

### **Appendix 30: Explanation of Parish Expansion Fund**

The Parish Expansion Fund is a nonprofit, separately incorporated entity organized to provide a centralized savings and loan program **exclusively for the benefit of parishes, parish schools, and school systems**. These funds are not available for use by the diocese for diocesan purposes. **Each parish account is owned solely by that parish** much like a deposit account at any bank. The Parish Expansion Fund, while administered under contract by the Diocese, is in place for the financial benefit of every parish and institution in the Diocese.

**The loan portion** of the Parish Expansion Fund provides the framework through which **these excess parish funds are pooled and then safely and professionally invested**. The Parish Expansion Fund **uses these pooled funds as a resource to provide the necessary structure through which parishes and schools may request and receive loans for capital projects** at favorable rates and terms as compared to what may be offered at their local bank. Without an adequate level of pooled excess parish funds the Parish Expansion Fund would be unable to provide critical financial assistance to those parishes in need of low-cost funding for expansion or remodeling projects. The Diocese is the guarantor of all outstanding parish loans, therefore **individual parish deposits are not at risk for defaulted loans**.

To request parish funds, we only ask for **two business days' notice to generate a payment** to the parish for its requested funds.