



DIOCESE OF
Jefferson City

BETTER
TOGETHER

CONSTRUCTION AND RENOVATION PROJECTS POLICY

*Including the Real Estate
Transaction Procedure Summary*

REVISED AUGUST 30, 2018

Pastors, Parish Life Collaborators, Parish Finance Council Members, School Administrators, School Advisory Board Members, and those with administrative responsibility for the care of real property and facilities in the Diocese of Jefferson City:

After broad consultation with clergy, parish life collaborators, parish representatives and the Diocesan Finance Council, and having presented the draft of the enclosed documents to priests at the annual Parish Corporation Boards of Directors meeting on March 22, 2018, our Diocesan Buildings and Properties Office, Finance Office, and I have received your feedback, suggestions, and insights. We have incorporated your suggestions into the enclosed documents, which is promulgated by Bishop W. Shawn McKnight as particular law, policy, of our diocese:

1. Construction and Renovation Projects Procedure Summary
2. Real Estate Transaction Procedure Summary
3. Flow Chart (included as a ready reference illustrating the process visually)

Please note that this policy is now in effect for all construction and renovation projects and for all real estate transactions. The purpose of these changes is three-fold.

STREAMLINE AND SIMPLIFY THE PROCESS, THUS EASING THE BURDEN ON YOU IN YOUR ADMINISTRATION OF PARISH PROPERTY AND PROJECTS.

The old procedure, set many years ago, established a threshold requiring permission of the bishop that was never adjusted for inflation and resulted in relatively small projects requiring the bishop's approval. In addition, there were numerous steps to follow that made sense on large endeavors, but not so much on regular maintenance type projects. This was often burdensome for you and sometimes resulted in designing projects in such a manner as to get around the previous procedural limits so that you could efficiently manage your projects.

REFRESH THE PROCESS.

Very few of you have knowledge of or a copy of the old policy, which came in two forms, the policy manual from 2000, and the summary (green, eight-page document) from 2005. The enclosed documents take their place. Over the years, many pastors and parish life collaborators found themselves out of compliance with the old policy simply because they were unaware of it and its sequential steps. While acting in the best of interests, it was common for parish administration to find themselves well into a project and already well out of compliance with existing policy and on the road to difficulty, all without knowing it. This policy is meant to ease burdens and prevent trouble and conflicts.

**UPDATE THE POLICY TO REFLECT THE CURRENT LEGAL STRUCTURE OF PARISHES
AND DIOCESAN ENTITIES.**

There have been numerous changes to the legal structures of parishes and diocesan entities over the years; the current policy reflects the current structure. Most of these changes affect real estate transactions and are required to ensure that transactions are recorded properly with the various government entities involved.

The policy is presented to you as two procedure summaries. This policy is not all-inclusive nor does it address every event and eventuality. Making it so would revert back to the minutia of detail and steps from the old procedures. Thus, if an issue arises, not addressed in the procedures; please contact the Buildings and Properties Office, the Finance Office and/or me for assistance. As always, questions, along with good and advanced communication, are always appreciated and welcomed. This new policy and these procedures are now in effect.

Sincerely yours in Christ,



Fr. Gregory C. Meystrik
Moderator of the Curia

I, Most Reverend W. Shawn McKnight, Bishop of Jefferson City, do hereby promulgate the "Diocese of Jefferson City Construction and Renovation Projects Procedure Summary" and the "Diocese of Jefferson City Real Estate Transaction Procedure Summary" as particular law of the Diocese of Jefferson City, to be followed by all pastors, parish life collaborators, principals and/or other staff of the Diocese of Jefferson City, effective 1 September 2018.



Most Reverend W. Shawn McKnight, S.T.D.
Bishop of Jefferson City



Sister Kathleen Wegman, SSND
Chancellor

Signed the 30th day of August 2018, at the Alphonse J. Schwartze Memorial Catholic Center

DIOCESE OF JEFFERSON CITY

CONSTRUCTION AND RENOVATION PROJECTS PROCEDURE SUMMARY

Effective September 1, 2018

- ▶ Except as noted below, all construction, renovation and maintenance projects in excess of \$25,000 must be approved in writing.
 - For parishes with general church receipts (line 17 of the parish report) in excess of \$2,000,000, the threshold for approval is \$50,000.
 - Normally, projects resulting from an insurance claim through the diocese's insurance program do not require approval, but coordinating with Buildings and Properties Office and approval of contracts is required.
 - If projects are completed in stages, the \$25,000 (or \$50,000) threshold applies to the total cost of all stages.
 - Parishes that are not current on their financial obligations need approval regardless of the cost or type of project.
- ▶ A proposal describing the project, its need, projected costs, and other pertinent information that led to the request is to be submitted to the Buildings and Properties Office of the Diocese.
 - The Buildings and Properties Office, acting as gatekeeper, will forward the proposal to the Finance Office and the Office of the Bishop for consideration along with its own recommendation.
 - The proposal should also include a budget, indicating how the cost of the project is to be covered.
 - The proposal should also include a statement from the pastor (and parish life collaborator, if assigned to the parish,) as to their support of the project.
 - If it will be necessary to borrow funds or hold a capital campaign that should be noted in the proposal. The Finance Office will contact the pastor, parish life collaborator and/or their delegate with additional information that will be required and steps that will be necessary.
 - The general rule is that parishes must have at least one-half of the funds required for the project on deposit with the Diocese of Jefferson City Fund before approval is granted.
- ▶ Before submitting the proposal, it is important that the project be discussed with the parish finance council and if appropriate, the pastoral council.
 - If the project is for maintenance of a school, the School Advisory Board should be consulted. If the project is for major renovation or construction of school facilities, it must be reviewed and approved by the School Office of the Diocese before submitting the proposal.
 - If the project is for the worship space in a church, it must be reviewed and approved by the Diocesan Liturgical Commission before submitting the proposal.
 - The proposal should indicate that the above consultations have taken place and whether consensus was reached.
 - With the exception of the consultations with the Liturgical Commission or School Office, consensus is not required, but to assist in the evaluation of the proposal, objections raised should be noted.
- ▶ When a project has been approved, the Buildings and Properties Office will assist with regard to the form of contract to be used prior to the preparation of the contract. Contracts, bids and insurance certificates must be approved by the Buildings and Properties Office and contracts signed prior to the commencement of work.
- ▶ The Buildings and Properties Office and the Finance Office are always available for consultation on projects, whether or not they exceed the required approval threshold
- ▶ While the above procedures reference parishes and pastors (and parish life collaborator, if assigned to the parish), they are intended to include all diocesan entities, substituting the appropriate management structure in place for that entity

DIOCESE OF JEFFERSON CITY
REAL ESTATE TRANSACTION PROCEDURE SUMMARY

Effective September 1, 2018

- ▶ All real estate transactions must be approved in writing
- ▶ Real estate transactions include
 - Purchase of property
 - Sale of property
 - Easements and right of ways
 - Donations of property
 - Leases of real estate or facilities, as either lessor or lessee
- ▶ Before submitting the proposal, it is important that the project be discussed with the parish finance council and if appropriate, the pastoral council.
- ▶ The Buildings and Properties Office, acting as gatekeeper, will forward the request to the Finance Office and the Office of the Bishop and diocesan attorneys for consideration.
 - The request should include a budget, indicating how the cost of the transaction is to be covered along with ongoing maintenance of the property.
 - The request should also include a statement from the pastor (and parish life collaborator, if assigned to the parish), indicating their support of the transaction.
 - The request should include any previous and current legal descriptions of the property and any title or other relevant information provided by the other parties to the transaction.
 - The request should include legal names of buyer/seller or donor.
 - If it will be necessary to borrow funds or hold a capital campaign that should be noted in the request. The Finance Office will contact the pastor, parish life collaborator and/or their delegate with additional information that will be required and steps that will be necessary.
 - The general rule is that parishes must have at least one-half of the funds required for the purchase on deposit with the Diocese of Jefferson City Fund before approval is granted.
- ▶ Real estate to be acquired (purchased or donated)
 - Must be inspected for safety and hazardous materials.
 - Must have a determination as to tax consequences.
 - Must have a verification of ownership or title.
- ▶ If the request is approved, the diocesan attorneys will either draft a contract to complete the transaction or review the contract provided by the other party to the transaction.
- ▶ Only Officers of the Diocese of Jefferson City Real Estate Corporation may sign real estate contracts.
- ▶ The Buildings and Properties Office and the Finance Office are always available for consultation.
- ▶ While the above procedures reference parishes and pastors, (and parish life collaborator if assigned to the parish) they are intended to include all diocesan entities, substituting the appropriate management structure in place for that entity.

