**Procedure**

Disaster recovery financial activities will be tracked in the financial system in a manner that:

* helps to ensure data extraction capability for identification and classification of all expenditures related to disaster
* helps to maximize university recovery from all sources including, but not limited to, FEMA disaster funds, insurance and state appropriations

**Responsibility Matrix**

|  |  |
| --- | --- |
| Action | Responsible Area |
| Identify fund codes to be used for cost centers | Plant Accounting |
| Identify program codes to be used for cost centers | Plant Accounting |
| Request creation of depository cost centers | Plant Accounting |
| Request creation of departmental recovery cost centers | Plant Accounting |
| Request creation of capital/construction cost centers | Plant Ops/FP&C Business Svc |
| Request initial departmental recovery cost center budgets | Plant Accounting |
| Request initial capital/construction cost center budgets | Plant Ops/FP&C Business Svc |

**Cost Center Structure**

* Fund Codes
	+ All initial capital/construction cost centers will be created in funds (note – use of Renewal and Replacement fund codes does not preclude capitalization of activities when appropriate):
		- 7023: R&R – CAP – Designated Funds
		- 7024: R&R – CAP – Auxiliary Funds
	+ All initial departmental recovery cost centers will be created in funds:
		- 2080: Designated – Other
		- 3057: Aux – Other E & G
	+ If additional funding sources are identified (generally state), additional fund codes will be identified by Plant Accounting
* Program Codes
	+ Plant Accounting will identify program codes that can be used by all campuses.
	+ Program code descriptions will include the FEMA disaster name and number, or an abbreviation of.
	+ Program codes will be requested as follows:
		- Capital/construction cost centers will use program code G, with separate program codes created for state and local funding sources.
		- Departmental recovery cost centers will use program code F (fund group 2) or program code I (fund group 3)
* Project Identification Numbers
	+ Disaster tracking will be done primarily by program code.
	+ Project identification numbers will be defined by each campuses Plant Operations/Facilities Planning & Construction (FP&C) Business Services department (or equivalent) using their standard project ID assignment methods.
	+ Project identification number descriptions will include (as much as is known):
		- Building Number
		- Building Name
		- Disaster Number
	+ Project identification number long descriptions will include (as much as is known):
		- Disaster Name and Number
		- Building Name and Number
		- Detailed description of the work to be done

**Cost Center Assignment**

* Depository cost centers
	+ Plant Accounting will request separate cost centers for each anticipated source for recovery funds, using the appropriate fund group.
* Local recovery cost centers
	+ Risk Management and FP&C will identify campus departments with local recovery needs. These are generally activities that fall outside of capital construction activities such as replacing computers, office furniture, and supplies, or temporary relocation expenses.
	+ Based on the areas identified, Plant Accounting will request local cost centers using the designated program and fund codes.
* Capital/construction cost centers
	+ FP&C will identify the projects needed, based on their recovery assessment and the initial Project Worksheet (PW) submitted to FEMA.
	+ Plant Ops/FP&C Business Svc will request cost centers using the designated program and fund codes.
		- Separate cost centers/project ID’s will be requested for each building and PW to the extent possible
		- Separate cost centers/project ID’s will be requested for each campus wide activity under Category A – Debris Removal and Category B – Emergency Protective Measures.

**Cost Center Budgets**

* Local recovery cost centers will be created with an initial budget of $25,000.
	+ These budgets will be adjusted as PWs are written and final estimates are identified.
	+ Spending in excess of the approved budget will be the responsibility of the department.
* Capital/construction cost centers will be created with an initial budget of $60,900 for small PWs and $500,000 for large PWs.
	+ These budgets will be adjusted at the request of FP&C, based on the PW versions submitted to and approved by the Texas Department of Emergency Management.
* Plant Accounting and Plant Ops/FP&C Business Svc will review all associated budgets and compare the budgeted amounts to the amounts of the associated PWs submitted.
	+ Reviews will occur quarterly during the initial stages of recovery, and will decrease to semi-annually or annually as recovery progresses.
	+ Budgets will be adjusted in accordance with PW changes.