

**EXPENDITURE  
CLASSIFICATION  
HANDBOOK**

**OFFICE OF THE COMPTROLLER  
COMMONWEALTH OF MASSACHUSETTS**

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**Note:** Please become familiar with the [Instructions Section](#) of the Expenditure Classification Handbook “ECH” before moving on to this section.

## **OBJECT CLASS KK - PROGRAMMATIC EQUIPMENT PURCHASE**

**Covered Expenditures:** This object class includes expenditures for the procurement (outright purchase) and installation of equipment to support the programmatic functions administered by state departments.

**Requirements:** All Commonwealth departments are responsible for making contract obligations and expenditures in compliance with applicable laws and CTR Fiscal Policies (see [Fixed Asset Acquisition Policy](#)). All departments that take advantage of incidental purchases must comply with incidental purchase requirements identified by CTR and OSD. In addition:

- Executive departments “Level III” must comply with [M.G.L. c. 7, § 22](#), [801 CMR 21.00](#) and the “[Conducting Best Value Procurements Handbook](#)” for [801 CMR 21.00](#) covered goods and services, and must purchase from available Statewide Contracts, and use specified Commonwealth contract forms. Exceptions from using Statewide Contracts will only be permitted with prior written approval from the State Purchasing Agent explained in [Procurement Overview - OSD Legal Authority, Strategic Oversight and the Required Use of Statewide Contracts \(Revised 10/1/2013\)](#). Departments are required to review [Conducting Best Value Procurements Handbook](#);
- Non-Executive departments “Level II” must comply with [M.G.L. c. 7, § 22](#), internal procurement policies and procedures and use specified Commonwealth contract forms.
- Exempt departments “Level I” must comply with internal procurement policies and procedures and if the department takes advantage of MMARS document processing delegation, the department must use specified Commonwealth contract forms.

**Expenditures Not Covered:** See Object Class [LL](#) and object codes: [N62](#), [N63](#), [U08](#) and [U09](#) for Equipment TELP Lease-Purchase, Lease and Rental, Maintenance and Repair. For state facility infrastructure equipment, see Object Class [NN](#). For Information Technology (IT) expenses, see Object Class [UU](#).

**K02 EDUCATIONAL EQUIPMENT** – Items necessary for instructional use in a teaching setting, for example: microscopes, overhead projectors, tape recorders and lab equipment. See [L02](#) for TELP lease-purchase; [L22](#) for rental or lease; [L42](#) for maintenance and repair costs. See [F17](#) for educational supplies.

**Legal Authority:** [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51-52](#); [801 CMR 21.00](#)  
**Oversight Department:** ANF, OSD, CTR  
**Agreement Type:** Standard Contract Form  
**Pre/Encumb/Payment Request:** RQS (optional pre-encumbrance)/PC/PRC  
**Incidental Purchase:** GAE/INP use restricted to Incidental Purchases  
**Tax Forms:** None

**K03 PROGRAMMATIC FACILITY EQUIPMENT** – Items necessary for the operation of programs of a state facility, for example: machinery, instruments, appliances, physical fitness testing equipment, and modular units. For the initial purchase of equipment during the construction of a facility, see [N18](#). See [L03](#) for TELP lease-purchase; [L23](#) for rental or lease. See [N17](#) for energy savings conservation measures.

**Legal Authority:** [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51-52](#); [801 CMR 21.00](#)  
**Oversight Department:** ANF, OSD, CTR  
**Agreement Type:** Standard Contract Form  
**Pre/Encumb/Payment Request:** RQS (optional pre-encumbrance)/PC/PRC  
**Incidental Purchase:** GAE/INP use restricted to Incidental Purchases  
**Tax Forms:** None

**K04 MOTORIZED VEHICLE EQUIPMENT** – Motor vehicles, including passenger vehicles, airplanes, helicopters, passenger trucks, lawn mowers/tractors greater than 90 h.p, and marine vessels. Includes motorized vehicle equipment accessories. See K11 for heavy equipment. See [L04](#) for TELP lease-purchase; [L24](#) for rental or lease; [L44](#) for maintenance and repair costs.

**Legal Authority:** [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51-52](#); [801 CMR 21.00](#); [M.G.L. c. 30, § 36A](#)  
**Oversight Department:** ANF, OSD, CTR

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**Agreement Type:** Standard Contract Form  
**Pre/Encumb/Payment Request:** RQS (optional pre-encumbrance)/PC/PRC  
**Incidental Purchase:** GAE/INP use restricted to Incidental Purchases  
**Tax Forms:** None

**K05 OFFICE EQUIPMENT** – For example: calculators, typewriters, postage, FAX machines, etc. For IT hardware, see [U07](#). See [L05](#) for TELP lease-purchase; [L25](#) for rental or lease; [L45](#) for maintenance and repair costs.

**Legal Authority:** [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51-52](#); [801 CMR 21.00](#)  
**Oversight Department:** ANF, OSD, CTR  
**Agreement Type:** Standard Contract Form  
**Pre/Encumb/Payment Request:** RQS (optional pre-encumbrance)/PC/PRC  
**Incidental Purchase:** GAE/INP use restricted to Incidental Purchases  
**Tax Forms:** None

**K06 PRINTING, PHOTOCOPYING, AND MICROGRAPHICS EQUIPMENT** – Printing, photocopying, duplicating and micrographic equipment; including equipment for the microproduction of source documents or electronic data and microfilm/microfiche readers and printers. Includes payments for cash buyouts. See [L06](#) for TELP lease-purchase; [L26](#) for rental or lease; [L46](#) for maintenance and repair costs.

**Legal Authority:** [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51-52](#); [801 CMR 21.00](#); [815 CMR 6.00](#)  
**Oversight Department:** ANF, OSD, CTR  
**Agreement Type:** Standard Contract Form  
**Pre/Encumb/Payment Request:** RQS (optional pre-encumbrance)/PC/PRC  
**Incidental Purchase:** GAE/INP use restricted to Incidental Purchases  
**Tax Forms:** None

**K07 OFFICE FURNISHINGS** – Furnishings including desks, chairs, floor mats and modular partitions. Chargeback for the Massachusetts Correction Industries (DOC) products available. When practical, preference should be given to items produced by DOC. See [L07](#) for TELP lease-purchase; [L27](#) for rental or lease; [L47](#) for maintenance and repair costs.

**Legal Authority:** [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51-52](#); [801 CMR 21.00](#)  
**Oversight Department:** ANF, OSD, CTR  
**Agreement Type:** Standard Contract Form  
**Pre/Encumb/Payment Request:** RQS (optional pre-encumbrance)/PC/PRC  
**Incidental Purchase:** GAE/INP use restricted to Incidental Purchases  
**Tax Forms:** None

**K09 MEDICAL EQUIPMENT** – For example: X-ray machines, blood gas analyzers, etc. See [L09](#) for TELP lease-purchase; [L29](#) for rental or lease; [L49](#) for maintenance and repair costs.

**Legal Authority:** [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51-52](#); [801 CMR 21.00](#)  
**Oversight Department:** ANF, OSD, CTR  
**Agreement Type:** Standard Contract Form  
**Pre/Encumb/Payment Request:** RQS (optional pre-encumbrance)/PC/PRC  
**Incidental Purchase:** GAE/INP use restricted to Incidental Purchases  
**Tax Forms:** None

**K10 LAW ENFORCEMENT AND SECURITY EQUIPMENT** – For example: firearms, radar, walkie-talkies, breathe analyzers, etc. For ammunition, see [F27](#). See [L10](#) for TELP lease-purchase; [L30](#) for rental or lease; [L50](#) for maintenance and repair costs.

**Legal Authority:** [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51-52](#); [801 CMR 21.00](#)  
**Oversight Department:** ANF, OSD, CTR  
**Agreement Type:** Standard Contract Form  
**Pre/Encumb/Payment Request:** RQS (optional pre-encumbrance)/PC/PRC  
**Incidental Purchase:** GAE/INP use restricted to Incidental Purchases  
**Tax Forms:** None

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**K11 HEAVY EQUIPMENT** – For example: front-end loaders, backhoes, bulldozers, cranes, etc. See [L11](#) for TELP lease-purchase; [L31](#) for rental or lease; [L51](#) for maintenance and repair costs.

**Legal Authority:** [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51-52](#); [801 CMR 21.00](#)  
**Oversight Department:** ANF, OSD, CTR  
**Agreement Type:** Standard Contract Form  
**Pre/Encumb/Payment Request:** RQS (optional pre-encumbrance)/PC/PRC  
**Incidental Purchase:** GAE/INP use restricted to Incidental Purchases  
**Tax Forms:** None

**K12 TELEVISION BROADCASTING EQUIPMENT** – High technology equipment used for audio/visual productions for video and other television broadcasting. See [L12](#) for TELP lease-purchase; [L32](#) for rental or lease; [L52](#) for maintenance and repair costs.

**Legal Authority:** [M.G.L. c. 7, § 22](#); [M.G.L. c. 30, §§ 51-52](#); [801 CMR 21.00](#)  
**Oversight Department:** ANF, OSD, CTR  
**Agreement Type:** Standard Contract Form  
**Pre/Encumb/Payment Request:** RQS (optional pre-encumbrance)/PC/PRC  
**Incidental Purchase:** GAE/INP use restricted to Incidental Purchases  
**Tax Forms:** None

**K87 CASH WITH CAMPUS** – Pursuant to Massachusetts General Law requiring Commonwealth Colleges and Universities to report the activity of campus-based funds by subsidiary to the Comptroller of the Commonwealth on the Commonwealth’s Statewide Accounting System, MMARS (Fund 0901).

**Legal Authority:** [M.G.L. c. 15A, § 15C](#) Authorizing Legislation  
**Oversight Department:** CTR  
**Agreement Type:** Relevant Supporting Detail on college and university accounting systems.  
**Payment/Receipt Request:** TV/RT (Use restricted to colleges and universities)  
**Incidental Purchase:** N/A  
**Tax Forms:** Forms 1099 and 1042 – Colleges and Universities Responsible for Compliance using local Tax Identification Number

**K90 OPERATING TRANSFER – PROGRAMMATIC EQUIPMENT PURCHASE.**

**Legal Authority:** Authorizing Legislation; [815 CMR 6.00](#)  
**Oversight Department:** CTR  
**Agreement Type:** Copy of Authorizing Legislation; Relevant Supporting Documentation  
**Pre/Encumb/Payment Request:** OT (Use restricted to CTR)  
**Incidental Purchase:** N/A  
**Tax Forms:** None

**K99 LATE PENALTY INTEREST** – Interest penalty for late payments.

**Legal Authority:** [815 CMR 4.00](#); [M.G.L. c. 7A, § 5A](#); [M.G.L. c. 29, §§ 20C, 29C](#)  
**Oversight Department:** CTR  
**Agreement Type:** Valid Claim Under Contract  
**Pre/Encumb/Payment Request:** GAP (optional pre-encumbrance)/GAE/GAX  
**Incidental Purchase:** N/A  
**Tax Forms:** 1099(INT)