

	FA 604
	Construction Projects Policy
	Prepared By: Maurice Robinson
	Approved By: Brian Laffey
	Effective Date: 06/01/2010

<p>Purpose To provide guidelines for the proper accounting of construction projects.</p>
<p>Policy Construction projects meeting the university’s capitalization threshold, \$2,500.00, will be recorded within the fixed asset system, and capitalized upon completion of the project. Until the project is complete it will be recorded as <i>construction in progress</i> on the university’s records. All costs associated with the project will be capitalized, these costs include but are not limited to; architect fees, project management fees, utility usage exclusive to the project, engineering fees, surveys, permit fees, design fees, material and supplies, construction costs.</p>
<p>Process/Guidelines:</p> <p>All construction project are required to be recorded on a ledger “9” Fund.</p> <ol style="list-style-type: none"> 1. All requests for a ledger “9” Fund must be approved by the Associate Vice President for Facilities (see new Fund requests). 2. Departments in need of minor construction/renovation projects being funded from non 9 Funds, can request a “9” Fund for this purpose. This request should be forwarded to Maurice Robinson in MB201 or by e-mail robinson@iit.edu. The Project Program Request Sheet and funding transfer information must be included with this request. 3. Construction Project Managers are responsible for processing all payments for construction projects. <ol style="list-style-type: none"> a. All payments must be made in a timely fashion. b. Contracts should be encumbered in total, and if contractually necessary, paid incrementally as work is completed and invoiced. Partial payments should be made in accordance with the university policy on partial payments. c. Payment should only be made for goods or services received, and should only be requested in accordance with the university’s policy.
<p>Guidelines Intentionally left blank</p>
<p>References Intentionally left blank</p>
<p>Responsibilities</p>

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