



JEFFREY J. WALSH

Bishop of Gaylord
By the Grace of God and the Apostolic See

DECREE

Norms on the Preservation and Improvement of Property

I, the Most Reverend Jeffrey J. Walsh, Bishop of Gaylord by the grace of God and favor of the Apostolic See, hereby promulgate the attached norms which apply to all construction projects as a matter of diocesan law.

These norms bind all the Christian faithful of the diocese, that is, Catholic clergy and laity including members of religious and secular institutes and societies of apostolic life. These norms bind all public juridic persons in the diocese. The diocese itself is a public juridic person, as are all of its parishes and any other juridic persons so founded or recognized.

These norms do not bind private associations of the Christian faithful such as the Society of Saint Vincent de Paul, Knights of Columbus, and Ladies of Charity, etc. On financial matters, such associations are bound to follow their own statutes, which may or may not require diocesan consultation or approval. In any case, these private associations are highly encouraged to keep the diocesan bishop apprised of any construction projects on which they embark and to receive at least his tacit permission for any associated fundraising.

Besides the diocesan norms promulgated by this decree, all who are bound by these norms must also observe canons in the revised *Code of Canon Law* on property (i.e., canons 1254-1310) and all related norms issued by the United States Conference of Catholic Bishops.

These norms are to take legal effect on August 4, 2023, and abrogate any prior diocesan customs, practices, or laws to the contrary.

A month before their effective date these norms are to be published on the website of the Diocese of Gaylord. Meanwhile, all clergy, directors of parish life, administrators of Catholic schools, and members of religious and secular institutes or societies of apostolic life are to receive advance notice.

Anything to the contrary notwithstanding.

Given in Gaylord, Michigan on the Feast of Saint Thomas, Apostle, the third day of July, in the year of our Lord, 2023.

Most Reverend Jeffrey J. Walsh
Bishop of Gaylord

Julie A. Erhardt
Chancellor



DIOCESE *of* GAYLORD

NORMS ON THE PRESERVATION AND IMPROVEMENT OF PROPERTY

JULY 3, 2023

The following policies apply to all construction projects throughout the Diocese of Gaylord regardless of their size. They are to be followed regarding all new construction, repairs, renovations, restorations, and improvements.

Concept

1. The primary responsibility for determining the need to build, maintain, repair, renovate, restore, or improve a facility rests canonically with the pastor or with the priest taking the role of a pastor. A priest taking the role of a pastor commonly has the title of Canonical Pastor, Moderator, Parochial Administrator, or Rector.

Consultations and Consents

2. The bishop may assign a Director of Parish Life to a parish that has a priest—commonly under the title of Canonical Pastor or Moderator—taking the role of its pastor. Such a Director of Parish Life will collaborate with this priest as he provides guidance and broad oversight for carrying out the actions under these Norms, including for the *Acts of Ordinary Administration*.
3. If a church is to be built, canon 1215 §2 in the revised *Code of Canon Law* must be observed. Under this canon the bishop is to hear the presbyteral council and the priests in charge of the neighboring churches before judging whether to give his consent.

Consultations on the Vision for a Proposed Construction Project

4. If the vision for a proposed project suggests that it will cost more than \$35,000, then early on the pastor or the priest taking the role of a pastor is to share the proposed project's direction in writing with the Office of the Bishop. If it is anticipated that the project will involve an architect at either the concept or the design phase, input from the Director of Finance is needed prior to engaging the architect's services.
5. If the project involves the worship space, including adding statues or artwork, permission from the bishop, by means of the Office of Worship and Liturgy, is needed regardless of the anticipated cost of the project. See the *Property Norms Implementation Guidance* for instructions.

Consents to Begin a Construction Project

6. Whenever a project concerning new construction, repairs, renovations, restorations, or improvements is contemplated the thresholds stated below will apply before proceeding with the project. See the *Property Norms Implementation Guidance* for instructions.

Pursuant to Canon Law - Acts of Ordinary Administration

- A. Projects expected to cost less than \$10,000 are left to the discretion and due diligence of the pastor or the priest taking the role of a pastor.

Pursuant to Canon Law - Acts of Greater Importance

- B. Projects expected to cost from \$10,000 to \$35,000 require the consent of the pastor or the priest taking the role of a pastor after consultation with the Parish Finance Council.
- C. Projects expected to cost from \$35,001 to \$100,000 require the consent of the Pastor or the priest taking the role of a pastor after consultation with the Parish Finance Council and the consent of the bishop or his delegate.
- D. Projects expected to cost from \$100,001 to \$250,000 require the consent of the Pastor or the priest taking the role of a pastor after consultation with the Parish Finance Council; consultation with the College of Consultors; and the consent of the bishop or his delegate.

Pursuant to Canon Law - Acts of Major Importance

- E. Projects expected to cost over \$250,000 require the consent of the pastor or the priest taking the role of a pastor after consultation with the Parish Finance Council; consultation with the Diocesan Finance Council, and if borrowing is involved its consent; consent of the College of Consultors; and the consent of the bishop.
- F. The consents to a project expected to cost over \$250,000 will depend upon a provision that the entity must have cash on hand for at least fifty percent (50%) of the total expected project cost and must be able to meet one hundred ten percent (110%) of the expected project cost by adding the amount of this cash on hand to the amount of any unpaid pledges.

Pursuant to Civil Law

- G. The president of a nonprofit corporation is to refer projects that exceed the day-to-day activities of the corporation to the organization's Board of Directors for its consideration and if acceptable its approval.

Role of a Building Committee in a Construction Project

7. A Parish Building Committee—by whatever name it is known—is responsible to the Parish Finance Council and cannot act independently of it. Its suggestions are to be sent to the Parish Finance Council for discussion.
8. The Diocesan Building Commission advises the bishop on construction matters. At his discretion, the bishop may ask the Diocesan Building Commission to review any project. Nonetheless, the commission’s advice is needed for new construction of a church or of a school as well as for other projects expected to cost \$1 million or more. The Commission’s advice is to be shared with the Diocesan Finance Council. See the *Property Norms Implementation Guidance* for instructions.

Role of a Finance Council in a Construction Project

9. The Parish Finance Council minutes are to narrate the discussion, including points of agreement and disagreement, and document the vote or view of each member to recommend or not recommend a project on which it is consulted. All Finance Council members are to sign the minutes as a demonstration of accuracy. Alternatively, a resolution can be drawn up to reflect the discussion points both positive and negative. All Finance Council members are to likewise sign such a resolution.
10. The Diocesan Finance Council advises the bishop on fiscal matters. At his discretion, the bishop may ask the Diocesan Finance Council to review any project. Nonetheless, consultation with the Council is needed for projects expected to cost \$250,000 or more.

Raising New Funds for a Construction Project

11. If fundraising for the project is anticipated, canonically the bishop must give explicit permission before this activity begins. Civilly, the Board of Directors must approve fundraising that exceeds the day-to-day activities of a nonprofit corporation. Any complimentary norms issued by the United States Conference of Catholic Bishops (see, e.g., *Canon 1262 – Fundraising Appeals*) and any particular laws of the Diocese of Gaylord must be observed. See the *Property Norms Implementation Guidance* for instructions.
12. For capital campaigns that will exceed \$1 million, a complete audit of the financial statements of the undertaking institution will be required to assess the entity’s financial health. The cost of this audit will be borne by the institution and should be factored into the costs of the project. The Diocesan Finance Office can assist in recommending a firm to conduct the audit.
13. If borrowing for the project is anticipated, application is made to the Diocese of Gaylord Deposit and Loan Trust, which must approve a loan request in accordance with its policies and procedures. See the *Property Norms Implementation Guidance* for instructions.

Staffing a Construction Project

14. Either an appropriately skilled employee or a licensed and insured contractor/vendor shall undertake the fieldwork involved in a project. If there is any question concerning these matters, then the Diocesan Director of Finance will be consulted.
15. If a volunteer desires to assist with project fieldwork and this is acceptable to the parties concerned, then the volunteer is limited to performing simple tasks on smaller projects. In this case, the person primarily responsible for the project will have the volunteer complete and sign the *Waiver and Release of Liability and Indemnity Agreement*. See the *Property Norms Implementation Guidance* for instructions.

Contracts for a Construction Project

16. Contracts shall be signed by the pastor or the priest taking the role of a pastor in his capacity as the president of the nonprofit corporation unless he gives appropriate written delegation to another to do so.
17. To afford liability and contractual protection the provisions of a General Conditions Agreement (GCA) will be used whenever an entity is engaged in a new construction, repair, renovation, restoration, or improvement project for which the work of the contractor involves any type of serious injury, property damage, or other potential liability issues regardless of the contract amount. Use of a GCA is encouraged in other instances.
18. The diocesan staff will draft a GCA that is needed to augment the provisions, if any, of the desired contractor's own form of contract. Once a bid proposal from a desired contractor has been received, the proposal should be delivered to the Director of Finance so that such a GCA can be prepared and returned for execution. The contractor and the president of the nonprofit corporation signs the GCA. A fully executed copy of the GCA must be returned to the Director of Finance for the diocesan records. This will be done before any contractor materials arrive, contractor work commences, or monies are paid to the contractor.

Concept of the Process for a Preservation or Improvement Project

1	2	3
Step One	Step Two	Step Three
<i>Conduct Visioning and Assess Feasibility; Share Proposed Project Direction with the Office of the Bishop</i>	<i>Permission Granted to Conduct Fundraising and Complete Design</i>	<i>Permission Granted to Finalize Project Arrangements and Undertake Fieldwork</i>
Determine What is Desired and the Ability to Pay for It	Develop Project Design and Fundraise as Needed	Sign Contracts and Manage Unexpected Developments
Norm 1; Norms 3 through 5	Norms 6 through 13	Norms 14 through 18
Culminates in readiness to hire any needed architectural or design services and to seek permission for any needed fundraising campaign.	Culminates in readiness to fund the cost of a project and to seek permission to begin project construction.	Culminates in completing the fieldwork of a project and as appropriate to celebrate its completion.

Note:

The timing for Norm 2, which is unique to building a church, is at the discretion of the bishop.