

Did you know there are different “types” of savings accounts in Revolving Loan?

***** The source of the funds determines its restrictions*****

The first and most popular is the standard “Unrestricted” account. - This is a perfect account for a parish to have as a regular savings account.

A second type is called “Internally Designated” – This is for a savings account that a pastor sets up for a specific purpose. In an Internally Designated account the money is unrestricted to the parish, but the account is set up by the pastor to serve a specific purpose/need of the parish.

Example #1 - To save money specifically for a “rainy day fund” for the parish

A third type is called “Restricted” – This is for funds that are legally restricted for specific use. An account is legally restricted if the intent of the Donor is for the money to be used in a particular way or for a particular purpose

Example #1 - for funds raised through a Capital Campaign to be used to pay for a construction project

Example #2 – money left to a parish from an Estate where the Donor’s intentions are for the funds to be used in a particular way, perhaps for Masses to be celebrated for the deceased

Example #3 – the money that was raised through the Promise for Tomorrow campaign. Through this campaign case statements specified uses for the funds. These were outlined as either specific needs or for general parish needs