

DETERMINING GL / ITEM NUMBER

For proper accounting of expenditures, it is very important that the correct GL account and item numbers are used for the items as they are used in the general marketplace. Factors that must be considered:

1. How the item is used in the General Marketplace
2. Capital Equipment System
3. Goods vs. Service
4. Taxable items vs. Non-Taxable items
5. Receipt of item(s) vs. No Goods Received
6. Sensitive Property
7. Recycled and Recovered Materials
8. Purchase Cost vs. Operating Cost

Descriptions follow:

Items in the General Marketplace – item categories as they relate to United States industry classifications. The North American Industry Classification System (NAICS) is the standard used to place particular industries into the established GL account system. Example: a particular item is being purchased for use in a lab, but the item is commonly identified as an industrial supply, the correct GL Account that must be used is the industrial supply code.

System Configuration – all items that make up one working base unit constitute a system, excluding consumables, software, service and/or external peripherals. A capital equipment system has an acquisition cost of \$5000 or more.

Goods vs. Service – what is being bought, a product, a report, support services or facility operations.

Taxable vs. Non-Taxable – generally, research items are non-taxable and non-research items are taxable. Tax exempt items must have research as their primary purpose in the marketplace.

Item Receipt vs. No Goods Received – an item physically received at the Facility. Conversely, no goods received (NGR) indicates no physical item is to be received.

Sensitive Property – Non-capital equipment that must be decaled as accountable property. Sensitive property falls into four GL accounts – laboratory items, administrative items, FME tools and test devices, and computer items. See “Sensitive Item List”.

Recycled/Recovered/Remanufactured Materials – Specific items or category of items that, by Executive Order, must be tracked and the usage reported to the government. These materials fall into two specific categories, industrial supplies (landscaping timber, oil, signage, etc.) and administrative supplies (such as remanufactured toner cartridges, recycled paper and recycled non-paper products, etc.). Specific item numbers for use in SmartStream are used to identify these purchases. Purchase Cardholders also must indicate if the item is a recycled/recovered/remanufactured item by identifying the item through use of a Recycled Button in the Cardholder’s Order Log in the Purchase Card Reconciliation Program to enable accurate reporting to the Government.

Purchase Cost vs. Operating Cost – Purchasing costs are associated with purchasing through installation of equipment. Operating costs are associated with maintaining the equipment such as extended warranties, service maintenance agreements, repairs, hardware and software support services, etc.