

**CAPITAL PROJECTS, RENOVATIONS
(UNEXPENDED PLANT FUNDS), MAJOR
EQUIPMENT PURCHASES, MINOR RENOVATIONS
AND FABRICATED EQUIPMENT PROJECTS**

STANDARD OPERATING PROCEDURE

I. General Information

1. WBS element Plant Funds are required to track expenses related to construction, renovation, repair, replacement, major equipment purchases, or fabricated equipment. Generally, construction projects estimated to cost greater than \$100,000 and equipment purchases estimated to cost greater than \$200,000 require the establishment of a plant fund. Projects not meeting these thresholds do not require a plant fund to be established and follow the processes outlined below.

II. Projects Estimated at Less Than \$10,000

1. The department should complete and submit the online Work Request via the myUK portal (Enterprise Services, Facilities Management).

III. Projects Estimated Between \$10,000 and \$99,999

1. The department submits an Estimate Request. PPD will provide the department with an estimate and a Project Establishment Form. A plant fund is not established in this instance.
2. The department will complete Sections 1 and 2 on both the estimate form and the Project Establishment Form, then obtain a signature from the department head.
3. The department forwards both the estimate and the establishment form to the [M-G CAFE Business Center](#) for review by the Assistant Dean for Facilities Management.
4. After approvals are obtained, the Business Center will submit the forms to PPD with a copy to the department.

IV. Projects Estimated at \$100,000 or greater

1. For projects estimated to cost \$100,000 or more, a plant fund must be established. Funding to establish the plant fund must be provided **upfront**. For example, if your department wants to use a fund balance carryforward from the previous year to fund a project, the funds must be returned to the chosen account and available for the plant fund to be established.
2. The department completes the [M-G CAFE Capital Projects Request Form](#) (which must include the department head's signature) and forward that form, **along with a copy of the estimate** – typically generated by CAFE Facilities Management, to the [M-G CAFE Business Center](#).
3. The CAFE Business Center will complete the Project Establishment Form, the Journal Voucher and the cover memo to the PBO. (*Note: No journal voucher is needed if the renovation is funded by a grant. The grant is billed monthly for the expenses.*) The Business Center will obtain all college signatures/approvals. [The business analyst will sign the memo; and the Assistant Dean for Facilities Management (Orlando Chambers) will sign the Project Establishment Form]. This all gets submitted via email as one package of renovation documents to the Provost Budget Office.
4. Once the PBO approves the renovation, it is forwarded to AFRS (Capital Projects Accounting), where they will review, approve, and assign a plant fund number (WBS

element) to the project. The Business Center will then be notified of the project number. WBS element will then get relayed to the department and Ag Facilities Management.

V. Equipment Purchases Estimated at \$200,000 or greater

1. Generally, departments should contact UK Purchasing to go through the bid process for any purchases over \$40,000. If only one supplier can sufficiently provide the needed equipment, the department should obtain a quote from the supplier and fill out the [Single Source Justification](#) form outlined in [BPM B-5](#) to forgo a formal bid process.
 - Funding to establish the plant fund must be provided **upfront**. For example, if your department wants to use a fund balance carryforward from the previous year to fund a project, the funds must be returned to the chosen account and available for the plant fund to be established.
2. If a specific vendor/product is required, the Single Source Justification must be signed by the department head, then sent to the [M-G CAFE Business Center](#) for approval by Susan Campbell at the college level. Once college level approval is obtained, the Business Center will forward back to the department and department will work with UK Purchasing to obtain approval by the appropriate purchasing authority.
 - The Single Source Justification must be approved by UK Purchasing before the plant fund can be established.
3. After the Single Source Justification is approved by UK Purchasing, the department will fill out the [M-G CAFE Capital Projects Request form](#) as well as the [Major Equipment Purchase form](#). The department will obtain appropriate signatures on these documents and forward to the [M-G CAFE Business Center](#) along with the approved Single Source Justification and the equipment quote.
 - Once the Business Center receives these documents, steps 3-4 on section IV ([above](#)) will be completed to establish the plant fund. A plant fund must be established for an SRM shopping cart to be approved/Purchase Order created by UK Purchasing.