

<b>Policy #</b>	<b>CC18-P07</b>	Page 1 of 1
<b>Name of the policy</b>	<b>Loan from the Parish Loan Fund</b>	
<b>Effective date</b>	2018-04-01, Archdiocese of Ottawa	
<b>Category</b>	College of Consultors—Application for Approval	

### **Definition**

In principle, each parish must be financially self-sufficient. It is only by way of exception that a parish can incur debts. A parish must not borrow from a financial institution.

The Parish Loan Fund was established from the combined surpluses of the parishes of the Archdiocese of Ottawa in 1970 to allow parishes to borrow, at preferential rates, the funds needed to finance construction projects, renovations, etc.

### **Examples**

For financing projects with capital, parishes can borrow from the Parish Loan Fund. However, the Fund is not accessible for the financing of parish operations.

### **Submissions**

These requests are reviewed by the College of Consultors and must be submitted at least two weeks before the next scheduled meeting of the College.

### **Clarifications**

All these projects involving the parish must be approved in advance by the Archbishop.

Canon Law stipulates that any mortgage or loan must be paid in the prescribed time. The repayment program will be established by the parish priest/administrator, in consultation with the diocese's Director of Finance and Administration (DFA).

### **Procedure to follow**

1. Write a loan application from the Parish Loan Fund that must be signed by the priest/administrator, making sure to include:
  - a. the completed request for approval: form CC18-F07
  - b. the opinion of your regional consultor
  - c. evidence that the parish already possesses 50% of the project costs
  - d. proof that the project in question has been/is being submitted for approval
  - e. the recommendation from your TAC
  - f. a repayment schedule
  - g. a budget demonstrating that the parish can repay the debt
  
2. Submit the request to the DFA of the Archdiocese. The requests will be presented to the members of the College of Consultors by the regional consultor or, in his absence, by the episcopal vicar of the sector, or in the absence of both, by the vicar general. In his decision, the Archbishop will take note of the opinion of the College's members. The DFA will inform you of the decision of the Archbishop.