**Capital Projects Policy**

**Introduction**

Exercising good stewardship over our finite resources has enabled the church to pursue mission opportunities locally and globally that embody our vision and mission. The Presiding Bishopric(PB), as chief financial officers and trustees of the church are responsible for the administration of the temporal affairs of the whole church (see World Church Bylaws.  Article III, Section 5(c)).

In order to carry out this sacred responsibility we rely on local, mission center, and field leaders to assess how our assets can best support mission locally and maintain the effective operations of the church and its facilities. To this end, The Capital Projects Policy outlines a collaborative approach to assessing and approving local capital needs of $5000 USD or $6500 CDN or more. This amount will be assessed from time to time in response to changes in the economy and the needs of the church.

**Definition and Examples**

A capital asset is one that will have value in years beyond the year of expenditure, and includes land, buildings, machinery, equipment, furniture and fixtures, land improvements, and vehicles. Some capital projects are easy to identify such as purchasing a piece of land or constructing a building. Other expenditures are harder to classify. If an expenditure is the equivalent of $5,000 USD or $6,500 CDN or more and either extends the life or improves the value of a capital asset, it is considered a capital project.

*Example #1:* Main Street Congregation’s boiler goes out. If they purchase a new boiler for $7,500, this is a capital project and is subject to the process below. If they repair the old boiler for $2,800 and the boiler is essentially returned to its original state of functionality, this is regular repairs and maintenance, and not a capital project.

*Example #2*: Peaceful Forest Campground needs to do the following in the coming year: replace their commercial dishwasher, golf cart, table saw, and pickup truck, rewire five cabins, and repave a concrete pathway. The board of directors has approved these actions as a part of the capital budget for the coming year, subject to cash availability. These items are all capital assets, and the entire list can be evaluated annually via the process below.

The Field Leadership is represented by the Field Support Minister (FSM) and Field Apostle in the USA and by the Bishop of Canada and Field Apostle in Canada and by the Field Bishop or other staff member as designated by the Field Apostle in other countries.

**STEP 1**

Congregation/Mission Center/Campground (“Local Jurisdiction”) requests to engage in a capital project (“Project”).

**STEP 2**

**2(a)** If the Project’s **total cost is** **less than the equivalent of $5,000** **USD or $6,500 CDN**, Local Jurisdiction may proceed with the Project in accordance with current project procedures in Step 3. No approval from Field Leadership is required to proceed.

**2(b)** If the Project’s **total cost is equal to or exceeds the equivalent of $5,000** **USD or $6,500 CDN**, Local Jurisdiction contacts the Field Leadership to determine if the Project meets one of the following criteria:

1. **Safety (a clear hazard exists that requires immediate attention)**

(2) **Building Code Compliance (a warning has been issued or a code has changed that applies to the church’s property),**

(3) **Essential Expenditure (non-regular repairs, maintenance, or basic upgrades are required on equipment or property that previously existed), and/or**

(4) **Missional Imperative (a project directly related to carrying out the mission of the church as expressed in our vision statement, mission statement, or mission initiatives)**

If Field Leadership determines the Project meets one of the four criteria above, the Field Leadership will notify the Local Jurisdiction with approval to proceed.

**2(c)** If there is a question about the “essential” nature or missional imperative of a capital project, Field Leadership may consult the Presiding Bishopric. If Field Leadership determines that the Project does not meet one of the four criteria above, they will notify the local jurisdiction that the Project will not be approved.

**STEP 3**

**3(a)** When the project is ready to proceed the following items must be submitted to Field Leadership **in advance** of any work:

1. an unsigned bid outlining the scope of service
2. Community of Christ Service Agreement
3. W-9 from the service provider
4. A certificate of insurance naming Community of Christ as an additional insured
5. The Local Jurisdiction business meeting minutes that include the approved method of payment (Operating Fund, Building Fund, AIP, local checking).
   1. If funds needed to complete the approved project is held in the Affiliate Investment Pool, documentation such as business meeting minutes and an approved budget will be required before funds are released.

This process is intended to foster collaboration in thoughtfully assessing capital needs related to the four criteria above. Working together will ensure the exercise of good stewardship over our physical assets and how they can best be used to support our mission. Questions about this policy can be directed to your field team representative or Presiding Bishopric.