

Finance Manual

DCC Building Projects

RATIONALE

DCC building projects are expensive and larger in nature. The project proposal and budget must include the following:

- Project budget includes budgeted cost, 10% contingency, and maintenance endowment
 - Project minimum for parishes is \$5,000,000
 - Project minimum for schools is \$10,000,000
- Minimum \$20,000 to establish a permanent endowment for ongoing maintenance for the building
- Any funds remaining at the completion of the project must be moved into the permanent maintenance endowment established above. Any exceptions must be approved by the Bishop or Vicar General.

PROCESS

All projects require the approval of the Diocesan Finance Council. Once approved, and the project fund is established, the funds cannot be transferred to the D&L or CFU, i.e. the funds are locked in place for the duration of the project.

INVESTMENTS

Funds will be invested in low-risk instruments, e.g. money market accounts, certificates of deposits, treasury bills. The funds will be invested in the Diocesan Capital Corporation.

ADMINISTRATIVE FEES

The Diocese will assess a 25% administrative fee from the growth received. This fee will be transferred to the Diocesan Real Estate Corporation to be used for property management or purchase.

WITHDRAWALS

Since this is a project fund, all withdrawals will require an updated accounting on the project before payments are processed.

PENALTY

If during the project, funds are requested or used for anything other than the approved project, a 10% fee will be added to the non-approved portion. This fee will be transferred to the Diocesan Real Estate Corporation to be used for property management or purchase.

INCOMPLETE PROJECT

If at any time, the project may no longer be feasible, the funds will be moved out of the project fund and moved to the appropriate accounts following guidelines as set by the “Long-term and Short-term Savings & Loans” policy) with no penalty:

Parishes: Deposits and Loans

Schools: Catholic Foundation of Utah