

## AOSD User Flash #285: Fixed Asset Disposal

### Sale of Fixed Assets:

When fixed assets are retired and proceeds are received, a gain or loss would typically be recorded. Since PeopleSoft allows users to enter proceeds in the Asset Management module as well as in the Cash Management module, there is a risk of double booking cash. To mitigate that risk, AOSD recommends the following steps be taken when recording a fixed asset retirement where proceeds are received.

- **To record the disposal:**

Process the retirement/disposal as usual in the Asset Management module. Regardless of whether or not proceeds are received, leave the "Proceeds" field blank.

- **To record the proceeds/cash receipt:**

Process the cash receipt as usual. If an Accounts Receivable is set up for the proceeds, use the account 476199 Gain-Loss-Sale of Fixed Assets as the offsetting account to the AR. If no AR was set up, use the account 476199 Gain-Loss-Sale of Fixed Assets as the offsetting account to Cash. In other words, the entries would look like:

If AR is set up:

Dr. Accounts Receivable  
    Cr. Gain-Loss-Sale of Fixed Assets

If no AR was set up:

Dr. Cash  
    Cr. Gain-Loss-Sale of Fixed Assets

## Additional Information

Recipients of this communication include the following groups:

- FSP\_All City Users



**FINANCIALS**



**PROCUREMENT**

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