

To be used by Exempt and Non-Exempt Institutions.

Use Fund 320* when 100% of the institution qualifies as a TABOR designated enterprise, use Fund 305* when the institution does not qualify for Enterprise status. However, if the institution is not an enterprise they must still use fund 320* for any enterprise specific activity.

CORE ACCOUNTING MODEL

Disposal of Assets

Used throughout the year to record the disposal of 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 Form Manual*

| Fully Depreciated Asset | | | | | | | | | | | | |
|--|--------------------------|---------------------|--------------|---------------|-----------------|------|------|---------|--------|------|-------------------|-----------|
| | Original Cost | | \$100,000 | | | | | | | | | |
| | Accumulated Depreciation | | \$100,000 | | | | | | | | | |
| | Book Value | | \$0 | | | | | | | | | |
| Ln # | Description | General Information | | | Fund Accounting | | | | | | Detail Accounting | |
| | | Posting Code | Debit Amount | Credit Amount | Fund | Dept | BSA | Revenue | Object | Appr | Function | Reporting |
| To remove a fully depreciated asset that was disposed of AND no money was received from disposal. | | | | | | | | | | | | |
| 1 | Accumulated Depreciation | F040 | \$ 100,000 | | 305* or 320* | G**A | 18xx | | | | | |
| 2 | Asset(Disposed Asset) | A016 | | \$ 100,000 | 305* or 320* | G**A | 18xx | | | | | |

OR

| 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 | | | | | | | | | |

| Ln # | Description | General Information | | | Fund Accounting | | | | | | Detail Accounting | |
|---|---------------------------------|---------------------|--------------|---------------|-----------------|------|------|---------|--------|-----------|-------------------|-----------|
| | | Posting Code | Debit Amount | Credit Amount | Fund | Dept | BSA | Revenue | Object | Appr | Function | Reporting |
| To remove a partially depreciated asset that was disposed of AND a Gain was realized on Disposal/Sale of Asset | | | | | | | | | | | | |
| 1 | Accumulated Depreciation | F040 | \$ 70,000 | | 305* or 320* | G**A | 18xx | | | | | |
| 2 | Cash | A001 | \$ 35,000 | | 305* or 320* | G**A | 1100 | | | | | |
| 3 | Asset(Disposed Asset) | A016 | | \$ 100,000 | 305* or 320* | G**A | 18xx | | | | | |
| 4 | Gain/Loss on Disposal of Assets | XR02 | | \$ 5,000 | 305* or 320* | G**A | | 6500 | | GC***NAP0 | 1900 | |

OR

| 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) | | | | | | | | | |

| Ln # | Description | General Information | | | Fund Accounting | | | | | | Detail Accounting | |
|---|---------------------------------|---------------------|--------------|---------------|-----------------|------|------|---------|--------|-----------|-------------------|-----------|
| | | Posting Code | Debit Amount | Credit Amount | Fund | Dept | BSA | Revenue | Object | Appr | Function | Reporting |
| To remove a partially depreciated asset that was disposed of AND a Loss was realized on Disposal/Sale of Asset | | | | | | | | | | | | |
| 1 | Accumulated Depreciation | F040 | \$ 70,000 | | 305* or 320* | G**A | 18xx | | | | | |
| 2 | Cash | A001 | \$ 25,000 | | 305* or 320* | G**A | 1100 | | | | | |
| 3 | Gain/Loss on Disposal of Assets | XR02 | \$ 5,000 | | 305* or 320* | G**A | | | 6500 | GC***NAP0 | 1900 | |
| 4 | Asset(Disposed Asset) | A016 | | \$ 100,000 | 305* or 320* | G**A | 18xx | | | | | |

xx There are various accumulated depreciation and asset accounts to select from please see the Higher Ed approved chart of accounts for the most appropriate one.

* Wildcard representing the unique fund for each governing board, indicated by adding the second digit of the Governing Board Department code to the Fund Number, for example, CU's department code is GFAA, the fund CU operates in is 320F.

** Wildcard in the Department Code representing the Governing Board and Institution. Example GFEA, Governing Board (F), Campus (E) for University of Colorado Denver.

*** Wildcard representing the three digit Funding Source Code for each Appropriation Unit.