

# **UNITARIAN UNIVERSALIST SOCIETY OF GENEVA**

## **PROCEDURE FOR APPROVAL OF CAPITAL IMPROVEMENT PROJECTS**

Approved by the Board of Directors on October 25, 2011

1. For purposes of this procedure, "Capital Improvement Project" means any project overseen by the Facilities Committee that requires the expenditure of UUSG funds outside of the funds allocated to the Facilities Committee in the operating budget for the current fiscal year.
2. All Capital Improvement Projects must be specifically approved by vote of the Board of Directors. Such approval must be obtained before entering into any binding contract or commitment with any contractor or vendor for goods or services related to the project.
3. Each year, the Facilities Committee will prepare a list of anticipated Capital Improvement Projects for which it expects to request approval in the next fiscal year and at least the following four fiscal years including a brief description of each project (e.g., "replace Pioneer House furnace") and, if possible, an estimate of the total cost for each project. This list will be provided to the Board for review no later than the April board meeting each year, and will be included in the Annual Report presented to the congregation. The Facilities Committee will update this list as needed throughout the year to keep the Board apprised of anticipated capital expenditures and permit advance planning. It is understood that this list is an estimate and planning aid only, and will not limit the projects for which the Facilities Committee may request approval, nor obligate the Board to approve any projects included on the list.
4. To obtain Board approval for a Capital Improvement Project, the Facilities Committee will provide the Board with a report including a description of the project, the specific amount requested, and a date by which the Board is requested to act. The report will identify both any known or likely costs and any contingency amount included in the total amount requested from the Board. The project description should include any additional information that the Committee thinks may be relevant to the Board's decision, such as whether the project is necessary to protect the structure of our facilities or the safety of those who use them, whether failure to approve the project may result in greater expenses at a later date, when the work is expected to be done, and how often projects of this type can be expected. A written report may be e-mailed to the Board at [bd\\_list@uusg.org](mailto:bd_list@uusg.org). In addition, a representative of the Facilities Committee may request time at a scheduled Board meeting to provide additional information or answer questions regarding the project.
5. The Board will notify the Facilities Committee if further information is needed, and may ask a representative of the Committee to attend a meeting at which the project

will be discussed in order to answer questions or provide clarification.

6. The Board will make every effort to promptly vote on any requests for approval of a Capital Improvement Project. Whenever possible, requests for approval of Capital Improvement Projects should be made well in advance to allow the Board sufficient time to consider and vote on the project at regularly scheduled Board meetings. When approval is required before the next scheduled Board meeting, the Board may approve the project by any means permitted by the bylaws. If no member of the Facilities Committee is present at the time the vote is taken, the Secretary or Congregational Administrator (or in their absence, any member of the Board) will promptly notify the Facilities Committee of the result of any vote on a request for approval of a Capital Improvement Project.

7. Once a Capital Improvement Project has been approved by the Board, the Facilities Committee is authorized to proceed with the project as described in its report to the Board, including but not limited to executing any contracts for goods or contracting services up to the amount approved by the Board and disbursing any funds (in accordance with the procedures determined by the Treasurer and Finance Committee) needed to complete the project, up to the amount approved by the Board. There is no need to obtain re-authorization if the project is not completed in the current fiscal year.

8. Unless otherwise specified by the Board, approved Capital Improvement Projects will be paid for from the Elsa Ollsson Capital Endowment Fund. If other funds (such as targeted donations or bequests) are to be used, the Facilities Committee will identify these funds in its report to the Board, and the Board will designate which funds are to be used when approving the Capital Improvement Project.

9. Funds approved for a particular project may not be used for a different project without approval of the Board.

10. If additional funds are needed over and above the amounts approved by the Board, the Facilities Committee must seek approval for the additional expenditure using the procedure outlined above. While occasional cost overruns are inevitable, when requesting approval for a Capital Improvement Project, the Facilities Committee should ask the Board to approve an amount that is sufficient to cover all reasonably anticipated costs of the project without the need to request further funds from the Board in order to complete the project.

11. The Congregational Administrator and the Finance Committee will maintain a master list of Capital Improvement Projects approved by the Board during the fiscal year ending June 30, 2011 and thereafter, including a brief description of each project, the date approved, the specific amount approved, the current status of the project, and the amount disbursed. The monthly Financial Report will include a report of all projects on the master list that are not yet fully paid for, or that were fully paid for in at least the current and preceding fiscal years.

12. Although such action will normally be taken only after consultation with the Facilities Committee, the Board may withdraw or amend its approval of any Capital Improvement Project at any time at its sole discretion, subject to any legal obligations between UUSG and any vendors or contractors. The Facilities Committee will be promptly notified of any such decision.

13. The Board may amend or suspend these procedures at any time at its sole discretion. The Facilities Committee will be promptly notified of any such decision.