

NonExempt

COFRS ACCOUNTING MODEL
Disposal of Assets

Used throughout the year to record the disposal assets.
This presentation must be achieved at fiscal year-end.

Authoritative Source(s): The Higher Education Financial Advisory Committee (FAC)
GASB Statements No. 34 and 35
AICPA College Audit Guide
NACUBO Farm Manual

Examples of Disposals

Fully Depreciated Asset							
Original Cost							\$100,000
Accumulated Depreciation							\$100,000
Book Value							\$0
Description	Fund/Agency	APPR	Program	AcctType	BSA/RSC/OBJ	Debit	Credit
Accumulated Depreciation	371/Gxx			01	18xx	\$100,000	
Asset (disposed asset)	371/Gxx			01	18xx		\$100,000
To remove from the books asset disposed of that is fully depreciated AND no money was received from disposal.							

Asset With Book Value - Gain on Disposal/Sale of Asset							
Original Cost							\$100,000
Accumulated Depreciation							\$70,000
Book Value							\$30,000
Cash Received							\$35,000
Gain on Disposal/Sale							\$5,000
Description	Fund/Agency	APPR	Program	AcctType	BSA/RSC/OBJ	Debit	Credit
Accumulated Depreciation	371/Gxx			01	18xx	\$70,000	
Cash	371/Gxx			01	1100	\$35,000	
Asset (disposed asset)	371/Gxx			01	18xx		\$100,000
Gain/Loss on Disposal of Assets	371/Gxx	NAP	4400	31	6501		\$5,000
To remove from the books asset disposed of, record cash received and to record gain on disposal.							
OT Exempt DOHE Institutional Internal	371/Gxx	NAP	9100	22	ABGC	\$35,000	
Cash	371/Gxx			01	1100		\$35,000
To "nonmandatory" transfer cash out to operating fund from plant fund.							
Cash	3xx/Gxx			01	1100	\$35,000	
OT Exempt DOHE Institutional Internal	3xx/Gxx	NAP	9100	31	ABGC		\$35,000
To "nonmandatory" transfer cash into operating fund from plant fund.							

Asset With Book Value - Loss on Disposal/Sale of Asset							
Original Cost							\$100,000
Accumulated Depreciation							\$70,000
Book Value							\$30,000
Cash Received							\$25,000
Loss on Disposal/Sale							(\$5,000)
Description	Fund/Agency	APPR	Program	AcctType	BSA/RSC/OBJ	Debit	Credit
Accumulated Depreciation	371/Gxx			01	18xx	\$70,000	
Cash	371/Gxx			01	1100	\$25,000	
Gain/Loss on Disposal of Assets	371/Gxx	NAP	4400	31	6501	\$5,000	
Asset (disposed asset)	371/Gxx			01	18xx		\$100,000
To remove from the books asset disposed of, record cash received and to record loss on disposal.							
OT Exempt DOHE Institutional Internal	371/Gxx	NAP	9100	22	ABGC	\$25,000	
Cash	371/Gxx			01	1100		\$25,000
To "nonmandatory" transfer cash out to operating fund from plant fund.							
Cash	3xx/Gxx			01	1100	\$25,000	
OT Exempt DOHE Institutional Internal	3xx/Gxx	NAP	9100	31	ABGC		\$25,000
To "nonmandatory" transfer cash into operating fund from plant fund.							