Account Expense Code Help and Hints:

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Following are some helpful hints and information to use when choosing Account Expense Codes. The Account Expense Codes are used for all Direct Pay, Requisitions and PO, Petty Cash Vouchers, Cash Vouchers and P-card Purchases when coding the expenses so that they can process through the Banner Finance system and subtract from your department budgets.

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). There are different types of lists on the web. Some of them show the correlation between Commodity Codes and Account Expense Codes; and some show these codes with a brief description of the type of items the code includes. All of these lists are provided to help you select the correct codes.

When using the lists one method to use is to choose the correct category from the table of content on the Expense Account Code List for the expense or service. Then 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. To search the lists go to Edit at the document, and then select find. A dialogue box will appear which will allow you to type in a word or the code number you are looking for.

When using the word or number search method on the Commodity Code lists it is important to remember that the word may come up several times in the document; but you still need to check for the correct category of expense before deciding which code to use. You may need to use both the Commodity Code lists and the Expense Account Code list together when searching for the correct code. The expense categories are listed on the Expense Account Code list in the table of content.

Following are some specific examples of the code to use:

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 in the description that you have separated the charges 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. I**f 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 7369**. 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 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, Audio/Visual Services. This includes videotaping, developing file and printing pictures to CD, DVD and paper prints. Taking photos. Aerial Photos, Video Conference services (excluding the equipment rental which is code 7413), and all audio /video production services.

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 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

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 and software licenses go under code 7331 if the software is stored on the computer hardware. If you are accessing the software over the web then the code is 7283. Computer parts and supplies are 7333, this includes item such as print cartridges, but also includes items such as hard drives, mouse and key boards. **Use code 7332 for computer equipment that is tagged by ISU**. **If the item is not tagged, such as docking stations, then use code 7333.**

Computer Software licenses stored on the hard drive use code 7331; these licenses are not considered code 7413-Rent-Computer Software.

Computer equipment has three different codes depending on the dollar amounts involved. They are 7332 for $300 and less; 8301 & 8302 for $300 to $4999; and 8301C and 8302C for equipment greater than $5000.

If you are purchasing an item to replace or upgrade a part within an existing computer then it is a Repair & Maintenance expense. Split it between labor 7297- R&M Computer Hardware or 7298- R&M Computer Software. Computer parts for R & M are 7347.

Code 7283 is Computer/Internet/Hosting/Cloud Svc. It is used for internet and data provider charges. Computer Environment Hosting & Cloud Services. Computer software and training software that is used over the internet and not stored on the computer hard drive such as Adobe Cloud use this code. Virtual college and student fairs that are hosted environments on the internet also use this code. Sometimes an invoice may use the word subscription in the description for the cloud services. These expenses are still code 7283, **not code 7213-Subscriptions & Survey Expenses. Code 7213 is for magazines, newspapers, publications etc. both paper and digital copies. It is also used for online survey expenses.**

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 such as ads for ISU events & services. It also includes ads for job postings. The advertising code should be used for all ads, even if it is an ad to promote an event.

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.

Items to repair equipment and vehicles such as engines will still be under the R & M codes for service and materials. Split between the labor and parts. If the receipt is not split, and outside labor is involved, than the cost needs to go 100%

to labor. It an item like an engine that is purchased that will be used as part of student education and training will be under Education Expenses not R & M (see below).

Education Supplies and Equipment should only be used for ISU's education mission. The codes depend upon the dollar amount. They are 7370-Educational Books, Class Supply/ equipment less than $300 each; 8352 Educational Equipment $300 to $4999 each; 8352C Educational Equipment greater than $5000**. Educational expenses for ISU personal should be under 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, *G***roup 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, even if used for field work or labs. The codes are 7373 under $300 per item, 8507 between $300 and $4999 per item, and 8507C over $5000 per item.

***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 and **International Currency Exchange fees** should either be coded the same as the item purchased or code 7260.

3D printing. 3D printing supplies such as toner cartridges and forms is code 7333; unless the item made is for resale then use code 7713. The expense to pay a department for 3D printing/scanning/modeling/Editing of 3D scanned files and 3D printable data files is code 7284.

Roto Rooter. Services to clean drain and grease traps inside a building is code 7291. If the services is to clean drains outside the building the code is 7292.

Employee Clothing. All authorized employee clothing (except safety supplies) use code 7369-Employee Uniforms/Clothing Supplies, not 7361-Clothing and Personal Care Non Resale. This code is for institutional and residential supplies. If the clothing is needed for employee safety than the code is 7384-Safety & Hazardous Supplies/Equipment.

Scanning. Services for document scanning and saving documents to disks use code 7274-Document Scanning, Microfilm, and Microfiche Svc.

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

ISU Financial Services