

DIOCESE OF MARQUETTE

POLICY / CRITERIA FOR NEEDY PARISH/SCHOOL FUND

The diocese has established a Needy Parish/School Fund from the proceeds of a gift. It is the intent that this fund be used by parishes, missions and schools in need of financial assistance for construction projects. The criteria for usage of the fund is as follows:

1. The fund will be used for **loans** (not grants) for construction or improvement projects.
2. A parish/school must have 75% of the project cost on hand (excluding the loan amount) in accordance with the Diocesan Construction Policy.
3. The construction project is to be approved by the Bishop and the Diocesan Building Commission in accordance with the Diocesan Construction Policy.
4. Loans will be non-interest bearing with specific repayment terms established for each individual loan.
5. The loan amount cannot exceed 25% of the project cost, with a maximum loan amount of \$100,000.
6. The maximum term for loans is five (5) years. Exception: If the loan is in conjunction with a capital campaign project then the maximum loan term would not exceed the length of the pledge redemption period.
7. A parish/school has to show difficulty in being able to repay a bank loan, which necessitates the borrowing from the Needy Parish Fund.
8. A parish/school has to show the ability to repay the loan to the Needy Parish/School Fund.
9. Applications for loans will be accepted at any time during the year. Loan applications received will be reviewed and approved by the Diocesan Finance Council. Funds will not be distributed to the parish/mission until needed.
10. Eighty (80%) of the Needy Parish/School Loan Fund will be reserved for non-emergency type loans.
11. Twenty (20%) of the Needy Parish/School Loan Fund will be reserved for emergency loans.

Loan application forms are available on the diocesan website or at the Diocesan Office, 1004 Harbor Hills Drive, Marquette, MI 49855. Call: (906) 227-9135 or 1-800-562-9745, Ext. 135.

Revised: May, 2011