SNU Policy: Facilities – Maintenance Direct Labor Allocation
SNU Policy ID: Miscellaneous Policy
Policy Reviewed by: AVP of University Operations
Approval Authority: CFO
Approval Date: February 1, 2026
Next Review Date: February 1, 2031Facilities Management Labor Allocation Policy – Effective 2/01/2026

1. Purpose

This policy establishes consistent guidelines for allocating labor costs from the Facilities Maintenance team to internal work orders. It ensures that labor associated with capital projects, special projects, and routine maintenance is properly categorized, costed, and charged to the appropriate funding sources.

2. Scope

This policy applies to the utilization of all Facilities Maintenance staff, including full-time maintenance personnel and student workers, performing work on any internal project or work order.

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3. Project Categories and Labor Allocation Rules

3.1 Capital Projects

Definition:
A capital project is any project that meets one or more of the following criteria:

- Total cost exceeds **$5,000 and will result in a Capital Asset/Fixed Asset of the University**
- Is included on the institution's approved Capital Project List.

Labor Allocation Requirements – Capital Projects:

- All labor hours performed by Facilities – Maintenance staff on capital projects **must be charged** to the project using a labor allocation transfer.
- Labor is allocated from the **maintenance wage budget** to the capital project based on Direct Labor (DL) hours worked multiplied by the pre-determined DL rate.
- The **DL rate** for capital projects is **$25 per work hour** on each project.
- Student worker labor, when assigned, is charged at **$10 per hour**.

Approvals:

- Capital projects must have prior approval through the institution's capital planning process.

3.2 Special Projects

Definition:
Special projects in the context of this policy are work requests that:

- **Require Facilities - Maintenance staff** to add work value to a project, event, or equipment purchase installation
- Are funded from a **special account** (not from departmental operating budgets)
- Have an estimated cost of **$500 or more**
- Have an **approved non-budget funding source**
- Are approved by the **Director of Facilities Management** before work begins.

Labor Allocation Requirements:

- Labor is charged to the special project at the same DL rate used for capital projects:
    - **$25 per work hour** for Facilities - Maintenance staff
    - **$10 per hour** for student workers
- Labor allocation is based on actual hours worked on the project at the DL rate and will be allocated to the project via the transfer process
- Special project usage of Facilities – Maintenance staff must be approved by the Director of Facilities Management

Funding Restrictions:

- Special projects **cannot** be funded using departmental operating budgets.
- A valid funding source must be confirmed before work order approval.

3.3 Routine Maintenance Requests

Definition:
Routine maintenance includes work orders related to:

- Repairing existing facilities,
- Maintaining building systems, equipment, or infrastructure that is the property of SNU
- Addressing normal wear-and-tear or operational needs across campus
- Additional definitions/restrictions as considered appropriate by the Director of Facilities Management

Labor Allocation Requirements:

- Routine maintenance work **is not subject** to labor allocation
- No special funding source is required

- Labor is charged to the Facilities - Maintenance operating budget as part of normal maintenance operations

Approvals:

- Routine maintenance work orders are assigned and approved by the **Director of Facilities Management or designee**

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4. Labor Rates

Labor Type	Rate
Facilities Staff Direct Labor (DL)	**$25 per hour**
Student Worker Labor	**$10 per hour**

Note: The DL rate is reviewed periodically and may be adjusted based on wage changes, overhead factors, or institutional policy.

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5. Work Order Requirements

- All capital and special projects must have an approved work order **before** labor is assigned.
- Labor hours must be accurately recorded in the work order management system by Facilities Management personnel.
- Facilities - Maintenance staff are responsible for coding their time to the correct project category regardless of type of project.
- Supervisors must review and approve labor entries for accuracy.