

ENDOWMENTS

The Archdiocese Deposit and Loan Fund accounts for parish and school endowment funds separately from the regular parish and school funds as these funds are considered permanent investments. The parish or school should consider carefully before establishing an endowment fund. The terms are as follow:

- ◆ The principal is permanently endowed and, thus, will not be available for withdrawal.
- ◆ ***Interest rate is 150 basis points over the 6-month U.S. Treasury Bill rate. This rate may change every 6 months, January 1 and July 1, using the stated rates as of December 31 and June 30, respectively. The minimum interest rate paid on endowments is 2.0%.*** The interest rate is subject to change by the Archdiocese of Louisville.
- ◆ The interest rate will exceed that being paid on regular parish or school deposits in the Deposit and Loan fund.
- ◆ Minimum deposit for the endowment fund is \$100,000.
- ◆ The parish or school must sign a document signifying their intention regarding the endowment.

A separate endowed fund is available to encourage parishes to protect cemetery funds and to provide for the perpetual care of parish cemeteries. Cemetery endowment funds are subject to the following terms:

- ◆ The principal is permanently endowed and, thus, will never be available for withdrawal.
- ◆ ***The interest rate is 150 basis points over the 6-month U.S. Treasury Bill rate. This rate may change every 6 months, January 1 and July 1, using the stated rates as of December 31 and June 30, respectively. The minimum interest rate paid on endowments is 2.0%.*** The interest rate is subject to change by the Archdiocese of Louisville.
- ◆ Minimum opening deposit for the endowment fund is \$10,000.
- ◆ The parish must sign a document signifying their intention regarding the cemetery endowment.

Sample Forms/Reports used to establish endowments are included in *Appendix – Accounting Sample Forms/Reports.*