

Community of Christ

**PROCEDURES &
GUIDELINES
FOR
BUILDING PROGRAM
(PURCHASE, BUILDING A NEW FACILITY,
REMODELING, OR ADDITION)
AND
HOUSES OF WORSHIP
REVOLVING FUND
LOAN**

Karen E. Minton, General Counsel
Penny L. Edwards, Paralegal
Legal Services
1001 W. Walnut
Independence, MO 64050
816/833-1000 Ext. 2221
816/521-3099 Fax

Revised May 2008

BUILDING PROGRAM PROCEDURES & GUIDELINES

I.	Building Program Procedures.....	2
	1. Definition of a Building Project	
	2. Presiding Bishopric's Houses of Worship Fund	
	3. Congregation's Decision To Build	
	4. Building Program	
	5. Preliminary Planning	
	6. Land Use	
	7. Elements of a Building Program	
	8. Initiating a Building Program	
	9. Planning Design and Construction Process	
	10. Plan and Contract Approvals	
	11. Bids/Proposals and Contracts	
	12. General Contractor	
	13. Volunteers	
	14. Purchases	
	Unimproved land	
	Improved land	
II.	Approval Process for Building Programs.....	5
	1. Congregations	
	2. Emerging Congregations	
	3. Campgrounds	
	4. Additional Approvals	
	5. Approval Form Purchase/Gift of Real Estate	
III.	Houses of Worship Revolving Fund Loan.....	8
	1. Loan Terms & Incentives	
	2. Requests for Draws	
	3. Payment of Invoices	
	4. Bids/Proposals and Contracts	
	5. Loan Application (SAMPLE)	
IV.	Capital Campaign.....	13
	1. Planning Phase	
	2. Commitment Phase	
	3. Follow up Phase	
V.	Insurance and Bonding Requirements.....	12

VI.	Using an Architect.....	14
	1. Architect Analysis	
	2. Architect Evaluation Form	
VII.	Checklists for Building Programs.....	17
	1. Building or Remodeling	
	2. Purchase of Property	

I. BUILDING PROGRAM PROCEDURES

1. DEFINITION OF A BUILDING PROGRAM

A "Building Program" (Project) may consist of a sale, purchase, building a new facility, remodeling or adding on to the present facility. The information provided in this manual is specific to purchasing, building a new facility, remodeling or adding on to a present facility, or major maintenance/replacement to the present facility. If a Congregation, Campground or Mission Center intends to sell property please contact Legal Services for "Building Program Guidelines & Procedures for Sale of Property."

2. PRESIDING BISHOPRIC'S HOUSES OF WORSHIP FUND

Congregational and Mission Center building programs are assisted by the ministry and policies provided by the Presiding Bishopric through the Houses of Worship Revolving Fund (HWRF) program and Legal Services. These policies are designed to bring the resources, assistance, and experience of the World Church to the congregations. All building projects, purchases or sales require prior approval of the Presiding Bishopric. Approval by the Presiding Bishopric reinforces its role as trustee of the church and provides support of the goals of pastoral and witnessing ministries which are at the heart of our mission.

3. CONGREGATION'S DECISION TO BUILD

Decisions about facilities must center on the ministries offered by the congregation, which in turn are determined by the Congregation in response to their particular understanding of the vision and mission of the Church. Property decisions should be made only after considering and balancing the Congregation's vision, mission, program, and facilities. It is vitally important that the congregation determine and commit to their role in the larger community before finalizing decisions about facilities.

4. BUILDING PROGRAMS

Every project undertaken by an existing Congregation, Mission Center, emerging congregation or campground which involves the purchase, sale, acquisition, construction, or major renovation of real property is considered to be a building program.

5. PRELIMINARY PLANNING

Once the congregation makes a decision that a building program would enhance its ministry, they are ready to begin a planned approach to site selection, design concepts, building functions and construction. Legal Services assists at every step of the building process. The following information provides guidance and policies to be carefully followed in all property matters involving buying, selling, new construction, and renovation.

6. LAND USE

The first step in any building project, whether remodel, add-on, or new build, is to contact City, County and/or State authorities regarding restrictions, codes and zoning that would pertain to the project. All City, County and/or State approvals must be in place prior to beginning a project.

7. ELEMENTS OF A BUILDING PROGRAM

Each Building Program consists of the following elements:

7.1 The Building Project

- 7.1.1 Description of the congregation's plan for ministry
- 7.1.2 Discussion of building needs
- 7.1.3 Description and extent of the project
- 7.1.4 Development of preliminary building plans (including site plan)

7.2 The Financing Plan

- 7.2.1 Calculation of estimated cost of the project
- 7.2.2 Calculation of estimated financial resources
- 7.2.3 Completion of loan application (if needed)
- 7.2.4 Production of evidence of ability to repay loan (Capital Campaign)
- 7.2.5 Analysis of the estimated Impact on Operating Budget

7.3 Legislative and Administrative Approvals

- 7.3.1 Secure Legislative approval from the Congregation

7.3.2 Secure Administrative approvals

- a) Pastor and Congregational Financial Officer (congregations and emerging congregations)
- b) Mission Center President and Financial Officer of affiliated Mission Centers.
- c) Apostle in charge
- d) Presiding Bishopric

8. INITIATING A BUILDING PROGRAM

A building program is initiated by sending a "Letter of Intent" to Mission Center administrative officers and to the field apostle with a copy to Legal Services. **This action should be taken as soon as it is probable that a building program is likely to be pursued.** Early notification benefits everyone by allowing Legal Services, Fiscal Services and Risk Management opportunity to offer assistance and guidance to each building program.

The "Letter of Intent" should include the following information and attachments:

- a) Purpose and need for the building
- b) Approximate square footage of the proposed project
- c) Estimated cost
- d) Funds currently available
- e) Approximate loan amount needed, if any
- f) Copy of congregational business meeting minutes approving the project.
- g) Copy of preliminary building plans

If a Houses of Worship Revolving Fund Loan is needed to assist in completion of the building project the information in 8 a) thru g) above can be provided in the Loan Application itself.

Pastors and Congregational Financial Officers are responsible for ensuring the completeness of the Letter of Intent, and forwarding all necessary legislative and administrative approvals to Legal Services. When all approvals have been received Legal Services will secure final approval of the Presiding Bishopric.

Mission Center officers are expected to be thoroughly informed and deeply involved with each project so as to provide leadership throughout the planning and building process.

9. USE OF ARCHITECT FOR PLANNING, DESIGN AND CONSTRUCTION FOR NEW BUILDS OR ADDITIONS

The planning phase of a project is vital to its success. Building projects can benefit greatly by hiring an architect who is knowledgeable regarding local codes and zoning requirements and is experienced in the specific project type that is contemplated. Legal Services is available to assist in interviewing and selecting an architect.

10. PLAN AND CONTRACT APPROVALS- NEW BUILDS AND ADDITIONS

Submit a complete set of plans, including a site plan, preliminary floor plan, elevations and a fully completed loan application to the Mission Center, with a copy to Legal Services for review. Contracts cannot be signed, nor construction deadlines set, until review of the foregoing is completed and Presiding Bishopric has given tentative approval to the architectural plan, the financing, and if applicable, the Houses of Worship Revolving Fund loan being requested.

Presiding Bishopric approval shall include evaluation of building and financing plans as appropriate for the scope of each project. Even after approval for a building project has been given by the Presiding Bishopric, it is still necessary for construction contracts, insurance and bonding documents and final versions of the building and financing plans to be reviewed and approved by World Church officers.

As the planning process begins, it will be especially important that all code and zoning requirements are cleared by local governing bodies.

11. BIDS/PROPOSALS AND CONTRACTS

It is important to remember that bids/proposals are not contracts.

Legal Services suggests that at least three (3) bids be received on any project. The Congregation has the authority to accept whichever bid they choose, however, bids/proposals are NOT to be signed without prior review and approval by Legal Services. Once the Congregation has selected a Contractor's bid, the bid is to be forwarded to Legal Services, along with the following:

- 1) Copy of Congregational Business meeting minutes approving the project and cost.
- 2) Completed form titled "Contract Information." (Form is available on Legal's website.)
- 3) Certificate of Insurance provided by Contractor
- 4) IRS Form W-9.

Once the above documents have been received in Legal Services the information will be incorporated into a contract to be signed by the Congregation and Contractor.

12. GENERAL CONTRACTOR

Building projects require a general contractor, who must meet certain insurance and bonding requirements. It is likely that a project will be submitted for approval before many of the particulars, including the negotiation of the contract with the builder is complete. **Any approval given under these circumstances is always subject to the insurance and bonding requirements. All legal documents must be prepared or reviewed by Legal Services prior to signing them.** Upon satisfaction of these items and final approval of the project by local governmental agencies and the Presiding Bishopric, the sale, purchase, or construction may proceed.

13. VOLUNTEERS

Enlisting local volunteer assistance is permissible when practical as a cost saving measure. This may include professionals, skilled craftsmen, and laborers. However, **it is important in all such instances that volunteer workers shall be properly coordinated into the project and that appropriate insurance coverage be provided** to avoid undue risk to the congregation and the World Church.

14. PURCHASES

14.1. Unimproved Land

Factors to be considered when contemplating the purchase of vacant land for a building site should be carefully weighed:

- 14.1.1. Long-term needs of the congregation
- 14.1.2. Parcel size - is the property large enough for a church building, parking, etc.
- 14.1.3. Potential to influence or control adjacent land
- 14.1.4. Zoning requirements

14.2. Improved Property

Factors to be considered when contemplating the purchase of improved property:

- 14.2.1. Suitability of the building such as location, size, parking.
- 14.2.2. Plan for modifications that may be needed to adapt it to meet the needs of a specific congregation.
- 14.2.3. Zoning requirements

Consultation with Mission Center officers and the Field Apostle is required in all instances.

All necessary approvals for a building project must be in place whether a Congregation, Mission Center, or Campground has funds available to complete the project or if a Houses of Worship Revolving Fund Loan is needed from World Church. These approvals are:

1. CONGREGATIONS

1.1 Legislative Approval

1.1.1 Congregation shall hold a business meeting to discuss and vote on the building program.

1.1.2 If the building program is approved by the Congregation a copy of the minutes shall be sent to the Mission Center officers, Apostle In Charge and to Legal Services for approval.

1.2 Administrative Approval

1.2.1 Letter of Approval, signed by the Pastor and Congregational Financial Officer, stating they approve of the building program shall be sent to the Mission Center officers, Apostle In Charge, and to Legal Services.

1.2.2 Letter of support from the Mission Center officers and Apostle In Charge shall be sent to Legal Services.

2. EMERGING CONGREGATIONS

2.1 Legislative Approval

2.1.1 Mission Center conference shall be held to discuss and vote on the building program for the emerging congregation.

2.1.2 If the building program is approved a copy of the minutes shall be sent to the Mission Center officers, Apostle In Charge, and Legal Services.

2.2 Administrative Approval

2.2.1 Letter of support from the Mission Center officers shall be sent to Apostle In Charge and to Legal Services.

2.2.2 Letter of Support from Apostle In Charge shall be sent to Legal Services.

3. CAMPGROUNDS

3.1 Legislative Approval

3.1.1 Refer to Campground Bylaws for the proper legislative approvals.

3.2 Administrative Approval

3.2.1 Letter of support from the Campground Board.

3.2.2 Letter of support from the Mission Center officers, Apostle In Charge of the sponsoring jurisdictions.

4. ADDITIONAL APPROVALS

Once all of the Legislative and Administrative approvals have been received the building program can move forward, with the following additional approvals:

4.1. Financing Plan Approval

4.1.1 A copy of the financing plan shall be sent to Legal Services for review and approval. If funds need to be borrowed to complete the project, a Houses of Worship Revolving Fund (HWRF) loan application should be completed. Outside loans that would cause a lien to be placed on the property are not permitted.

4.1.2 HWRF loans are approved on an individual basis and are subject to the following:

- a) Current funds available.
- b) Demonstrated ability to repay the loan.
- c) Completion of a capital campaign and pledges, if required.

4.2. Contract Approval

Legal Services will review listing agreements, sales, purchases, architectural, and construction contracts PRIOR TO SIGNING. Legal Services will communicate its concerns and or approval to the Pastor and/or Financial Officer of the congregation.

4.3. Building Plan Approvals

A copy of the building plans for each project are to be sent to Legal Services for review and approval as soon as they are available.

4.4 Insurance Coverage Approval

All contractors, including sub-contractors, are required to have adequate insurance coverage to protect the interests of the church. Building projects will require a licensed general contractor to oversee the project. Risk Management Services will review the insurance coverage of the general contractor and communicate approval.

4.5 Bonding Requirements

It is the policy of the church that all project valued at more than \$50,000.00 will be bonded to insure completion and to protect the church. Risk Management Services will review the bond for the general contractor and communicate approval.

PLEASE NOTE: On Page 7 the APPROVAL FOR PURCHASE/GIFT OF REAL ESTATE form can be completed with information requested and signed by the necessary officers. Once all **original signatures** have been obtained forward to Legal Services along with the Congregational/Campground Minutes approving the sale.

_____ **PURCHASE**
Purchase Price \$ _____

_____ : **GIFT OF REAL ESTATE**
Appraised Value \$ _____

_____ Houses of Worship Loan Required
Amount Needed \$ _____

=====

INFORMATION ON PROPERTY

STREET ADDRESS _____
CITY _____ COUNTY _____ STATE _____

_____ vacant land ONLY _____ church building with land _____ rental property

=====

APPROVALS

Approvals consist of both legislative (Congregation) and administrative (Mission Center). Approvals MUST be received prior to final closing of a purchase or sale of real estate.

SECURING LEGISLATIVE APPROVALS:

- 1) Congregational Pastor and Financial Officer sign and date Approval form below.
- 2) Attach a copy of the minutes from Congregation's business meeting approving transaction.
- 3) Forward completed and signed Approval Form and congregation's business meeting minutes to the Mission Center President and Financial Officer for approval signatures.

SECURING ADMINISTRATIVE APPROVALS:

- 1) Mission Center President and Financial Officer sign and date Approval Form below.
- 2) Letter of support signed by Mission Center President and Financial Officer approving sale/purchase.
- 3) Forward the completed and signed Approval form with the original signatures, and Congregation's business meeting minutes, and Mission Center officers letter of support to:

Penny L. Edwards, Paralegal
Community of Christ/Legal Services
1001 W. Walnut
Independence, MO 64050

_____ Congregation

Congregational Business minutes attached: _____ Dated: _____

Pastor's Signature: _____ Dated: _____
PRINT NAME: _____

Financial Officer's Signature: _____ Dated: _____
PRINT NAME: _____

_____ Mission Center

President's Signature: _____ Dated: _____
PRINT NAME: _____

Financial Officer's Signature: _____ Dated: _____
PRINT NAME: _____

III. HOUSES OF WORSHIP REVOLVING FUND LOANS

The World Church is the only authorized lender for any congregation seeking a loan as part of the financing plan for a building program. Outside loans from a bank or church member or any other source are not permitted. By keeping all loans "in-house" we avoid any possibility of a loan being called or foreclosed by others. Rates and terms for HWRF loans are kept favorable to the congregation due to the ability of the World Church to secure debt at favorable terms.

1. LOAN TERMS AND INCENTIVES

Houses of Worship Revolving Fund are made to campgrounds, congregations, emerging congregations and Mission Centers for the purchase, construction, expansion or major repairs and remodeling of their church facilities. Although emerging congregations may accept responsibility for repaying HWRF loans, it is understood that the sponsoring Mission Center must accept contingent liability for the loan should the congregation be unable to repay on schedule. In effect, the sponsoring jurisdiction must "co-sign" a HWRF loan to an emerging congregation.

The maximum loan available for projects is up to two-thirds (2/3) of the total project cost. Loans \$200,000 and over require further review and approval by the Presiding Bishopric. Approval of each loan is based on the following criteria:

- 1.1 Availability of Houses of Worship Revolving Funds.
- 1.2 Demonstrated ability to repay the loan, including the completion of a Capital Campaign, if necessary.
- 1.3 Availability of proceeds from the sale of existing property (where applicable) to the borrowing entity's equity.
- 1.4 Disclosure of congregational planning, financial and growth performance, and compliance with the procedures outlined in this document.
- 1.5 Satisfaction of the World Church Insurance and Bonding Requirements by all contractors involved in the project.
- 1.6 Placement and maintenance of the congregational insurance program within the World Church Insurance Program.
- 1.7 Full compliance with the approval process designated by the Presiding Bishopric.

The repayment period on new loans is:

loans under \$15,000.00 - 5 years

loans \$15,000.00 and over - 15 years

loan terms over 15 years MUST be approved by the Presiding Bishopric.

Interest rates for loans will be set by the Presiding Bishopric as of January 1st of each year. The new rate will reflect the average cost of funds in the previous twelve months, rounded up to the next highest multiple of 25 basis points. Interest rates for all outstanding loans will be adjusted at that time, with the new rate affecting the February payment (interest is paid in arrears). Regular loans will have a maximum rate of:

6% for the first five years,

7% for the second five years,

8% for the final five years.

To allow for congregational budget planning, the payments for regular loans will be set as if the loan were made at the maximum level of interest, i.e. 6%, 7% and 8% for each five-year interval that applies. Interest will be charged and calculated as explained above, and the allocation of principal and interest for each payment can be viewed on the following month's statement. In this way, congregations will enjoy the benefit of interest rates lower than the maximum through a faster amortization and quicker repayment period.

In projects where a HWRF loan is part of the financing plan, local funds will be utilized first to meet project expenses. An Interim Note will be used to secure loans while the approved amount is being drawn by the local branch. When all draws have been taken, this note will be replaced by a permanent Promissory Note. Each Interim Note must be signed and returned to Legal Services before to the next draw is issued.

Interest on HWRF loan proceeds, released during construction, will accrue at the prevailing rate set by the Presiding Bishopric in accordance with the procedure outlined above. The maximum rates referenced in that section will not apply until all draws are taken and a permanent Promissory Note is signed. Interest-only payments will be due 30 days after the first draw, and monthly thereafter until the final note is signed.

Once approved, a loan commitment shall be effective for one year. If construction or remodeling does not begin within that time frame, a loan commitment extension for an additional year must be requested by the Congregation or Mission Center seeking the loan. It is possible that financial conditions and/or administrative personnel may have changed and a new application will be required.

2. REQUESTS FOR DRAWS

Requests for draws shall be in writing, and may be faxed (816/521-3099) or e-mailed (pedwards@cofchrist.org) with supporting documentation to accompany each request. When requesting draws by fax or e-mail the original request must follow by regular mail. Requests for draws may come from either the Pastor or Congregational Financial Officer.

NOTE: Allow 7 to 10 business days for processing requests for draws.

3. PAYMENT OF INVOICES

Checks will be made payable to the vendor/contractor and can be mailed to the Pastor or Congregational Financial Officer for delivery, or directly to the vendor/contractor. Another option for payment is electronic transfer of funds to the vendor/contractor's bank account. In order to have funds electronically transferred the vendor/contractor the following information is needed from the vendor/contractor:

Name of Bank
Address of bank
Account name
Account number
ABA/Routing number

With each draw a duplicate Interim Note will be sent which must be initialed and signed by the Pastor and Congregational Financial Officer acknowledging receipt of the check. Once signed one original Interim Note is to be returned to Legal Services and the second original is to be held for the Congregation's records. No additional draws will be made until the Interim Note for the previous draw has been initialed, signed and returned to Legal Services.

Invoices received for payment of services on a contract that has not been reviewed and approved by Legal Services will be held until approval for payment of such invoice has been received by the Mission Center officers.

5. HOUSES OF WORSHIP REVOLVING FUND LOAN APPLICATION (SAMPLE)

Complete the information below and send one original to the appropriate Mission Center officers and one original to:

Penny L. Edwards, Paralegal
Legal Services/Community of Christ
1001 W. Walnut
Independence, MO 64050

Submitting this loan application will initiate the loan process. All legislative and administrative approvals must be received in Legal Services prior to final approval of the loan application. Please refer to Section II, Approval Process for Building Program of the Procedures & Guidelines for Building Program.

This document may be printed then mailed, or filled out as a worksheet and attached to an e-mail to pedwards@cofchrist.org.

IDENTIFICATION

Congregation/Campground: _____
Mission Center: _____

PURPOSE/INTENT, NEED AND PLAN FOR MINISTRY FOR THE BUILDING PROJECT (mission, vision, program):

PROJECT DESCRIPTION (total square footage, breakdown of rooms, sizes of rooms, etc., copy of Preliminary Building Plans)

ESTIMATED COST OF PROJECT

Purchase price (vacant land or building) _____
Contract Price if other than purchase _____
Architect's Design Fees _____
Permits/Other Fees _____
Materials for work completed by volunteers _____
OTHER costs that may not be in contract:
 Landscaping _____
 Parking Lot paving _____
 Signage _____
 Furnace/Air Conditioner _____
 Furnishings _____
 Audio Equipment _____
 Pews/appliances _____
 Window coverings _____
 Organ/Piano _____

TOTAL PROJECT COST \$ _____

(NOTE: Congregation must have 1/3 of the total project cost available as cash on hand.)

RESOURCES AVAILABLE - CASH ON HAND

Savings/Checking _____
Affiliate Pool Account # _____
Affiliate Pool Account # _____

TOTAL RESOURCES AVAILABLE \$ _____

SPECIAL COMMENTS regarding cash on hand:

HOUSES OF WORSHIP LOAN

Amount of funds requested \$ _____

ESTIMATED EFFECT OF PROJECT ON BUDGET

Annual increase (decrease) in utilities _____
Annual increase (decrease) in insurance _____
Annual increase (decrease) in maintenance _____
Other increases _____
*Repayment to HWRF Loan (monthly) _____

PROJECTED INCREASE IN BUDGET \$ _____

*(Contact Legal Services to obtain estimated monthly payment for HWRF loan.)

PRELIMINARY FINANCIAL INFORMATION FOR LAST FIVE (5) YEARS

TOTAL ENROLLMENT _____ ACTIVE FAMILIES _____
AVERAGE ATTENDANCE _____ CONTRIBUTING WAGE EARNERS _____

CONTRIBUTIONS/INCOME:

	2003	2004	2005	2006	2007
Operating Fund:	_____	_____	_____	_____	_____
Building Fund:	_____	_____	_____	_____	_____
TOTALS:	_____	_____	_____	_____	_____

CAPITAL CAMPAIGN INFORMATION:

Length of Campaign: _____
Families Contacted: _____ Families Committed: _____
Amount to be received prior to construction/purchase: \$ _____
Amount to be received during campaign: \$ _____

Loan Application Dated: _____
Loan Application prepared by: _____ (Print)
_____ (Signature)
_____ (Title)

MISSION CENTER APPROVAL:

Mission Center: _____
Approved by Mission Center President: _____
Date Approved: _____
Approved by Mission Center Financial Officer: _____
Date Approved: _____

IV. CAPITAL CAMPAIGNS

A Capital Campaigns is an intensive effort to raise a significant amount of money in a relatively short period of time in order to fund a major capital project. The most common type of capital campaign is a campaign to finance a new building or significant addition to the present facility.

Although everyone is invited to participate in a capital campaign, a congregation's member families may likely be in different life stages. Some families may have income to give, but few assets, and so be able to give some amount each month. Other families may not have much income, but might have significant assets, and so be able to give a lump sum now. Congregations typically request commitments in both forms, that is, how much can you give today, and how much each month for the duration of the campaign.

The Funding for Mission Office has material available for congregations wishing to undertake this process. Please call 1/800/884-7526 or send an e-mail to funding@cofchrist.org to request this information.

Capital campaigns usually involve the following steps:

PHASES OF A CAPITAL CAMPAIGN

1. Planning Phase

- 1.1. Plan all aspects of the campaign thoroughly with the consensus of the Mission Center Financial Officer and the building committee and pastoral team.
- 1.2. Select the capital campaign committee and committee chair from a broad-based pool of respected persons in the congregation
- 1.3. Project the cost of the project and build a funding plan consisting of cash on hand, assets to be sold and pledges over a specific number of years. Be sure to carefully consider the impact that the debt repayment will have on future programming ministries.
- 1.4. Insure the project scope is within the financial means of the membership
- 1.5. Develop a purpose statement making the vision clear to the members: use artist's drawings, brochures, information sheets, etc.
- 1.6. Provide adequate time between the presentation and commitment phase for questions and clarification.
- 1.7. Train those who will go on visits, and allow them to commit first so that their visits take on a "testimonial" nature.

2. Commitment Phase

- 2.1. Define the campaign time frame and stick to it.
- 2.2. Be creative in your presentation and consensus building. Make sure that committing to this project "feels" different from a steward's regular giving to the congregation.
- 2.3. Visit key members of the congregation (Pastorate, Steering Committee, those who will conduct family visits, and other key contributors) first.
- 2.4. Make sure that every member is personally invited to commit to the project.
- 2.5. Include children with their families.
- 2.6. Communicate and celebrate your progress as the campaign unfolds

3. Follow-up Phase

- 3.1. Acknowledge every gift.
- 3.2. Follow-up regularly with the congregation to inform them of the progress of construction and contributions.
- 3.3. Follow-up with every member periodically regarding the status of their commitment.

V. Insurance and Bonding Requirements

These are general insurance and bonding requirements to be utilized for service providers, contractors, and subcontractors. World Church Risk Management Services will assist in reviewing insurance and bonds submitted.

World Church reserves the right to refuse to accept insurance coverage for any service provider, contractor, or subcontractor due to financial instability of the insurance company, limits, coverages, and insurance terms or conditions, or the lack thereof.

All service providers, contractors, and subcontractors shall carry the following insurance coverage:

1. Workers' Compensation (WC) and Employers' Liability (EL) Insurance
 - WC— statutory
 - EL— bodily injury by accident—\$500,000 each accident
 - bodily injury by disease—\$500,000 policy limit
 - bodily injury by disease—\$500,000 each employee
2. Automobile Liability Insurance
 - \$1,000,000 combined single limit—bodily injury and property damage for injuries to person or persons involved in an accident in connection with the work to be performed for the church
3. Commercial General Liability
 - \$2,000,000 general aggregate
 - \$1,000,000 bodily injury/property damage—per occurrence
 - \$2,000,000 products/completed operations—aggregate
4. Excess Liability above the EL, Automobile Liability, and Commercial General Liability
 - \$5,000,000 aggregate
5. Installation floater or builders' risk property policy (installation floater—renovations and builders' risk—new buildings/structures). This coverage will protect the church buildings/structures during the renovation or new construction of the church. Limit: amount of the contract.
6. Bid bond—contractor will provide a bid bond at the time of submission of bid. The bid bond will guarantee the contractor's duty to sign a contract with the church at the terms, conditions, and price as outlined in the bid.
7. Performance, labor, and material bond—The contractor shall furnish a labor, equipment, material bond, and performance bond equal to 100 percent total cost of labor, equipment, material, contractor's supplies, overhead, and profit of the contractor from a company authorized to do business in the state where the work is to be performed. This bonding company will be approved by the church. The cost of the bond will be paid by the church above and beyond the contract amount. These bonds are required for projects that exceed \$50,000.
8. The church will be provided with a certificate of insurance evidencing the insurance coverage and limits as outlined above—before the start of any work. (Sample certificate of insurance for construction is attached.)
9. The church will be named as an additional insured on 2, 3, and 4 above. The church will be named as a loss payee on 5 above. This will include the name of the local congregation and the World Church.

Please mail or fax certificates of insurance to:

**Community of Christ
Risk Management Services
1001 W. Walnut
Independence, MO 64050-3562
Fax (816) 521-3035
Phone (816) 833-1000, ext. 1492**

VI. USING AN ARCHITECT

1. BUILDING PROJECT ARCHITECT ANALYSIS

The selection of an architect to coordinate the design of a church facility is critical to the success of the project. Since the congregation will be meeting with several architects and engineering firms, this form has been developed to assist the congregation in evaluating the candidates. This form is only a tool, and questions asked and areas listed for your comments are suggestions only. Please make enough copies so that each candidate is evaluated on their own form. Other factors may also be important to the congregation, and should be made part of the evaluation on the basis of the congregation's individual experience. Ample space is given for comments and notes so that the congregation will be able to distinguish the candidates at the end of the interviews.

2. FORM FOR EVALUATING THE ARCHITECT

DATE: _____ TIME: _____

ARCHITECT: _____

ESTIMATED FEE: _____

OVERALL EVALUATION: Poor _____ Fair _____ Good _____ Excellent _____

DESCRIBE THE ARCHITECT'S PREVIOUS EXPERIENCE:

DESCRIBE THE ARCHITECT'S WORK SAMPLES IN TERMS OF CREATIVITY AND QUALITY:

HOW DOES THE ARCHITECT PROPOSE TO INTERACT WITH THE CONGREGATION?

HOW WELL DO YOU THINK THE ARCHITECT WILL BE ABLE TO ADAPT TO CHANGING CIRCUMSTANCES AND THE DEMAND OF THE CONGREGATION?

DO YOU SENSE A DESIRE OF THE ARCHITECT TO CONTINUE THE RELATIONSHIP AS THE CONGREGATION IMPLEMENTS THE MASTER PLAN?

OTHER THINGS TO CONSIDER:

THIS ARCHITECT IS STRONGEST IN THE AREA OF:

THIS ARCHITECT IS WEAKEST IN THE AREA OF:

HOW WELL DO YOU AGREE WITH THE FOLLOWING STATEMENTS?

1= do not agree at all 10= complete agreement.

The architect understands the scope of the assignment.	1	2	3	4	5	6	7	8	9	10
The architect will be able to offer multiple solutions to design challenges.	1	2	3	4	5	6	7	8	9	10
The architect will be easy for the congregation to work with.	1	2	3	4	5	6	7	8	9	10
The architect's work samples are of the highest quality in terms of creativity of design.	1	2	3	4	5	6	7	8	9	10
The architect's work samples are of the highest quality in terms of presentation and drawing ability.	1	2	3	4	5	6	7	8	9	10
The architect is qualified for this assignment in the area of mechanics. (Electrical, plumbing, etc.)	1	2	3	4	5	6	7	8	9	10
The architect is qualified in the area of aesthetics and design.	1	2	3	4	5	6	7	8	9	10
I am very satisfied with this candidate's previous experience.	1	2	3	4	5	6	7	8	9	10
The architect will be able to suggest better solutions than the congregation can come up with, not just put our ideas on paper.	1	2	3	4	5	6	7	8	9	10
The architect will be flexible enough to work with closely with committee.	1	2	3	4	5	6	7	8	9	10
The proposed fees charged by this candidate are reasonable.	1	2	3	4	5	6	7	8	9	10
The architect will be able to work with the city and contractors.	1	2	3	4	5	6	7	8	9	10
Other:	1	2	3	4	5	6	7	8	9	10
	1	2	3	4	5	6	7	8	9	10

FINAL IMPRESSIONS AND EVALUATION:

IF THIS CANDIDATE IS JUDGED TO BE THE BEST IS HE/SHE ACCEPTABLE?

VII. CHECKLISTS FOR BUILDING PROGRAMS

1. BUILDING OR REMODEL PROJECTS

1.1 Steps in project Organization

_____ Review the Building Program & Houses of Worship Revolving Fund Loan Procedures & Guidelines

_____ Assemble a group of congregational members to form a Building Committee to work directly with Legal Services, the Architect and General Contractor.

_____ Prepare and forward a "Letter of Intent" to Legal Services and Mission Center officers to the proposed building project. (See Building Program Approvals and Procedures for information needed in the Letter of Intent.)

1.2 Steps in Preliminary Planning

_____ Interview multiple Architect candidates and select one, if an Architect is being used. Contact Legal Services for assistance in interviewing architect, if needed.

_____ Submit the Architect's contract to Legal Services for review prior to signing.

_____ Schedule periodic updates for the congregation, Legal Services, and Mission Center officers, as planning progresses.

_____ Secure Congregational approval when the preliminary planning is complete.

_____ Forward preliminary plans to Legal Services and Mission Center officers for review and approval.

1.3 Steps in Preliminary Financing Plan

_____ Determine the cost estimate of the project in consultation with the architect.

_____ Determine the resources available to complete the project (Cash on hand, property to be sold, affiliate pool accounts). If a loan will be needed, contact Legal Services to discuss current loan policies and to receive a loan application.

_____ Begin planning for capital campaign. Contact Funding for Mission Office, if needed.

_____ Project approval can often be given at this stage, subject to satisfactory completion of subsequent requirements.

1.4 Steps in Detailed Construction Planning

_____ Authorize architect to proceed with construction drawings when congregation is confident the project is within their means and all required approvals are in place.

_____ Review the World Church Insurance and Bonding Requirements provided in section V, for limits and requirements, and provide a copy to potential contractors.

_____ Review bids and interview multiple contractors to serve as general contractor, with the assistance of the Architect.

_____ Select contractor and verify that contractor can satisfy World Church insurance and bonding requirements.

_____ Request preparation/review of Construction contract by Legal Services.

_____ Obtain project approval before the construction contract is signed.

1.5 Steps in Finalizing the Financing Plan

_____ Determine the final cost estimate of the project based on contractor bids and in consultation with the architect. In addition to contractor's bid, be sure to consider additional amounts for contingencies and change orders, as well as other work not performed by the general contractor such as landscaping, paving, furnishings, signage, etc.

_____ Review again the resources available to the Congregation to complete the project including cash on hand, property to be sold, capital campaign, and affiliate pool accounts. If a loan will be needed, contact Legal Services to discuss current loan policies and to complete a loan application.

_____ Plan and conduct a Capital Campaign if needed and provide the information in the loan application. Contact Funding for Mission Office at 1/800/884-7526 for assistance in planning a capital campaign.

2. CHECKLIST FOR PURCHASE OF PROPERTY

2.1 General

_____ Review the guidelines and procedures carefully.

_____ Complete a Loan Application if needed

2.2 Approvals

_____ Inform and discuss with Mission Center officers the decision to purchase.

_____ Meet with congregation to discuss and approve the purchase of a facility/land.

_____ Forward copies of business meeting minutes to the Mission Center officers, Apostle In Charge and Legal Services.

_____ Provide a Letter of Approval, to be signed by Pastor and Financial Officer, to Mission Center officers, Apostle In Charge, and to Legal Services.

2.3 Offer to Purchase

_____ Forward Offer to Purchase to Penny Edwards, Legal Services, for review PRIOR TO SIGNING.

_____ Include the following mandatory contingency in the offer, "Offer is subject to the approval of the Presiding Bishop of said church."

2.4 Financing

_____ Complete the loan application provided in section X, or request a loan application from Legal Services, if a Houses of Worship Revolving Fund Loan (HWRF) is needed.

_____ Complete the loan application and forward to Legal Services for review.

_____ Plan and conduct a Capital Campaign if needed and provide the information in the loan application.

2.5 Closing the Purchase

_____ Penny Edwards of Legal Services will work directly with the title/abstract company or attorney to close the purchase.