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Checklist for Construction or Repairs Contracts

Diocesan bylaws state...

“Section 9.9 Construction and Repairs. (a) No contract for a project involving the improvement of or on real property including architectural services as a part of a construction or repair project, construction, repairs, or any other goods or services for which any person may file a lien against real property under Hawai‘i law (a “Project”) may be entered into without complying with this Section. (Information about mechanic’s or materialmans’ liens on property can be found in Hawai‘i Revised Statutes beginning with Section 507-41, which can be accessed online.)

(b) All contracts for a Project must be reviewed and approved by a chancellor prior to execution.

(c) In addition to approval by the Parish, Mission, or other entity upon the property of which the Project will be located, contracts for a Project may [be made upon the following authority:] require approval by the Bishop, the Commission on Finance and Administration, and/or the Council as established in written policies adopted by the Commission on Finance and Administration.

(d) The Bishop, Commission on Finance and Administration or Council may impose such supervision and controls, as they believe necessary as a condition of their approval of a Project contract.”

Please start the process as soon as possible because,

- 1) Although the approving bodies are scheduled to meet once a month, sometimes a meeting will be cancelled or they may not have quorum.**
- 2) Changes often need to be made after a chancellor reviews the agreement.**

If you have any questions, please call Rae Costa at (808) 536-7776 ext.326 or e-mail at rcosta@episcopalhawaii.org

Before submitting to the Diocesan Support Center

- Conduct initial research:** Visit <http://www.episcopalhawaii.org/forms--documents.html> and read
 - Dealing With Outside Contractors: Protecting Church Property brochure, and
 - Construction bid/proposal addendum template
 - Construction contract template for projects over \$50,000, if applicable.
- Obtain three (3) competitive bids** from licensed contractors or explain why 3 bids were not obtained.
- Choose the best bid.** This will not necessarily be the lowest bid.
- Complete the appropriate template.** Use the Construction Addendum Template if the contractor did not provide you with a contract AND the job is less than \$50,000. Use the Contract Template if the contractor did not provide you with a contract AND the job is \$50,000 or more.
 - Note: Use the legal name for your Church/organization

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- The legal name for Diocese is The Episcopal Church in Hawai'i
- Changes to section of the template that are not blanks to be filled in will cause delays in review and incur increased attorney fees.

- Select source of funding for this project** (check all that apply)
 - Cash on hand from checking or savings account
 - Withdraw money from an appropriate endowment investment fund account
 - Take out a loan (please [click here](#) for checklist for loan process)
 - Other (Grants, Capital Campaign, Gifts, etc) please note below:

- Obtain proof of the following valid and current documents:**
 - Contractor's license: go to <https://pvl.ehawaii.gov/pvlsearch/> and search for contractor's license. A printout of the DCCA website that shows the Contractor is licensed will suffice. A copy of the Contractor's license will not suffice because the license could be revoked.
 - Confirmation that they can provide a Certificate of Insurance listing "The Episcopal Church in Hawai'i" and your church/organization as additional insureds AND proof of workers' compensation insurance. The actual document(s) **must** be obtained and a copy submitted to Diocesan Support Center prior to commencement of work – see below)
 - Certificate of Good Standing: go to <https://hbe.ehawaii.gov/documents/search.html> and search for the contractor's/company's name. A printout of the webpage showing the cost to purchase a copy of the Certificate will suffice. You do not have to actually pay for the Certificate. If a Certificate is not available, the website will say that.

- Present all of the above to the Vestry or Bishop's Committee and get their approval.** A copy of the full Minutes must be submitted to the Office of the Bishop.

- Determine if you need Builder's Risk Policy:** Builder's Risk policies are only needed when the Church is adding square feet to their existing church plant or new construction, such as new buildings, etc. A builder's risk policy will protect the building materials on site from theft or fire and provide liability for the church if someone was injured while construction is taking place. Typically, the contractor does not provide coverage for the church, only for themselves. The extra coverage may not be necessary depending on the scope and size of the renovations. Discuss with Church Insurance Company, Alicia Morris, amorris@cpg.org, to see if this is necessary for your project.

- Submit the following documents to the Diocesan Support Center for approvals.** We suggest that you send these documents electronically at least a week before scheduled meetings to give us time to get it on the meeting agenda. Commission on Finance and Administration usually meets on the Tuesday before the third Saturday of the month (i.e.

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the Tuesday before the Diocesan Council meeting on the third Saturday of the month).
Call the office at (808) 536-7776 x326 to verify these dates.

- Full copy of Vestry/Bishop's Committee minutes showing approval of Contract
- Bid/proposal and completed and legible template (Addendum if under \$50,000 or Contract if \$50,000 or more).
- Copy of the print out from the DCCA website that shows that the Contractor is Licensed
- Copy of the print out showing Contractor has a Certificate of Good Standing
- Copy of this signed and completed checklist (with source of funding option selected)

Print name	Signature	Date
<input type="checkbox"/> Once the signed Contract has been sent to the vendor AND BEFORE work has started: <ul style="list-style-type: none">○ Obtain a valid and current Certificate of Insurance listing "The Episcopal Church in Hawai'" and your church/organization as additional insureds AND proof of workers' compensation insurance (provide the Diocesan Support Center with a copy)○ Obtain a completed W-9 form from the vendor for your files. You do not need to send a copy to the Diocesan Support Center.		

Approval process if your project cost is **\$50,000 or under**

- Review and approval by a chancellor or attorney appointed by chancellor

Approval process if your project cost is **over \$50,000 but under or equal to \$100,000**

- Review and approval by a chancellor or attorney appointed by chancellor
- Approval of one of the following
 - The Bishop
 - The Commission on Finance and Administration

Approval process if your project cost is **over \$100,000 but under or equal to \$250,000**

- Review and approval by a chancellor or attorney appointed by chancellor
- Approval of the Commission on Finance and Administration

Approval process if your project cost is **over \$250,000**

- Review and approval by a chancellor or attorney appointed by chancellor

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- Approval of Commission on Finance and Administration, and then
- Approval of Diocesan Council