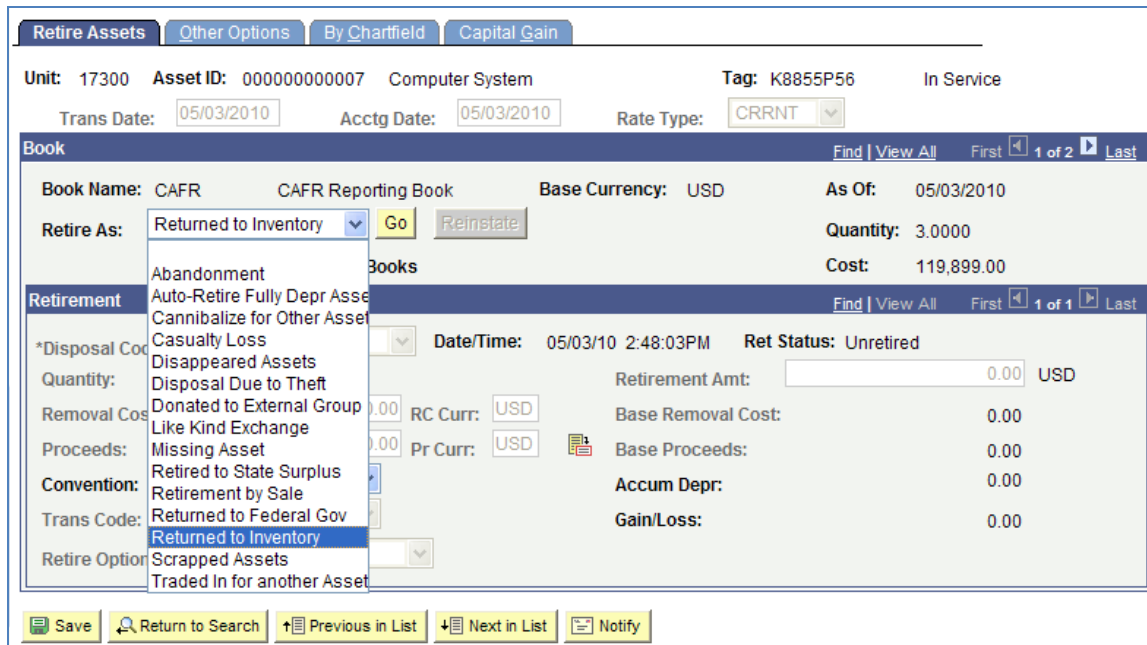


Created: 05/03/2010
Version #1

Assets that need to be returned to the vendor should be handled in one of two ways:

1. If an agency is returning an asset and receiving a like-kind replacement, the agency should keep the existing asset record In Service. If there are any discrepancies between the returned asset and the new one, the agency should correct those on the existing record. For instance, if the description changes slightly or the cost is adjusted, update the existing record. This is because it's simply a replacement—a new voucher wouldn't be created and paid again. If desired, add a comment to the asset record that says when and why the original was replaced.

2. If an agency is returning an asset and NOT receiving a replacement, the agency should retire that asset using a disposal code of Returned to Inventory. Even though PeopleSoft defines this code to be used when an asset is returned to a common inventory pool, no agency will be using this code for that purpose. It correctly accounts for removing the asset from the Fixed Asset Account as well as removing Accumulated Depreciation. No proceeds or removal costs should be entered. Agencies should think of the Returned to Inventory disposal code as Returned to Vendor.



The screenshot shows the 'Retire Assets' screen in PeopleSoft. The asset being retired is a 'Computer System' with Unit 17300, Asset ID 00000000007, and Tag K8855P56. The transaction date is 05/03/2010 and the accounting date is also 05/03/2010. The asset is currently 'In Service'.

The 'Retire As' dropdown menu is open, showing various disposal codes. The 'Returned to Inventory' option is selected. Other options include Abandonment, Auto-Retire Fully Depr Asset, Cannibalize for Other Asset, Casualty Loss, Disappeared Assets, Disposal Due to Theft, Donated to External Group, Like Kind Exchange, Missing Asset, Retired to State Surplus, Retirement by Sale, Returned to Federal Gov, Scrapped Assets, and Traded In for another Asset.

Key fields on the screen include:

- Book Name: CAFR, CAFR Reporting Book
- Base Currency: USD
- As Of: 05/03/2010
- Quantity: 3.0000
- Cost: 119,899.00
- Ret Status: Unretired
- Retirement Amt: 0.00 USD
- Base Removal Cost: 0.00
- Base Proceeds: 0.00
- Accum Depr: 0.00
- Gain/Loss: 0.00

Buttons at the bottom include Save, Return to Search, Previous in List, Next in List, and Notify.

If desired, enter a description for the retirement on the Other Options tab.

Retire Assets | **Other Options** | By Chartfield | Capital Gain

Unit: 17300 Asset ID: 000000000007 Computer System Tag: K8855P56 In Service

Book Find | View All First 1 of 2 Last

Book Name: CAFR

Retirement Find | View All First 1 of 1 Last

Gain/Loss Calculations

- Use Original Cost
- Recalc Cost Using Index
- Include Non Capitalized Cost

Conversion

- Voluntary Involuntary

Type

- Ordinary Extraordinary

Basis Reduction Code:

Index Name:

SubIndex:

Reference Code:

Description: Returned to vendor. Asset not needed. No replacement will be sent.

Trade In Asset:

- Auto-Retired

Save | Return to Search | Previous in List | Next in List | Notify