

TITLE: Procedure for Construction Oversight, Review, Inspection, and Payment Processing

APPROVED DATE: March 4, 2024

EFFECTIVE DATE: March 4, 2024

REVIEW DATE: March 4, 2029

Policy:

This policy is established to provide a standard process and procedure for managing construction projects approved by the church Executive Board. Projects include any new or retrofitting construction requiring permitting, sub-contracting, or general contracting services

Procedure:

- I. Executive Board Duties and Responsibilities:
 - a. Evaluate and approve all construction projects including contracts and the funding source
 - b. Delegate different levels of authority to individuals or ad-hoc committees/teams for the execution of this policy
 - c. Upon recommendation from the Facility Planning Team and/or The Finance Team, will establish monetary approval limits for all phases of the project including; but not limited to, Change Orders, Release of Draws, and payment of invoices
- II. Facilities Planning Team Duties and Responsibilities:
 - a. Identify space needs and provide options to the Executive Board
 - b. Evaluate facility conditions and recommend renovations to existing facilities
 - c. Meet periodically to review projects and provide direction to the Point of Contact(s)
 - d. Develop specifications either internally, or with the assistance of an architect/engineer for projects that require permitting
 - e. Establish Project Inspection Criteria to include; but not limited to, Punch Lists, Daily/weekly Inspection Report Forms, Change Order Request Forms, Progress Reports, and other associated documents as required
 - f. Report to the Executive Board on at least a monthly basis on the progress of each project(s)

- III. Finance Team Duties and Responsibilities:
 - a. Coordinate the financing on each project(s) with the Facilities Planning Team
 - b. Identify and recommend funding sources to the Executive Board
 - c. Approve payments for all projects
 - d. Release draws on major construction projects
 - e. Maintain a balance sheet on each project
 - f. Approve contingency releases for unexpected expenses
 - g. Meet periodically to review the financial status of each project
 - h. Report to the Executive Board on at least a monthly basis, the financial status of each project and identify any potential shortfalls or anticipated overages, if any, on each project

- IV. Establishing Points of Contact:
 - a. There will be one (1) primary Point of Contact between the contractor/sub-contractor and the church
 - b. The Executive Board will appoint the primary Point of Contact (POC) for each project or multiple projects as the need arises
 - c. In the event the primary Point of Contact is unavailable the secondary point of contact will be the Facilities Planning Team Leader
 - d. In the event neither the primary or secondary point of contact is available the Senior Pastor will act as the emergency contact
 - e. In the event that none of the above are available the Executive Board Chair will act as the emergency point of contact
 - f. A complete list of contacts and contact information will be provided to the contractor/sub-contractor prior to the start of each project

- V. Point of Contact Responsibilities:
 - a. Provide regular access either in-person or by phone, text, or e-mail to the contractor/sub-contractor
 - b. Be available to do on-site inspections
 - c. Be available to meet in a timely manner with the contractor when any unforeseen issue arises (i.e. need for Change Order, potential change in scope, discovery of a hazardous material, etc.)
 - d. Complete daily/weekly inspection reports as required
 - e. Complete Change Order Request forms
 - f. Approve Change Orders up to the monetary limit established by the Executive Board for each project
 - g. Recommend approval of Change Orders to the Facility Planning Team and/or Executive Board depending on the amount as established by the Executive Team
 - h. Coordinate funding allocations for Change Orders with the Finance Team

- i. Participate in all reviews and inspections

VI. Inspections:

- a. The inspection team will consist of: the Primary Point of Contact, Senior Pastor, Facility Planning Team Leader or designee, and/or Finance Team Leader/designee
- b. The Point of Contact will be responsible for scheduling all inspections with the contractor and ensuring the inspection team members are notified of the inspection date and time
- c. The inspection team will use the approved inspection reports created to perform the inspection
- d. All members must agree on each item listed in order for the inspection to be considered complete
- e. Any items identified that need correction or completion will be given to the Point of Contact for review with the contractor/sub-contractor
- f. Items that are minor in nature as determined by the inspection team can be re-inspected by the Point of Contact to ensure they have been addressed
- g. Items that are identified as major will need to be inspected by the entire inspection team
- h. Upon the completion of a successful inspection the Point of Contact will notify the Facility Team Leader and Finance Team Leader that all items/issues are completed and that payment/ or the next draw is ready for release