



Accounting and Administrative Manual

Section 100: Accounting and Finance

Physical Plant Expenditures
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General:

Smaller university campuses typically employ one or two individuals in the physical plant and purchase utility services and/or custodial services from outside companies. These campuses charge all maintenance, basic utility services, remodeling, moving, etc., to the physical plant. All labor and material costs are budgeted and recorded in the physical plant expense accounts. In these circumstances, this is an acceptable method of accounting for physical plant costs.

The larger units of the university generally employ many people in the physical plant and may have their own power plant facilities. Their services are divided into two distinct budget support categories.

1. Services supported by the physical plant budget
2. Services supported by the budget of the department requesting services

The following is a summary of the physical plant expenditures by budget support categories:

1. Services supported by the physical plant budget:

A. Maintenance:

Work of a routine, recurring nature required to keep buildings and utilities in such condition that they may be utilized at their original or designed capacity, for their originally intended purposes. The following are examples of maintenance services performed by the physical plant.

- Repairs to standard classroom facilities such as arm chairs, tables, side chairs, lecture stands and blackboards.
- Repairs to utilities: gas, electric, water, air, steam, waste and sewer lines.
- Replacement of broken windows and maintenance of window hardware.
- Maintenance of floors, floor covering, shades and door hardware.
- Interior and exterior paint (scheduled) and masonry repairs.
- Maintenance of elevators and dumbwaiters.
- Maintenance of building ventilation and heating systems.

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- Maintenance of roofs, gutters and downspouts.
- Maintenance of roads, paths, lawns and sprinkler systems.

B. Operations:

Basic utility services required in the operation of the physical plant, including the furnishing of heat, light, water; the operation of scheduled garbage and trash pickups; custodial services; building and campus directional and identification signing and the removal of safety and health hazards on campus.

C. Minor Projects:

Projects required to continue or improve the usefulness of facilities including minor alterations, improvements and repairs to existing buildings, roads and utility systems, such as steam, electrical, lighting, gas and water.

D. Relocations:

Departmental relocations mandated by the chancellor or university president.

2. Services supported by the budget of the departments requesting services:

- A. Uncrating, assembly, hook-up maintenance, repair and/or alterations of equipment and specialized facilities used in classrooms, shops, offices and laboratories, such as laboratory casework, fume hoods, sterilizers, animal cages, refrigerators, drafting tables, desks, chairs, file cabinets, etc.
- B. Construction of partitions, installation of additional electrical outlets, special lighting, television cables, etc.
- C. Services required for special setups for short courses, seminars, conferences and other events.
- D. The cost of department-initiated moving and special trucking services.
- E. Minor alterations, improvements and additions which modify, add to or otherwise change the original design, structure, utility services, etc., of



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existing facilities to meet special project needs, unless funded by direct appropriations or general obligation bond issue. Some examples are: moving or additions of partitions, additions to ventilating systems, converting storage space into a laboratory or repair of damages caused by the negligent activity of a department.

Services supported by the physical plant budget are reported directly to the physical plant accounts.

Services supported by the budget of the departments requesting services are recorded for as follows:

Direct purchases incorporated into a project and charged directly to the requesting department, and not reflected in the physical plant accounts.

Other costs for labor, benefits, supplies and indirect materials are charged to the physical plant accounts.

An interdepartmental charge from the physical plant to the department receiving the service is recorded. The amount of the charge is equal to the labor for the project plus the benefits.

Debit: XXXXXXX - XXXXXX – 3771
 Repairs and Alterations (requesting dept.)

OR

 XXXXXXX - XXXXXX – 3991
 Other Contractual Services (requesting dept.)

Credit: XXXXXXX - XXXXXX – 9902
 Interdepartmental Physical Plant and Warehouse Revenue

At fiscal year end, Statewide Fund Accounting will eliminate the interdepartmental physical plant and warehouse receipts revenue and the offsetting interdepartmental expense charges for the audited financial statements.