Georgia Institute of Technology

Spend Category Guide

For accounting purposes, the controller's Office looks at unit cost – which is described by the Spend Category - and not the total invoice amount. Departments are required to create requisition with correct Quantity, Unit Cost, Extended Amount and Spend Categories to reflect Invoice/Quotation. In order to minimize the number of Cost Transfers (Journal Entries), re-posting, and reconciliation due to incorrect spend category usage, please utilize this document supplied by Property Control.

Business Asset Classification:

To be classified as State-owned equipment an item must meet the following requirements:

- Equipment purchases with an acquisition cost of $3,000 or more. (Individual equipment items costing more than $5,000 will be budgeted as capitalized equipment, with no overhead charges).
- Item has a life expectancy of more than 1 year
- Item is owned by Georgia Tech, not the sponsor
- Item is not permanently attached to a building
- Firearms and vehicles are still to be tagged regardless of their value.

Equipment Spend Categories:

Small Value Equipment

Spend Category	Description
SC743100	Equipment Purchase - Small Value - Non-Inventory (per item cost less than $3,000)
SC743200	Equipment Purchase - Small Value - Inventory (per item cost $3,000-$4,999)
SC743500	Furniture/Fixtures - Small Value - Inventory
SC744100	Information Technology Equipment Purchase - Small Value - Non-Inventory (per item cost less than $3,000)
SC744200	Information Tech Equipment Purchase - Small Value - Inventory (per item cost $3,000-$4,999)

Capitalized Equipment *(equipment > $4,999)*

Spend Category	Description
SC843101	Equipment Purchase GT Holds Title (per item cost greater than $4,999)
SC843131	Equipment Purchase - Computers GT Holds Title (per item cost greater than $4,999)
SC843142	Equipment Purchase Information Technology (non-computer) GT Holds Title (per item cost greater than $4,999)

Sponsored Equipment

Spend Category	Description
SC743300	Equipment Purchase- Small Value - Sponsor Holds Title (per item cost $3,000-$4,999)
SC743301	FAR Equipment Purchase Delivered to Sponsor (per item cost $3,000-$4,999) Sponsor Retains Title
SC744300	Information Tech Equipment Purchase - Sponsor Holds Title (per item cost $3,000-$4,999)
SC843143	Equipment Purchase Sponsor Holds Title (per item cost greater than $4,999)
SC843144	SP Equipment Purchase Del. To Sponsor - Sponsor Holds Title (per item cost >$4,999)
SC843145	FAR Equipment Purchase Del. To Sponsor - Sponsor Holds Title (per item cost >$4,999)

Special Equipment

Spend Category	Description
SC743201	Equipment - Weapons (Public Safety Only)
SC743202	Equipment Purchase - Small Value - Motor Vehicle (less than $5,000)
SC841100	Equipment Purchase - Motor Vehicle

Lease/Purchase Equipment - (*Select if GT is leasing the equipment*)

Spend Category	Description
SC818104	CAPITAL Lease/Purchase - Equipment
SC843102	Capital Lease Equipment Purchase GT Holds Title (per item cost greater than $4,999)
SC843132	Capital Lease Equipment Purchase – Computers GT Holds Title (per item cost greater than $4,999)
SC843146	Capital Lease Equipment Purchase IT (non-computer) GT Holds Title (per item cost greater than $4,999)

Proper Account Code Examples

Description	Unit Price	Quantity	Ext. Price	Spend Category
HP ProLiant BL460c G7 Server	$2,975.44	7	$20,828.08	SC714100
Dell PowerEdge R310	$5,498.25	3	$16,494.75	SC843142
Cisco 2960 Switches	$3,798.00	4	$15,192.00	SC744200

1) Please make sure to look at the quantity column to determine the proper Spend Category.
2) **Freight charges should** be added to the value of the equipment.
3) You are allowed to use multiple Spend Categories for a Campus Requisition in Workday.

An asset may have multiple parts

Sometimes an asset is not a single item but is comprised of several items. This configuration, known as a **Host and Components**, is considered as one asset. For example, a CPU, monitor, and keyboard are considered to be a "computer" and it is added to the inventory records as one asset. The CPU is considered the Host, and the monitor and keyboard are considered components. Other components, such as memory boards or chips may be purchased later as an addition to the asset which increases its value. These items are recorded in Workday as component parts. All costs for components added to the host equipment should be rolled into the host equipment cost under one asset ID and Tag number.

Following is a glossary of terms commonly used when discussing a host/component asset.

Host Equipment:	A stand-alone, independent item is called a host (the "main" item). This includes an existing piece of equipment with a tag.
Component:	Any item(s) that goes into or belongs to a host. Components are considered to be part of the host, and their value is added to the host's value. Components are not issued a separate tag number; they are referenced by the tag number of the host.
Add-To:	A component that is purchased **AFTER** the host has been tagged. (If an item is an Add-To contact Property Control and provide the host information. Property Control will add the component value to the host.)

Component scenarios to consider:

- If a new component will be integrated into an existing tagged piece of equipment, the new component needs to have the same spend category as the tagged equipment. To know the value of the existing piece, you may contact your Property Coordinator. Before submitting the new requisition in Workday, be sure to answer the question "***Is this purchase an addition to existing inventoried equipment?***" in the Requisition Questionnaire. If yes, please provide the Tag Number of the Inventoried Equipment in order to minimize research for approvers and Property Control.