



AP 574 – SURPLUS ASSET DISPOSAL

BACKGROUND

All assets purchased and donated to Saskatoon Public Schools (SPS) are the property of SPS until disposition. Excluding technology items and artwork, all moveable surplus assets are to be disposed of using this procedure. Moveable surplus assets include, but are not limited to: vehicles, equipment, furniture (chairs, desks, work stations, filing cabinets, shelving units), appliances, supplies and fixtures removed from non-moveable assets.

Reasons for an asset to be deemed surplus include: obsolete, redundant, no longer required, damaged beyond repair or completely depleted/used.

All surplus asset disposals will be documented on an Asset Redeployment/Disposal (AR/D) form.

Disposal methods for surplus assets should follow the principle of reuse, recovery and recycling to the maximum extent practical.

Selling, donating or disposing of any SPS property is at the discretion of the SPS Chief Financial Officer (CFO) and the day-to-day management of this activity is assigned to the Purchasing Services Department.

Under no circumstances may SPS property be given to any SPS employee or any other individual without explicit written permission from the CFO. In addition, no SPS property may be sold to any SPS employee or their family members without the explicit written approval from the CFO. As practical, surplus items should be disposed of in an arms-length transaction with no personal benefit (either real or perceived) to any SPS employee or their immediate family members.

The redeployment of surplus assets to another department or location is the preferred option when practical. Any financial adjustments to the participating areas will be at the discretion of the CFO.

The owning department, at its discretion, may opt to cannibalize any piece of their equipment for spare parts to maintain other assets. Documenting the retirement of an asset to be used as parts is still required on an AR/D form.

Funds generated by surplus asset disposal will be credited to the general revenues of the school division. If the net proceeds of an asset exceeds \$1,000, the department disposing of the asset may request these proceeds be credited to their department by contacting the CFO.

Equipment/vehicle trade-in is considered part of surplus asset disposal with the exception of maintenance core refunds (i.e. batteries, starters) and must follow this procedure. Trade-in amounts noted on the AR/D form should be fair-market-value and also be noted on the purchase order for the new asset.

All surplus asset disposal items are to be disposed of in a legal and environmentally conscientious manner. Any items that have no net value to SPS will be disposed of through regular disposal containers or metal recycling bins or other recycling methods.

All items sold or donated by SPS are transferred under an as-is / where-is basis. SPS does not offer to transport or deliver any item and makes no guaranties or warranties regarding the quality, condition or usability of the items being offered, donated or sold.

Items offered for sale or disposal and are suspected of being potentially hazardous must be declared so by the owning department or location. This could include items containing asbestos, laboratory chemicals, etc.



Stolen items should also be noted on the Asset Redeployment/Disposal form if no insurance claim is being submitted for the item.

PROCEDURES

All departments or locations wishing to dispose of an item under the Surplus Asset Disposal Procedure must complete and approve Section A of the AR/D form. This form should be sent to the Manager of Purchasing Services.

If the asset is deemed to have no recoverable value, the department owning the asset may dispose of the item as either waste or a recyclable item as appropriate.

If the asset is considered to have value then Purchasing Services will determine the methods of disposition.

Purchasing Services should consider re-assigning the asset to another SPS location or department if practical. If there is no other internal use for the asset disposal methods such as auction or internet sales site will be used. Donation or direct sale may be used for asset disposal but only with approval of the CFO.

The Purchasing Services Department, along with the assistance of the owning department, will arrange for the transportation of the asset to the selling location if required.

Proceeds of asset sales will be documented by Purchasing Services.

Any proceeds received from the sale of surplus assets will be forwarded to the Financial Services Department.

Net proceeds of the sale of asset will be credited to the general revenues of the school division asset by the Financial Services Department. Revenues will not be attributed back to the originating department unless approval is received from the CFO.

Any department disposing of vehicles is responsible for the cancelling the registration and insurance.

Surplus asset disposal of all technology equipment (personal computers, lap tops, note books and Central Office purchased school board cell phones) is the responsibility of the Information Systems (IS) Department. It is the IS department's responsibility to track the disposal of all technology equipment as well as ensure that all items do not include school board software or information.

For surplus asset disposal of all artwork please refer to AP 516 – Art Acquisitions.

Reference:

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