

What other costs are associated with construction work?

Construction costs are referred to as “hard costs”. All other costs are referred to as “soft costs.” Together, hard and soft costs make up the Total Project Cost (TPC). Soft costs range anywhere from 5% to 50% of the hard costs and vary greatly from project to project.

Many projects require the services of an architectural firm, engineering firms, or both. Often, one or more UTSA departments must participate in the project to ensure the safety and quality of the final product and additional charges are associated with these services; examples include asbestos abatement, security systems, information technology, and audiovisual technology.

In addition, because Facilities Project Coordinators’ salary and benefits are not paid from state appropriated monies, a nominal fee is charged to each of the projects they manage to support their salaries.

Finally, you will notice that a contingency is often included in the Cost Estimate of each project. It is almost inevitable that unknown conditions will present themselves during the course of construction and the contingency will be used for such events. Any unused contingency will be returned to the original source of funding.