

**Key Processes and Procedures for  
Delivery of Capital Projects  
within the remit of the  
World Federation of KSIMC**

**Toronto 2009**

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Purpose of Issue	Final revision for the next three years, incorporating comments from various Jamaats and Regional Federations  Issued to WF EXCO Toronto 23 October 2009
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# 1 Document History

On Saturday 25th September 2004 at the 2nd Executive Council meeting of the World Federation held in Leeds (UK), a draft proposal for the Proposed Processes and Procedures for funding Capital Projects within the remit of the World Federation of KSIMC was presented.

This was followed by a formal consultation exercise during the session and directly to the World Federation Secretariat till the 15th February 2005, to enable members, Jamaats and individuals to send in their comments, thoughts, suggestions and questions. All comments were responded to within 21 working days. The paper was formally adopted by all regions in April 2005 held in Toronto (Canada).

As a result of instructions received at the WF EXCO Meeting in Leicester 2007, a further amended version was introduced on Feb 2008 at Stanmore, UK. There has been no response to this version of the paper, and as such, much of the clauses introduced will remain.

Further amendments were added, including the Sunset Clause and adopted in Dar es Salaam in May 2007. This date was extended to Toronto 2009 EXCO Meeting, giving an opportunity for all Regions and Jamaats to respond with feedback from actual projects and experiences.

The key objective of this revision is to incorporate all feedback received into the paper, and to ensure that all community projects are dealt with equal and careful consideration. This will ensure that our requirements are met through a process-based system rather than a procedural system, in order to safeguard the interests of the members of our community, as they are the ultimate stakeholders in our projects.

Once this paper is adopted, it is expected to remain in place for the next three-four years, and as such, there will be no more revisions to this paper.

The chronological record of the revisions to the paper is as below:

<b>Date</b>	<b>Description of change</b>
25 Sep 2004	First Presentation: WF Second EXCO Meeting, Leeds Approved in principle: comments to be incorporated from feedback
26 Mar 2005	Comments from Second Meeting incorporated into paper Second Presentation: WF Third EXCO Meeting, Toronto Adopted in general: pending minor amendments
05 Jun 2005	Comments from Third Meeting incorporated into paper Issued to and adopted by NASIMCO
22 Oct 2005	Issued to COEJ
26 May 2007	Amended issue for consultation and approval at Nairobi EXCO 2006. Amended as part of further development
19 Feb 2008	Amended issue for consultation and approval at Stanmore EXCO 2008, as requested at Leicester 2007. Amended as part of further development
23 Oct 2009	Final issue to be adopted. No more revisions
19 May 2012	Amended by Third EXCO of the term 2011-2014 [Dar Es Salaam]
02 Dec 2018	Amended by Third Exco of the term 2017-2020 (Karachi)

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## **3 Introduction**

- 3.1** As a community, we are more and more dependent on Khums to fund our capital projects. However, if we look back into the history of our community, our forefathers funded most of the capital projects from the 80% and not the 20% of their savings. With the increasing needs of our community it is imperative that we prioritise prudent utilisation of our project spend, particularly given the current economic climate where inflation sometimes exceeds investment growth, thereby eroding the worth of our money.
- 3.2** The guidance of our current Ayatullah Al Udhama Ali Hussein Seestani on this issue:
- “It is highly recommended that these (Khums) funds are spent with the clear intention that it is on behalf of the Imam (AS). It is incumbent to maintain priority of importance – the more important ones to be addressed first. In these times, the most important area in which Sehme Imam (AS) can be spent is to establish the correct practice of religion, propagate the divine message, spread the teachings of our religion and to provide and cover for the costs of the learned people who spend their time in learning. They have dedicated their lives to teaching the ignorant, guiding the misled, advising the Believers, counselling the aggrieved and many more such activities that contribute to the promotion of their faith and perfection of their own selves allowing them to gain proximity to the Almighty.”
- Minhajus Swaliheen  
Page 411, Rule No. 1265
- 3.3** The Strategic Plan 2003-2008 "Creating Futures together ..." states by 2008, the WF will have developed systems and processes to ensure funding for capital projects are based on a needs analysis and delivery of census data.
- 3.4** Processes and procedures for funding of capital projects within the remit of the World Federation of KSIMC are necessary:
- To ensure huqooq funds are spent responsibly
  - To ensure there is due care and diligence when undertaking capital projects
  - To ensure comprehensive needs analysis and feasibility of maintenance costs are done by Jamaats and regional federations before venturing in capital projects
  - To provide a framework for developing capital projects in the community globally
- 3.5** Appendix 5 defines the types of Huqooq Fund, and the classification of various type of community projects for which Huqooq Funds can be used in given in Appendix 6
- 3.6** It is imperative that our community studies demographic trends set by our movements, prioritise its development, sets goals and targets that are challenging but with reality checks, achievable yet pragmatic, process driven rather than just emotive responses to a situation. These projects must take into account the needs (rather than wants or perceptions), and to ensure sustainability of maintenance costs.
- 3.7** We need to professionalize our thinking, our emotions and our processes, and recommend our Regional Federations and individual Jamaats to follow these guidelines mentioned below, in order to achieve successful completion of their capital projects.

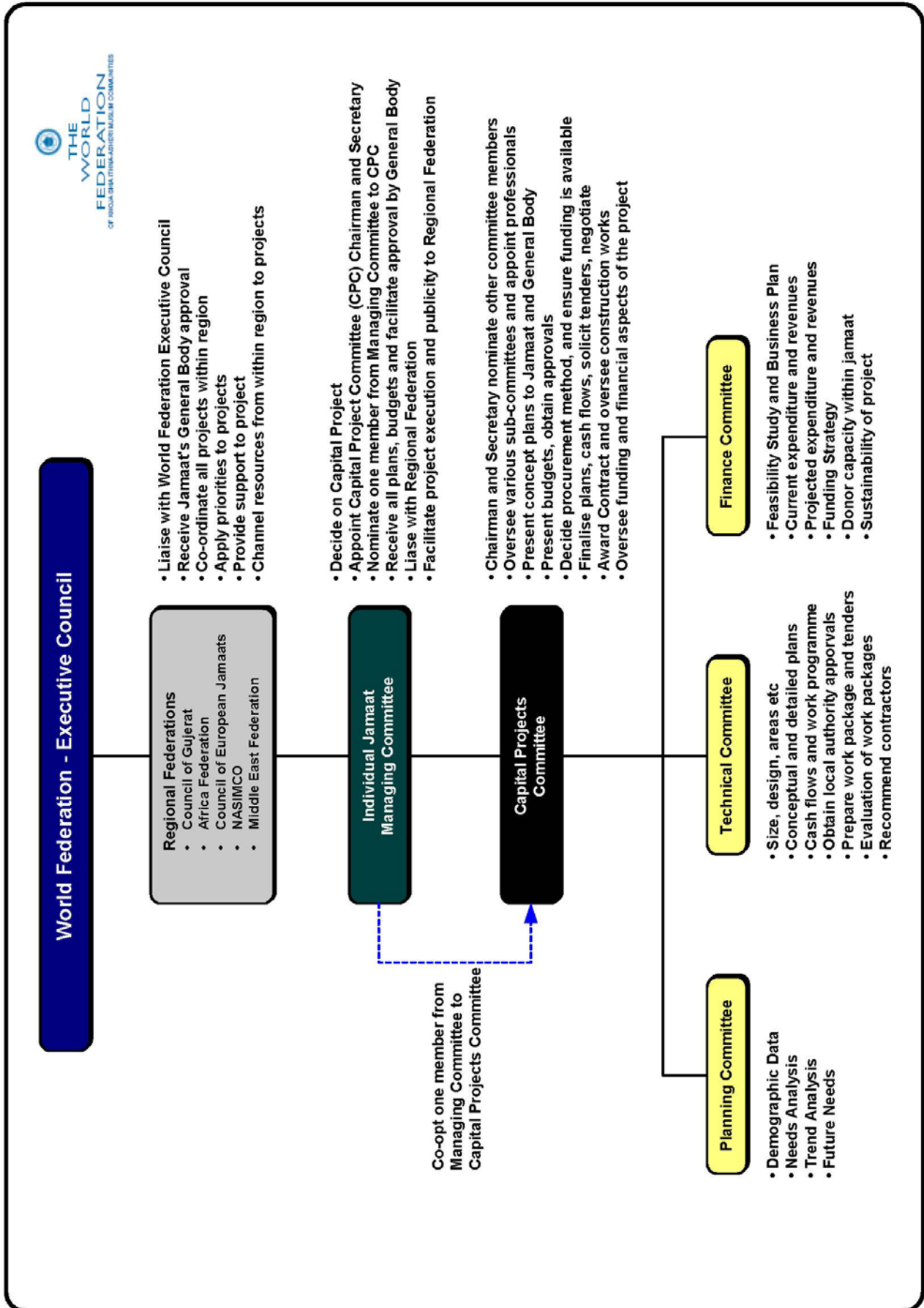
## **4 The Project Committee**

- 4.1** A Jamaat having identified a need for a capital project will form a Project Committee. The Managing Committee shall assist in identifying suitable professionals capable of serving in the Project Committee.
- 4.2** The make-up and role of the Project Committee is determined as follows:
- 4.2.1 Can be of either gender and should be elected by the General Body of the Jamaat and should operate within a remit that is well defined and alongside the Jamaat's Managing Committee.
  - 4.2.2 The life of the project committee will be for the duration of the project to provide continuity.
  - 4.2.3 This Project Committee would be responsible for advising, and reporting to, the managing committee on the project on a regular basis until the completion of the project.
  - 4.2.4 Should have at least one member from the current managing committee to act as a liaison between the Project Committee and the managing committee. Nevertheless there will not be a limit on the number of the managing committee members who can be members of the Project Committee.
  - 4.2.5 The Regional Federation shall nominate one of its EXCO Members (or other relevant professional as necessary) to serve on the Project Committee for the duration of the project
  - 4.2.6 Where a member of the Project Committee vacates his position, the Managing Committee will nominate a replacement as soon as possible, with this replacement being ratified at the next General Meeting of the Jamaat.
  - 4.2.7 Liaison between the World Federation, the regional federation and the individual Jamaat should be established through proper systems and processes.
  - 4.2.8 The Project Committee will be accountable to the managing committee of the day.
  - 4.2.9 Should consist of professionals as relevant to the project. These may include a professional Project Manager, other building professionals (Architect, Engineers, Quantity Surveyor, etc), accountants and financial experts.
- 4.3** The remit of the Project Committee will include, depending on the wishes and direction given by the General Body, some or all of the following:
- 4.3.1 Oversee the planning, construction and completion of project, through the use of:
    - Planning committee
    - Technical committee
    - Finance and fund raising committee.
  - 4.3.2 To gather all demographic data, non financial data, do a needs analysis, and future needs analysis. Look into the various aspects of the project i.e. size, design and area, restrictions on land use, etc. This will be based on the needs analysis and data obtained by the planning and financing committees. Gather all financial related data such as donation capacity within community.
  - 4.3.3 Prepare and present conceptual architectural plans, with square footages and initial budgets to the jamaat, Regional Federation and World Federation. Architectural plans to be finalised, obtain planning approvals, and obtain approval from the General body (for comments, etc).

- 4.3.4 Decide on procurement method. Solicit tenders, evaluate on equal basis, negotiate contacts, etc.
  - 4.3.5 Determine current expenditures and revenue sources, projected expenditures and revenue sources.
  - 4.3.6 Prepare a Business Plan that will show funding sources and a funding strategy for both construction and future maintenance of the project.
- 4.4** The advantages of the Project Committee will include:
- 4.4.1 **Continuity**  
The Project Committee, working alongside the Managing Committee, will ensure continuity of the project once it is embarked upon. Thus even if there was a change in the Management Committee, it will not affect or hinder the Project Committee
  - 4.4.2 **Specialization and Efficiency:**  
The formation of the committee with experts will allow for specialization of tasks and delegation of roles. This will provide quicker results as there are more individuals involved and the burden is not carried out by a handful of individuals.
- 4.5** In case of a conflict between the Management Committee of the day and the Project Committee (whose mandate is for the entire duration of the project), the Regional Federation will be notified immediately. The Regional Federation shall appoint a suitable and neutral arbitrator, who shall make a ruling after considering both views of the conflict. The arbitrator's ruling shall be final and binding on both parties of the conflict.

## **5 The Feasibility Studies**

- 5.1** At the initial stage the Project Committee's main objective will be to collect data by conducting a detailed survey within the community:
- 5.2 Demographic feasibility:**
- 5.2.1 Current membership and needs analysis.
  - 5.2.2 Demographic trends and the potential change in requirements
  - 5.2.3 Suitability of the current and future location/s
- 5.3 Financial feasibility:**
- 5.3.1 Ascertain the current financial position of the community and future sustainability of the project.
  - 5.3.2 Current revenue sources and expenses.
  - 5.3.3 Capacity within the community to generate funds



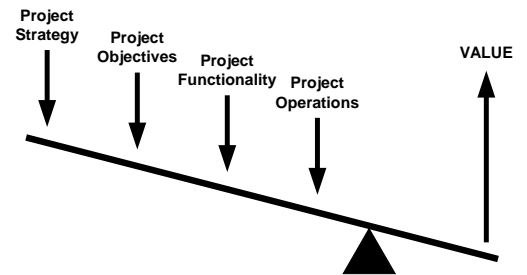
## 6 Value Management

### 6.1 Promoting Good Design

There is a significant role for Project Committees to play in promoting good design, which is not primarily a question of style or taste. It is adherence to a set of time-honoured objective principles that determine where a facility works well for all users and the community. It does not necessarily involve high cost, and it is not purely about aesthetics.

### 6.2 Critical factors for success

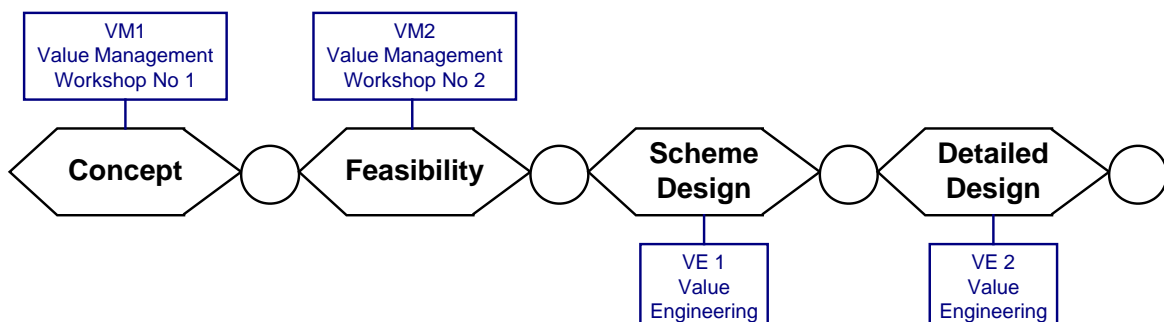
- 6.2.1 Leadership and commitment from the project sponsors
- 6.2.2 Clear Project Objectives / High-Level Functional and Strategic Needs
- 6.2.3 Involvement of key stakeholders (including end-users) within the project
- 6.2.4 Analysis of stakeholders' objectives, especially end-users
- 6.2.5 Roles and responsibilities clearly understood by everyone involved
- 6.2.6 An integrated approach incorporating design, construction, operation and maintenance
- 6.2.7 Design that takes account of functionality and appropriate build quality
- 6.2.8 Procurement and contract strategies that are clearly thought out
- 6.2.9 Risk and Value Management are actively maintained throughout the project



### 6.3 Achieving Project Success

In order to assess the parameters of achieving success, the Project Committee will need to define their objectives very clear for the following:

- 6.3.1 What are we trying to achieve?
- 6.3.2 What must we get right in order to achieve it?
- 6.3.3 What considerations do we need to bear in mind while designing it?
- 6.3.4 How do the design solutions contribute to achieving the desired outcome?
- 6.3.5 Is there enough money to pay for it?





## **6.4 Value Management Processes**

To maintain Value Management throughout the life of the project, the entire process is broken down into a Works Breakdown Structure (WBS) with Stage Gate Reviews and Deliverables at the end of each process. These will be:

- a. Stage A: Project Initiation
- b. Stage B: Strategic Assessment
- c. Stage C: Business Case (where an AIP can be issued)
- d. Stage D: Design Development (where an Ijaza can be issued)
- e. Stage E: Procurement
- f. Stage F: Construction Stage
- g. Stage G: Completion and Hand-back

The recommended Stage Gate Deliverables are included in Appendix 2 of this paper.

# **7 Project Plan**

**7.1** The Project Plan will form an Audit Trail for the Project Committee in working it mandate towards the required solution. The Plan is a live document and must be widely available for members of the community to download from online sources, and will be considered a work in progress from project inception to completion.

**7.2** Typically, the Project Plan will consist of:

- 7.2.1 Corporate Governance which includes sign-off at all Stage Gate Reviews
- 7.2.2 Identify what needs are to be met, i.e. mosque, maddressa, community centre, etc.
- 7.2.3 Proposed size based on demographic trends and sustainability for the next 15 years.
- 7.2.4 Proposed cost both for building and annual maintenance expenditures, including any debt servicing or loan repayment
- 7.2.5 Proposed funding sources and strategy for construction as well as future maintenance, taking into account proposed budgets, cash flows, maintenance costs, etc

**7.3** To assist Jamaats in producing a Capital Projects Paper submittal, the World Federation has made available a downloadable document at:

[https://world-federation.org/sites/default/files/WFSampleProjectPlanFifthExco\\_2.pdf](https://world-federation.org/sites/default/files/WFSampleProjectPlanFifthExco_2.pdf)

**7.4** In order to introduce a uniform compliance benchmark, the World Federation has a downloadable self-scoring spreadsheet at:

<https://world-federation.org/news/capital-projects>

This will enable individual Jamaats or Regional Bodies to self-assess their projects prior to formal submittal to the Jamaat Membership, Regional Body and the WF, in order to promote common understanding between all parties. A sample template is included in Appendix 4.

**7.5** The Project Value will be the land and the total construction cost aggregated. However, in cases where extensions, refurbishments and new build are to be carried out on existing premises, the cost of the land will not constitute part of the Project Cost.

**7.6** Major, Medium and Minor Projects:

Project Value in USD	Major	Medium	Minor
Developing Countries	Over 1.5m	0.5m to 1.5m	Under 0.5m
Developed Countries	Over 3.5m	1.0m to 3.5m	Under 1.0m

**7.7** For Jamaats with less than 25 working households that lack any infrastructure facilities, the procedures relating to demographic surveys and future needs will be relaxed, as it is envisaged that such Jamaats will lack the financial and admin resources. However, a Project Plan would still be presented to the Regional Federation for review.

**7.8** Where there is an existing facility that is intended to be disposed off after completion of the new facility, it will not need to be converted into a bank loan. The value of the existing collateral is recommended to be limited to 20% of the total project value, and will be based on realistic documented valuations.

Where the existing facility is to be rented out after construction of the new Project, the Collateral Value is recommended to be limited to 10%

**7.9** The World Federation will undertake, through a series of workshops and Project Management Toolkits, to build capacity within the Regional Federations, in order that the Project can be taken through the various stages of Value Management and sharing of Best Practice.

## **8 The Funding Process**

**8.1** Contracts for the project should not be signed until at least 40% of the funds have been collected and the balance is confirmed by pledges or loans. Prior to the start of contractual commitments, the Regional Federation must ensure that there is a realistic Funding Strategy in place, or that the construction is being phased in order to ensure adequacy of funding cover for legal commitments.

**8.2** The Capital Project Fund should be open by the Regional Federations and the World Federation for contributions so that funds are collected throughout the year, making capital available for when needed and making it possible for individuals to contribute when they have funds available in their personal accounts.

**8.3** Regional federations and the World Federation should set timing for their Jamaats to submit their Capital Projects along with approx budgets a year in advance so that the Regional Federation can have a budget in mind when soliciting and generating funds.

**8.4** The World Federation will actively publicise and encourage donations to the fund. The World Federation would open a separate account for funding projects worldwide, and individuals could make donations to the account, with an option for which project they would prefer their donations to go to.

- 8.5** The Jamaat undertaking the project would also open an account to monitor the funds the received and its disbursement. This account would be open to public scrutiny.
- 8.6** The Jamaat's project account would also ensure that overspend on any project is made only after strict contractual procedures have been used. Cost over-runs are common in the building industry, and as such, the type of project procurement is of paramount importance in order to keep overspending to a minimum.
- 8.7** The Project Plan must also allow for a fixed percentage set aside for contingencies to allow for overspend. This will act as a hedge against rising costs, unforeseens and change orders made during the construction stage. In the event the contingencies are expended, the project committee will submit an amendment detailing the reasons for the escalation of costs, or organically develop ways and means of right sizing the project.
- 8.8** The role of the Jamaat is to collect funds. The role of the Regional Federations and the World Federation is to support the collection of funds.

## **9 Endorsement by Jamaat**

- 9.1** Once the Project Committee has completed the Project Plan, it should be presented to the Jamaat Management Committee for their approval. Once the Management Committee approves the proposal it should then be taken to the General Body for final approval.
- 9.2 Proposed Criteria for General Body Approval:**
- 9.2.1 General Body approval shall comprise the aggregate of voting through online methods, email, letters and by exception (for members with no internet access) at a suitably convened meeting.
- 9.2.2 An audit trail of voting records shall be maintained and made available to the Regional Federation, if requested.
- 9.3** The minimum voting percentages recommended for each project stage from the aggregate rank and file membership of the Jamaat are:
- Stage A: Project Initiation 30%
  - Stage B: Strategic Assessment By Regional Federation
  - Stage C: Business Case 40% with Regional Federation (AIP)
  - Stage D: Design Development 51% with Regional Federation (Ijaza)
  - Stage E: Procurement By Regional Federation
  - Stage F: Construction Stage By managing committee
  - Stage G: Completion and Hand-back By managing committee
- 9.4** Funding shall conform to the recommendations given in Appendix 3 of this paper
- 9.5** If at Stage C where the Jamaat requires a provisional endorsement to fulfil it's funding requirements, then the Regional Federation and World Federation will scrutinise the documents to ensure it meets minimum standards and the Regional Federation will issue an Approval in Principal (AIP) on behalf of the World Federation. This AIP will be issued on the basis that the Jamaat gives an undertaking that it will not start the construction works until it has completed Stages D and E.

- 9.6** Where an AIP has been issued at Stage C, the Jamaat will forward to the Regional Federation all relevant documents, including voting and funding compliance. Once the Regional Federation is satisfied with the process, it will affirm this to the World Federation, which will then issue the Ijaza without further assessment.

## **10 Endorsement by Regional Federation**

- 10.1** Upon receiving the General Body's approval the plan should then be submitted to the regional federation for consideration on the following basis:
- To provide expertise where possible.
  - To independently review the findings of the Jamaat.
  - To manage resources and to prioritise needs within its region
  - To assess whether adequate support can be provided for the project?
- 10.2** The Regional Federation will have a right to audit project accounts with respect to funding sources and thresholds.
- 10.3** Where the Jamaat is not a member of the regional federation or that the regional federation is not a member of The World Federation, the same scrutiny process will be adhered. Such a regional federation will undertake the role as if it were a member of The World Federation provided that the jamaat on a majority vote resolve to allow the regional federation to undertake this role.
- 10.4** The Regional Federation must make its decision as soon as possible. This may be done in accordance with its own constitution taken at EXCO Level as necessary.

## **11 Endorsement by the World Federation**

- 11.1** Once the regional federation has sanctioned the project, it would be presented to the World Federation by the regional federation for a mandate on the following submissions:
- The project plan would formalize the accountability process, thereby, ensure quality research and transparency.
  - Detailed disclosure of facts and figures will enhance credibility for the project and ease fund raising.
  - Consideration of prioritising projects globally on a needs analysis
- 11.2** The above prescribed vetting process will also increase project credibility for fund raising and ensure that limited resources are utilised most effectively for the community.
- 11.3** Upon satisfaction of the Stage D above, the Khums ijaza holder will issue a letter to authorise the use of Sehme Imam (as) for the capital project. Where a project has been applied at Stage C of the process, then an AIP will be issued by the Regional Federation on behalf of the World Federation.
- 11.4** In case such an Executive Council Meeting is not available within the time-frame of 4 to 6 weeks, then the Project Plan should be circulated to all the Executive Councillors for their approval, so that the project is not delayed'

Note: "Wherever it says Member it means a Member of The World Federation or a constituent member of The World Federation."

## 12 Appendix 1: Submittal Template

Proposed Template Submitted to the World Federation Executive Council by the Regional Federation and presented to the Executive Council by its representative. This is to be submitted at both Stages C and D.

Name of Jamaat:

Regional Federation:

1.	Is there a Project Committee established by Jamaat?	Yes / No
2.	Does the Project Committee consist of professionals relevant to the project	Yes / No
3.	Has the Project Committee ensured that there are structures in place to deliver the tasks identified in the project plan?	Yes / No
4.	Has the Project Committee undertaken a demographic feasibility study?	Yes / No
5.	Has the Project Committee undertaken a financial feasibility study?	Yes / No
6.	Has the Project Committee ensured that the data collected has been incorporated into the Project Plan, as per Stage C of the process?	Yes / No
7.	Has the Project Committee ensured that there are funding strategies for the building and annual maintenance expenditure?	Yes / No
8.	Has the Jamaat ensured that the appropriate percentage of the aggregate membership approving this project?	Yes / No
9.	Has the Jamaat secured the appropriate percentage of funding for this capital project from its membership as per Appendix 3 of this paper?	Yes / No
10.	Has the Regional Federation reviewed the project?	Yes / No
11.	Has the Regional Federation provided expertise for the Project?	Yes / No
12.	Has the Regional Federation ensured that fundraising within the region can be managed taking into account other capital projects already in place and other foreseeable projects in the future?	Yes / No

Information on this form is correct to the best of my knowledge and understanding of capital project planning.

For Allah Subhana wa Ta'ala is All Knowing.

Regional Federation President / Chairman

President / Chairman of Jamaat  
undertaking the Project

## 13 Appendix 2: Stage Gate Deliverables

<b>A Project Inception</b>	
▪ <b>General Body Review</b>	<b>30% Jamaat Approval</b>
<b>B Project Strategic Assessment</b>	
▪ Project Plan / Execution Plan, including H/L Gantt Chart	PP / PEP
▪ Demographics: Current membership / growth forecast	Target Population
▪ Current Analysis: Current accommodation figures	Current Scenario
▪ Functional Requirements: Needs and Fit-for-purpose	Needs Justification
▪ Preliminary expansion plan	Report / Plans
▪ Development Remit and Project Objectives	Requirements
▪ Project Definition Document	Project definition
▪ Existing facility analysis / evaluation	Asset condition
▪ Prelim Value Management Workshop and Review	Function Definition
▪ <b>Project Strategic Assessment</b>	<b>Reg Body Approval</b>
<b>C Business Case: Feasibility Assessment</b>	
▪ Project Briefing Document	Project Brief
▪ Preliminary Facility drawings / Outline Planning Permission	Drawings
▪ Preliminary Estimates	Estimate
▪ Financial Feasibility: Financial position, revenue and spend profile, project cashflow, generate funds, financial sustainability and debt servicing	Report Summary Project Plan
▪ Preliminary Risk and Mitigation Strategy	Risk Register
▪ Procurement Route	Recommendation
▪ <b>Business Case Review</b>	<b>40% Jamaat Approval</b> <b>WF can issue AIP</b>
<b>D Design Development &amp; Sign-off by Regional Body</b>	
▪ Size, design and area, restrictions on land use, etc.	Report
▪ Planning Approval submission (Planning Permission)	Drawings
▪ Revised Estimates, Cost Report and Analysis	Full Project Plan
▪ Detailed Risk Register and Mitigation Proposals	Risk Register
▪ <b>Design Development &amp; Sign-off by Regional Body</b>	<b>51% Jamaat Approval</b> <b>WF will issue Ijaza</b>

<b>E</b>	<b>Procurement Process (before Contractual Commitment)</b>	
	▪ Value Engineering	VE Document
	▪ Design Freeze for Execution / Construction	Design Sign-off
	▪ Building and Engineering Specification	Tender Document
	▪ Building Control Application (check Procurement route)	Drawings
	▪ Employer's Requirements / Tendering	Tender Documents
	▪ Tender Evaluation and Recommendations	Report
	▪ Evaluate: Best Value, compliance, funding and support	Confirmation
	▪ <b>Procurement Review (Contractual Commitment)</b>	<b>Reg Body Approval</b>
<b>F</b>	<b>Construction Stage</b>	
	▪ Detailed design (including Building Control)	Drawings
	▪ Services Design and Procurement	Drawings / Scope
	▪ Construction Works	Contract works
	▪ Change Management	Change Register
	▪ Valuations and Certification	Certificates
	▪ <b>Construction Review (Contract Completion)</b>	<b>Managing Committee</b>
<b>G</b>	<b>Completion and Taking-Over</b>	
	▪ Operations and Training / Facilities Management	
	▪ Commissioning and Testing / Taking-over Certificate	
	▪ Client Migration and Fit-out	
	▪ <b>Close-Out Review (Facility Use)</b>	<b>Managing Committee</b>



## 14 Appendix 3: Funding Thresholds

No	Stage Gates	Local Funds	External Funds	Existing Collateral	Funds Realised	Interest Free Loan	Funds Available
<b>1</b>	<b>Project on Planned new land purchase with collateral (20% project value)</b>						
A	Project Inception	0%	0%	20%	20%	0%	20%
B	Strategic Assessment	5%	5%	20%	30%	10%	40%
C	Business Case (possible AIP)	10%	10%	20%	40%	15%	55%
D	Design Development (Ijaza)	15%	15%	20%	50%	20%	70%
E	Procurement before Contract Award	20%	20%	20%	60%	20%	80%
F	Construction Stage	30%	30%	20%	80%	10%	90%
G	Project Completion	60%	40%	0%	100%	0%	100%
<b>2</b>	<b>Project on Opportunity land purchase with collateral (20% project value)</b>						
A	Project Inception	0%	0%	20%	20%	0%	20%
B	Strategic Assessment	5%	5%	20%	30%	30%	60%
C	Business Case (possible AIP)	10%	10%	20%	40%	25%	65%
D	Design Development (Ijaza)	15%	15%	20%	50%	20%	70%
E	Procurement before Contract Award	20%	20%	20%	60%	15%	75%
F	Construction Stage	30%	30%	20%	80%	10%	90%
G	Project Completion	60%	40%	0%	100%	0%	100%
<b>3</b>	<b>Project on Planned new land purchase with no existing collateral</b>						
A	Project Inception	0%	0%	0%	0%	0%	0%
B	Strategic Assessment	5%	5%	0%	10%	15%	25%
C	Business Case (possible AIP)	15%	10%	0%	25%	25%	50%
D	Design Development (Ijaza)	20%	15%	0%	35%	20%	55%
E	Procurement before Contract Award	25%	20%	0%	45%	15%	60%
F	Construction Stage	30%	40%	0%	70%	10%	80%
G	Project Completion	40%	60%	0%	100%	0%	100%
<b>4</b>	<b>Project on Opportunity land purchase with no existing collateral</b>						
A	Project Inception	0%	0%	0%	0%	0%	0%
B	Strategic Assessment	5%	5%	0%	10%	30%	40%
C	Business Case (possible AIP)	15%	10%	0%	25%	25%	50%
D	Design Development (Ijaza)	20%	15%	0%	35%	20%	55%
E	Procurement before Contract Award	25%	20%	0%	45%	15%	60%
F	Construction Stage	30%	40%	0%	70%	10%	80%
G	Project Completion	40%	60%	0%	100%	0%	100%
<b>5</b>	<b>New Build or Extension Project on Existing Land</b>						
A	Project Inception	0%	0%	0%	0%	0%	0%
B	Strategic Assessment	5%	5%	0%	10%	15%	25%
C	Business Case (possible AIP)	10%	10%	0%	20%	25%	45%
D	Design Development (Ijaza)	15%	15%	0%	30%	20%	50%
E	Procurement before Contract Award	25%	20%	0%	45%	15%	60%
F	Construction Stage	30%	40%	0%	70%	10%	80%
G	Project Completion	40%	60%	0%	100%	0%	100%
<b>6</b>	<b>Purchase of Planned Land only purchase</b>						
A	Project Inception	0%	0%	0%	0%	0%	0%
C	Business Case (possible AIP)	10%	20%	0%	30%	30%	60%
G	Project (Purchase) Completion	40%	60%	0%	100%	0%	100%

## 15 Appendix 4: Capital Projects Evaluation Template

Project No  
 Regional Body  
 Jamaat Name  
 Jamaat Address  
 Jamaat President  
 Project Name  
 Project Address  
 Project Definition  
 Project Sponsor  
 Project Manager

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Project Plan	Pre-Construction	Land	550,000	
		Professional Fees	75,000	
		Other Costs	25,000	650,000
	Construction	Construction	1,250,000	
		Externals	250,000	
		Contingency	100,000	1,600,000
		<b>Total Project</b>	<b>2,250,000</b>	<b>2,250,000</b>

Funding Plan	Pre-Design	Land Cost Paid	350,000	16%
		Jamaat Funds	150,000	7%
		Region 1	300,000	13%
	Pre-Construction	Region 1	450,000	20%
		Region 2	250,000	11%
		Region 3	250,000	11%
		Collateral in hand	350,000	16%
		Huqooq / Khums	150,000	7%
		<b>Total Project</b>	<b>2,250,000</b>	<b>100%</b>

**Project Schedule** Design Start Date  
 Funding Complete  
 Contract Start Date  
 Contract End Date:

**Process Score** 65% Recommend Minor Modifications before AIP

**Recommend** To be filled in by the WF Capital Projects Assessor / Advisor

Major Projects Over US\$ 1.5m	Medium Projects US\$ 0.5m - 1.5m	Minor Projects Under US\$ 0.5m	
0% to 60%	0% to 35%	0% to 15%	Conceptual Work required
61% to 75%	36% to 60%	16% to 35%	Minor Modifications before AIP
76% to 85%	61% to 75%	36% to 50%	AIP
86% to 95%	76% to 90%	50% to 65%	Ijaza with Specified Limitations / Conditions
96% -100%	91% to 100%	66% to 100%	Full Ijaza with Ijaza Scheule

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Regional Body  
Jamaat  
Evaluaton Date

Performace Criteria	Rating	Weight	Score	Max
<b>1 Strategic Assessment (Pre-sanction)</b>				
1.1 Demographics: Current Membership	Excellent	25	3.8%	3.8%
1.2 Demographics: Current Capacity Analysis	Excellent	25	3.8%	3.8%
1.3 Comprehensive Needs Analysis	Excellent	25	3.8%	3.8%
1.4 General Body Value Management (Optioneering)	Excellent	25	3.8%	3.8%
<b>2 Business Case: Pre-Feasibility</b>				
2.1 Preliminary Expansion Plans	Excellent	10	1.5%	1.5%
2.2 Preliminary Estimates	Excellent	20	3.0%	3.0%
2.3 Preliminary Feasibility (Income Streams / Expenditure)	Fair	25	1.9%	3.8%
2.4 Preliminary Financial Sustainability Plan	Fair	25	1.9%	3.8%
2.5 Prelim Risk Mitigation Strategy	Fair	10	0.8%	1.5%
<b>3 Design Development</b>				
3.1 Architectural Drawings	Fair	10	0.8%	1.5%
3.2 Planning Approval / Building Permit	No	10	0.0%	1.5%
3.3 Revised Estimates	No	10	0.0%	1.5%
3.4 Value Engineering	No	10	0.0%	1.5%
3.5 Detailed Risk Register	No	10	0.0%	1.5%
<b>4 Procurement Process</b>				
4.1 Procurement: Best Risk Transfer Strategy	Excellent	10	1.5%	1.5%
4.2 Project Schedule & Cash Flow	Excellent	10	1.5%	1.5%
4.3 Tender Evaluation (Best Value)	No	10	0.0%	1.5%
4.4 General Body Approval to Legal Commitment	No	25	0.0%	3.8%
<b>5 Corporate Governance</b>				
5.1 Transparency and Website Updates	No	40	0.0%	6.1%
5.2 Audit Trails and Governance	No	40	0.0%	6.1%
5.4 Capacity of Jamaat to Generate Funds	No	40	0.0%	6.1%
<b>6 Submittal Template</b>				
6.1 Project Committee (PC) established by Jamaat	Yes	10	1.5%	1.5%
6.2 PC consist of professionals relevant to the project	Yes	10	1.5%	1.5%
6.3 PC ensured Project Delivery Structures are in place	Yes	10	1.5%	1.5%
6.4 PC undertaken a demographic feasibility study	Yes	10	1.5%	1.5%
6.5 PC undertaken a financial feasibility study	Yes	10	1.5%	1.5%
6.6 PC ensured that data included in Project Plan	Yes	10	1.5%	1.5%
6.7 PV ensured Funding Strategies for Building & Maintenance	Yes	10	1.5%	1.5%
6.8 60% Jamaat Membership Approval at General Meeting	Yes	25	3.8%	3.8%
6.9 30% Secured Funding from Membership	Yes	25	3.8%	3.8%
6.10 Regional Federation reviewed the project	Yes	25	3.8%	3.8%
6.11 Regional Federation provided expertise for the Project	Yes	50	7.6%	7.6%
6.12 Regional Federation ensured Fund-raising managable	Yes	50	7.6%	7.6%

**65%**

**100%**

## Appendix 5: Definition of Huqooq Funds

### 15.1 Khums

Khums is the obligatory one-fifth of savings tax that is incumbent on all Mumineen who have liquidity surplus to their annual needs. The One-Fifth amount is further divided into two – one to be distributed amongst needy Sadaat (members of the progeny of the Holy Prophet) and the other one – in the period of the occultation of our present Imam (AS) – to be handed over to the Imam's representative or his appointed agent.

In Minhaj-us-Swaliheen, Ayatullah Seestani says: "The half that belongs to the Imam, may Peace be on Him and his fathers, is referred to, in the period of his occultation, to his representative who is the authority of Jurisprudence, trustworthy and knowledgeable on how to expend these funds. These are either remitted to him or spent using his permission. The funds can be spent in places where the Imam (AS) would be pleased with, for example, alleviate the needs of Mumineen (both from the Sadaat and non-Sadaat).

It is highly recommended that these funds are spent with the clear intention that it is on behalf of the Imam (AS). It is incumbent to maintain priority of importance – the more important ones to be addressed first. In these times, the most important area in which Sehme Imam (AS) can be spent is to establish the correct practice of religion, propagate the divine message, spread the teachings of our religion and to provide and cover for the costs of the learned people who spend their time in learning. They have dedicated their lives to teaching the ignorant, guiding the misled, advising the Believers, counselling the aggrieved and many more such activities that contribute to the promotion of their faith and perfection of their own selves allowing them to gain proximity to the Almighty."

Minhajus Swaliheen

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### 15.2 Zakaat

Zakaat is the 2.5% tax obligatory only on certain items like cattle, produce, minerals, gold, silver, etc. According to Ayatullah Seestani, it is an obligatory precaution to pay Zakaat on all stock purchased for purposes of making profit and that remains as stock for one year. There is also a cash payment of Zakaat that is normally paid during the Eid ul Fitr period – the Zakaatul Fitra. Moreover, Sadaqa is considered a form of Sunnat and Mustahab Zakaat and all places in which Zakaat can be used, Sadaqa money can also be used.

### 15.3 Recommendations

Khums: An appropriate portion the Sehme Imam portion of Khums Huqooq resources can be used towards Capital Projects, where the primary purpose would be to establish the correct practice of religion, propagate the divine message and to spread the teachings of our religion.

Zakaat: The use of Zakaat Huqooq resources towards Capital Projects appears to be much lower down in the list of permitted expenditure. This would cover the functional needs for hospitals, hostels, Musafirkhanas, Madressahs and Mosques.

## 16 Appendix 6: Project Classifications

### 16.1 Religious Value

Type	Masjid, Imambarghah, Madressah, Ghosl-khana, etc, as primarily concerned with delivering religious values and functions only
Submittal Template	Original Template in Section 4 of current document
Financial Viability	Facility maintenance from sustainable income streams
Balance of Funding Sources	Jamaat, Regional and Global Communities Karz-e-Hasana, interest free loans and existing appropriate (like for like) collateral property Khums and Zakaat huqooq allowed

### 16.2 Social Value

Type	Multi-purpose Hall, Sports Hall, Vocational Facility, Senior Citizens, Welfare Facilities (e.g. Subsidised Housing) Conference Centre, Centre of Learning and Excellence, etc, all of which are directed at the younger generation, primarily concerned with delivering important social and cultural values
Submittal Template	Original Template in Section 4 of current document, with additional items that need to be incorporated
Financial Viability	Facility maintenance from sustainable income streams. Emphasise on the need that maintenance costs do not emanate from Jamaat Membership subscriptions and Khums
Balance of Funding Sources	Jamaat and Regional Areas only Karz-e-Hasana and interest free loans Existing commercial collateral property Khums huqooq excluded. Zakat huqooq allowed

### 16.3 Commercial Value

Type	Residential or Commercial real estate development, hospitals, schools, and such business ventures that bring financial value to the jamaat through investment to ensure sustainable income streams
Submittal Template	A completely revamped Submittal Template to replace Section 4 of current document
Financial Viability	A full-blown Financial Feasibility, complete with Sensitivity Analysis and Market Testing
Balance of Funding Sources	Jamaat only Karz-e-Hasana and interest free loans Existing commercial collateral property Islamic Banking Khums and Zakaat huqooq excluded