

# ACCOUNTING FOR CAPITAL PROJECTS

Financial Policies and Procedures for the  
Capital Project Delivery Process



Office of the CFO

# Project Accounting

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# Financial Policies and Procedures for the Capital Project Delivery Process

- Project Initiation
- Procedures for Design and Construction
- Other Accounting Procedures
- UCONN 2000 Project Audits



# Project Initiation

- Authorization of Capital Budget
- Project Budget Approval
- Setting Up Capital Projects



# Procedures for Design and Construction

- Prequalification
- Contract Approval
- Purchase Orders to Vendors
- Authorizing Use of Internal Vendors
- Greensheet Log
- Approval and Payment of Vendor Invoices from a Purchase Order
- Paying an Internal Vendor
- Approval and Payment of Legal Invoices



# Other Accounting Procedures

- Payroll Allocation
- Project Financial Close-Out
- Project Reporting



# Financial Policies and Procedures for the Capital Project Delivery Process

- **Project Initiation**
- Procedures for Design and Construction
- Other Accounting Procedures
- UCONN 2000 Project Audits



# Authorization of the Capital Budget

- Presented annually to the University's Board of Trustees

## *Includes:*

1. Proposed “named projects” with amounts, descriptions, funding analysis
2. Deferred Maintenance/Code/ADA Renovation Lump Sum project list
3. Phase III Preliminary Outline by Fiscal Year (“Phasing Outline”)



## UCONN 2000 Year 14 Proposed FY 2009 Authorized Projects

### Storrs & Regional Campuses

<u>Project Name</u>	<u>Phase III Funding</u>
Arjona & Monteith (new classroom buildings)	\$ 700,000
Avery Point Campus Undergraduate & Library Building	1,800,000
Beach Hall Renovations	1,000,000
Biobehavioral Complex Replacement	2,000,000
Bishop Renovation	1,000,000
Deferred Maintenance/Code/ADA Renovation Lump Sum	36,150,000
Engineering Building	1,000,000
Equipment, Library Collections & Telecommunications	6,005,000
Family Studies (DRM) Renovation	2,500,000
Farm Buildings Repairs/Replacement	2,000,000
Fine Arts Phase II	1,500,000
Floriculture Greenhouse	1,500,000
Gant Building Renovations	2,500,000
Gentry Completion	5,000,000
Intramural, Recreational and Intercollegiate Facilities	1,000,000
Jorgensen Renovation	600,000
Koons Hall Renovation/Addition	1,000,000
Mansfield Training School Improvements	3,250,000
North Hillside Road Completion	4,000,000
Psychology Building Renovation/Addition	2,000,000
Residential Life Facilities	8,000,000
Stamford Campus Improvements	300,000
Support Facility (Architectural and Engineering Services)	500,000
Torrington Campus Improvements	500,000
Waterbury Downtown Campus	250,000
West Hartford Campus Renovations/Improvements	1,050,000
Young Building Renovation/Addition	2,000,000
Subtotal of Storrs & Regional Campuses	\$ 89,105,000

### Health Center

<u>Project Name</u>	<u>Phase III Funding</u>
CLAC Renovation Biosafety Level 3 Lab	\$ 1,000,000
Deferred Maintenance/Code/ADA Renovation Sum — Health Center	6,000,000
Dental School Renovation	1,250,000
Equipment, Library Collections and Telecommunications - Health Center	8,345,000
Main Building Renovation	4,000,000
Research Tower	24,500,000
Support Building Addition/Renovation	5,800,000
Subtotal of Health Center	\$ 50,895,000

**Grand Total FY 2009** **\$ 140,000,000**

# University of Connecticut

## Storrs & Regional Campuses

### FY09 Deferred Maintenance/Code/ADA Renovation Lump Sum Projects

**Deferred Maintenance - Buildings**

Asbestos Removal and Window Replacement Cup	\$950,000	
Atwater Built-Up Roof Replacement	150,000	
Atwater Crawl Space Piping Replacement/Electrical Conduit	100,000	
Atwater Exterior Window Replacement	650,000	
Babbidge Roof	275,000	
Babbidge Window Leaks	300,000	
Budds Clean Point Seal Masonry	75,000	
Budds Building Window Replacement	650,000	
Budds Mechanical System Analysis and Design	50,000	
Burton/Shenkman Ice Protection	50,000	
Field House Built Up Roof Replacement - Repair Standing Seam	150,000	
Gampel Pavilion Roof Repairs	200,000	
Gulley Hall Drainage	700,000	
Misc Asbestos/Mold/Lead Abatement Allowance	400,000	
Misc Masonry, Façade and Roof Repairs	500,000	
Parking Garage Repair and Upgrade	1,305,000	
Roof and Gutter Replacement	50,000	
Whetten Built Up Roof Replacement	150,000	
Whetten Exterior Sliding Glass Units	130,000	
Wood Hall Window Replacement	350,000	
<b>Subtotal</b>	<b>\$ 7,185,000</b>	

**Deferred Maintenance - Infrastructure**

Annual Allotment - Replace Old Clay Pipe	\$300,000	
Backfeed Loop - North Eagleville to Parking Garage to Storrs Road	700,000	
Gray Water Facility - Investigation & Planning	830,000	
Human Development Lot Development	350,000	
I & I Sewer study	300,000	
I & I Storm Study	300,000	
Infirmary/Cup Steam and Condensate Replacement	850,000	
Installation of Filter Press	500,000	
Meter Installation - Multiple Locations (Phase III)	600,000	
New 16" Water Main - Towers to Glenbrook & North Eagleville	1,060,000	
Remove and Relocate Ice Rink Riser Pole in Middle of Parking Lot	300,000	
Shed Partial Load 5P3 Circuit	100,000	
South Campus Steam and Condensate Loop	2,075,000	
Steam Pit Replacements	1,300,000	
Street Construction, Sidewalk Repairs and Related Improvements - Phase II	1,000,000	
<b>Subtotal</b>	<b>\$ 10,565,000</b>	

**Code / ADA**

Alarm Improvements	\$1,000,000	
Code Correction OSFM Reserve	2,900,000	
Code Correction UCONN 2000 Reserve	2,900,000	
Security Alarms and Monitoring	100,000	
<b>Subtotal</b>	<b>\$ 6,900,000</b>	

**Renovation and Lump Sum Projects**

Allotment for New Faculty Support	\$500,000	
Crosswalk Safety - Phase II	125,000	
Facility Condition Assessment - Phase II	150,000	
Historic House Renovations	1,400,000	
Landscape Master Plan Development	300,000	
Miscellaneous Campus Planning (Including Utility Plan)	750,000	
Miscellaneous Environmental Requirements - EIE	100,000	
Pedestrian Safety Improvements	200,000	
Rain Water Harvesting Demonstration - Core Campus	60,000	
Replacement Signs	50,000	
Stadium Road Stair Replacement	100,000	
Student Union Quad - Phase II	1,000,000	
Sustainable Energy Master Planning	100,000	
Water Conservation Audit Implementation	50,000	
Waterbury Campus Property Transfer (Old Campus)	565,000	
<b>Subtotal</b>	<b>\$ 5,450,000</b>	

<b>Total Project Allocations</b>	<b>\$ 30,100,000</b>	
<b>Emergency / Reserve</b>	<b>6,050,000</b>	
<b>Total</b>	<b>\$ 36,150,000</b>	

# University of Connecticut Health Center

### FY09 Deferred Maintenance/Code/ADA Renovation Lump Sum Projects

**Deferred Maintenance - Buildings**

Academic Building Roof Replacement	\$1,150,000	
Main Building Exterior Façade Joint Sealant Replacement	250,000	
<b>Subtotal</b>	<b>\$ 1,400,000</b>	

**Deferred Maintenance - Infrastructure**

ARB Heat Piping Replacement	1,250,000	
Site Improvements - Sidewalks, Stairs and Parking	100,000	
<b>Subtotal</b>	<b>\$ 1,350,000</b>	

**Code/ADA**

ADA Improvements	350,000	
<b>Subtotal</b>	<b>\$ 350,000</b>	

**Renovation and Lump Sum Projects**

Signage and Way-finding Improvements	300,000	
Master Landscape Plan Implementation	750,000	
Campus Wide Security (Phase 3)	1,300,000	
<b>Subtotal</b>	<b>\$ 2,350,000</b>	

<b>Total Project Allocations</b>	<b>\$ 5,450,000</b>	
<b>Emergency / Reserve</b>	<b>550,000</b>	
<b>Total</b>	<b>\$ 6,000,000</b>	

## Authorization of the Capital Budget, cont'd.

- Once the Capital Budget is approved by the BOT, a letter is sent to the Governor requesting authorization to bond
- If not acted upon within 30 days, the authorization is deemed to be approved
- Request amendment by General Assembly of Phase III projects list as needed
- Initiate and sell Special Revenue Bonds as determined by need and approved by BOT



# Project Budget Approval

Projects  $\geq$  \$500,000 require BOT Approval at various phases:

<u>Phase</u>	<u>Contingency Requirement</u>
1. Planning	10%
2. Design	8%
3. Final	5%



## Project Budget Approval, Cont'd

### **Financial Criteria for going to BOT:**

- Phase Change (i.e. Planning to Design)
- If total expenditures are anticipated to exceed **5%** of the total budget, a revised budget must be presented to the BOT for prior approval
- Administration can approve changes and expenditures up to **5%** of total budget but must go back to the BOT to report the new budget



## Project Budget Approval, Cont'd.

### Projects < \$500,000

- If “named” require approval of VP/CFO (“Child Budget”)
- If Deferred Maintenance/Code/ADA/Renovation Lump Sum require approval of B&G Committee

### Department funded projects $\geq$ \$50,000

- Require approval of B&G Committee



## Project Budget Approval, cont'd.

### *Plant Accounting Role/Tasks:*

- Review BOT/VP-CFO budgets for funding, adherence to policies
- Review B&G approved action items
- Assign project numbers and update FRS/FAMIS as approvals are given



# Setting Up Capital Projects

Projects are set up through the following actions:

- BOT approvals of projects  $\geq$  **\$500,000**
- VP-CFO approvals of “named” projects  $<$  **\$500,000**
- Deferred Maintenance/Code/ADA/Renovation Lump Sum project list approved at annual BOT meeting
- Changes to the DM list by B&G (allocations from reserves)
- Department/Foundation funded projects  $\geq$  **\$50,000** approved by the B&G
- Department/Foundation/University Funded projects  $<$  **\$50,000** as requested



# Setting Up Code Projects

- All requests must go through Brian Gore, Director of Project and Program Management
- Naming Convention for Code Projects:
- STIF-Interest Funded (if original building was built by UConn 2000):  
UCONN 2000 Code Remediation – (Building Name)
- DM Funded (OSFM/UCFM on non-UConn 2000 built buildings):  
OSFM *or* UCFM Code Remediation – (Building Name)



## Setting Up Capital Projects, cont'd.

### *Plant Accounting Role/Tasks:*

- Assign project numbers
- Assign FRS accounts by type of funding
- Move funding into projects in FRS
- Enter project in FAMIS including description, budget, funding.
- Encumber funding if Foundation funded
- Notify appropriate parties of project numbers, descriptions, accounts, amounts via email



# Financial Policies and Procedures for the Capital Project Delivery Process

- Project Initiation
- **Procedures for Design and Construction**
- Other Accounting Procedures
- UCONN 2000 Project Audits



# Procedures for Design and Construction, cont'd.

## **Prequalification**

Purpose: To evaluate and select contractors who will be invited to bid on projects

### ***Plant Accounting Role/Tasks:***

- Assess the financial capability of vendors to complete a project
- Accept/Reject based on financial ratios and industry standards
- Provide worksheets to evaluation committee



## Procedures for Design and Construction

**There are two main forms used to initiate a purchase order:**

1. Contract Approval Request (CAR)

This form is used for any new contract

2. Approval of Change to Original Contract, Work Plan or Purchase Order Request” (**GREENSHEET**)

-this form is used for all other purchase orders, changes or any other financial commitments



# Procedures for Design and Construction

## **Contract Approval**

**Purpose:** To ensure that all phases of engaging an architect or construction contractor are in accordance with University and State regulations.

- Contract is routed with **CAR** – Contract Approval Request
- **CAR** is signed by:
  - CPCA
  - AES/UCHC CPDC
  - Plant Accounting
  - VP-COO



## University of Connecticut - Contract Approval & Verification of Funding

Campus: (circle one)	Storrs	UCHC	West Hartford	DATE: _____
<b>CAPITAL PROJECTS &amp; CONTRACT ADMINISTRATION</b>				
1	CONTRACTOR: _____			
2	ADDRESS: _____			
3	MBE/WBE: _____ DAS CERT? _____			
4	PROJECT NAME: _____	PROJECT #: _____		
5	TYPE OF CONTRACT WITH OWNER: (LS, CM Risk, etc.) _____			
6	BRIEF DESCRIPTION OF WORK: _____			
7	CONTRACT TERMS (Attach any special clauses or deviations from Contract): _____			
8	Scope Review By: _____ (Enter Name)	8a Start Date: _____ (mth/day/yr)	8b Duration: _____	MOS / WKS / DAYS / YEARS
9a	AWARD PRICE: _____	9b Estimate: _____	% VARIANCE FROM UCONN ESTIMATE	
9c	AWARD TYPE: LS / CM Risk	HIGHER / LOWER		
11	FULL PAYMENT & PERFORMANCE BONDS RECEIVED? Y / N	8d PRE-QUAL? Y / N		
	CHRO DOC's: Y / N			
12	INS. CERT RECVD Y / N	Copies of Subs Contracts Received? Y / N	INSURANCE DEVIATION REQUIRED? Y / N	
13	EXPERIENCE MODIFICATION RATE (EMR): _____	YEAR _____	EMR EXCEPTION REQ'D: Y / N	
14	PRICE FIRM (NO ESCALATION ALLOWED)? Y / N			
15	OTHER BIDDERS AND AMTS:		VARIANCE FROM AWARDED BIDDER	
	\$ _____			% HIGHER / LOWER
	\$ _____			% HIGHER / LOWER
	\$ _____			% HIGHER / LOWER
	\$ _____			% HIGHER / LOWER
16	Explanation of deviation from procurement / award policies / procedures. Explanation required if award is not being made to lowest bidder.			
17	FINANCIAL STATEMENT DATED: _____ (Financial review for only those projects not requiring Prequalification (< \$500k))		DISPOSITION: <u>Accept</u> (Accept / Reject)	
Sign below indicating request for approval to complete contract based on verification of funding herein. By signing, I confirm that the contract is for a properly authorized project, and abides by State and University Policies, State Statutes, and other requirements.				
PURCHASING AGENT: _____		DATE: _____		
DIRECTOR, CPCA: _____		DATE: _____		
<b>PROJECT MANAGER / AES</b>				
18	FUNDING VERIFICATION (PROJECT MANAGER)			
A complete budget, project time-line, and available funding cash flow has been reviewed. Payment of invoices will not exceed funding available in the current fiscal year.				
PROJECT MANAGER: _____		DATE: _____		
19	APPROVAL OF CONTRACT (DIRECTOR OF AES)			
Sign below indicating approval to proceed with contract execution.				
DIRECTOR OF AES: _____		DATE: _____		
ASSOC. V.P. OF AES: _____		DATE: _____		
<b>PLANT ACCOUNTING</b>				
20	FUNDING VERIFICATION			
Contract Amount: _____		FRS Account(s): _____		
Source(s) of Funding: _____		Sub Code: _____		
FAMIS Req: _____				
Is payment of contract anticipated to be from future years bond issuances, donations and other sources? Y / N				
Sign below indicating availability of appropriate funding.*				
PLANT ACCOUNTANT: _____		DATE: _____		
*Funding is based on available dollars in FRS on the date of signature. If future funding is indicated, the contract falls within the approved budget.				
<b>SENIOR ADMINISTRATION</b>				
Sign below indicating approval to proceed with contract execution:				
ASSOC. V.P. A&O: _____		DATE: _____		
V.P. AND C.O.O.: _____		DATE: _____		

# Purchase Orders to Vendors

Purpose: To establish a commitment or encumbrance against an approved project.

## “Approval of Change to Original Contract, Work Plan or Purchase Order Request” (**GREENSHEET**)

- **GREENSHEET** is signed by:
  - AES/UCHC Project Managers
  - Director
  - Plant Accounting
  - AVP
  - CPCA





University of Connecticut
Office of the Chief Financial Officer
APPROVAL OF CHANGE TO ORIGINAL CONTRACT, WORK PLAN
OR PURCHASE ORDER REQUEST\*

Is this a New Purchase Order Request? Y or N

Note: Please attach original change order(s) signed by vendor, task/commission letter, quotes/estimates.

PART I: TO BE COMPLETED BY PROJECT MANAGER

Vendor Name:
Project Number/Name:
FAMIS Work Order #/Budget Code:
Document Type and Number:
Reason for Change:
Amount of Change:
Can this item be funded in the original project budget? Y or N If "no", please include a plan to resolve the budget issue

Signature Date
Print Name Project Manager

Signature Date
George Kraus, Dir. P&F AES Int OR Alexandria Roe, Dir. of P&P Dev OR
Brian Gore, Dir. of PM OR Kathleen Comisiak, Dir. Of D&E Serv OR
George Karsanow, UCHC Dir of Const Serv.

PART II: TO BE COMPLETED BY PLANT ACCOUNTING

Sign below indicating availability of appropriate funding:\*\*
FRS account and subcode:
FAMIS Preq # (if new PO):
PO Number:

Signature Date
Print Name Plant Accountant
Logged in Access (PA Initials/Date)

PART III: TO BE COMPLETED BY AVP AES and (for UCHC projects) CPDC - UCHC

Please sign below indicating approval of change/original contract or new PO:
Signature Date
Name Tom Trutter, Assoc. VP for CPDC - UCHC
Signature Date
Name James Bradley, Assoc. VP AES
Logged in Access (AES Initials/Date)

PART IV: TO BE COMPLETED BY CPCA \*\*\*

Please sign below indicating that change/original contract or new P.O. adheres to University procurement policy and procedures in accordance with contract terms:
Signature Date
Name Jeff Reynolds, Director, CPCA OR Colleen Schuh, Asso. Dir., CPCA
Logged in Access (CPCA Initials/Date)

Return completed form to AES Administration to complete the following (AES Initials/Date):
Copy of checklist and backup sent by CPCA after review to Purchasing for PO's not issued by Team 6
Sent CO, CCD, Task Letter, PO to vendor (if applicable)
Original green checklist and backup filed in A&E project file.
If Task Labor/Facilities Operations, Copy to PA to forward

\*This checklist must be completed for all change orders, task letters, contract change directives, commission letters, inc/dec to existing PO's, etc.
\*\*Note: If Plant Accountant cannot signify approval of appropriate funding, unsigned form may be forwarded to the AVP of A&E, the VP&COO and the VP&CFO for resolution
\*\*\* CPCA approval not required when Facilities Ops or Academic Renovations is the vendor

## Purchase Orders to Vendors, Cont'd.

### *Plant Accounting Role/Tasks:*

- Verify UCONN2000 funding has been approved and/or non-UCONN2000 funding is in place and that the commitment falls within the contract budget
- Evaluate the request against the line item of the project budget, contingency and budget as a whole
- Work with AES/UCHC CPDC if there is a budget/funding issue
- Enter the revised budgets from PM in FAMIS if applicable
- Enter purchase requisitions or changes into FAMIS
- Enter information into **GREENSHEET** Log



# Authorizing Use of Internal Vendors

Purpose: To establish an approval process for the use of internal vendors on capital projects.

## *Internal Vendors include:*

- Facilities Operations
  - Locksmith
  - Police/Fire (Public Safety)
  - Other internal departments
- 
- Prior approval is required by routing an estimate of the cost of work attached to a **GREENSHEET** checklist
  - If the actual charges exceed the original estimate, an additional **GREENSHEET** should be routed to authorize the increase



# Authorizing Use of Internal Vendors, Cont'd.

## *Plant Accounting Role/Tasks:*

- Ensure that funding is in place
- Evaluate the request against the line item of the project budget, contingency and budget as a whole
- Work with AES/UCHC CPDC if there is a budget/funding issue
- Sign the **GREENSHEET**
- Enter the revised budgets from PM in FAMIS, if applicable
- Create a workorder in FAMIS and enter the estimate amount. This amount will show up in the allocated column on the budget cost summary screen in FAMIS
- Facilities Operations workorders are issued by their Workorder Department. The estimate amount is then entered on the workorder and will then show up as a commitment
- Enter information into **GREENSHEET** Log



# GREENSHEET Log

Purpose: Collaboration between AES and PA to establish method of keeping track of **GREENSHEETS**

- Resides on the public drive at AES accessible to PA, AES and CPCA

## *Plant Accounting Role/Tasks:*

- Enter **GREENSHEET** into Log
- Enter date of approval into log



## Approval and Payment of Vendor Invoices from a Purchase Order

- Vendors' original invoices are received by or forwarded to PA located in AES
- Invoices are attached to “Approval for Payment” Checklist (**GOLDENROD**)
- Generally, Plant Accounting initiates **GOLDENRODS**
  - **GOLDENROD** is signed by:
    - PA
    - AES/UCHC CPCD Project Manager
    - their Director
    - AVP of AES
    - AVP of UCHC (*if applicable*)



## Approval and Payment of Vendor Invoices from a Purchase Order, Cont'd.

### ***Plant Accounting Role/Tasks:***

- Generate a **GOLDENROD** checklist
- Check that valid PO is in place in the correct project, date stamp invoice, and stamp with “Goods and Services” (red) stamp, record PO #, Project # on invoice
- Sign the **GOLDENROD** and attach appropriate backup (FRS screen prints)
- Enter invoice into FAMIS and log to AES (PM, Date)
- After signatures are obtained, check for completeness including authorized signature on “Goods and Services” (red) stamp
- Log date sent to Accounts Payable into FAMIS
- Forward invoice packet to AES for copying and sending (original invoice) to AP





**University of Connecticut  
Office of the Chief Financial Officer  
APPROVAL FOR PAYMENT**

**PART I: TO BE COMPLETED BY PLANT ACCOUNTING**

Project Name and Number: \_\_\_\_\_  
 Architect/Contractor/Vendor Name: \_\_\_\_\_  
 Invoice #: \_\_\_\_\_  
 Invoice Date: \_\_\_\_\_  
 Invoice Total: \_\_\_\_\_  
 PO Number: \_\_\_\_\_  
 FRS Account and subcode: \_\_\_\_\_

Sign below indicating the invoice to be paid has already been encumbered in FRS.

Signature \_\_\_\_\_ Date \_\_\_\_\_  
 Tammie Corioso, Plant Accountant

**PART II: TO BE COMPLETED BY PROJECT MANAGERS**

Please sign below indicating all goods or services invoiced have been received and you approve this invoice for payment:

	<u>Signature</u>	<u>Approved/ Rejected</u>	<u>Date</u>	<u>Reason (if rejected)</u>
Project Manager	_____	_____	_____	_____
Print Name	_____			
Mgr. Signature	_____		Date _____	

- |   |    |  |    |
|---|----|--|----|
| <input type="checkbox"/> George Kraus, Dir. P&F AES Int           | OR | <input type="checkbox"/> Alexandria Roe, Dir. of P&P Dev     | OR |
| <input type="checkbox"/> Brian Gore, Dir. of PM                   | OR | <input type="checkbox"/> Kathleen Comisiak, Dir. Of D&E Serv | OR |
| <input type="checkbox"/> George Karsanow, UCHC Dir of Const Serv. |    |  |    |

**PART III: TO BE COMPLETED BY AVP AES and (for UCHC projects) CPDC - UCHC**

Please review the attached invoice and sign below indicating approval for payment:

Signature \_\_\_\_\_ Date \_\_\_\_\_  
 Name Tom Trutter, Assoc. VP for CPDC - UCHC  
 Signature \_\_\_\_\_ Date \_\_\_\_\_  
 Name James Bradley, Assoc. VP AES

**A&ES to send original stamped invoice to Accts Payable (U-6080) and copies to file.**

# Paying an Internal Vendor

## **2 methods of tracking costs for internal vendors:**

1. Internal Vendor issues a PO
  - Academic Renovations
  - Uconnect
  
2. Internal Vendor accumulates costs in their own accounts and “bills” projects
  - Facilities Operations
  - Locksmith
  - Police/Fire (Public Safety)



## Paying an Internal Vendor, Cont'd.

### *Plant Accounting Role/Tasks:*

For internal vendors charging projects from their own accounts (except Facilities):

- Verify encumbrance by **GREENSHEET**.
- Generate **GOLDENROD** with detailed charges from internal vendor attached
- Once **GOLDENROD** is routed and approved, prepare journal entry to charge project



## Paying an Internal Vendor, Cont'd.

### *Plant Accounting Role/Tasks:*

For Facilities:

- Verify encumbrance by **GREENSHEET**.
- Generate **GOLDENROD** with detailed invoice(s) attached
- Check to make sure charge is within budget or estimate originally provided
- Once **GOLDENROD** is approved, notify Facilities that invoice can be taken off “Accounting Hold” and billed to the project



## Approval and Payment of Legal Invoices

Vendors' original invoices are received by or forwarded to PA located in AES and are attached to an "Approval for Payment of Legal Invoice"

**GOLDENROD.**

**GOLDENROD** is signed by:

- PA
- AES/UCHC CPCD Project Manager
- their Director
- AVP of AES
- AVP of UCHC (*if applicable*)
- CFO



## Approval and Payment of Legal Invoices, Cont'd.

### *Plant Accounting Role/Tasks:*

- Generate a **GOLDENROD** checklist
- Check that valid PO is in place in the correct project, date stamp invoice, and stamp with “Goods and Services” (red) stamp, record PO #, Project # on invoice
- Log invoice in FAMIS as sent to AES (PM, date)
- Once approvals are received, checklist returned to PA to verify signatures and stamp is signed by authorized person
- Log invoice as sent to AP with date
- Invoice is given to AES to send to AP





**University of Connecticut**  
**Office of the Chief Financial Officer**  
**APPROVAL FOR PAYMENT OF LEGAL INVOICES**

**PART I: TO BE COMPLETED BY PLANT ACCOUNTING**

Project Name and Number: \_\_\_\_\_  
 Architect/Contractor/Vendor Name: \_\_\_\_\_  
 Invoice #: \_\_\_\_\_  
 Invoice Date: \_\_\_\_\_  
 Invoice Total: \_\_\_\_\_  
 PO Number: \_\_\_\_\_  
 FRS Account and subcode: \_\_\_\_\_

Sign below indicating the invoice to be paid has already been encumbered in FRS.

Signature \_\_\_\_\_ Date \_\_\_\_\_  
 Tammie Corioso, Plant Accountant

**PART II: TO BE COMPLETED BY PROJECT MANAGERS**

Please sign below indicating all goods or services invoiced have been received and you approve this invoice for payment:

	<u>Signature</u>	<u>Approved/ Rejected</u>	<u>Date</u>	<u>Reason (if rejected)</u>
Project Manager	_____	_____	_____	_____
Print Name	_____			
Mgr. Signature	_____		_____	
	___ George Kraus, Dir. P&F AES Int	OR	___ Alexandria Roe, Dir. of P&P Dev	OR
	___ Brian Gore, Dir.of PM	OR	___ Kathleen Comisiak, Dir. Of D&E Serv	OR
	___ George Karsanow, UCHC Dir of Const Serv.			

**PART III: TO BE COMPLETED BY AVP AES and (for UCHC projects) CPDC - UCHC**

Please review the attached invoice and sign below indicating approval for payment:

Signature \_\_\_\_\_ Date \_\_\_\_\_  
 Name Tom Trutter, Assoc. VP for CPDC - UCHC  
 Signature \_\_\_\_\_ Date \_\_\_\_\_  
 Name James Bradley, Assoc. VP AES

**PART IV: TO BE COMPLETED BY CHIEF FINANCIAL OFFICER**

Please review the attached invoice and sign below indicating approval for payment:

Signature \_\_\_\_\_ Date \_\_\_\_\_  
 Paul McDowell, CFO

A&ES to send original stamped invoice to Accts Payable (U-6080) and copies to file.

# Financial Policies and Procedures for the Capital Project Delivery Process

- Project Initiation
- Procedures for Design and Construction
- **Other Accounting Procedures**
- UCONN 2000 Project Audits



# Payroll Allocation

**Purpose:** To charge salaries and fringes to projects for designated employees in AES, CPCA and the Office of the CFO

**Method:** Allocate 1% of the total costs for that project for each fiscal quarter

## *Plant Accounting Role/Tasks:*

- Calculate amount of payroll to allocate to projects quarterly based on project expenses
- Generate a journal entry to move payroll expenses into projects
- Record payroll expense allocated for the quarter in FAMIS as miscellaneous costs



# Project Financial Close-Out

- Performed when a project is near substantial completion
- Return unspent funding as follows:
  1. Non-Bond funds to the originating source accounts
  2. Deferred Maintenance is returned via the B&G Committee
  3. “Named” project funding is reallocated and the indenture change approved by BOT



# Project Financial Close-Out, Cont'd

## *Plant Accounting Role/Tasks:*

- Identify projects ready for financial close-out
- Reconcile FRS to FAMIS
- Review payroll allocation amount – 1% of Expenses
- Close all PO's/Contracts (using **GREENSHEET** process)
- Return unspent funding
- Change project status in FAMIS to “Financial Closeout”
- Change status of FRS accounts to “Frozen”



# Project Reporting

## *Reports Presented to the BOT:*

- UConn 2000 Phase III Preliminary Outline by FY (Phasing Outline).
- Annual Capital Budget
- Annual Deferred Maintenance/Code/ADA/Renovation Lump Sum Project list
- Deferred Maintenance Total Expenditure Report (Annual)
- Equipment Total Expenditure Report (Annual)
- Master Schedule for UConn 2000 Phases I, II & III Working Draft (Quarterly) – “Mother Report”
- Construction Status Report (all meetings)
- Supplemental Indentures Authorizing General Obligation Bonds (as needed)
- Project Budgets (as needed)



- Budget DataMart
- Budget-L
- Resources
- UCONN 2000
- Contacts
- Policies & Procedures
- Financial Forms



## UCONN 2000

The University of Connecticut is renewing, rebuilding and enhancing its campuses through a \$2.3 billion, 20-year State investment in the University's infrastructure. The program, known as UCONN 2000, is also enhancing our academic and research activities on all of our campuses, including the UConn Health Center in Farmington.

[Capital Projects Delivery Procedures Manual](#) (as of 9/4/08)

[Progress Reports](#)

[Construction Status Report](#) (as of 4/21/09)

## Project Budget List (as of 4/21/09)

### Storrs & Regional Campuses:

<i>Planning Phase</i>	<b>Approved</b>	<b>Budget</b>	<b>Primary \$ Source</b>
Atwater Exterior Window Replacement	9/23/08	\$650,000	DM
Avery Point Campus Undergraduate & Library Building - Phase I	6/24/08	\$9,300,000	UCONN 2000
Backfeed Loop-North Eagleville to Parking Garage to Storrs Road	9/23/08	\$700,000	DM
Biobehavioral Complex Replacement (Renovation)	6/24/08	\$2,000,000	UCONN 2000
Bishop Renovation	9/23/08	\$6,000,000	UCONN 2000
Budds Building Window Replacement	6/24/08	\$650,000	DM
Castleman Building Drainage Repair	9/25/07	\$500,000	DM
Engineering Building - Planning and Design	6/24/08	\$1,000,000	UCONN 2000

# Project Reporting, Cont'd.

## *Reports presented to the B&G:*

- UConn 2000 Deferred Maintenance/Code/ADA Renovation Lump Sum Project List by Fiscal Year
- Non-UConn 2000 Projects Approved by B&G



# Project Reporting, Cont'd.

## *Reports presented to the UConn 2000 Workgroup Meeting:*

- Monthly UConn 2000 Cash Flow
- Selected Project Estimated Cost to Complete Reports
- Special reporting as needed



# Financial Policies and Procedures for the Capital Project Delivery Process

- Project Initiation
- Procedures for Design and Construction
- Other Accounting Procedures
- **UCONN 2000 Project Audits**



# UCONN 2000 Project Audits

**There are currently 3 separate groups auditing  
UCONN 2000 projects:**

- Independent accounting firm is engaged to do an audit of projects substantially complete during previous fiscal year
- State of Connecticut Auditors of Public Accounts
- Office of Audit, Compliance and Ethics (Internal Audit)



## UCONN 2000 Project Audits, Cont'd.

### **Independent accounting firm audits the following:**

- All “named” projects and/or DM/Code/ADA  $\geq$  \$500,000
- Agreed Upon Procedures – audit of the current year’s Uconn 2000 expenses



## UCONN 2000 Project Audits, Cont'd.

### *Plant Accounting Role/Tasks:*

- Develop list of projects to be audited each FY
- Provide detailed expense analysis for projects selected
- Provide direction on finding source documentation
- Attend audit status meetings
- Resolve issues
- Provide special reporting



# QUESTIONS?

<http://www.cfo.uconn.edu/UCONN2000.html>

