Updated August 19, 2013

Part I- Changes to Expense Account Code usage starting July 1, 2013 (for FY14):

Please start using the following expense account codes for all Direct Pay, Requisitions and PO, Petty Cash Vouchers, Cash Vouchers and P-card Purchases purchased in the new fiscal year starting July 1, 2013. (It will be a few weeks before these changes are reflected in the on-line Expense Account and Commodity Code lists. In some cases the title of the code will be changed to reflect this usage):

Chartwells - Start using code 7256- Event Services instead of 7227- General Services. The Chartwells’ commodity code FOS39092 has been changed in Banner Finance so that it will charge expenses to 7256 Event Services.

Purchases for flowers, catering, balloons, and other items where the Vendor has provided a service for an ISU event should be charged to 7256- Event Services. If the vendor invoice lists the product separately from the service then a code for the product should be used and 7256 used for the service portion. If the invoice is not broken down the entire amount should be 7256. Example: Food purchased separately from the catering on the invoice. The food would be 7363 Business Meals and the catering 7256-Event Services. (If using a P-card please note that you have separated the charges in the description or the code will be moved to services when reviewed). Flowers purchased to recognize an individual-use code 7256, instead of 7816, to ensure that the service portion is correctly expensed.

Promotional items - Split the items between the labor and the actual item expense codes. Example: T-shirts with an ISU logo or custom printing. Use code 7366 for the T-shirt and 7252 for the service (labor) of the logo and custom printing on the item. If the receipt is not split, and outside labor is involved, then 100% of the cost must go to code 7252. If you are purchasing a large amount of items to give away at events, such as ISU pens with a logo, use the promotional coding above. New for FY14 if you are purchasing items that are prizes or raffles that will be given to an individual at student or employee events use code 7366 instead of code 7816. Examples: microwaves, IPods, and Kindles. You need to complete a W-9 form listing the individual given these types of items and send it to the accounting office as ISU has to track larger items given in case the individual receives over $600 worth of items in 1 year. ISU would then need to issue a 1099 form to the individual at the end of the year. (The W-9 form can be found on the Finance and Administration web page under Finance forms. Be sure to include a description and dollar value of the prize with the form along with the name of the event and date it was held)

Items of clothing purchased for employee use at work is code 7361. If the purchase includes custom printing or logo use 7227 for the labor portion. This includes uniforms, work shirts and pants, work shoes, coveralls, and clothing for coaches.

Vendors such as AlSCO and Ameripride should be charged to 7424- Other Rentals instead of 7222- Laundry Services. The new Commodity Code is ROL98599. The reason for this change is that in most cases ISU is not purchasing the linens, rags, tablecloths, towels, etc. from these vendors. Nor is ISU cleaning items we already own. ISU is actually renting the items in a clean status ready to be used; therefore the rental code more correctly reflects how the university is using the merchant’s services. If you have an invoice where you are actually purchasing the item then there are other codes for the purchase depending on the type of item. Example: The purchase of towels would be code 7364- Laundry and Linen Supplies Only.

Audio/Visual Production and Technical Services- use expense code 7273- Photographic & Film Development Services. This includes videotaping.

Installation of electronic and computer equipment. If the installation is being done by ISU employees and includes wiring that is installed in the wall use code 7341- Other Repair and Maintenance Supplies. Network Patch Cords, cables and computer connectors use code 7333. TV brackets, connectors and general electronic supplies used in the installation use code 7373. (This may be a change for FY14 as some of you were instructed to use R-M of
Infrastructure- 7296 labor and 7348 materials and supplies. The Infrastructure codes would only be used for large development projects.

Purchase of the “right to use music, plays or radio programs” usually does not involve ISU in the paying of royalties to the owner of the copyright. In most cases the vendor ISU is working with has a license from the party who owns the royalty to allow usage. ISU is usually paying a licensing fee to the vendor, not the royalty directly. Use code 7385 for these expenses.

**The vendor US Welding**- For the rental of a cylinder use code 7413- Rent-Machinery and Equipment. The purchase of a product is usually code 7371- Lab Supplies or 7370 -Educational supplies, but could be other material and supply codes depending on what is purchased.

**The vendor Partner or US Steel**- If the vendor is cutting custom steel forms then a service code needs to be used depending on how the steel will be used. Example: 7291- R-M of Building Services if the steel will be used in a building, or 7295- R-M of Vehicles Services if the steel will be used in a car or bus. If there is not a specific service code then use code 7260- Other Professional Services for the service portion of the invoice. If the cost of the steel is not broken out separately then 100% of the invoice should be coded to the service code.

If the purchase is for bulk steel, that is not custom cut by the vendor, then use the material and supply code that reflects how the steel will be used. Examples: 7341- R & M Buildings-Materials & Supplies if the steel will be used in a building, 7371- Lab Supplies & Equipment if the steel will be used to build items that are part of lab research. Use code 7349- Other Repair and Maintenance Supplies for the purchase of metals in general.

**Office Supplies v Office Equipment** when the purchase price of each item is less than $300 each: This is a major change to how these items have been coded. Please start using 7311- Office Supplies for consumable items (items that will be used up in a short time period) and 7312-Office Equipment for items that last longer.

**Examples of code 7311-Office Supplies Consumable Only:**

- Envelopes-All types without logo
- Labels, Hanging Files, File Folders, Tabs, Dividers, Tags
- Library Supplies Consumable, Miscellaneous
- Staples, Paper Clips & Fasteners, Magnets, Rubber Bands, Tacks
- Adhesives, Glue, Scotch Tape, Velcro
- Calendars, Planners, Organizers
- Pads, Tablets, Memo, Note, Post-It Notes, Tele Msg
- Binders, Covers, Jackets, Protectors, Storage Boxes etc.
- Blank Badges, Name Tags and Holders
- Pens, Pencils, Ink & Lead refills, Highlighters, Erasers
- Packing Materials for Mailing & Shipping, Tubes, Bags
- Rubber Stamps, Stamp Pads, Ribbons, Ink
- Paper -All, Stationery without logo, Copy Paper
- Stock Forms without logo
- Key Rings, Coin Wrappers, Clip Boards, Bank Bags
- Paper Rolls, Cash Register Paper & Tape

**Examples of code 7312-Office Equip/Furnit<$300 per item:**

- Bookcases and Bookshelves
- Chairs, Couches, End Tables, Office Furniture
- Desks, Tables, Coat Racks & Trees, Clocks
- Drafting Chairs and Stools, Metal and Wood
- Drafting Tables, Metal and Wood
Filing Cabinets, All Storage Cabinets
Hutches for Desks, Credenzas, etc.
Key Storage Cabinets and Files
Modular Panel Systems
Racks, Metal, Stationary and Mobile
Safety Step Stepladders for Office Use
Shelving, Metal & Wood Modular and Mobile
Stands for Office Equipment and Machines
Work Stations, Modular Systems Furniture
Addressing, Embossing & Imprinting Machines
Calculators, Adding Machines All type, Typewriters
Cash Registers, Cash Drawers, Coin Counters, Safes
Fax Machines, Time Clocks, PDA's, Postage Meters
Multi-Function Office Machines Fax, copier, not printers
Paper Shredders, Collators, Folding Machines
Staplers both Electronic and Manual
Carts and Stands for Televisions, DVD, VCR, Audio/Visual
Paper Punches & Trimmers
Electric Portable Heaters, Fans
Lamps for Desk, Floor, and Table
Rulers, Scissors, Wastebaskets, Picture Frames
Chair Mats, Carpet Protectors, Chair Cushions
Desk Sets, Trays, Tape Holders, Drawer Organizers

**Part 2 Misc. common Items to consider when coding:**

Expense Account Codes start with a 7, 8 or 9. The best way to find the correct account code is to use the listings ISU has on the Finance web page (these documents are updated periodically, therefore using a printed copy can cause you to use an incorrect code.

One method to use is to 1) choose the correct category for the expense or service and then, 2) look for the specific code under the category by reading the account code description.

A second method allows you to perform a word or a number search for the purchase type (example: searching on the word food will take you through the listing to several places where that word appears in the document; but if your purchase is for an APPROVED business meal then you will see that code 7363- Entertainment and Business Meals (from Restaurants) is the correct code. It is still important to look at the category that the code belongs to, in order to help select the correct code.

Listed below is specific coding information to help correct common errors that have been made during the past year. (This is not a change to how these codes have been used prior to FY14. These items are correct in the on-line Expense Account and Commodity Code lists):

*Equipment that has been repaired*- If the receipt lists the materials and labor separately; use the on-line Expense Code listings for Repair and Maintenance. Code the labor under the appropriate Repair & Maintenance (R & M) Services and the parts under the R & M Supplies. If the receipt is not split, and outside labor is included, then 100% of the cost must go under the service codes. **Example: tires for a vehicle** would be under the R & M codes for vehicle service and materials. The labor cost for the installation the tires would be code 7295 and the cost of the actual tires code 7343. If an item, such as an engine, is purchased to be used as part of student education and training the cost will be coded using Education Expenses not R & M (see below).

*Computer Equipment, Supplies, and Repairs – Computer software* use code 7331.

**Computer parts and supplies** use code 7333. This includes printer cartridges, but also includes items such as hard drives, keyboards, mouse, and cables.
Computer equipment: you will use three different codes depending upon the dollar amount of the purchase. The codes are: 7332 for less than $300; 8301 & 8302 for $300 to $4999; and 8301C and 8302C for greater than $5000.

If you are purchasing an item to replace a part within an existing computer; then the cost is a Repair & Maintenance expense. Split the charge between the labor and parts. The labor portion uses code 7297- R&M Computer Hardware or 7298- R&M Computer Software. The parts for R & M of computers use code 7347.

Food - There are 3 main codes for food: 7256 for Chartwells’ catering; 7362- Food Purchases-Non Restaurant; 7363 - Entertainment and Business Meals from Restaurants. Most departments require prior approval and the usage of a “promotional” index code for these items. Do not use code 7011 for the above food or entertainment. Code 7011 is only used when in official ISU travel status.

Advertising is code 7253. This includes promotional ads for ISU events & services. It also includes ads for job postings.

Gifts and Recognition items - Use code 7816 for items purchased for a specific individual. Examples: Items for gifts for visiting lectures and retirement gifts. If the purchase is a gift card then the code to use is 7228- Prizes-Cash Only. This is because gift cards are considered cash equivalents. Flowers purchased to recognize an individual-use code 7256, instead of 7816, to ensure that the service portion is correctly expensed.

Lab and medical supplies and equipment would only be for ISU academic and research labs. The code to use depends upon the dollar amount of the purchase. The codes are: 7371-Educational Supplies and Equipment less than $300 each; 7376-Lab and Medical Supplies and Equipment less than $300 each; 8352- Educational Equipment $300 to $4999 each; 8505-Medical/Surgical Lab Equipment $300 to $4999 each; 8352C- Educational Equipment greater than $5000 and 8505C-Medical/Surgical Lab Equipment greater than $5000.

Lab samples and testing- use code 7226, not the codes for lab supplies.

There are separate categories of codes for Minor Tools- 7368, and Shop Supplies and Equipment- 7380. Shop supplies would normally be items that are consumed (used up); minor tools are used for multiple projects. If the tool or equipment cost per item is $300 and over use code 8504, $4999 and over use code 8504C.

Education Supplies and Equipment should only be used for ISU’s educational mission. The code to use depends upon the dollar amount of the purchase. The codes are: 7370, 8352, and 8352C. Educational supplies for ISU employees (such as books) use the code for Training Supplies- 7215, or other categories of Employee Development costs.

Internet provider charges use code 7283. Cell phone provider charges use code 7118. Dish, cable, and satellite provider charges use code 7121. Employee webcasts for training are an employee development expense. The code to use is 7214. Student online testing use code 7227. (Please note that all contracts for work related cell phones or providers are to be contracted by ISU’s Telecommunication Department. If you need to purchase a cell phone or services please contact them, do not sign an individual contract with a provider.)

Individual subscriptions use code 7213, individual dues and memberships use code 7211, Group subscriptions and memberships use code 7225. Survey expenses, even if on the web, use code 7213.

Document shredding services use code 7227.

Household Items, such as vacuum cleaners and washers, depend upon the dollar amount of the purchase. The codes are: 7365, 8501, and 8501C. (If vacuum cleaner bags are purchased at the same time, they need to be listed separately using code 7365.)

Light bulbs for replacement in light fixtures should be coded to 7365- Janitorial & Household Supplies. Replacement light bulbs in electronic equipment such as a projector use code 7373- Electronic and Photographic Supplies & Equip.

Printing of items, such as business cards, letterhead, and handouts, use code 7272, not code 7311 office supplies.
All electronic equipment needs to be under the electronic codes, depending upon the dollar amount of the purchase, even if the item is used for field work or labs. The codes are: 7373, 8507, and 8507C.

Rental of equipment, vehicles, office space, office equipment, meeting rooms, etc. use the codes under the category of Rental & Operating Leases. Service agreements, for items such as computers and copies, use the codes under the categories of R & M Service Only.

Postage is code 7112, Express Mail is code 7113, and Freight is code 7271. Mailing services should be split between the cost of the postage and the service if possible. If the receipt is not split, and outside labor was involved, then 100% of the cost would be code 7227. (Freight should not be listed on a requisition as a line item or a part of the requisition expense amount. It can be listed in the document text. If freight is for an item $300 and over, Accounts Payable will use the equipment code when paying the invoice.)

Culligan water should be split between the water using code 7362, and the rental of the equipment using code 7424. Culligan charges for a deionizer are equipment rental, use code 7413.

Blank CD, DVD, and tapes use code 7373. Prerecorded movies and materials are either code 7374 - Educational films, or 7215 - Employee training supplies.

Tickets purchased for ISU events, such as homecoming dinners and games, use code 7821. The use of a promotional index is often required.

Page charges for ISU employee publications use code 7252.

Cross Border fees should either be coded the same as the item purchased or use code 7260.

For additional information and help in finding the correct coding you may contact:

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