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, 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:

For parishes with annual offertory of $400,000 or less, Category II includes projects with a TPC of less than $30,000. For parishes with annual offertory greater than $400,000, Category II includes projects with a TPC of more 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.