

Business Assets Decision Matrix

To be considered a capital item, an asset must cost over \$5,000 per item, unit or set and have a useful Life of two or more years.

If **Capital** and over \$5,000, use Fund 302 or Fund 301 (Grant Equipment).

All Capital Projects must have a Project number assigned by the Budget Office.

No annual or extended maintenance agreements are to be capitalized. (This includes maintenance agreements purchased in conjunction with the equipment or software purchase). An extended agreement included as part of the actual asset cost is capitalized.

		(Capital Borrow)	(Annual Tax Levy)
	Account - Spend Category	Capital 302 (Grants fund 301)	Operational 100 or 602
Capital purchase Over \$5,000 (per each item, unit, or per set (a set is in-serviced as, retained as, and disposed as a set))	5840 - Capital (select category)	X	
Equipment/Software, etc. purchase Under \$5,000 is not Capital (Use 5230 Instructional or 5231 Non-Instructional)	5230 or 5231		100
Software License/Agreement (In conjunction with Software purchase & Useful life of two or more years, Over \$2,000)	5840 - Software	X	
Annual Software License/Agreement/Maintenance (Non-Instructional)	5350 - Contract Other Services		602
Annual Software License/Agreement/Maintenance (Instructional)	5350 - Contract Other Services		100
Renewal Software License/Agreement/Maintenance beyond current year:			
Non-Instructional (Years beyond current year will be applied to Prepaid Expense 1500-602)	5350 - Contract Other Services		602
Instructional - Software License/Agreement for Two years or more	5350 - Contract Other Services	X	100
Software Upgrades that extend life or add new functionality - for Two years or more	5840 - Software	X	
Staff/Consultant cost for Software Upgrades that extend life or add new functionality - for Two years or more	5350 - Contract Other Services	X	
Staff/Consultant cost on a Non-Capital Project (Acquired or Internally Developed, Below \$100,000 Threshold)	5350 - Contract Other Services		100/602
Staff/Consultant cost on Capital Project (Acquired or Internally Developed, \$100,000 Threshold) - up to Implementation only	5350 - Contract Other Services	X	
Staff/Consultant cost on Implemented Capital Project/Software (\$100,000 Threshold)			
(If extends life/functionality/as an Upgrade) - for Two years or more	5350 - Contract Other Services	X	
(As Maintenance)	5350 - Contract Other Services		100/602