



SUPPLEMENTAL PROCEDURES CONSTRUCTION & PLANNING OFFICE PRAIRIE VIEW A&M UNIVERSITY

ARTICLE V - ACCOUNTING PROCEDURES

- 5.2 Fundamental to proper project accounting procedures is the establishment of the plant fund project paying account, to be administered by the Construction & Planning Office.
- 5.2.1 Total control and authority for project appropriations and expenditures shall be by the Construction & Planning Manager or other Physical Plant department heads, who should be designated as the “responsible party or account administrator” on the fiscal office accounting control records.
- 5.2.2 The project paying account will be established either on Prairie View A&M University (SAGO) books when the source is System Funds as defined in Article 4. Funding or on the Component’s books if the source is Local Funds, also defined in Article 4. Funding.
- 5.2.3 Signature authority for project accounts should be limited to the smallest number of Construction & Planning staff members possible, consistent with the need for expeditious processing of project expenditures.
- 5.3 The account administrator should receive a monthly financial statement for every account on a construction project. It is the responsibility of the Component fiscal office to furnish the appropriate account statements pertaining to projects administered by the Construction & Planning Office. These financial statements must reconcile with the department’s records of project activity.
- 5.55.5.2 The amount of additional appropriations that can be made to a project cannot exceed twenty five (25) percent of the project budget approved by the (CEO), Vice President Business Affairs, Vice President Administration & Auxiliary Services without additional action by the Prairie View A&M University President (CEO), Vice President Business Affairs and Vice President Administration & Auxiliary Services.
- 5.7.1 Construction projects will require a contingency fund for executing Contract Changes. Industry standards in the amount and methods of calculation vary, but it has been the practice that MinCP’s includes a maximum of 7% contingency based on the original construction contract amount for new building projects, and a maximum of 10% contingency, calculated on the same basis for repair/renovation/rehabilitation work and underground utility work.