

**Exempt Institutions**  
**(100% of the institution qualifies as a TABOR designated enterprise.)**

**COFRS ACCOUNTING MODEL**  
**Disposal of Assets**

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

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

**Examples of Disposals**

<b>Fully Depreciated Asset</b>							
Original Cost							\$100,000
Accumulated Depreciation							\$100,000
Book Value							\$0
Description	Fund/Agency	APPR	Program	AcctType	BSA/RSC/OBJ	Debit	Credit
Accumulated Depreciation	320/Gxx			01	18xx	\$100,000	
Asset (disposed asset)	320/Gxx			01	18xx		\$100,000
To remove from the books asset disposed of that is fully depreciated AND no money was received from disposal.							

<b>Asset With Book Value - Gain on Disposal/Sale of Asset</b>							
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	320/Gxx			01	18xx	\$70,000	
Cash	320/Gxx			01	1100	\$35,000	
Asset (disposed asset)	320/Gxx			01	18xx		\$100,000
Gain/Loss on Disposal of Assets	320/Gxx	NAP	1900	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	320/Gxx	NAP	1900	22	ABGC	\$35,000	
Cash	320/Gxx			01	1100		\$35,000
To record "nonmandatory" transfer cash out to operating fund from plant fund.							
Cash	320/Gxx			01	1100	\$35,000	
OT Exempt DOHE Institutional Internal	320/Gxx	NAP	1100/1900	31	ABGC		\$35,000
To record "nonmandatory" transfer cash into operating fund from plant fund.							

<b>Asset With Book Value - Loss on Disposal/Sale of Asset</b>							
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	320/Gxx			01	18xx	\$70,000	
Cash	320/Gxx			01	1100	\$25,000	
Gain/Loss on Disposal of Assets	320/Gxx	NAP	1900	31	6501	\$5,000	
Asset (disposed asset)	320/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	320/Gxx	NAP	1900	22	ABGC	\$25,000	
Cash	320/Gxx			01	1100		\$25,000
To record "nonmandatory" transfer cash out to operating fund from plant fund.							
Cash	320/Gxx			01	1100	\$25,000	
OT Exempt DOHE Institutional Internal	320/Gxx	NAP	1100/1900	31	ABGC		\$25,000
To record "nonmandatory" transfer cash into operating fund from plant fund.							