**Supply vs Equipment AND Building vs Maintenance**

**Frequently Asked Questions**

Improvements to Buildings:

* Office remodel (just paint & carpet – or normal wear/tear replacement) – use 5683
* Office remodel (when construction involved) – use 62xx account
	+ If changing the flow/function – use 6210
	+ If just adding something – use 6215

Determining Supply/Equipment/Fixed Asset:

* Use the appropriate account (supply, equipment or 5683) – do not use FA account when:
	+ Replacing something that is already listed as a fixed asset and that item has not exhausted it’s useful life
	+ Adding something new to a fixed asset that does not result in an increase in the value of the fixed asset *(example – adding an additional outlet)*
* Use appropriate 62xxFA account when:
	+ Adding something new to a fixed asset that typically increases the value of the fixed asset or is part of a larger project
	+ Replacing something that is already listed as a fixed asset and that item has exhausted it’s useful life *(example – replacing a 20 year-old HVAC unit that had a 15-year useful life)*
	+ Replacing something that is already listed as a fixed asset and adding something new to a fixed asset as one project *(example – upgrading the security system and adding a new area or new functionality)*
* If purchasing a new item that is not being added to a fixed asset (*such as a large copy machine or a vehicle*), use supply flowchart and pricing to determine the correct account code. If determined to be equipment and the cost exceeds $5000, code as FA account.

When considering cost and account coding, installation should be included & coded to the same account as the items being purchased.

When creating a purchase order where the account ends in “FA”, the purchase order must be a regular purchase order.