

# PROPERTY ACCOUNTING ACCOUNT CODE DEFINITIONS

The Property Accounting Department has recently received questions regarding which accounts to use for equipment and computer purchases. This memo is intended to clarify the use of certain accounts for these purchases and to supplement the attached Equipment Account Code Decision Tree. If you have any questions on this information or regarding which account to use for a purchase of equipment or computer, please contact Inventory Control at 277-7715 or via email at [UNMInventory@unm.edu](mailto:UNMInventory@unm.edu).

## Non-Capital Purchases

**Account 3140 Computer Software** – This account is used for additional software purchased for existing computers (i.e. the computer did not have the software already installed when the machine was originally purchased).

**Account 3150 Computer Supplies <\$5,001** – This account is used for the following type of purchases:

- Printers
- Monitors (replacement monitors only)
- Computer accessories (i.e. mouse, keyboard, etc) purchased separately from an entire computer system.

NOTE 1: Each of the above items should have an individual cost of \$5,000.00 or less.

NOTE 2: An entire computer system would mean that there is one (1) cost stated on the quote/purchase order for the computer, monitor and all accessories.

**Account 3180 Non Capital Equipment <\$5,001** – This account is used for the following type of purchases:

- Projectors
- Lab equipment (centrifuges, balances)
- Any equipment that has a cost of \$5,000.00 or less and does not meet the criteria of any other account listed in this memo.

**Account 3189 Tagged Non-Capital Equipment <\$5,001** – This account is used for the following type of purchases:

- Desktop computers (entire systems)
- Laptop computers
- Tablet computers
- Servers
- Drones

NOTE: Each of the above items should have an individual cost of \$5,000.00 or less.

**Account 70C1 Equipment Warranties/Service Contracts** – This account is used for warranties or service contracts that have a separate stated cost on the purchase order.

**Account 70E0 Computer Hardware Maintenance** – This account is used for repairs or maintenance to computer hardware.

**Account 70E1 Computer Software Maintenance** – This account is used for repairs or maintenance to computer software.

## CAPITAL PURCHASES

**Account 9000 Equipment/Furniture >\$5,000** – This account is used for equipment/furniture purchases that have all three (3) of the following characteristics:

- It is movable
- The cost of the item itself is greater than \$5,000.00
- The life of the item is greater than one (1) year.

**NOTE 1:** If there are freight or installation charges (regardless of the cost) associated with this purchase – these charges should also be coded to the 9000 account.

**NOTE 2:** If there are upgrades to an existing piece of equipment that are greater than \$5,000.00 (for each individual upgrade), these purchases should also be charged to the 9000 account.

**EXAMPLE:** If you purchase \$10,000 in office chairs and each chair costs \$50 – the entire purchase should be charged to account 3180 because each individual item does not have a cost that is greater than \$5,000.00.

**Account 9020 Computer Hardware >\$5,000** – This account is used for computers and servers (hardware only) that have all three (3) of the following characteristics:

- It is movable
- The cost of the item itself is greater than \$5,000.00
- The life of the item is greater than one (1) year.

**NOTE 1:** If there are freight or installation charges (regardless of the cost) associated with this purchase – these charges should also be coded to the 9020 account.

**NOTE 2:** If there are upgrades to an existing piece of computer hardware that are greater than \$5,000.00 (for each individual upgrade), these purchases should also be charged to the 9020 account.

**EXAMPLE:** If you purchase 10 computers for a total of \$6,000 (each computer costs \$600) – the entire purchase should be charged to account 3189 because each individual item does not have a cost that is greater than \$5,000.00.

## OTHER PURCHASES

**Account 9040 Equipment Non UNM Titled** – This account is used if:

- Equipment is purchased on a contract or grant which states that the equipment is the property of the funding agency.
- UNM will not have title to the equipment being purchased.
- It is movable and has a life that is greater than one (1) year.

**Account 9060 Equipment Fabricated** – This account is used if:

- Parts are purchased for equipment to be built (fabricated) at UNM.
- The finished total cost of the equipment is greater than \$5,000.00.
- The finished piece of equipment will not be part of a building or attached to a structure.

**NOTE 1:** This account is not used for assembly or installation costs that are associated with an item that is not being fabricated at UNM.

**NOTE 2:** When the fabrication project (equipment) is complete – please notify the Property Accounting Department so that we may capitalize this piece of equipment.

**EXAMPLE:** A department purchases parts to be used to construct a piece of lab equipment that will be used to conduct experiments. The price of these parts would be charged to this account.

**Account 9300 Fixed Equipment** – This account is used for the following type of purchases:

- HVAC systems
- Alarm systems
- Fire sprinkler systems

**NOTE:** This equipment is fixed and is not movable. This account is used for equipment that is attached to part of a building.