

USE OF CONTRACTORS AND CONTRACT LABOR

New Construction/Major Remodeling (Greater than \$100,000)

1. The church/school board should, for major construction and remodeling projects, form a building/remodeling committee to define and oversee the project following church business meeting approval and designate a single point of contact person for the Conference and Contractors.
2. Contact the Conference Property Management Department to inform them of the intended project via phone at 916-886-5665 or by Email: property@nccsda.com.
3. If the church/school intends to utilize the services of an architect or other design professional it is recommended that a minimum of three bids or proposals be obtained and forwarded to the Conference Property Management Department along with the recommendation of the church/school board or committee.
4. Obtain a minimum of three (3) bids for construction work. Inform those desiring to submit bids that they will need to provide the following:
 - (a) Proof of current State Contractor's license and bond (verify with the California State Contractors License Board at <http://www.cslb.ca.gov/>)
 - (b) Proof of the unlicensed subcontractors.
 - (c) A certificate of liability insurance issued before the beginning of work which names the **Northern California Conference of Seventh-day Adventists** as additional insured for a minimum amount \$1,000,000).
5. Church/school board/committee reviews bids and determines the projected cost of the project and fund-raising and/or financing needs.
6. Contact the Conference Property Management Department to have the project scheduled for Conference Building Committee review (property@nccsda.com 916-886-5665) and forward copies of all bids, preliminary plans and project financing plan to the Property Management Department.
7. Submit applications for building permits to the Property Management Department for review and signature.
8. Churches/schools are cautioned against acting as owner/builder on major projects. Please see "The Pitfalls of Being an Owner-Builder."
9. Submit all contractor agreements to Property Management Department for legal review and signatures before the commencement of work.
10. Have the contractor complete an IRS W-9 Request for Taxpayer ID form. The church/school will be responsible for preparing and filing a 1099 form for all contracted work in which the payments exceed \$600 in a one-year period.
11. It is recommended that a separate bank account be established for all major construction projects. In any case, it is the responsibility of the church/school treasurer to properly account for all expenses attributed to the construction project, documenting all expenses with invoices and receipts.
12. Ask for a copy of product warranties for specialized items being installed as part of the project (e.g. roofing materials, appliances or equipment).
13. Obtain a release of lien from all contractors/subcontractors at the conclusion of the project at the time of the final payment.
14. Report the total project expenses, with invoices and receipts if requested, to the Property Management Department for accounting purposes.
15. Lastly, provide a copy of the as-built construction plans to the Property Management Department for safekeeping and future reference.

Major Repairs & Maintenance/Minor Remodeling (Less than \$100,000)

1. Examples of major repairs include re-roofing, HVAC replacement, parking lot re-paving and major repainting.
2. Obtain a minimum of three (3) bids for the proposed work. Inform those desiring to submit bids that they will need to provide the following:
 - (a) Proof of current State Contractor's license and bond (verify with the California State Contractors License Board at pavrabid.com)

(d) A certificate of liability insurance which names the ***Northern California Conference of Seventh-day***