

BUDGET FOR CAPITAL ITEMS AND CAPITAL WORKS

Policy number: 002A/06/04

Scope: The policy provides guidelines regarding budgeting for larger capital items and capital works in the financial system of SU.

Policy:

Capital items are defined as items that are added to the asset register of the University due to the characteristics mentioned below, and thereby are covered by insurance in the case of damage:

- Purchase value of R2000 and more
- Useful life of more than one year
- Detached and movable, but includes electronic equipment, such as mounted projectors, audio equipment and security equipment

Budgeting for capital items is done with the aid of program FBG100P (Budget for Furniture, Equipment and Computers). The budget number that is allocated by the system after the program has been executed must be used in completing the requisitions when the budgeted items are ordered /purchased.

As soon as the items have been approved by the dean or departmental chairperson/executive head/discipline head, the budget amount, in the case of departmental funds, is transferred to the relevant cost centre by computer, by means of program FBG100P. Funds are transferred to account number 6975 of the relevant cost centre.

NB: Program FBG100P automatically links the budgeted items to the relevant account number 6975.

All asset items, including asset items purchased with research funds and all other funds administered by SU must be entered by means of program FBG100P for inventory purposes.

Capital works can be described briefly as any modification to be applied to fixed structures of SU, e.g. addition of air conditioners, fitting of bookcases, etc, but excludes electronic equipment, such as mounted projectors, audio equipment and security equipment

Entering the budget for capital works takes place by means of program FBG115P.

After the request has been approved by the dean, it is automatically dealt with by the Facilities Management. There is no need to complete a requisition in this regard.

Contact Division:

Financial Services / Funds and Asset Management / Facilities Management
