tries to intervene timeously to limit the debt. That's why the financial statements and balance sheet are included in a debt write-off application. If there are major reserves, then there should be no need for synod to write off the debt.
7. Is there a prospect of improvement/growth? I.e. does the congregation have a good plan going forward?