

Depository Policy

Can. 1284 §2, 6° with the consent of the Ordinary make use of money which is surplus after payment of expenses and which can be profitably invested for the purposes of the juridical person;

Bishop Folda has given consent for these two entities for reserves, endowments, etc.

Catholic Church Deposit & Loan Fund of Eastern North Dakota: www.dlfund.org

All Catholic entities (Cemeteries, Parishes, Missions, etc.) within the Fargo diocese are required to use the *Catholic Church Deposit & Loan Fund of Eastern North Dakota* for the deposit of reserves. Reserves are defined as general funds needed for operations beyond a 30-90 day period. Other funds are to be deposited in the *Catholic Church Deposit & Loan Fund of Eastern North Dakota* or the *Catholic Development Foundation*.

The *Catholic Church Deposit & Loan Fund of Eastern North Dakota* is operated as a savings and loan (or credit union) for Catholic entities in the Fargo diocese. All deposits and loans are separately accounted for and remain the property and/or obligation, respectively, of the each entity.

Catholic Church Deposit & Loan Fund of Eastern North Dakota rates are variable, changing every quarter. The Prime Rate is used as a metric for setting rates. Except in times of very high or very low rates, the deposit rate equals the Prime Rate minus two percent, and the loan rate equals the Prime Rate minus one percent. During times of very high or very low rates, the Board sets a top and bottom rate (ceiling or floor) to stay within reach of rates in the market place. The goal is to provide a better return and a better loan rate for our Catholic entities. All deposits are treated as “on demand”.

Catholic Development Foundation: www.cdfnd.org

The *Catholic Development Foundation* should be used for funds referred to as permanently restricted or endowment or perpetual care, etc. The use of these monies is not expected or allowed and only the Spendable Earnings distributions can be used on these funds.

In the event an entity has the opportunity to receive a contribution from a donor who specifically directs and requires the funds to be placed in some other depository, the entity is able to proceed with the acceptance of this gift provided the terms of the gift do not contradict or violate Church teachings. This Bishop is to be notified via the Diocesan Finance Office before final acceptance.

The *Catholic Development Foundation* is invested in a balanced portfolio of stocks and bonds. Distributions are based upon a “Spending Policy” whereby 5% of the five-year rolling average balance is distributed or placed in a “Spendable Earnings” account for use at any time. This allows entities to budget earnings, knowing how much is available each year.

Catholic Church Deposit & Loan Fund of Eastern North Dakota

Established 1937 – Separate Corporation
Deposit and loan entity for Catholic entities in
Diocese of Fargo

Variable rate adjusted quarterly
Deposits & Withdrawals available at all times
Loans available for capital projects

Catholic Development Foundation

Established 1985 – Separate Corporation
“Umbrella Foundation” for Catholic entities in
Diocese of Fargo

Distributions = 5% of 5 year average balance