**Procedures for
Diocesan Property Grants and Improvements**

The Rev. Kirby Smith can provide additional information: ksmith@edsd.org, 619-481-5453. The diocesan property committee may also be of assistance: propertycommittee@edsd.org.

1. **Property Grant and Improvement Process for Missions**
2. Ordinarily, requests less than $2,500 will not be considered. Exceptions may occur in unusual circumstances.
3. All locally initiated property improvements
	1. A Physical Needs Assessment (PNA) is required
	2. The bishop's committee provides repair estimate; if over $5,000, three estimates are required. *The property committee can assist in creating bid sheet so that bids received are comparable and meet the project needs*
	3. If diocesan funds are to be requested, the bishop's committee submits a grant application: [edsd.org/congregational-property-grant-application](https://edsd.org/congregational-property-grant-application). Grant funding cycle follows the budget year. Grant applications are available in June and are due mid-July. Most of the funds available are awarded during this application process.
	4. Executive council approval is required for any mission property improvement project to move forward. If project requires financing, standing committee consent is also required.
	5. If over $5,000, a property committee member makes a site visit and/or a representative of the mission is scheduled to attend a property committee meeting.
	6. The bishop's committee upon request submits year-to-date income statement and balance sheet from which the property committee in concert with the finance committee determines amount (if any) of diocesan contribution.
	7. Once project and vendor are approved, vendor submits proposal/contract to the property committee for approval. Designated officer signs on behalf of the diocese.
	8. **Advance payments to vendors.** The diocese will not normally make advance
	payments. If the vendor requests advance payments, the property committee will evaluate the request and make a recommendation to the diocesan chief financial officer. Advance payments shall not exceed 10% of the total cost. If job exceeds $10,000, progress payments may be made, but must be included in the contract as such.
	9. When the contract is approved, the junior warden, facilities manager, or other designated officer arranges for work to be done and is responsible for monitoring the work and final inspection of the work before payment is sent. Depending on type of work and/or the situation with the vendor, a property committee member may conduct an additional inspection and can support work execution if requested.
	10. The diocese cuts a check to the vendor for the total amount on completion and acceptance of the work, and the mission cuts a check to the diocese for its share.
4. When initiated by diocese
	1. Ordinarily only when there is a health, safety, or structural integrity issue that
	the mission has not addressed and the property committee learns about.
	2. If the property committee learns of a health, safety, or structural integrity issue
	that needs attention, the property committee in concert with the finance committee will first advise the mission of the urgency of the situation. If the requisite degree of attention is not forthcoming, the property committee will seek the guidance of the bishop and/or the standing committee to obtain cooperation from the mission.
	3. If cooperation is obtained, then the repairs proceed under locally initiated procedures (see B above).

If cooperation is not obtained, with the approval of the bishop and/or standing committee, the property committee will proceed to obtain bids, approve the contract, monitor the work, approve completion, and issue a check request to the chief financial officer.

1. **Property Improvement and Grant Procedures for Parishes**
2. Ordinarily, requests less than $10,000 will not be considered. Exceptions may occur in unusual circumstances.
3. Funding to parishes will be in the form of a loan, not a grant. However, exceptions
may occur in unusual circumstances particularly for mission action parishes.
4. When diocesan funds are requested, the following procedure applies.
	1. The vestry provides repair estimates; three estimates are required.
	2. The vestry submits an application: [edsd.org/congregational-property-grant-application/](http://edsd.org/congregational-property-grant-application/). Grant funding cycle follows the budget year. Grant applications are available in June and are due mid-July. Most of the funds available are awarded during this application process.
	3. A property committee member makes a site visit and/or parish representative is scheduled to attend a property committee meeting.
	4. The vestry submits year-to-date income statement and balance sheet from which the property committee determines amount of diocesan grant.
	5. Once an estimate is approved by the vestry, a vendor submits the contract to the property committee for review and approval. The rector, priest-in-charge, senior warden or junior warden sign on behalf of the parish.
	6. **Advance payments to vendors.** The diocese will not normally make advance
	payments. If the vendor requests advance payments, the property committee will evaluate the request and make a recommendation to the chief financial officer. Advance payments shall not exceed 10 % of the total cost. If the job exceeds $10,000, progress payments may be made, but must be included in the contract as such.
	7. When a contract is approved, a parish representative arranges for work to begin and is responsible for overseeing implementation and finally inspecting the work before payment is sent. Depending on type of work and/or the situation with the vendor, a property committee member may support supervision of the work and conduct an additional inspection.
	8. The diocese cuts a check to the vendor for its share and parish cuts a check to the vendor for its share.
5. While ordinarily the independence of a parish will be respected, if information comes to the attention of the property committee that a parish is not attending to health, safety, or structural integrity issues at its property, it shall inform the bishop and/or the standing committee and request guidance as to how to proceed.
6. While the above process is required of parishes only when they receive diocesan grants or loans or if they are a mission action parish, it is highly recommended that they follow this procedure for all capital improvements.
7. **For Non-Mission Diocesan Property Grant Requests**
8. The person in charge of the facility submits a request with a description and need for the work with pictures to property committee.
9. The property committee obtains estimates. If over $5,000, three estimates are required.
10. The contract is submitted to property committee for approval.
11. **Advance payments to vendors.** The diocese will not normally make advance payments. If the vendor requests advance payments, the property committee will evaluate the request and make a recommendation to the diocesan chief financial officer. Advance payments shall not exceed 10% of the total cost. If job exceeds $10,000, progress payments may be made, but must be included in the contract as such.
12. A designated officer signs contracts on behalf of the diocese.
13. The person in charge of the facility monitors and inspects completed work and advises the property committee of completion. Depending on type of work and/or the situation with the vendor, a property committee member may help with implementation and then conduct an additional inspection.
14. Upon approval of the job; the diocese cuts a check to vendor.
15. While the above process is required of parishes only when they receive a diocesan grant or loan, it is highly recommended that they follow this procedure for all capital improvements.
16. **Vendor Standards for All Contractors**
17. Parishes will be required to perform the following tasks (missions and mission action parishes will be assisted as required).
18. **Conflicts of interest.** If bidders have a relationship with the clergy or lay members of the diocese, or anyone in the office of the bishop, the vendor must disclose that
relationship and follow all contractor requirements outlined below. Any member of the property committee or the office of the bishop who has a relationship with a bidder must recuse him or herself from the evaluation process.
19. For contracts in excess of $5,000, the contractor must pass a public records check.
	1. No outstanding judgments.
	2. Must not be defending any uninsured open lawsuits.
	3. No recent (within 5 years) discipline by the contractor's license board.
	4. The property committee may at its discretion reject any contractor on the basis of any public record information or that obtained from reliable sources.
	5. References for past work.
20. Contractors must be state-licensed in the trade to be performed or a licensed general contractor.
21. Contractor must use its own employees or a sub-contractor state-licensed contractor in the trade to be performed. Contractors and sub-contractors cannot use unlicensed
independent contractors.
22. Contractor must have state bond in effect before any contract is signed.
23. Contractor must be insured and present a current certificate of insurance the following coverage:
	1. Workers Compensation
	2. Liability
	3. Surety Bond in effect registered with contractor’s license board
24. Contractor, prior to receiving payment must provide a W-9 and present proof of payment to all subcontractors, material suppliers and laborers on the job for all work completed prior to the date of payment whether a final or progress payment.
25. A completion bond is required for any job in excess of $30,000. The property committee has discretion to waive this requirement based on the prior reputation of the contractor.
26. Contractor must sign a release of all liens upon receiving payment.
27. All contracts must have a starting date, a completion date, and a provision that the
contractor will have workers continually on the job until the job is completed. They will also include an acceptance process before any payment is made, an indemnification clause and a breakdown of work to be completed before any progress payments are made.
28. If there are multiple contractors on the project a general contractor must be designated.

These guidelines are for property improvements that are funded with either a diocesan grant or loan. The guidelines are recommended for parishes but not required.