

DISPOSAL OF ASSETS

Background:

When assets are declared surplus, arrangements for effective disposal shall be made.

Definitions:

Capital Asset:

is an expenditure for a single item or system that provides services and benefits for more than one fiscal year and has a value of more than \$5,000. Capital assets are recorded individually by the Division and require special treatment upon disposal.

Information Technology Asset (IT Asset):

includes all Division-owned equipment that is used in the acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission or reception of data or information. This includes assets such as servers, computers, laptops, mobile devices, tablets, wireless networks, printers, copiers, fax machines, scanners, displays, projectors, audio systems, monitors, firewalls, routers, switches, memory devices and software. Although peripherals and consumables—for example keyboards, mice, web cameras and chargers—form part of the asset, they're not subject to asset control.

Personal Property:

is property owned by the Division that is not affixed to or associated with the land.

Procedures:

1. If the Division intends to sell personal property that has a value of more than \$50,000, the Board must conduct the sale in accordance with Section 9 of the Disposition of Property Regulation. The Secretary-Treasurer shall be contacted for further guidance.
2. Personal property with a value of less than \$50,000 may be declared surplus by staff with budget authority if:
 - 2.1. the item is obsolete, unused or unserviceable—for example, can no longer be kept in service without excessive repair costs; or
 - 2.2. changing conditions or programs make it unsuitable for further use.
3. The value of an item shall be assessed with help from the Director of Financial Services, the Director of Facility Services, and/or the Division Information and Security Officer as appropriate.
4. Other than when a transfer is made to another school or department, assets are to be disposed of in a method that maximizes revenue for the Division.
5. Personal property of the Division with a value up to \$50,000:
 - 5.1. shall be disposed of by either of the following:
 - 5.1.1. trade – equipment may be used as a trade against the purchase of future requirements of like items; or

- 5.1.2. transfer to another school or department within the Division at no cost:
 - 5.1.2.1. The Director of Financial Services shall advertise items throughout the Division on behalf of schools or departments.
- 5.2. If the item cannot be reasonably disposed of by either of the above methods, other acceptable methods are:
 - 5.2.1. public auction – equipment may be offered for sale by public auction with or without reserved values posted;
 - 5.2.2. direct sale to an individual – the purchase price shall be based on a reasonable justifiable value which shall be determined by someone other than the buyer. This method must pass public scrutiny;
 - 5.2.3. donation to a non-profit agency; or
 - 5.2.4. recycle – items that cannot be disposed of by the preceding means shall be disposed of in a fair, ethical, professional and environmentally friendly manner. This includes transfer to a waste management system.
6. Information Technology Assets
 - 6.1. Refer to [Administrative Procedure 570: Purchase, Control and Disposition of Information Technology Assets](#) and [Appendix 570-A: Information Technology Asset Purchasing, Control and Disposition Guidelines](#) for information and guidance related to IT assets.
7. Bill of Sale
 - 7.1. The standard Division [Bill of Sale](#) (Form 518-1) shall be used for all sales.
8. Capital Assets
 - 8.1. The Director of Financial Services shall be notified of any disposal of a capital asset to ensure the asset is written off and required accounting entries are processed.
9. Vehicles
 - 9.1. The Director of Financial Services shall be notified of any disposal of a vehicle to ensure the insurance is cancelled.
10. Net Proceeds
 - 10.1. Net proceeds from the disposition of a capital asset shall be credited to either the budget of the seller or capital reserves, depending on individual circumstances and accounting rules.
 - 10.2. Net proceeds from the disposition of a non-capital asset shall be credited to the budget of the seller.

Reference:

Section 52, 53, 68, 143, 192, 194, 222 *Education Act*
Disposition of Property Regulation 86/2019