

# *Community of Christ*

## **PROCEDURES & GUIDELINES**

**for**

## **BUILDING PROGRAM**

**(Building a New Facility, Remodeling, or Addition to Present Facility  
and/or Major Maintenance or repairs)**

**and**

## **HOUSES OF WORSHIP REVOLVING FUND LOAN**

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## BUILDING PROGRAM PROCEDURES & GUIDELINES

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## 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 building a new facility, remodeling or adding on to a present facility, or major maintenance/repairs to the present facility. If a Congregation, Campground or Mission Center intends to sell or purchase property please contact Legal Services for guidelines and procedures specific to those types of transactions.

### 2. PRESIDING BISHOPRIC'S HOUSES OF WORSHIP FUND

Building programs are assisted by the ministry and policies provided by the Presiding Bishopric through the Houses of Worship Revolving Fund (HWRF) program, if needed, and Legal Services. These policies are designed to bring the resources, assistance, and experience of the World Church to the Congregations. All building projects \$200,000.00 and over require the prior approval of the Presiding Bishopric, whether or not a Congregation has funds available to cover the cost. 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 NEW OR ADDITION

Decisions about church 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 will provide guidance and policies to be carefully followed in all new construction and renovation.

### 6. EARTH STEWARDSHIP

In accord with the Church's earth stewardship, every effort to use environment friendly building products and energy efficient appliances in a project is advised. The resource "[Building a Firm Foundation: A Creation Friendly Building Guide For Churches](#)" is available upon request from Legal Services, or at the website <http://www.cofchrist.org/earthsteward/Green%20Building.pdf>. Congregations located in Canada may want to purchase the resource "[Practical Guide to Improving the Energy Efficiency of Your Religious building](#)" at the website <http://www.faithcommongood.net/resources/index.asp>.

### 7. 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 area in which the project will be located. All governmental approvals must be in place prior to beginning a project, if required.

### 8. ELEMENTS OF A BUILDING PROGRAM

Each Building Program consists of the following elements:

- 8.1 The Building Project
  - 8.1.1. Description of the congregation's plan for ministry
  - 8.1.2. Discussion of building needs
  - 8.1.3. Description and extent of the project
  - 8.1.4. Development of preliminary building plans (including site plan)

- 8.2. The Financing Plan
  - 8.2.1 Calculation of estimated cost of the project
  - 8.2.2 Calculation of estimated financial resources
  - 8.2.3 Completion of loan application (if needed)
  - 8.2.4 Production of evidence of ability to repay loan (Capital Campaign)
  - 8.2.5 Analysis of the estimated Impact on Operating Budget
- 8.3. Legislative and Administrative Approvals
  - 8.3.1 Secure Legislative approval from the Congregation
  - 8.3.2 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

## 9. INITIATING A BUILDING PROGRAM

A building program is initiated by contacting the Mission Center administrative officers and 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 Mission Center, Legal Services, Fiscal Services and Risk Management opportunity to offer assistance and guidance.

A "Letter of Intent" is to be prepared and forwarded to the Mission Center and Legal Services. 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

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 and Apostle over the area, if needed.

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.

## 10. 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 experienced in the specific project type, as well as environment friendly building designs.

## 11. 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. Bids/proposals from Contractors 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 and Legal Services.

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

## **12. 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, whether large or small. 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 of 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.

## **13. GENERAL CONTRACTOR**

Larger building projects may 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.

Legal Services strongly advises that the Congregation check with the Better Business Bureau (BBB) on any contractor that they may choose to select.

## **14. 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.

## **15. USING CONGREGATION MEMBER AS A CONTRACTOR.**

A Congregation may have a member that is a licensed or certified contractor in various fields that has agreed to complete a building project at cost. The member/contractor will be subject to the same requirements and expectations as any other contractor. Congregation must also be willing to hold the member/contractor accountable to the same extent as they would any other contractor, which could very possibly result in hard feelings within the membership.

## **II. APPROVAL PROCESS FOR BUILDING PROGRAMS**

All projects valued at \$200,000.00 or more require Presiding Bishopric whether or not a Congregation, Mission Center, or Campground has funds available to complete the project. Any project that requires the assistance of a Houses of Worship Revolving Fund Loan must also have all approvals in place prior to proceeding. 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 project.

1.1.2 If the building project 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 project 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 project for the emerging congregation.

2.1.2 If the building project 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 project 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 all bids/proposals for 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 are to be sent to the Mission Center and 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 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 \$100,000.00 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.

**APPROVAL FOR BUILDING PROJECT**

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TYPE OF PROJECT:

- \_\_\_\_\_ New facility
- \_\_\_\_\_ Addition to present facility
- \_\_\_\_\_ Major repairs/maintenance to present facility
- \_\_\_\_\_ Other. Please explain: \_\_\_\_\_

ESTIMATED PROJECT COST: \$ \_\_\_\_\_

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**APPROVALS**

Approvals consist of both legislative (Congregation) and administrative (Mission Center). Approvals, along with the minutes can be e-mailed to [pedwards@cofchrist.org](mailto:pedwards@cofchrist.org) with the approval form information provided below to follow.

**SECURING LEGISLATIVE APPROVALS:**

- 1) Congregational Pastor and Financial Officer to approve the project, project cost, and loan if needed.
- 2) Congregation must meet to discuss and approve the project, project cost, and loan if needed.
- 3) HWRF loan application to be completed, if World Church funds are needed.
- 4) Forward business meeting minutes, Pastor and CFO approvals, along with loan application if needed, to the Mission Center President and Financial Officer for approval signatures, with copy to Legal Services.

**SECURING ADMINISTRATIVE APPROVALS:**

- 1) Mission Center President and Financial Officer to send approve of the project, project cost, loan application, to Legal Services.
- 2) 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  
[pedwards@cofchrist.org](mailto:pedwards@cofchrist.org)

\_\_\_\_\_ 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 due or a property being foreclosed on 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 loans 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 amount of World Church funds available for projects is up to two-thirds (2/3) of the total project cost, with the Congregation paying the remaining one-third (1/3). The Congregation must use their one-third (1/3) prior to making draws against the loan. 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 Disclosure of congregational planning, financial and growth performance, and compliance with the procedures outlined in this document.
- 1.4 Satisfaction of the World Church Insurance and Bonding Requirements by all contractors involved in the project.
- 1.5 Placement and maintenance of the congregational insurance program within the World Church Insurance Program.
- 1.6 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 1<sup>st</sup> 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.

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 to [pedwards@cofchrist.org](mailto: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.

With each draw requested an Interim Note will be sent to the Congregation for signature by the Pastor and Congregational Financial Officer acknowledging receipt of the check or wire. 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. Once all funds have been drawn the Interim Notes will be replaced by a Promissory Note.

## **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 funds transfer (EFT) 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

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.

## HOUSES OF WORSHIP REVOLVING FUND LOAN APPLICATION

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  
[pedwards@cofchrist.org](mailto:pedwards@cofchrist.org)

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. Approvals to be included with loan application:

- Congregation Business meeting minutes approving the project, project cost and loan.
- Presiding Officer and Congregational Financial Officer approval.
- Mission Center officers' approval.

Projects and/or loans \$200,000.00 and over require approval from the Apostle and Bishop over the area.

### 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/Campground/Mission Center must have 1/3 of the total project cost available as cash on hand, over and above its operating budget. This 1/3 shall be used prior to the Congregation requesting a draw on the loan.)

**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 FOR LAST FIVE (5) YEARS:**

	20__	20__	20__	20__	20__
Operating Fund:	_____	_____	_____	_____	_____
Building Fund:	_____	_____	_____	_____	_____
TOTALS:	_____	_____	_____	_____	_____

**CAPITAL CAMPAIGN INFORMATION (if applicable):**

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

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Loan Application Dated: \_\_\_\_\_  
Loan Application prepared by: \_\_\_\_\_ (Print)  
\_\_\_\_\_ (Signature)  
\_\_\_\_\_ (Title)

**APPROVALS:**

Mission Center: \_\_\_\_\_  
Approved by Mission Center President: \_\_\_\_\_  
Date Approved: \_\_\_\_\_  
Approved by Mission Center Financial Officer: \_\_\_\_\_  
Date Approved: \_\_\_\_\_  
Approved by Pastor \_\_\_\_\_  
Date Approved: \_\_\_\_\_  
Approved by CFO: \_\_\_\_\_  
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](mailto: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 \$100,000.

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. QUESTIONS TO CONSIDER WHEN EVALUATING THE ARCHITECT**

ARCHITECT: \_\_\_\_\_

ESTIMATED FEE: \_\_\_\_\_

OVERALL EVALUATION: Poor \_\_\_\_\_ Fair \_\_\_\_\_ Good \_\_\_\_\_ Excellent \_\_\_\_\_

ARCHITECT'S PREVIOUS EXPERIENCE:

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?

ARCHITECT IS STRONGEST IN THE AREA OF:

ARCHITECT IS WEAKEST IN THE AREA OF:

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.) Letter of Intent can be part of the HWRF Loan Application.

#### **1.2 Steps in Preliminary Planning**

\_\_\_\_\_ If an Architect is being used, interview multiple Architect candidates and select one.

\_\_\_\_\_ 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 HWRF loan is needed, contact Penny Edwards, Legal Services to discuss current loan policies and to receive a loan application. Loan application is also available on the church's website under Legal Services.

\_\_\_\_\_ Begin planning for capital campaign, 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.

## VIII SERVICE AGREEMENT INFORMATION

When requesting a contract please complete the Service Agreement Information form below and be sure to include all the additional documents being requested. The Service Agreement will be completed once all the necessary approvals for a Houses of Worship Revolving Fund Loan have been received in Legal Services

### SERVICE AGREEMENT INFORMATION – WITH HOUSES OF WORSHIP REVOLVING FUND LOAN

Please complete this Service Agreement Information form with as much detailed information as possible. The following documents must be submitted along with the completed Service Agreement Information form:

- Copy of the unsigned but accepted bid/proposal
- Contractor's Certificate of Insurance
- IRS Form W-9 completed and signed by Contractor
- Business meeting minutes approving the work

Documents can be faxed to Legal Services at 816-521-3099 or emailed to: [legalservices@cofchrist.org](mailto:legalservices@cofchrist.org). Once this information has been received, and loan approval given, Legal Services will prepare the Service Agreement for signature by the Congregation, Campground, or Mission Center and Contractor.

#### 1. NAME/ADDRESS OF CONGREGATION, CAMPGROUND, OR MISSION CENTER

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip code \_\_\_\_\_

#### 2. CONTACT INFORMATION FOR CONGREGATION, CAMPGROUND, OR MISSION CENTER

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip code: \_\_\_\_\_  
Telephone number: \_\_\_\_\_ Fax number: \_\_\_\_\_  
E-mail: \_\_\_\_\_

#### 3. IF CONGREGATION OR CAMPGROUND WHAT MISSION CENTER ARE YOU PART OF?

\_\_\_\_\_

#### 4. TYPE OF SERVICE AGREEMENT BEING REQUESTED:

Services: \_\_\_\_\_  
Construction: \_\_\_\_\_ (New build: \_\_\_\_\_ Remodel: \_\_\_\_\_ Add on: \_\_\_\_\_)  
Consulting: \_\_\_\_\_  
Electrical: \_\_\_\_\_  
Plumbing: \_\_\_\_\_  
Roofing: \_\_\_\_\_  
Heating/cooling: \_\_\_\_\_  
Logging: \_\_\_\_\_  
Other: \_\_\_\_\_

5.CONTRACTOR'S NAME/ADDRESS

Company Name:\_\_\_\_\_

Owner's Name:\_\_\_\_\_

Address:\_\_\_\_\_

City:\_\_\_\_\_ State:\_\_\_\_\_ Zip Code:\_\_\_\_\_

Telephone number:\_\_\_\_\_ Fax number:\_\_\_\_\_

E-mail:\_\_\_\_\_

6. WHAT IS THE SCOPE OF THE WORK? (Provide a brief description of the services to be provided, equipment purchased, etc.)

7. TOTAL DOLLAR VALUE OF THE PROJECT: \$\_\_\_\_\_

8. REQUESTED START DATE OF THE PROJECT:\_\_\_\_\_

9. ANTICIPATED COMPLETION DATE OF THE PROJECT:\_\_\_\_\_

10. DOES THE CONTRACTOR MEET THE CHURCH'S INSURANCE REQUIREMENTS?  
(Proof of insurance (Certificate of Insurance) to be provided by Contractor and coverage must meet Church's requirements.)

Yes:\_\_\_\_\_ No:\_\_\_\_\_

11. IF THIS IS A CONSTRUCTION CONTRACT VALUED OVER \$100,000.00 THE CONTRACTOR IS REQUIRED TO BE BONDED. DOES THE CONTRACTOR MEET THE CHURCH'S BONDING REQUIREMENTS?

Yes:\_\_\_\_\_ No:\_\_\_\_\_

12. DOES ANY PORTION OF THIS PROJECT INVOLVE AN INSURANCE CLAIM?

Yes:\_\_\_\_\_ No:\_\_\_\_\_

13. IF AN INSURANCE CLAIM, HAS RISK MANAGEMENT BEEN CONTACTED?

Yes:\_\_\_\_\_ No:\_\_\_\_\_

14. IS A HOUSE OF WORSHIP REVOLVING FUND LOAN NEEDED TO ASSIST WITH THE COST OF THE PROJECT?

Yes:\_\_\_\_\_ No:\_\_\_\_\_