101 Capital Project Categories

101 CAPITAL PROJECT CATEGORIES

Capital projects are classified into one of four categories based on the Total Project Cost (TPC) and whether the project involves certain environmental, structural, or liturgical aspects. The policies and procedures applicable to a project vary depending on project category.

Procedure:

A) TPC includes the cost of all phases of a project or program, regardless of duration or scheduling, including the cost of design, construction, furnishings, permits, project management fee, contingency and inflation costs.

B) The Capital Projects Flowchart, available here, helps explain the proper categorization of projects.

C) The Capital Projects Lifecycle, available here, provides an overview of the process for completing a capital project from conception to completion and warranty.

D) The Capital Projects Required Actions by Project Category, available here, provides a summary of the actions required for each project category during the Project Lifecycle.

101.1 Category I Projects:

Category I includes any project, regardless of TPC, involving environmental issues (e.g., asbestos, lead/lead paint, underground fuel tanks, radon, indoor air quality or other hazardous substances/conditions), liturgical space (in particular, any work inside the sanctuary of a church or chapel), structural components or the roof of a building or property, or boiler

replacement.

Procedure:

A) Category I projects must be approved by DFREM before commencement or contract execution.

B) Category I projects may also be a part of or classified as a Category II, III, or IV project based on TPC, provided that any more restrictive policies and procedures applicable to Category I projects must also be adhered to.

101.2 Category II Projects:

Category II includes projects with a TPC of less than $50,000.

Procedure:

A) Parishes/schools may proceed with Category II Projects without approval (except where the project includes a Category I Project).

B) DFREM staff is available for consultation and advice regarding Category II projects and has guidelines available for parish/school use regarding project evaluation, contract content and legal standards.

101.3 Category III Projects:

Category III includes projects with a TPC of more than $50,000 but less than $300,000.

Procedure:

Complex projects (including those with unusual project requirements or potential difficulties) may be included in Category III in the discretion of DFREM staff even if the project has a TPC of less than $50,000.

101.4 Category IV Projects:

Category IV includes projects with a TPC of $300,000 or more.

101.5 Project Management:

The DFREM will assign a Project Manager as the Owners Representative for all Category I, III and IV projects. The Project Manager will coordinate the project in accordance with this policy through all phases of the project life cycle from concept through completion.

101.5.1 Project Management – Fee:

A project management fee will be assessed for each Category I, III and IV capital project that has a total projects costs (TPC) of more than $50,000. This fee will be transferred from the parish or school's IPLF account at project approval and placed into a sub-account in the IPLF. The fee will not be available to the parish/school but will earn interest at the prevailing IPLF interest rate that will accrue to the parish /school. The fee will be collected by the Archdiocese upon substantial completion of the project. If the project does not go forward for any reason, the fee will move back into the parish/school IPLF savings. For capital projects currently approved the fee will not be retroactively assessed.

The maximum fee per capital project is capped at $100,000 per project.

Parishes:

Parishes with offertory of less than $300,00 per year – no fee

Parishes with offertory between $300,001 – $500,000 per year – 2% fee

Parishes with offertory over $500,000 per year – 3% fee

Schools:

Parish schools will have the capital projects fee based of parish offertory above.

Regional, Independent and Archdiocesan schools will pay a 3% fee