



**Diocese of Tucson  
Policies and Procedures Manual  
for  
New Construction, Renovations,  
Additions, and Maintenance Projects**

## **INTRODUCTION**

The Bishop of the Diocese of Tucson, with the support of his advisors, has promulgated various policies and related procedures for New Construction, Renovations, Additions, and Maintenance Projects (collectively referred to herein as Projects).

The purpose of this document is to establish policies and procedures for those engaged in the development and execution of Projects in the Diocese of Tucson.

The Bishop has assigned responsibility to the diocesan Property and Insurance Department for the oversight and administration of the temporal goods of the Diocese. The Property and Insurance Director is the primary contact for the initiation of the approval process for Projects. The contact begins with the Project concept and continues through the Project's completion and warranty under the direction of the Property and Insurance Director.

The Diocesan Building Committee has reviewed these policies and procedures. The Committee membership includes pastors and construction professionals with significant experience and technical expertise in the successful performance of capital projects. The Committee provides general advice in the development of policies and procedures and makes recommendations to the Bishop regarding Projects in the Diocese of Tucson.

The Diocesan Fiscal and Administrative Services Office is a key resource in the review of cost and operating projections and of project finance. The office also can assist in any capital campaign tracking and investment of campaign receipts.

The Property and Insurance Department is involved in bonding and risk coverage during and after completion. The Property and Insurance Department will assist in obtaining insurance funds for covered losses for Projects related to replacement or repair due to an accident, fire, or other physical damage.

The Catholic Diocese of Tucson Charity and Ministry Fund, Inc. provides support for the evaluation of capital campaign fund-raising opportunities, consultants, and techniques.

The Catholic Schools Department and the diocesan Office of Catechesis are available to provide support in the evaluation of program needs and faculty requirements for both Catholic schools and parish religious education programs.

We have divided his manual into these sections:

- Overview
- Project Policies
- Financial Policies
- Procedures
- Forms and Instructions

The appendices provide several reference elements:

- I. Insurance Requirements
- II. Construction Delivery Options
- III. A Glossary to define construction and Diocese of Tucson-specific terms used in this manual

## PROJECT CATEGORIES

A Project is classified into one of four “categories.” The policies to be applied and the procedures to be followed are related to the Total Project Cost (TPC) and/or type of project. TPC includes cost of design, construction, furnishings, permits, contingency, and inflation, as well as cost of all phases of an overall project or program, regardless of duration or scheduling.

Requirements for compliance with Diocese of Tucson policy and procedures vary depending on the category. The applicability of the requirements is indicated in Section 2 – Project Policies. The type of project initiated shall fall into one of four categories outlined below. The higher category shall always take precedence.

### CATEGORY I

The Property and Insurance Director must review any Project involving **environmental issues** (i.e., asbestos, lead/lead paint, underground fuel tanks, radon, indoor air quality, or other hazardous substances/conditions), **liturgical space** (especially any change to the sanctuary of a church or chapel), **structural components** of a building or property, **major mechanical**, or any **roofing project** before commencement or contract execution. In some instances, a Category I Project can be a part of, or classified as, a Category II, III, or IV Project.

### CATEGORY II

Parishes may proceed on their own on Projects with a TPC of less than \$25,000 except for Category I Projects. The Property and Insurance staff is available for consultation and advice. Guidelines for Project evaluation, contract content and legal standards are available from the Property and Insurance Department.

### CATEGORY III

Projects with a TPC of \$25,000 or more, but less than \$200,000, or any Project involving special consideration or requirements must be referred to the Property and Insurance Department for review of the Project specifications and for appropriate recommendations/actions.

### CATEGORY IV

All new construction or major renovation Projects with a TPC of \$200,000 or more must follow the full construction policies of the Diocese of Tucson.

<b>DIOCESE OF TUCSON</b> <b>PROJECTS LIFECYCLE – CONSTRUCTION AND RENOVATION PROJECTS OVER \$25,000</b>		
<i>Phase</i>	<i>Activity</i>	<i>Actions</i>
<b>CONCEPT/ FEASIBILITY</b>	<p><i>If over Pastor's spending limit, the Parish Board of Directors must approve a budget line item for the Project at the annual Budget Review meeting or other Parish Board Meeting</i></p> <p>The Pastor discusses with the Pastoral Council and the Finance Council the need and feasibility of a new construction or renovation project. Building condition assessment and hazardous material survey may be necessary. Pastor writes Bishop.</p>	<ul style="list-style-type: none"> <li>▪ Finance Council recommendation</li> <li>▪ Pastoral Council recommendation</li> <li>▪ Pastor request</li> </ul>
<b>I. MASTER PLAN/ PASTORAL PLAN</b>	<p>A document that describes in narrative the future needs of the parish, both pastoral and physical, and with drawings an overall development concept. This includes both present property uses as well as future land development plans. Master Plan requirement may be waived for projects under \$200,000.</p>	<ul style="list-style-type: none"> <li>▪ Needs Assessment Survey</li> <li>▪ Property and Insurance Director engages master plan consultant</li> <li>▪ Diocesan Building Committee Review</li> </ul>
<b>II. SCHEMATIC DESIGN</b>	<p>Phase of the Architect's services wherein the Architect consults with the owner to ascertain the requirements of the Project and prepares schematic design studies consisting of drawings and other documents showing the scale and Project components for the owner's approval; and prepares a statement of probable Project cost.</p>	<ul style="list-style-type: none"> <li>▪ Property and Insurance Director contracts with Architect to prepare drawings</li> <li>▪ Diocesan Building Committee Review</li> </ul>
<b>III. DESIGN DEVELOPMENT</b>	<p>Phase of the Architect's services wherein the Architect prepares drawings and other presentation documents to fix and describe the size and character of the entire Project as to architectural, structural, mechanical, and electrical systems, materials and other essentials as may be appropriate; and prepares an updated statement of probable Project cost.</p>	<ul style="list-style-type: none"> <li>▪ Property and Insurance Director or Project Manager oversees activities</li> <li>▪ Diocesan Building Committee Review</li> </ul>
<b>IV. CONSTRUCTION DOCUMENTS</b>	<p>Phase of the Architect's services wherein the Architect prepares working drawings, specifications, and bidding information. Depending on the Architect's scope of services, the Architect may assist the owner in the preparation of bidding forms, the conditions of the contract, and the form of agreement between the Owner and Contractor.</p>	<ul style="list-style-type: none"> <li>▪ Diocesan Building Committee Review of CD's at completion</li> </ul>
<b>V. BIDDING/ PRICING</b>	<p>Documents issued to pre-qualified contractors. Most qualified Contractor selected.</p>	<ul style="list-style-type: none"> <li>▪ Project awarded</li> <li>▪ Contract prepared, reviewed and executed</li> </ul>

<p>VI. CONSTRUCTION</p>	<p>Phase of the Architect’s services that includes the Architect’s general administration of the construction contract(s).</p>	<ul style="list-style-type: none"> <li>▪ Project delivered by the Contractor</li> </ul>
<p>VII. COMPLETION/ CLOSE-OUT</p>	<p>Finalization of contracting activities and Record Documents provided to owner.</p>	<ul style="list-style-type: none"> <li>▪ Contractor delivers Release of Liens, “As-built” Drawings</li> <li>▪ Contractor delivers Project Binder</li> <li>▪ Architect completes Record Documents</li> <li>▪ Architect provides Diocese of Tucson both hard copy and digital scanned drawings</li> </ul>
<p>VIII. PROJECT WARRANTY PERIOD (2-YEAR)</p>	<p>Project Manager, Architect, and Parish representative(s) inspect Project immediately after substantial completion and provide list of any defects in writing to the Contractor.</p>	<ul style="list-style-type: none"> <li>▪ Contractor corrects/repairs any defects or deficiencies in the completed work</li> </ul>

DIOCESE OF TUCSON <b>PROJECTS LIFECYCLE</b> (PROJECT INVOLVING ROOF, STRUCTURE MODIFICATIONS, MAJOR MECHANICAL, ENVIRONMENTAL, LITURGICAL)		CATEGORY I
		<i>Action</i>
<b>CONCEPT/FEASIBILITY</b>		
1. Need Identified by Parish	Through its own internal processes, Parish identifies and defines, to the extent possible and <u>without</u> hiring any outside consultants or other resources, potential need for work. The Property and Insurance Director may provide consultation.	
2. Concept Approved by Pastor	After the need is identified, the Pastor and pastoral staff review the need and feasibility with the Pastoral Council and Finance Council.	
3. Pastor writes to Bishop for his approval (Parish Board Approval is required if over Pastor's spending limit)	Pastor writes to Bishop describing the potential need. The request should include all information necessary to evaluate the request, i.e. nature of the Project, research data, expected cost, and financial status. A copy of the request should be sent to the Property and Insurance Director. Bishop will respond to Pastor with his decision.	
4. Initial Review and Response	An initial meeting will occur between the Property and Insurance Director and the Parish to review concepts, objectives, development parameters, preliminary costs, financial resources, timing, annual operating impacts, and alternatives. Building condition assessment and hazardous material survey completed as required. If additional input is required or appropriate from external sources, the Property and Insurance Director will recommend and assign selected third-party consultants (architects, planners, etc.) to work with the Parish to better define its potential need. These consultants will be pre-approved.	
<b>DESIGN</b>		
5. Review by Bishop for Liturgical Projects	The Pastor meets with the Bishop and the Property and Insurance Director to review liturgical criteria and scope of Project for approval.	
6. Selection of Engineer or Architect or Liturgical Consultant	Working with the Parish, the Property and Insurance Director will recommend architects, engineers, or liturgical consultants, to provide design services only. The design firms will be selected from a list of pre-qualified professional firms experienced in Diocesan projects that is maintained by the Property and Insurance Department. Designs will reflect the Parish's preferences, style and character, but will be consistent with Diocese of Tucson quality and technical standards.	
<b>CONSTRUCTION</b>		
7. Hire Appropriate Contractors	In consultation with the Property and Insurance Director, the Parish will secure bids from at least three contractors from a pre-qualified list of firms experienced in Diocese of Tucson projects. Selection procedures will be identical to those for general contractors.	

DIOCESE OF TUCSON PROJECTS LIFECYCLE (TOTAL PROJECT COST IS LESS THAN \$25,000)		CATEGORY II
		<i>Action</i>
<b>CONCEPT/FEASIBILITY</b>		
1. Need Identified by Parish	Through its own internal processes, Parish identifies and defines, to the extent possible and <u>without</u> hiring any outside consultants or other resources, potential need for work.	
2. Concept Approved by Pastor	After the need is identified, the Pastor and pastoral staff review the need and feasibility with the Pastoral Council and Finance Council.	
<b>CONSTRUCTION</b>		
3. Scope the Work and Hire Contractor	The Parish shall define the scope of work and solicit no less than three bids from qualified contractors.	

***NOTE: A building condition assessment and hazardous material survey may be necessary before any work is performed.***



DIOCESE OF TUCSON PROJECTS LIFECYCLE (TOTAL PROJECT COST IS AT LEAST \$25,000 BUT LESS THAN \$200,000)		CATEGORY III
		<i>Action</i>
CONCEPT/FEASIBILITY		
1. Need Identified by Parish	Through its own internal processes, Parish identifies and defines, to the extent possible and without hiring any outside consultants or other resources, potential need for work. The Property and Insurance Director may provide consultation.	
2. Concept Approved by Pastor	After the need is identified, the Pastor and pastoral staff review the need and feasibility with the Pastoral Council and Finance Council.	
3. Pastor Writes to Bishop for his approval (Parish Board Approval is required if over Pastor's spending limit)	Pastor writes to Bishop describing the potential need. The request should include all information necessary to evaluate the request, i.e. nature of the Project, research data, expected cost, and financial status. A copy of the request should be sent to the Property and Insurance Director. Bishop will respond to Pastor with his decision.	
4. Initial Review and Response	<p>An initial meeting will occur between the Diocesan Building Committee and the Parish to review concepts, objectives, development parameters, preliminary costs, financial resources, timing, annual operating impacts, and alternatives.</p> <p>If additional input is required or appropriate from external sources, the Diocesan Building Committee may recommend selected third-party consultants (architects, planners, etc.) to work with the Parish to better define its potential need. These consultants will be pre-approved.</p> <p>Building condition assessment and hazardous material survey may be required.</p> <p>Diocesan Building Committee will make a recommendation to the Bishop.</p>	
MASTER PLAN		(ONLY FOR EXPANSION, CONVERSION OF BUILDING)
5. Development of Master Plan	Following approval by the Bishop, if the Project is an expansion/conversion, the Property and Insurance Director will recommend contracted third-party resources to assist the Parish in preparing a master plan and associated schedule and budget.	
6. Development of Business Plan	Using the master plan as a base, the Parish will prepare a detailed business plan for the proposed Project. The plan will address demographics, long-range planning, funding, annual operating impacts and other topics necessary for thoughtful consideration.	
7. Review of Master Plan and Business Plan	<p>Review of master plan and business plan by Diocesan Building Committee and Fiscal and Administrative Services.</p> <p>Diocesan Building Committee will make a recommendation to the Bishop.</p>	

<b>SCHEMATIC- DESIGN/DEVELOPMENT</b>	
8. Selection of Architect	<p>Working with the Property and Insurance Director, the Parish will retain an architect to provide design services. The Architect will be selected based on qualifications, experience, and their ability to work well with the Parish.</p> <p>Designs will reflect the Parish's preferences, style and character, but will be consistent with Diocese of Tucson quality and technical standards.</p>
9. Review of Design	<p>The Diocesan Building Committee will review the design at various stages.</p>
10. Finalization of Design	<p>Design documents, including updated schedules, budgets and funding sources, will be submitted to the Property and Insurance Department for review.</p> <p>Documents submitted to local jurisdiction for review and permitting.</p>
<b>CONSTRUCTION</b>	
11. Bid-Award Contract	<p>In consultation with the Property and Insurance Director, the Parish and the Parish Board of Directors will secure bids from not less than three experienced contractors. Project awarded to the lowest, qualified bidder. Contract prepared by the Property and Insurance Director and Diocesan Legal Counsel.</p> <p>In selected circumstances and subject to the specific approval of the Bishop, the Construction Management method may be utilized to deliver construction services. Selection procedures will be identical to those for general contractors.</p>

DIOCESE OF TUCSON <b>PROJECTS LIFECYCLE</b> (TOTAL PROJECT COST IS \$200,000 OR MORE)		CATEGORY IV
		<i>Action</i>
<b>CONCEPT/FEASIBILITY</b>		
1. Need Identified by Parish	Through its own internal processes, Parish identifies and defines, to the extent possible and without hiring any outside consultants or other resources, potential need for work. The Property and Insurance Director may provide consultation.	
2. Concept Approved by Pastor	After the need is identified, the Pastor and the pastoral staff will review the need and feasibility with the Pastoral Council and Finance Council.  <i>If over Pastor's spending limit, the Parish Board of Directors must approve a budget line item for the Project at the annual Budget Review meeting or other Parish Board Meeting</i>	
3. Pastor Writes to Bishop for his approval (Parish Board Approval is required if over Pastor's spending limit)	Pastor writes to Bishop describing the potential need. The request should include all information necessary to evaluate the request; i.e., nature of the Project, research data, expected cost, and financial status. A copy of this request should be sent to the Property and Insurance Director.	
4. Building Assessment	Parish or outside third party conducts a condition assessment for each building that is part of the parish plant.	
5. Initial Response and Review	An initial meeting will occur between the Diocesan Building Committee and the Parish to review concepts, objectives, development parameters, preliminary costs, financial resources, timing, annual operating impacts, and alternatives.  If additional input is required or appropriate from external sources, the Diocesan Building Committee may recommend selected third-party consultants (architects, planners, etc.) to work with the Parish to better define its potential need. These consultants will be pre-approved. Diocesan Building Committee will make a recommendation to the Bishop.	
<b>MASTER PLAN</b>		
6. Development of Master Plan	Following approval by the Bishop, the Property and Insurance Director will recommend contracted third-party resources to assist the Parish in preparing a master plan and associated schedule and budget.	
7. Development of Business Plan	Using the master plan as a base, the Parish will prepare a detailed business plan for the proposed Project. The plan will address demographics, long-range planning, funding, annual operating impacts and other topics necessary for thoughtful consideration.	
8. Review of Master Plan and Business Plan	Review of master plan and business plan by Diocesan Building Committee and Fiscal and Administrative Services. Diocesan Building Committee will make a recommendation to the Bishop.	

<b>SCHEMATIC DESIGN</b>	
9. Selection of Architect	<p>Working with the Property and Insurance Director, the Parish will retain an architect to provide design services. The architectural firms will be selected from a list maintained by the Property and Insurance Department of pre-qualified professional firms experienced in Diocesan projects. The selected firm will initially be contracted to provide schematic design services only.</p> <p>Designs will reflect the Parish's preferences, style and character, but will be consistent with Diocese of Tucson quality and technical standards.</p>
10. Review of Schematics, Budget and Funding Update	The Diocesan Building Committee will review the schematic design and Project budget and make a recommendation to Bishop
11. Finalization of Schematics	Schematic design documents, including updated schedules, budgets and funding sources, will be submitted to the Property and Insurance Department for review.
<b>DESIGN DEVELOPMENT</b>	
12. Design Process	<p>The Property and Insurance Director will negotiate a contract to complete the design and construction administration process. The Parish in consultation with the Property and Insurance Director at this time will interview and hire a Project Manager to oversee the process to insure timely completion within budget parameters.</p> <p>Documents will be forwarded to the Property and Insurance Director for review by the Diocesan Building Committee upon completion of design development.</p>
<b>CONSTRUCTION DOCUMENTS</b>	
13. Review Documents	<p>Documents will be forwarded to the Diocesan Building Committee for review when construction documents are complete. This submission will include updated schedules, budgets, and funding information.</p> <p>The Property and Insurance Director develops selected bidder list from pre-qualified list of general contractors.</p> <p>Documents submitted to local jurisdiction for review and permitting.</p>
<b>CONSTRUCTION</b>	
14. Bid-Award Contract	<p>In consultation with the Property and Insurance Director, the Parish and the Parish Board of Directors, will secure bids from at least three general contractors from a pre-qualified list of firms.</p> <p>Project awarded to the lowest, qualified bidder. Contract prepared by the Property and Insurance Director and Diocesan Legal Counsel.</p> <p>In selected circumstances and subject to the specific approval of the Parish Board of Directors, the Construction Management method may be utilized to deliver construction services. Selection procedures will be identical to those for general contractors.</p>

## GENERAL PROJECT POLICIES

### LEGAL REQUIREMENTS

- Parishes, schools, and other entities of the Diocese of Tucson shall contact the Diocesan Legal Counsel, Gust Rosenfeld, for all legal matters.
- Legal title to all buildings and properties (land and improvements) shall be in the name of the parish. Contact the Property and Insurance Director for proper titling.

### CONTRACTS

- All contracts for professional services (architect, engineer, planner, etc.) must be reviewed by the Bishop and can only be signed by the Pastor. Contractual agreements with a consultant shall follow the appropriate amended American Institute of Architects (AIA) or other approved form.
- The Bishop must review Contracts over \$25,000 and only the Pastor can sign. Projects under \$25,000 will not ordinarily be subject to full review by the Diocesan Building Committee. The Pastor without review by the Bishop may sign contracts under \$25,000, though Category I, III, and IV contracts must be submitted to the Property and Insurance Director for review. The Property and Insurance Director will submit all proposed contracts to the Diocesan Legal Counsel for review.
- The Pastor will sign all professional service contracts for soils investigation and engineering evaluation services required during the design process after review by the Property and Insurance Director.
- The Pastor will sign all professional service contracts for mandatory code inspection and testing services during the construction process after review by the Property and Insurance Director.
- The Pastor will sign all professional service contracts for independent onsite construction inspection or management services not required by code during the construction process after review and approval of the Property and Insurance Director.
- Diocesan Legal Counsel and the Property and Insurance Director shall review and approve all contracts for work in excess of \$25,000. The diocese recommends that the Property and Insurance Director reviews contract less than \$25,000.
- All changes to any contracts in Category I, III and IV resulting in change of scope, credits, or extras, must be documented by a written Amendment or Change Order prepared by the Contractor, Architect, or Project Director, and reviewed by the Pastor and accepted by Parish Finance Committee, the Contractor and Architect. The Bishop must review and the Pastor must approve all change orders.

### METHOD OF DELIVERY

- Projects shall be by the Design-Bid-Build process as the Diocese of Tucson standard. Alternative methods of delivery, such as Construction Management, must have written permission from the Bishop.

### BONDING AND INSURANCE

Certain mandatory General Conditions for Construction and/or Architect's Contracts include but are not limited to the following:

- Contractor Performance and Payment Bonds for the full value of each Category I, III or IV contract are required in the formats stipulated (AIA Document A312). The Property and Insurance Director must approve the bonding company.
- Bid Bonds guaranteeing that a Category IV contractor will enter into a contract for the amount bid are required for the percentage of the bid amount indicated.
- Builder's Risk Insurance is provided through Diocesan Insurance Program.
- General Liability is required of all contractors doing work on any Diocese of Tucson property. See Section 6, Appendix I.
- Professional Liability is required of all architects doing work for any Diocese of Tucson project. See Section 6, Appendix I.

**APPLICABILITY OF CONTRACT POLICIES**

	Category			
	I	II	III	IV
Contract Form	AIA/ Simplified <sup>(3)</sup>	Simplified	AIA	AIA
Legal Review	REQ	REC	REQ	REQ
Reviewed by Property and Insurance Director	REQ	OPT	REQ	REQ
Reviewed by Bishop	REQ	OPT	REQ	REQ
Authorized Signer	Pastor	Pastor	Pastor	Pastor
Bid Bond	TBD <sup>(3)</sup>	NR	OPT	REQ
Payment Performance	TBD	REC	REQ <sup>(2)</sup>	REQ
Builder's Risk	REQ <sup>(1)</sup>	NR	REQ <sup>(1)</sup>	REQ <sup>(1)</sup>
Liability	REQ	REQ	REQ	REQ
AIA -- American Institute of Architects – Standard contract form amended to meet Project requirements Simplified -- Form provided by Diocesan Legal Counsel REQ -- Required REC -- Recommended OPT -- Optional NR -- Not Required TBD -- To Be Determined <sup>(1)</sup> Provided through Diocesan Insurance Program <sup>(2)</sup> Exceptions may be approved by Property and Insurance Director <sup>(3)</sup> As determined by Property and Insurance Director and Diocesan Legal Counsel				

## CONTRACTORS

As required for Project execution, the Property and Insurance Director will recommend contractors most qualified to bid the Project (based on qualifications, availability, etc.)

- Competitive bidding shall be required for all new construction and renovation Projects in Category I, III, or IV. At least three competitive bids are recommended for Category II Projects.
- In some extraordinary cases, the Property and Insurance Director may deem a Project exempt from the need for competitive bids. The Architect must include enough information in the specifications to allow the Property and Insurance Director the opportunity to compare the scope of the Work and price with that of others who do similar work to ascertain that the quoted price is competitive.

The Property and Insurance Director will pre-qualify general contractors and certain principal trade contractors (e.g., mechanical, electrical, masonry, roofing, etc.) for all Category I and IV Projects. All pre-qualified contractors must submit documentation concerning their compliance with EEO guidelines, relevant statistical information, and benefits.

- A contract for specific services shall be executed upon selection.
- For all Categories, only Diocesan approved contract forms (e.g. Diocese of Tucson Contract or AIA Contracts) must be utilized. In Category II Projects contractor or vendor “quotes” shall not be used as the contractual agreement between Parish and Contractor.
- Only licensed, insured, and certified contractors shall perform the removal of any hazardous materials (e.g., asbestos, oil tanks, etc.)
- Certificates of all insurance covering the General Contractor shall be filed with the Property and Insurance Department.





## ARCHITECTS

- The Property and Insurance Director must approve any architect performing work for the Diocese of Tucson for all project categories.
- The Architect shall file a Certificates of Insurance with the Property and Insurance Department.
- The Property and Insurance Director will recommend an architect for programmatic, feasibility, or site/space planning (master plan) studies from the Diocese of Tucson list of pre-qualified firms.
- The Parish must select an architect from the Diocese of Tucson list of pre-qualified firms for Category IV Projects. The Property and Insurance Director will recommend at least three firms from the list to be solicited by a Request for Proposal (RFP) and interviewed by the Parish Building Committee under the guidance and recommendation of the Property and Insurance Director for final selection. It is recommended that the Pastor and a member from the Parish Finance Council, Pastoral Council, and Diocesan Building Committee be part of the interview process.
- The Parish shall execute an amended AIA contract upon selection for specific services.
- A registered structural engineer approved by the Property and Insurance Director must design and inspect any structural changes to any property. Structural changes cover any modifications to the building/property that compromise the safety or integrity of a structure or site. Structural changes include modification to roof, non-bearing walls, bearing walls, columns, beams, footings, foundations, and excavations.
- A qualified consultant must be review all renovations, modifications, or additions to other major building systems (e.g., mechanical, electrical, roofing, etc.) before execution of any contract.

## PROJECT/CONTRACT ADMINISTRATION

- The Contractor shall be required to carry liability and property damage insurance in amounts and with companies approved by the Property and Insurance Director. The amounts of insurance and the carrier shall not be changed without approval of the Property and Insurance Director 30 days in advance of such change.
- Prior to bid, the Property and Insurance Director shall make assignment of Builder's Risk Insurance and shall issue and distribute Certificates of Insurance as appropriate.
- Copies of any asbestos-related work documents must be filed with the Property and Insurance Director and, if applicable, with the school principal for updates to the Asbestos Management Plan in accordance with AHERA.

## **OTHER POLICIES**

### **STEWARDSHIP AND DEVELOPMENT**

- The Parish must conduct all fund-raising activities in strict conformance with federal, state, and local laws.
- The Parish should never offer or give any particular consideration (such as a discount or reduction on school tuition) in return for a tax-deductible contribution (such as offertory contributions).
- The need for a capital campaign shall be an element of the Project feasibility plan. The Bishop and the Director of the Catholic Diocese of Tucson Charity and Ministry Fund, Inc. shall approve all capital campaigns in advance of the Project or campaign initiation.

### **STANDARD REPORTING**

- Before Bishop approves a Project, the Parish must file for the Parish/School all required Diocese of Tucson reports. This requirement holds throughout the stages of the Project.
- The Parish must pay in full all payments, insurance bills, and other open items.

### **HANDICAPPED ACCESSIBILITY**

All new construction and renovation projects must fully comply with current laws, codes, and ordinances for persons with disabilities.

The Parish shall make every reasonable and practical effort to bring all existing buildings and properties into full compliance, especially in the course of renovation projects.

The Parish must adhere to and apply all Guidelines and policies as further set forth by the Diocese of Tucson, United States Catholic Conference of Bishops (e.g., Built of Living Stones) or other Roman Catholic governing body to all capital projects.

### **ENVIRONMENTAL ISSUES**

Because of stringent federal and state laws regarding hazardous materials, any workers involved with demolition, additions, or renovations must be notified of those areas of any building that contain such materials. The Parish must comply fully with all federal, state, and local laws or regulations. The Parish must contact the Property and Insurance Department in advance for coordination.

In school buildings, the Asbestos Management Plan must clearly indicate asbestos-containing materials. Current law requires that the Plan be kept on file in the principal's office and be available for inspection by workers. The Property and Insurance Department must maintain a duplicate record copy.

Qualified professional personnel should carefully examine the church, rectory or other buildings that were not part of the school inspection, before any suspect building material is disturbed.

## LAND AND PROPERTY

### PROPERTY PURCHASE

Parishes and other legal entities of the Diocese of Tucson are responsible for reimbursement to the Diocese for properties purchased by the Diocese on behalf of the Parish/entity or mission. In most cases, the reimbursement cost shall consist of the purchase price, acquisition costs, maintenance costs, and at the discretion of the Diocesan Finance Council, an investment opportunity cost for the period between the original purchase by the Diocese and future reimbursement by the Parish/mission. The investment opportunity cost, as well as any loans associated with the reimbursements, shall be tied to a one-year Treasury bill index or such other measure approved by the Diocesan Finance Council. The Bishop may approve the purchase of office/residential space for use by a newly formed Parish/mission.

### UNIMPROVED PROPERTY

In most cases, the Diocese of Tucson will not consider the purchase of less than fifteen to twenty acres for a Parish/mission site.

## MAINTENANCE

### ORDINARY MAINTENANCE

The Parish and School operating budgets shall make provision for the performance of routine repairs and maintenance. Budgets shall include all labor, materials, supplies, and maintenance contracts. The objective shall be to budget sufficient funds to operate the facilities at an acceptable level and to prevent an accumulation of deferred maintenance work.

### EXTRAORDINARY REPAIRS AND REPLACEMENTS

These costs shall be budgeted separately each year. They cover major elements of the facility and are usually beyond the scope of the maintenance staff or committee (e.g., a new roof, replacement of HVAC equipment, windows, roads, parking lots, etc.), or repairs that change the appearance of the structure. Conformance to building and fire codes generally falls within this definition. The Property and Insurance Department shall coordinate and provide appropriate consultants for inspection or evaluation.

## CONFLICT OF INTEREST POLICY

### PURPOSE

The purpose of the conflict of interest policy is to protect the interest of (the “Parish”) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a board or council member of the Parish or might result in a possible excess benefit transaction. The intent of this policy is to supplement, but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

#### DEFINITION

1. Interested Person: Any member of a committee, who has a direct or indirect substantial financial interest, as defined below, is an interested person.
2. Financial Interest: A person has a substantial financial interest if the person has, directly or indirectly, through business, investment, or family:
  - a. A substantial ownership or investment interest in any entity with which the Parish has a transaction,
  - b. A compensation arrangement with the Parish or with any entity or individual with which the Parish has a transaction, or
  - c. A potential substantial ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Parish is negotiating a transaction

#### PROCEDURES

1. Duty to Disclose: In connection with any actual or possible conflict of interest, an interest person must disclose to the Parish Board of Directors the existence of the financial interest and all material facts considering the Parish proposed transaction.
2. Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he or she shall leave the meeting while the determination of a conflict of interest is discussed and voted upon. The Directors shall decide if a conflict of interest exists.
3. Procedures for Addressing the Conflict of Interest:
  - a. If the Board of Directors determines that a conflict of interest exists, the Board shall notify the interested person of its decision and reasons thereof and allow the interested party an opportunity to eliminate said conflict.
  - b. If the Board determines that a conflict of interest does not exist, the interested party must meet all standard qualification criteria.
4. Violations of the Conflicts of Interest Policy:
  - a. If the Board has reasonable cause to believe a person has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.
  - b. If, after hearing the person’s response and after making further investigation as warranted by the circumstances, the Board determines the person has failed to disclose an actual or possible conflict of interest, it shall take appropriate corrective action.

RECORDS OF PROCEEDINGS

The minutes of the Board shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to existence of a conflict of interest; and
2. The names of the persons who were present for discussion and votes relating to the transaction, the content of the discussion, including any alternatives to the proposed transaction, and a record of any votes taken in connection with the proceedings.

## **FINANCIAL POLICIES**

The following policies apply to all Projects except Category II. Any Parish expecting to borrow funds for the construction or substantial expansion or renovation of any Parish facility must have the prior approval of the Bishop. This approval will be determined during the Needs Analysis Study described in Section 4, p. 4-1, "Preliminary Analysis and Planning."

Fiscal and Administrative Services must confirm that, unless exceptional circumstances exist, the following seven requirements have been satisfied before Project approval can be given:

1. To plan for operating contingencies, the Parish/School must have at least four months of operating cash available. This is in addition to the amounts that a Parish is allowed to hold.
2. The Parish or School is required to have cash of at least 50 percent of the required Total Project Cost (TPC) on-hand (or previously expended on the Project) prior to bid solicitation, and have completed a budget or financial plan to complete the Project. An additional 15 percent must be collected before Project completion.
3. The level of financing for any Parish/School construction/renovation Project shall not exceed 35 percent of the TPC. TPC includes, but is not limited to, construction costs and fund-raising costs, architect/engineering fees, furnishings, escalation estimates and appropriate Project contingency reserves per the Project Cost Data Form.
4. The term on any loan required for construction or renovation shall not exceed fifteen years. Fiscal and Administrative Services in consultation with the parish will make actual determination of the loan term and amount.
5. Fiscal and Administrative Services must approve all Projects costing over \$2.0 million or with expected debt of \$1.0 million or more. Fiscal and Administrative Services will utilize an approved formula to determine the limit for direct debt or for contingent liabilities of the Parish.
6. The Property and Insurance Department and the Fiscal and Administrative Services must approve Project increases in TPC of more than 5 percent.
7. The Fiscal and Administrative Services, with staff assistance, shall review the contingent liability level on an annual basis. Due to the need to preserve the credit rating of the Parish, the Diocese will not waive this latter requirement. The CFO will assign priorities for authorization under this requirement by of Diocese of Tucson.

### CATEGORY II PROJECTS

Generally, debt is not permissible for Category II Projects. However, if the entity does not have sufficient funds on hand to complete the Project, Fiscal and Administrative Services must approve financial agreements prior to the initiation of the Project.

### FUND-RAISING CAMPAIGN APPROVAL

If the Parish is planning a fund-raising campaign, the Pastor must notify the Bishop for approval. In turn, the Bishop will submit the notification to Fiscal and Administrative Services and the Catholic Diocese of Tucson Charity and Ministry Fund, Inc. office for their review.

### PROJECT FINANCING

For all projects that require financing, you must first contact the Fiscal and Administrative Services. This office will provide you with a list of lenders currently approved by Diocese of Tucson that provide low-rate loans for capital projects at favorable terms and conditions.

The borrower must submit the following specific Project information:

- The specific reason for the loan application
- The estimated costs of the Project being funded in the standard format required by the Diocese of Tucson
- The projected source of funds for repayment of the loan and estimation of probability of receipt of such funds
- An operating budget for the present Parish/School facilities and projected for three years after Project completion
- Updated information provided at least quarterly
- The maximum amount of the loan will not exceed the borrowing level for the Project as approved by Diocese of Tucson policy
- Before advances are made, the Parish/School must provide documentation as to its compliance with the Diocese of Tucson policy for cash-in-hand to begin a Project
- Provide reasonable projections (including lists of pledges receivable and collection projections) indicating that the borrower will meet its minimum cash requirement at the time of completion of the Project
- The Parish must submit a quarterly Capital Projects Report to Fiscal and Administrative Services



## PROCEDURES

### INTRODUCTION

The development and execution of a capital project follows a standard process regardless of the type of facility or its cost. The construction industry has developed standard procedures for development, project design, execution, and management. These standards as described below have been adapted to meet the specific needs and policies of the Diocese of Tucson. The Bishop may assign members from the Diocesan Building Committee to specific projects to act as a “mentor” to the Pastor, principal, etc.

### PROJECT CONCEPT/FEASIBILITY

The Pastor and pastoral staff discuss with the Parish Council and the Vicar Forane the need and feasibility of a new construction or renovation Project. The Pastor then writes to the Bishop, with copies to the Vicar Forane and CFO of the Diocese of Tucson, describing the Project, anticipated Total Project Cost (TPC), method/means of funding, and requesting permission to initiate the process.

Departments affected by the Project will submit recommendations to the Bishop for his response. No other step is to be taken, nor is any consultant (architect, engineer, planner, interior designer, etc.) to be retained, until the Pastor has received written permission from the Bishop to proceed.

A condition assessment for each building in the Parish/School complex performed within the past twenty-four months must be on file with the Property and Insurance Department before Bishop will respond. The parish may be required to perform a demographic study to support their request if the Project involves expanding or building a new sanctuary.

### PRELIMINARY ANALYSIS AND PLANNING

If the situation warrants, the Property and Insurance Department will ask the Parish to compile and submit a Needs Analysis Report. This study must indicate the present and future needs of the Parish, pastoral and physical, and the present and future use of its buildings and property. This assessment should be a summary report.

The Needs Analysis Report should lead to the development of a programmatic spatial and site master plan for its buildings and property.

The Property and Insurance Department shall recommend selected pre-approved consultants (architects, planners, etc.) to work with the Parish to develop these plans. The Property and Insurance Department may recommend a Project Manager (PM) to oversee the third-party services and coordinate the plans with the Parish. Costs of services shall be borne by the Parish under standard Diocese of Tucson contracts.

The Property and Insurance Department may require an on-site meeting at the Parish to review the Needs Analysis Report and offer the assistance of Diocese of Tucson offices for the Project(s). The Property and Insurance Director shall then make a recommendation to the Bishop.

### CONCEPT APPROVAL

Once the Bishop gives written permission to proceed, the Property and Insurance Department shall meet with the Parish to discuss Diocese of Tucson construction and fiscal policies and any specific stipulations. The following committees of the Parish shall then continue work on the Project:

- *PARISH BUILDING COMMITTEE*

Includes the Pastor, and is typically composed of four to six lay Parish leadership or staff experienced in the programmatic requirements of the Project or professional experience in the development, design, or execution of buildings or building systems. The Pastor should select Building Committee representatives to closely mirror the demographics of the congregation and provide equitable representation for such factors as gender and age. The Building Committee shall work in consultation with the Property and Insurance Department in the selection of an architect from the Diocese of Tucson approved lists.

Work with the Property and Insurance Department to develop a broad outline of the tentative requirements together with a cost estimate. The Parish shall use the Project Cost Estimate Worksheet as a planning guide for the construction process. If the Project is a renovation, the Property and Insurance Department must ensure that a qualified licensed architect makes a thorough assessment of the entire building to ascertain the soundness of all major building systems before proceeding. At this stage of the process, the Property and Insurance Department shall recommend a qualified architect from the Diocese of Tucson-approved list. The Parish may consider this architect for the future development of documents for the total Project.

- *FINANCE COMMITTEE*

Develops the Financial Plan (income and expense, and cash flow projections) to execute the Project considering the Parish operating budget, cash reserves and any fund-raising campaign. A minimum five-year operating projection for the institution should be prepared to include the operating and depreciation (replacement) costs for the Project and other facilities of the Parish.

The Pastor, at his discretion, may require a written report from either committee.

- *PARISH PROJECT TEAM*

The Pastor shall form a Parish Project Team to oversee the Project on an on-going basis. This team shall include the Pastor, Building Committee Chair, Finance Committee Chair, Pastoral Council Chair, Property and Insurance Department, and other member(s) as deemed appropriate by Pastor and the Property and Insurance Director.

#### FORMAL REQUEST FOR PROJECT APPROVAL

If the Pastoral Council or School Board recommends the Project and the Pastor approves, the Pastor is to forward to the Bishop and Director of the Property and Insurance Department all relevant material including:

- A financial statement listing all assets and liabilities
- An explanation of financial and fund-raising projections
- A statement of all reasonable alternatives to building or renovating, including the possible use of neighboring facilities
- A Project scope and an estimate of the TPC including the construction cost, site development, landscaping, furnishings, professional fees, contingency and inflation

The Property and Insurance Department will schedule a meeting between the Parish Project Team and the Diocesan Building Committee.

#### PROJECT DESIGN/DEVELOPMENT

Following receipt of a favorable response from the Bishop upon the recommendation of the Diocesan Building Committee, the Project design/development can begin.

- The Property and Insurance Department shall prepare the contract for services with the Architect. Any contractual agreement with an architect must follow the appropriate AIA form and be submitted to the Property and Insurance Department for review by Diocese Legal Counsel.
- Typically, building design contracts shall be separated into two phases: 1) schematic design and 2) design/development through construction administration. A requirement shall be made in the second contract for the provision of record documents to be completed and delivered at the conclusion of the Project.
- Upon review and approval, the Property and Insurance Director shall submit the contract for the Bishop's review. After Bishop's review, he will make a recommendation to the Pastor on how to proceed. The Pastor is the only person that can sign Contracts.

## **PROJECT PHASES**

### PHASE I – MASTER PLAN/FEASIBILITY

In consultation with the Parish, the Property and Insurance Department will recommend an architect (or architects) from an approved list to develop and complete this phase of the Work. After the necessary contract is prepared, reviewed by the Bishop, and executed by the Pastor, the Architect(s) will:

1. Meet with the Property and Insurance Director, Pastor, and Parish Building Committee about policies of the Diocese of Tucson and the experience and expectations of the Property and Insurance Department.
2. Develop a site plan showing existing conditions to include boundaries, land contours, zoning/development restrictions (e.g. wetlands, steep slopes, woodland, soils, cemeteries, etc.), all utilities (water, sewer, electric, gas, cable), and all existing improvements (buildings, paving, etc.). The Consultant must identify any special considerations such as historic designations.
3. Based on the Needs Analysis Report, prepare a spatial program for approval by the Pastor, Parish Building Committee, and the Property and Insurance Department.
4. Based on the approved spatial program, prepare a master plan of the entire campus for approval by the Pastor, Parish Building Committee, and the Property and Insurance Department.
5. A building condition assessment and a hazardous material survey, per OSHA requirements, must be completed for any/all buildings before Project is planned or undertaken.
6. The Diocesan Building Committee shall review and approve the final plan.

### PHASE II – SCHEMATIC DESIGN

In consultation with the Parish, the Property and Insurance Department shall recommend for consideration no less than three architects from the Diocese of Tucson-approved list using a Request for Proposal (RFP) method. An interview committee chaired by the Property and Insurance Director and composed of the Pastor, Parish Building Committee Chair and two representatives of the Diocesan Building Committee shall make the final selection. The Parish shall secure the services of the Architect using amended AIA contracts reviewed by Diocesan Legal Counsel and Bishop and signed by the Pastor.

Based on the approved spatial program and master plan, the Architect shall prepare schematic drawings for the Work. The Property and Insurance Department and Parish Building Committee shall review these documents and schedule a review by the Diocesan Building Committee. The Pastor must be present at this review. Following Diocesan

Building Committee review and any necessary revisions, the committee will make a recommendation to the Bishop for his approval.

Required deliverables for this phase of the Work are:

1. Design documents including the approved master plan, detailed site plan showing all existing conditions and restrictions, floor plans, and building elevations.
2. Project Cost Estimate Worksheet prepared by the Architect in consultation with the Parish Building Committee. The Architect may utilize an approved contractor for estimating construction costs at this time.

### PHASE III – DESIGN/DEVELOPMENT

Following approval by the Bishop, the Property and Insurance Department shall prepare a contract for the design/development plans, construction documents, bid services, construction administration, and Project closeout by the Architect on a standard AIA form as modified by Diocesan Legal Counsel, approved by the Property and Insurance Department, reviewed by the Bishop, and signed by the Pastor. The Architect shall prepare design/development plans and an outline specification for the Project.

The Architect shall submit these documents together with a revised Project Cost Estimate to the Property and Insurance Department for review and approval by the Diocesan Building Committee in a meeting at the Pastoral Center. The estimate must be obtained from a general contractor or professional estimator approved by the Property and Insurance Department. In the case of liturgical space, a color rendering or elevation or computer generated model of the interior is required. The rendering shall show such features as site lines, key liturgical furnishings and artwork elements (altar, tabernacle, crucifix, baptismal font, ambo, lectern, celebrant seating, altar server seating, gifts table, reredos screen, choir, stations of the cross, stained glass, etc.).

Required deliverables for this phase of the Work are:

1. Design documents including detailed site plan (existing and proposed), floor plans, building elevations, building sections, material/color selection board;
2. Preliminary mechanical, electrical, plumbing and structural plans;
3. Complete outline specifications; and
4. Revised Project Cost Estimate

#### PHASE IV – CONSTRUCTION DOCUMENTS

With Diocesan Building Committee approval, the Architect will proceed to expand the design/development plans into construction documents (working drawings and specifications).

At the time that the construction documents are 50 percent complete, the Architect must provide the Property and Insurance Department with updated estimates of TPC and one set of the contract documents for review. The Property and Insurance Department shall forward any changes to the Architect for inclusion in the construction documents and completion of documents.

At this time, the Property and Insurance Department shall identify not less than three bidders, who have agreed in advance to submit a bid if invited. The Property and Insurance Department will pre-qualify general contractors and certain principal trade contractors, (e.g. mechanical, electrical, masonry, roofing, etc.) for all Category I & IV Projects. Contractors who are determined by the Property and Insurance Department to have discriminated in any way with respect to race, sex, or national origin or to have failed to provide a living family wage reflective of the principles of social justice shall not be qualified to bid.

When the construction documents are 95 percent complete, the Architect shall submit a complete set of plans and specifications to the Property and Insurance Department for final review and approval prior to release for bids. Specifications shall include standard Diocese of Tucson General Conditions, front-end documents, and form of contracts.

Trade packages shall include reference to any Corporate Purchasing Participants as identified by the Property and Insurance Department subject to the Project requirements.

Construction Documents must include:

1. Statement of the right to accept/reject any and all bids;
2. Diocese of Tucson Standard General Conditions;
3. Statement of Owner's right to approve all principal subcontractors; and
4. Requirement for Bid-Bond is equal to five percent of the Contractor's bid.

The Property and Insurance Department shall hold a pre-bid meeting with the Architect and Parish for the benefit of all bidders to clarify the scope of work and answer any questions.

Contractors must furnish a Performance Bond and a Labor and Material Payment Bond in the total amount of the contract. The Contractor shall submit the name of the bonding company to the Property and Insurance Department for review and approval.

#### PHASE V – BIDDING

The Parish Project Team shall receive and open bids at the Parish, School, Pastoral Center, or other location approved by the Property and Insurance Department.

Parishioners or related parties who bid on Projects for their own Parish must comply with the Conflict of Interest policy as stated at the end of Section 2 of this manual.

The Property and Insurance Department, Architect, and Parish Project Team shall evaluate the bids. The Parish Project Team shall award the Project based upon cost, timeline of completion, and the qualifications of the bidder. The Diocesan Legal Counsel shall prepare for execution an agreement in triplicate using the appropriate amended AIA form for review and approval by the Property and Insurance Department.

Before the Pastor signs the contract, the Property and Insurance Department and Architect shall review the bid proposal in detail with the successful bidder to insure that the bid covers everything in the specifications. The Parish shall distribute copies of the executed agreement as follows:

1. One (1) original to the Pastor
2. One (1) original to the Contractor
3. One (1) original to the Property and Insurance Department
4. One (1) photocopy to the Diocesan Legal Counsel
5. One (1) photocopy to the Architect

#### PHASE VI – CONSTRUCTION

After the Pastor signs the contract and prior to construction, the General Contractor, all Principal Subcontractors, the Architect, Property and Insurance Department or Project Manager, the Pastor and designated Parish representative shall hold a meeting to review all aspects of the contract.

The Contractor, Architect, Property and Insurance Director or Project Manager, and Parish representative shall attend progress meetings at least every week at the job site. The Architect shall record minutes of all meetings and submit copies to all present and interested parties.

Architect shall submit copies of all Change Orders to the Property and Insurance Department for its records. The Property and Insurance Department shall document and process Change Orders in a timely manner following Diocese of Tucson policy with regard to approval. The Property and Insurance Department shall review any adjustments/changes to the authorized budget; reviewed and approved in advance by the Parish Finance Council.

Payments to the Contractor shall be made upon monthly requisitions in which the amounts to be paid are certified by the Architect, with original forwarded to the Property and Insurance Department and one copy forwarded to the Parish Finance Council. Ten percent shall be withheld (retainage) from each monthly requisition until the Project is substantially complete. The Parish shall pay professional fees in stages as set forth in the agreement between the Architect and the Parish. The Parish shall pay monthly professional fees for construction administration.

Prior to Parish acceptance of the Work, the Parish, Contractor, Architect and Property and Insurance Department or Project Manager shall conduct an inspection of the Work. The Architect shall prepare a "Punch List" of all non-compliant work; the Contractor shall obtain all Use and Occupancy Permits; and the Architect shall issue the Certificate of Substantial Completion identifying the date on which the Parish was able to take beneficial occupancy and the Contractor Warranty Period initiation date for all satisfactorily completed work.

Prior to this acceptance of the Work, the Contractor shall submit all Operating and Maintenance manuals; shall train the Owner in the operation and maintenance of all systems; and shall submit to the Owner all warranties, permanent keys, and all special tools.

#### PHASE VII – COMPLETION AND CLOSEOUT

The Design Team, Property and Insurance Department or Project Manager, Pastor and Parish Representative shall jointly conduct a final inspection. Parish will make final payment to the Contractor upon the following:

1. 100 percent completion of all punch list work including punch list items
2. Submission by the General Contractor and subcontractors the Release of Liens
3. Consent of Surety to Reduction in Retainage
4. Consent of Surety of Final Payment
5. Submission of record drawings to the Design Team
6. Completion of any other requirements of the contract documents

Parish is to make final payment to the Architect following completion of all aspects of the Project by the Contractor as described above including submission of record documents to the Parish and one electronic copy of final Project Cost Data Form to the Property and Insurance Department.

The Contractor must provide Record Documents for all Category I, III, and IV Projects. The various design consultants per the terms of their contract shall provide final as-built drawings. The Consultants shall continuously maintain and provide these documents to the Parish and Property and Insurance Department as a part of their basic services. The Contractor shall provide the as-built drawings in hardcopy and electronic form. The electronic form of the documents shall be in the format of AutoCAD \*.dwg files compatible with AutoCAD software applications per Diocese of Tucson instructions. All cross-referenced files and blocks shall be bound thereto and all files purged of unused layers and objects.

#### PHASE VIII – PROJECT WARRANTY PERIOD

Latent (hidden) defects in the Work of the contract discovered within twenty-four months after the Architects' issuance date on the Certificate of Substantial Completion and Punch List are considered warranty defects that the Contractor is required to correct at no additional cost to the Parish. Upon discovery of such defects in the Work, the Parish shall notify the Contractor of the problem in writing with copies to the design consultant and Property and Insurance Department.



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**Appendix I – INSURANCE REQUIREMENTS**

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**Diocese of Tucson  
MINIMUM INSURANCE REQUIREMENTS**

**PROFESSIONAL CONSULTANTS**

All Professional Consultants providing service to the Diocese or any of its entities are required to provide a CERTIFICATE OF INSURANCE to the Diocese of Tucson and the entity. All Insurance policies shall be in form, amounts and with such companies that are reasonably acceptable to the Diocese.

PROFESSIONAL LIABILITY INSURANCE

During the term of this agreement, the Professional Consultant shall maintain Professional Liability Insurance that will defend suits instituted against the Consultant for negligence arising out of work performed, and/or pay any damages set by a court, subject to policy limits.

Professional Liability	\$1,000,000
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WORKERS' COMPENSATION INSURANCE

Consultants shall maintain Workers' Compensation Insurance as required by Arizona State Statutory Requirements.

Each Accident	\$100,000
Disease – Policy Limit	\$500,000
Disease – Each Employee	\$100,000

REQUIRED ADDITIONAL INSURED CLAUSE

The “Parish” and “Bishop Gerald F. Kicanas, Roman Catholic Church Diocese of Tucson, a corporation sole”, as an Additional Insured with respect to work performed.

CANCELLATION CLAUSE AMENDED

“Should any of the above described policies be canceled, non-renewed or materially altered before the expiration date, the issuing company will mail 30 days written notice to the Certificate Holder named herein.”

The Certificate Holder is:

The “PARISH” (insert official corporate name)

“Parish Address”

City, State, Zip Code

An original Certificate must be on file with the Parish prior to the execution of the contract. A copy of said Certificate(s) must also be sent to the Diocese of Tucson, Property and Insurance Department, P.O. Box 31, Tucson, AZ 85702-0031.

**Diocese of Tucson  
MINIMUM INSURANCE REQUIREMENTS**

**CONTRACTORS**

All contractors and/or subcontractors providing service to the Diocese or any of its entities are required to provide a CERTIFICATE OF INSURANCE to the Diocese of Tucson and the entity. All Insurance policies shall be in form, amounts and with such companies that are reasonably acceptable to the Diocese.

COMMERCIAL GENERAL LIABILITY INSURANCE

Contractor shall maintain Comprehensive General Bodily Injury and Broad Form Property Damage Liability including but not limited to Premises/Operations, Product & Completed Operations, Contractual Liability and Personal Injury Liability. The policy must include the CGL Broadening Endorsement and be written on a per occurrence basis.

Bodily Injury/Property Damage Liability	\$1,000,000
Per Occurrence/Aggregate	\$1,000,000

AUTOMOBILE LIABILITY INSURANCE

Contractor shall maintain Comprehensive Business Automobile Liability insurance including Bodily Injury and Property Damage Liability, including Hired and Non-Owned Vehicle Liability.

Bodily Injury/Property Damage	\$1,000,000
Per Occurrence/Aggregate	\$1,000,000

EXCESS/UMBRELLA LIABILITY

Contractor shall maintain an Excess/Umbrella Liability policy providing coverage in excess of the primary limits for CGL, Auto Liability, and Workers' Compensation Employer's Liability.

Bodily Injury/Property Damage Liability	
Each Occurrence	\$3,000,000

WORKERS' COMPENSATION INSURANCE

Contractor shall maintain Workers' Compensation Insurance as required by Arizona State

Statutory Requirements.

Each Accident	\$100,000
Disease - Policy Limit	\$500,000
Disease - Each Employee	\$100,000

ADDITIONAL INSURED CLAUSE

The "Parish" and "Bishop Gerald F. Kicanas, Roman Catholic Church Diocese of Tucson, a corporation sole" as an Additional Insured with respect to work performed.

CANCELLATION CLAUSE AMENDED

"Should any of the above described policies be canceled, non-renewed or materially altered before the expiration date, the issuing company will mail 30 days written notice to the Certificate Holder named herein."

The Certificate Holder is:

The "PARISH" (insert official corporate name)  
"Parish Address"  
City, State, Zip Code

An original Certificate must be on file with the Parish prior to the execution of the contract. A copy of said Certificate(s) must also be sent to the Diocese of Tucson, Property and Insurance Department, P.O. Box 31, Tucson, AZ 85702-0031.

**Diocese of Tucson  
MINIMUM INSURANCE REQUIREMENTS**

**ENVIRONMENTAL CONTRACTORS**

All contractors and/or subcontractors providing service to the Diocese or any of its entities are required to provide a CERTIFICATE OF INSURANCE to the Diocese of Tucson and the entity. All insurance policies shall be in form, amounts and with such companies that are reasonably acceptable to the Diocese.

COMMERCIAL GENERAL LIABILITY

Contractor shall maintain Comprehensive General Bodily Injury and Broad Form Property Damage Liability including but not limited to Premises/ Operations, Product & Completed Operations, Contractual Liability and Personal Injury Liability. The XCU Exclusion should be deleted. The policy must include the CGL Broadening Endorsement and be written on a per occurrence basis.

Bodily Injury/Property Damage Liability	\$1,000,000
Per Occurrence/Aggregate	\$3,000,000

POLLUTION AND PROFESSIONAL LIABILITY

Written on an “Occurrence” form, if available, including Premises/Operations, Completed Operations and Contractual Liability.

Per Occurrence	\$1,000,000
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COMPREHENSIVE BUSINESS AUTOMOBILE

Contractor shall maintain Comprehensive Business Automobile Liability insurance including Bodily Injury and Property Damage Liability with owned hired and non-owned vehicle coverage. The policy shall also include coverage for upset and/or overturn.

Bodily Injury/Property Damage Liability	\$1,000,000
Per Occurrence	\$1,000,000

EXCESS/UMBRELLA LIABILITY

Contractor shall maintain an Excess/Umbrella Liability policy providing coverage in excess of the primary limits for CGL, Auto Liability, and Workers Compensation Employers Liability.

Bodily Injury/Property Damage Liability	
Each Occurrence	\$5,000,000

WORKERS COMPENSATION AND EMPLOYERS LIABILITY

Contractor shall maintain Workers' Compensation insurance with statutory coverage as set forth by the State of Maryland including the All States and Voluntary Compensation endorsements.

Each Accident	\$100,000
Disease - Policy Limit	\$500,000
Disease - Each Employee	\$100,000

ADDITIONAL INSURED CLAUSE

Contractor shall name The "Parish" and "Bishop Gerald F. Kicanas, Roman Catholic Church Diocese of Tucson, a corporation sole" as an Additional Insured.

CANCELLATION CLAUSE AMENDED

"Should any of the above described policies be canceled, non-renewed or materially altered before the expiration date, the issuing company will mail 30 days written notice to the Certificate Holder named herein."

The Certificate Holder is:

The "PARISH" (insert official corporate name)  
"Parish Address"  
City, State, Zip Code

An original Certificate must be on file with the Parish prior to the execution of the contract. A copy of said Certificate(s) must also be sent to the Diocese of Tucson, Property and Insurance Department, P.O. Box 31, Tucson, AZ 85702-0031.



## **CONSTRUCTION DELIVERY OPTIONS**

### **CONSTRUCTION MANAGEMENT (CM)**

#### APPLICATION

Where the Bishop and the Parish Board of Directors approve a CM method of delivery, the contractual agreement should follow the appropriate AIA contract form and be submitted to the Pastor for signature. The CM must be qualified and experienced, and the Parish should secure the services according through amended AIA contracts. The Parish shall submit contracts to the Property and Insurance Department and the Diocesan Legal Counsel for review.

Upon contract approval, the Director of the Property and Insurance Department shall submit the contract for Bishop's review and recommendation and the Pastor's signature.

The CM must perform the following procedures as necessary, based on terms of the contract and areas identified as requiring additional procedures by individual contractor. The CM may not perform all steps on every contract. Sections referenced are to the contract.

The Parish must comply with Sections 2 and 4 of this document before moving forward with these steps.

#### PROJECT CONSTRUCTION BUDGET

1. Obtain a copy of the Project construction budget.
2. Determine that the budget and any modifications have been properly approved.

#### COST CONTROL

1. Review with CM internal control procedures for monitoring Project costs including change orders and variances to budget. Review should include interview of applicable CM personnel, walk-through of applicable transactions and review of generated reports.
2. Review any unit price contracts for proper approvals, supporting documentation for amounts billed and that overhead and profits do not exceed allowable rates.
3. Establish the procedures for change orders and review change orders for supporting documentation, including billings, documentation of work completion and approvals. Document procedures for reviewing and processing trade contractor payments.
4. Review a sample of trade contractor payments including supporting documentation, approvals, and adherence to processing procedures.

5. Determine that CM has performed any work other than the General Conditions and determine that proper approval was obtained.
6. If applicable, review monthly statement for appropriate percentage for overhead and profit.
7. Determine the reasonableness of costs and determine that they do not exceed lowest bid for work from trade contractors.

#### GUARANTEED MAXIMUM PRICE (GMP)

1. Review contract for contingency percentage and determine that portion used, if any, was reasonable.
2. Determine that unused portion of contingency percentage was returned to the owner.
3. Review calculation of GMP to determine if there were any savings realized. Determine that savings were calculated properly and split in accordance with contract.
4. Determine that bonding was obtained in accordance with contract.

#### COST OF WORK

1. Determine that allocation of CM personnel cost is in accordance with contract and that designation of employees are proper.
2. Test calculation of benefits percentage to ensure accuracy.
3. Review calculation of general condition items and supporting documentation to ensure that only direct costs are applied and that overhead percentage is calculated properly.
4. Select a sample of cost transactions and review supporting documentation, contract limitations, and approvals as applicable. Sample should include costs for labor, transportation and maintenance, equipment rental, permits and fees, insurance and allowable administrative costs.

#### SUMMARY

1. Draft agreed upon procedures report identifying items noted and effect on Project costs of exceptions noted.
2. Review draft report with Diocesan personnel to obtain their comments and responses prior to issuance of final report.

## **GLOSSARY & DEFINITION OF DIOCESAN TERMS**

**ADA** The Americans with Disabilities Act gives civil rights protection to individuals with disabilities similar to those provided to individuals based on race, color, sex, national origin, age, and religion. It guarantees equal opportunity for individuals with disabilities in public accommodations, employment, transportation, state and local government services, and telecommunications.

**AHERA** Asbestos Hazard Emergency Response Act of 1986

**AIA** American Institute of Architects

**Activation** The step in the Project development process where the Owner is able to initiate planned operations within the building.

**Architect** A professionally qualified and licensed person who prepares plans and specifications for a building or structure. Architectural services include such duties as Project analysis, development of the Project design, and the preparation of construction documents (including drawings, specifications, bidding requirements, and general administration of the construction contract). For purposes of this document, it can be any design professional, such as an architect, engineer, planner, landscape architect, interior designer, etc.

**Architect's Basic Services** A recognized series of phases performed by an Architect as follows: Phase I: Master Plan; Phase II: Schematic Design; Phase III: Design Development; Phase IV: Construction Documents; Phase V: Bidding/Pricing; Phase VI: Construction; Phase VII: Completion/Close-Out; Phase VIII: Project Warranty Period.

**Architectural Drawing** A line drawing showing plan and/or elevation views of the proposed building for showing the overall appearance of the building.

**Asbestos Management Plan** An asbestos management plan is a site-specific, written plan for the maintenance of asbestos-containing material (ACM) in a condition that prevents the release of asbestos fibers. It also includes response procedures for fiber release episodes. It may address the ACM in an entire facility or a just a portion of a facility. Material that the asbestos inspector assumes to contain asbestos must be included in the asbestos management plan as ACM, unless the assumed material is sampled and determined not to be ACM.

**As-Built Drawings** (also known as Record Drawings) Contract drawings marked up to reflect changes made during the construction process. It is good practice to make as-built drawings by marking the changes on reproducible drawings such as sepias for duplication purposes later.

**Bid Bond** A written form of security executed by the bidder as principal and by a surety for guaranteeing that the bidder will sign the contract, if awarded the contract, for the stated bid amount.

**Bid Opening** The actual process of opening and tabulating bids submitted within the prescribed bid date/time and conforming to the bid procedures. A Bid Opening can be open (where the bidders are permitted to attend) or closed (where the bidders are not permitted to attend). (See Bid Date/Time, Open Bid, Closed Bid.)

**Bid Package** All drawings, specifications, documents, estimates, paperwork bid forms, and bid bonds relevant to a construction project. A contract is based on the bid package.

**Bid Tabulation** A summary sheet listing all bid prices for analyzing the bid results. Bid tabulations include the required items of the invitation to bid and usually include bid amount, completion time, addendums included, contract exclusions, bonding rate, etc. Often times, the apparent low bidder is not the actual low bidder.

**Bidding Documents** The published advertisement or written invitation to bid, instructions to bidders, the bid form and the proposed contract documents including any acknowledged addenda issued prior to receipt of bids.

**Bond** See Bid Bond; Bonding Company; Contract Bond; Contract Payment Bond; Contract Performance Bond; Labor and Material Payment Bond; Performance Bond; Subcontractor Bond.

**Bonding Company** A properly licensed firm or corporation willing to execute a surety bond, or bonds, payable to the Owner, securing the performance on a contract either in whole or in part; or securing payment for labor and materials.

**Budgets** Budgets shall include all labor, materials, supplies, maintenance, and contracts. These items may include, but are not limited to temperature controls, fuel burners, fuel supplies, elevators, routine painting (window frames, classrooms, etc.), carpentry, and items of a similar nature.

**Builders Risk Insurance** Indemnifies for loss of or damage to a building under construction. Insurance is normally written for a specified amount on the building and only applies during the course of construction. Coverage customarily includes fire and extended coverage, and vandalism and malicious mischief. Builder's risk coverage can be extended to a "special" form as well. The builder's risk policy also may include coverage for items in transit to the construction site (up to a certain percentage of value) and items stored at the site.

**Building Committee (Parish)** A committee from the Parish composed of the Pastor and four (4) to six (6) lay Parish leadership or staff experienced in the requirements of the Project or in the development, design or execution of the work.

**Building Envelope (Sometimes referred to as Building Shell)** 1) the waterproof elements of a building that enclose conditioned spaces through which thermal energy may be transferred to or from the exterior, 2) the outer structure of the building.

**Capital Projects** These projects include all phases of any new construction or repair work involving the buildings, physical plant, or facilities of a Parish, School or other Diocese of Tucson-owned facility.

**Change Order** A written document between the Owner and the Contractor and signed by the Owner and the Contractor authorizing a change in the work or an adjustment in the contract sum or the contract time. A change order may be signed by the Architect or Engineer, provided they have written authority from the Owner for such procedure and that a copy of such written authority is furnished to the Contractor upon request. The contract sum and the contract time may be changed only by change order. A change order may be in the form of additional compensation or time; or less compensation or time known as a Deduction (from the contract).

**Closed Bid/Estimate** A process where only invited bidders or estimators are given access to the project-specific RFP (Request for Proposal) information. This option is for those seeking bids/estimates from a pre-qualified list of professionals or services.

**(CM) Construction Management** A form of contract synonymous with management contracting, except that subcontractors are direct contractors to the owner, rather than as subcontractors to the contract manager.

**Construction Documents** All drawings, specifications, and addenda associated with a specific construction project.

**Construction Cost** The direct Contractor costs for labor, materials, equipment, and services; Contractor's overhead and profit; and other direct construction costs. Construction cost does not include the compensation paid to the Architect, Engineer and other consultants, the cost of the land, rights-of-way, or other costs that are defined in the contract documents as being the responsibility of the Owner. (See Soft Costs.)

**Construction Documents Phase** The third phase of the Architect's basic services wherein the Architect prepares working drawings, specifications and bidding information. Depending on the Architect's scope of services, the Architect may assist the Owner in the preparation of bidding forms, the conditions of the contract and the form of agreement between the Owner and Contractor.

**Construction Management Contract** A written agreement wherein responsibilities for the coordination and accomplishment of overall project planning, design and construction are given to a construction management firm. The building team generally consists of the Owner, Contractor and Designer or Architect.

**Construction Phase** The seventh phase of the Architect’s basic services, which includes the Architect’s general administration of the construction contract(s).

**Contract Bond** A written form of security from a surety company, on behalf of an acceptable prime or main Contractor or Subcontractor, guaranteeing complete execution of the contract and all supplemental agreements pertaining thereto and for the payment of all legal debts pertaining to the construction of the Project.

**Contract Payment Bond** A written form of security from a surety company to the Owner, on behalf of an acceptable prime or main Contractor or Subcontractor, guaranteeing payment to all persons providing labor, materials, equipment, or services in accordance with the contract.

**Contract Performance Bond** A written form of security from a surety company to the Owner, on behalf of an acceptable prime or main Contractor or Subcontractor, guaranteeing the completion of the Work in accordance with the terms of the contract.

**Date of Substantial Completion** The date certified by the Architect when the Work or a designated portion thereof is sufficiently complete, in accordance with the contract documents, so the Owner may occupy the Work or designated portion thereof for the intended use.

**Diocesan Building Committee** The Committee serves in an advisory capacity to the Executive Director of the DMS and the Bishop in connection with planning, construction, and major renovation of all Archdiocesan and Parish facilities.

**Design** A graphical representation consisting of plan views, interior and exterior elevations, sections, and other drawings and details to depict the goal or purpose for a building or other structure.

**Design-Build Construction** When a prime or main Contractor bids or negotiates to provide Design and Construction services for the entire construction project.

**Design-Construct Contract** A written agreement between Contractor and Owner wherein the Contractor agrees to provide both design and construction services.

**Design-Development Phase** The second phase of the Architect’s basic services wherein the Architect prepares drawings and other presentation documents to fix and describe the size and character of the entire project as to architectural, structural, mechanical and electrical systems, materials and other essentials as may be appropriate; and prepares a statement of probable construction cost.

**Design Professional** A term used generally to refer to architects; civil, structural, mechanical, electrical, plumbing, and heating, ventilating, and air-conditioning engineers; interior designers; landscape architects; and others whose services have either traditionally been considered “professional” activities, require licensing or registration by

the state, or otherwise require the knowledge and application of design principles appropriate to the problem at hand.

**Design Team** A group of professional consultants working collaboratively on a Project.

**Diocesan Finance Council** The purpose of the Finance Council is to provide assistance and guidance to the Bishop in the administration of the temporal goods of the Diocese of Tucson.

**Diocesan Legal Counsel** The Law Offices of Gust Rosenfeld Attorneys, PLC – Gerard R. O’Meara

**Diocesan Presbyteral Council** The Presbyteral Council is the consultative body representing all priests, which assists the Bishop in all matters affecting pastoral welfare and the governance of the Diocese

**Direct Cost (or expense)** All items of expense directly incurred by or attributable to a specific project, assignment or task. Direct Costs, Hard Costs, and Construction Costs are synonymous (See Construction Costs and Hard Costs).

**Facility or Site Analysis** A visual inspection of a building and on-site improvements for functional or physical deterioration.

**Environmental Remediation** The removal or encapsulation of any hazardous material by a trained qualified contractor.

**Estimate** for making recommendations to improve functional and physical deficiencies to increase market value; AND/OR prepare a Reserve Study over five (5) years to increase Net Operating Income (NOI) for the facility (See Site Analysis).

**Existing Conditions Plan** A composite plan of a property or building showing all known features or conditions.

**Extraordinary Repairs and Replacements** This covers major elements of the facility, which are usually beyond the scope of the maintenance staff or committee, e.g., a new roof, replacement of HVAC equipment, windows, roads, parking lots, etc., or repairs that change the appearance of the structure. Conformance to building and fire codes generally falls within this definition.

**Fast Track Construction (Fast Tracking)** A method of construction management that involves a continuous design-construction operation. A prime or main Contractor starts the construction work *before* the plans and specifications are complete (See Design-Build Construction).

**Friable Asbestos-Containing Material** The term “friable asbestos-containing material” means any asbestos-containing material applied on ceilings, walls, structural members,

pipng, duct work, or any other part of a building that when dry may be crumbled, pulverized, or reduced to powder by hand pressure. The term includes non-friable asbestos-containing material after such previously non-friable material becomes damaged to the extent that when dry it may be crumbled, pulverized, or reduced to powder by hand pressure.

**General Conditions** A written portion of the contract documents set forth by the Owner stipulating the Contractor's minimum acceptable performance requirements including the rights, responsibilities, and relationships of the parties involved in the performance of the contract. General conditions are usually included in the book of specifications but are sometimes found in the architectural drawings.

**General Contractor** Properly licensed individual or company having primary (prime) responsibility for the Work.

**General Contracting (the traditional method)** When a prime or main Contractor bids the entire work AFTER the final design, plans and specifications are complete and have been approved by the Owner. (See Design-Build Construction and Fast Track Construction)

**Indirect Cost (or expense)** A Contractor or Consultant's overhead expense; expenses indirectly incurred and not chargeable to a specific project or task. The terms indirect costs and soft costs are synonymous. (See Soft Costs)

**Labor and Material Payment Bond** A written form of security from a surety (bonding) company to the Owner, on behalf of an acceptable prime or main Contractor or Subcontractor, guaranteeing payment to the Owner in the event the Contractor fails to pay for all labor, materials, equipment, or services in accordance with the contract. (See Performance Bond and Surety Bond)

**Lien, Mechanic's or Material** The right to take and hold or sell an Owner's property to satisfy unpaid debts to a qualified Contractor for labor, materials, equipment or services to improve the property.

**Loss Reconstruction** Restoration of buildings or properties due to fire, storm, flood, vandalism or other calamity necessary to return the property to its original condition and function.

**Lump Sum Contract** A written contract between the Owner and Contractor wherein the Owner agrees to pay the Contractor a specified sum of money for completing a scope of work consisting of a variety of unspecified items or work.

**Master Plan** This document describes in narrative and with drawings an overall development concept. It should include both present property uses as well as future land development plans.



**Meeting Notes** A written report consisting of a project number, project name, meeting date, and time, meeting place, meeting subject, a list of persons in attendance, and a list of actions taken and/or discussed during the meeting. Generally, this report is distributed to all persons attending the meeting and any other person having an interest in the meeting.

**Needs Analysis Study** This is an in-depth study of Parish Life. This becomes the basis of a comprehensive plan, which includes a pastoral plan and master plan.

**New Construction** Any building to be constructed or purchased; or a major addition to an existing building which increases the property value, useful life, uses, or scope of operations within the facilities.

**Open Bid/Estimate** A service offered by constructionplace.com where any bidder or estimator is given access to project-specific RFP (Request for Proposal) information. This option is for those seeking bids/estimates from any interested professionals or service without pre-qualifying them. For security and easy access, the project poster receives an e-mail showing the links to “View the RFP Details” and “View Any Bids” as they are received. This gives the RFP poster the ability to file and track the respective RFPs using their own e-mail filing system.

**Owner-Architect Agreement** A written form of contract between the Architect and Owner for professional architectural services.

**Owner-Construction Agreement** Contract between the Owner and Contractor for a construction project.

**Owner-Construction Management Agreement** Contract between the Construction Manager and Owner for professional services.

**Parish and School Operating Budgets** These include all labor, materials, supplies and maintenance contracts, such as, but not limited to: temperature controls, fuel burners, fuel supplies, elevators, routine painting (window frames, classrooms, etc.) carpentry and items of a similar nature.

**Pastor** A person who has charge of a Parish and/or school including a pastoral administrator, pastoral life director of a Parish, or the president/principal of a regional or cluster elementary school or diocesan high school.

**Performance Bond** 1) A written form of security from a surety (bonding) company to the Owner, on behalf of an acceptable prime or main Contractor or Subcontractor, guaranteeing payment to the Owner in the event the Contractor fails to perform all labor, materials, equipment, or services in accordance with the contract. 2) The surety companies generally reserve the right to have the original prime or main or subcontractor remedy any claims before paying on the bond or hiring other Contractors (See Labor and Material Payment Bond and Surety Bond).

**Pre-Qualification of Prospective Bidders** A screening process wherein the Owner or his/her appointed representative gathers background information from a contractor or construction professional for selection purposes. Qualifying considerations include competence, integrity, dependability, responsiveness, bonding rate, bonding capacity, work on hand, similar project experience, and other specific Owner requirements.

**Project Cost** All costs for a specific project including land, professionals work, construction, furnishings, fixtures, equipment, financing, and other project related costs.

**Project Cost Data Worksheet** A tool used in the management of a project to summarize all costs associated with the design, execution, furnishing and funding of a project. It is used to maintain and control costs within an established budget.

**Project Documents** All the plans, drawings, and specifications used to bid a project and necessary to complete all work.

**Project Manager (Project Management)** A qualified individual or firm authorized by the Owner to be responsible for coordinating time, equipment, money, tasks and people for all or specified portions of a specific project. (See Construction Manager.)

**Project Management Team** A select group of individuals assembled to oversee a specific project. This team usually consists of the Project Manager, Pastor, Architect and (where applicable) Construction Manager.

**Project Representative** A qualified individual authorized by the Owner to assist in the administration of a specific construction contract.

**Property and Insurance Department** The Property and Insurance Department oversees all diocesan-owned properties; provides consultation to parishes on preventive maintenance needs; assists parishes in the planning and construction of new facilities and in major renovations; manages operations of the Diocese of Tucson Pastoral Center building.

**Qualified** An individual or firm with a recognized degree, certificate, or professional standing; or who by extensive knowledge, training and experience, has successfully demonstrated his/her abilities to identify and solve or resolve problems associated with a specific subject matter or project type.

**Reimbursable Expenses (or Costs)** Amounts expended for or on account of the Project that in accordance with the terms of the appropriate agreement are to be reimbursed by the Owner.

**Renovation** A project of restoration and/or replacement that sets as its prime objective the long-term preservation of a building or property to perpetuate the historic or future sale value, or serves to upgrade the property to current standards, codes or guidelines.

**RFI** 1) An abbreviation for Request for Information. 2) A written request from a Contractor to the Owner or Architect for clarification or information about the contract documents following contract award.

**RFP** 1) An abbreviation for Request for Proposal. 2) A written request from the requestor (usually the Owner or a Contractor) to a Contractor, design professional, or Subcontractor for an estimate or cost proposal. The RFP usually contains a specific scope of work.

**Schedule of Values** A statement furnished by the Contractor to the Architect or Engineer reflecting the portions of the contract sum allotted for the various parts of the Work and used as the basis for reviewing the Contractor's applications for progress payments.

**Schematic** A preliminary sketch or diagram representing the proposed intent of the designer.

**Schematic Design Documents** All Documents and drawings that illustrate the relationship and scale of the components of the Project.

**Schematic Design Phase** The first phase of the Architect's basic services in which the Architect consults with the Owner to ascertain the requirements of the Project and prepares schematic design studies consisting of drawings and other documents showing the scale and project components for the Owner's approval.

**Scope of Work** A written range of view or action; outlook; hence, room for the exercise of faculties or function; capacity for achievement; all in connection with a designated project.

**Soft Costs** Soft Costs are cost items in addition to the direct Construction Cost. Soft Costs generally include architectural and engineering, legal, permits and fees, financing fees, construction interest and operating expenses, leasing and real estate commissions, advertising and promotion, and supervision. (See Construction Cost.)

**Specifications** A detailed, exact statement of particulars, especially statements prescribing materials and methods; and quality of work for a specific project. The most common arrangement for specifications substantially parallels the CSI (Construction Specification Institute) format.

**Special Conditions** A section of the conditions of the contract other than the General Conditions and Supplementary Conditions, which may be prepared for a particular project. Specific clauses setting forth conditions or requirements peculiar to the project under consideration, and covering work or materials involved in the proposal and estimate, but not satisfactorily covered by the General Conditions. (See General Conditions.)

**Stipulated Sum Agreement** A written agreement in which a specific amount is set forth as the total cost of a project or service.

**Structural Changes** These cover any modifications to the building that compromise the safety of the structure.

**Structural Components** consist of any load-resisting building elements as defined by the applicable building codes including but not limited to beams, trusses, joists, columns, bearing walls, partition walls, skylights, roof and floor decks, fire walls, windows and doors.

**Structural Design** A term used to represent the proportioning of structural members to carry loads in a building structure.

**Substitution** A proposed replacement or alternate offered in lieu of and represented as being equivalent to a specified material or process.

**Surety** (See Bonding Company.)

**T&M** 1) An abbreviation for a contracting method called Time and Materials. 2) A written agreement between the Owner and the Contractor wherein payment is based on the Contractor's actual cost for labor, equipment, materials, and services, plus a fixed add-on amount to cover the Contractor's overhead and profit.

**TPC** (Total Project Cost) includes cost of design, construction, furnishings, permits, contingency and inflation, as well as cost of all phases of an overall project or program, regardless of duration or scheduling. TPC also includes the summation of all project cost elements as agreed to on the approved Request for Capital Project Expenditure Form or Request for Capital Repairs and Maintenance. Project costs generally include all fixed capital costs, all loose capital costs, and related soft costs necessary to accomplish the work required.

**Work** The term Work is defined as the construction and/or services required by the contract documents, whether completed or partially completed, and includes all other labor, materials, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations. The Work may constitute the whole or part of the project.