



### Asset and Capital Expense Accounts Overview

**Capital asset** = purchases of \$5,000 or more and renovations of \$50,000 (\$5,000 for Reynolda House) or more that have a useful life of more than one year. Capitalized costs include not only the asset but all costs related to bringing the asset to the location, installation of the asset and making it operational.

**Operating Expenditure** = purchases of any dollar amount that do not fit the definition above. Typically, such items will have a short-term benefit, such as cosmetic improvements or repairs that do not extend the useful life of an asset. Repairs to return an asset to normal operating condition are considered plumbing repairs, operating expenses. Examples include: roof repairs, general equipment maintenance, landscaping, painting, carpeting, supplies and furnishings under \$5,000.

Capital Expense Account	Account Title	Description	Examples
51530	Capital Equipment & Furnishings	Initial purchase of \$5k or more. Cost includes delivery, installation, etc. Cost does <b>not</b> include tax.	Conference table, Scientific lab equipment
51531	Capital Land	All expenditures related to the initial purchase of land (no dollar limit), including any due diligence costs.	Campus land
51532	Capital Software	All expenditures related to the initial implementation of software costing \$5k or more and will be use more than one year. Includes consultant and training costs. Does <b>not</b> include annual maintenance fees or upgrades.	Banner, Cognos
51537	Capital Vehicles	Initial purchase of \$5k or more, <b>including</b> sales tax, title, tags and fees.	Cars, Trucks, Trailers
51538	Capital Buildings	All expenditures related to the initial purchase or construction, including costs to raze any existing structures on the land in preparation for construction. Includes costs for building portion of real property purchases with existing structures.	Campus buildings, Storage units
51539	Capital Building Improvements	Costs of \$50,000 (\$5,000 for Reynolda House) or more that enhance or improve the original asset. These costs <b>must also</b> extend the useful life of the asset.	Roof replacement, Electrical renovation, Construction renovation

Account	Account Title	Description	Examples
46019	Proceeds from Sale of Fixed Assets	Sale of any WFU fixed asset	Vehicle, Equipment
80056	Asbestos	Expenditures related to asbestos abatement	asbestos abatement