



## Rationale

Bridge Financing from the Diocesan Development Fund is short-term financial assistance to meet expenditures incurred between the depletion of existing reserves and the receipt of new funding allocations. Applications for Bridge Financing require specific repayment terms with interest.

## Policy

School Councils should budget their revenue to meet the expenditures of operating the school within a balanced budget. Notwithstanding this, because of the timing of the funding available to the schools from government, shortfalls in cash flow may occur in some situations where sufficient funds have not been accumulated to cover the period prior to funds being received. If this is expected to occur, the Pastor and School Council must prepare documents to apply for Bridge Financing from the Diocesan Development Fund in accordance with the procedures listed below.

## Procedures

1. Bridge Financing will only be considered if the school's budget is balanced.
2. Bridge Financing requires a complete application inclusive of all supporting documentation and appropriate signatures. All loan applications must be signed by the Pastor prior to processing. The following documents must be included with the application:
  - Annual operating budgets (cannot be deficit budgets) for each of the next three years
  - Monthly cash flow for the first year
  - Most recent year-end financial statements (i.e. June 30<sup>th</sup>)
  - Most recent year to date financial statements
3. Bridge Financing Applications including all documents and signatures must be submitted to the CISPG Finance Officer.
4. The Finance Officer will review the documents with the Superintendent prior to the application being presented to the CISPG Board of Directors for review and approval.
5. The Bishop must sign approval for review by the DDF Board.
6. The final loan agreement must be signed by the Pastor.
7. Loan repayments must be made to the DDF within one week of receiving the Provincial Government Grant funds.

<b>References:</b>	<b>Date:</b> August 2023
	<b>Revisions:</b>