

DIOCESE OF JOLIET FINANCIAL POLICIES

DIOCESAN DEPOSIT AND LOAN PROGRAM	POLICY	PAGE
	K	1 OF 1

STATEMENT OF POLICY

The Diocesan Deposit and Loan Program provides that parishes deposit their excess funds in a diocesan fund whereby interest can be earned by the contributing parish and capital programs/projects can be financed by any parish with such a need. Therefore, parishes may not have a commercial savings account, invest in securities or C.D.'s, nor borrow public funds.

PROVISIONS - LOANS

1. The interest rate for loans is 5%.
2. Parishes borrowing funds new construction of capital programs / projects will sign a promissory note for a determined period with a debt retirement schedule of principal and interest.

PROVISIONS - DEPOSITS

1. The interest rate for deposits (as of July 2009) is 3%.
2. Each parish will annually participate in the Deposit and Loan Program whereby surplus funds (funds in excess of a 90-day operating requirement) will be placed on deposit for the purpose of earning interest and contributing to the investment from which other parishes can finance their capital programs / projects.
3. Interest will be computed daily and paid to the parish quarterly.
4. It is recommended that monthly deposits be made to the fund.