

**Catholic Diocese of Cleveland**  
**Summary of Contractor Requirements Based on Project Size**

- **Prequalification:** All Contractors must be prequalified by Diocese of Cleveland Facilities Services Corporation (DCFS) prior to bidding on any project. NO CONTRACTOR MAY BE AWARDED A CONTRACT UNLESS THEY HAVE BEEN PREQUALIFIED.
- **Contracts:** Contractor proposals will not be signed. Contractor proposals signed by a pastor or other parish representative will not form the basis of a legally binding contract. Following internal project approval, diocesan standard contracts will be utilized for all projects except for certain large scale projects where modified AIA contracts or other contracts approved by the Diocese of Cleveland Legal Office may be used.
- **Change Orders:** Change orders that increase the project cost must be submitted to DCFS and executed by the parties to the original contract on a form approved by the Diocesan legal office, except where either (i) such cost is within a budgeted contingency amount that was already approved by the Bishop; or (ii) where the change orders in the aggregate are less than 10% of the original project cost or \$25,000 (whichever is lesser).
- **Payment Terms:** Payment will only be made on a progress payment basis (with 10% retainage) for work satisfactorily completed or in a lump sum upon full and satisfactory completion of the project.
- **Warranty:** Work shall be guaranteed against defects in materials and/or workmanship for a period of five (5) years or for a period of time warranted or guaranteed by the manufacturer of the materials or equipment used by the Contractor, whichever is greater.
- **Insurance, Bond, and Wage Requirements:**

Project Size (\$)	Insurance / Bond Requirements <sup>1</sup>	Union Bidding Requirements
25,000 – 99,999	*General Liability \$1M Limit per Occurrence, \$2M aggregate *Workers Compensation Coverage *Comprehensive Auto Coverage \$1M per occurrence *Employers Liability \$1M Limit	None
100,000 – 499,999	Same as 25,000 - 99,999, plus: *Letter of Bondability *Installation Floater with \$1M Limit *Umbrella with \$2M Limit	None
500,000 – 999,999	*Letter of Bondability (and any other due diligence items required by the owner) *General Liability \$1M Limit per Occurrence, \$2M aggregate *Workers Compensation Coverage *Comprehensive Auto Coverage \$1M per occurrence *Employers Liability \$1M Limit *Umbrella with \$2M Limit *Builders Risk (purchase through Diocese)	1/3 of contractors invited to bid must be prequalified union contractors.
>1,000,000	Same as 500,000 to 999,999, but umbrella limit increased to \$4M and <u>Payment and Performance Bond required.</u>	Same as above

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<sup>1</sup> For parish projects, the Parish, the Bishop, and the Catholic Diocese of Cleveland must be added as additional insureds to General Liability, Auto, Employer’s Liability, and Umbrella policies.