



**BUDGET PRINCIPLE: 2.17**

**Replaces Principle Dated: January 14, 2000**

**Disposal of Surplus Assets**

**Approved by: Algonquin College Executive Team**

**Effective Date: November 2010**

## **INTRODUCTION**

Algonquin College is committed to effective and efficient asset management. The following policy is intended to facilitate and encourage the timely reallocation of surplus assets.

## **DEFINITIONS**

<b>Term</b>	<b>Definition</b>
Asset	Any item that is purchased, donated or constructed by the College that has an estimated useful life expectancy of more than one year.

## **PURPOSE**

To facilitate and encourage the timely reallocation of surplus assets.

## **PRINCIPLE**

When assets become surplus, the College will redeploy/dispose of them in an equitable manner that maximizes the useful life of the asset without incurring undue operating costs exceeding the benefits derived.

## **POLICY**

### **1. Authority**

It is the responsibility of departments to determine when assets in their area are surplus.

### **2. Accountability**

Revenue from the sale of surplus assets will be credited to a general corporate revenue account maintained by Financial Services and utilized to offset College overhead expenditures. This includes sales of surplus assets by College Retail Services.

### **3. Reporting**

Departments will notify the Capital Assets Coordinator of any surplus asset as soon as it is declared to be surplus. An Asset Redeployment/Disposal form should be completed, signed by the Dean / Director and sent to the Capital Assets Coordinator for approval and guidance on how to proceed with disposal.

4. Time frame

<u>Timeframe after Declared Surplus</u>	<u>Process</u>
0 to 3 months	<p><u>Redeployment to another location within the College</u> A listing of surplus assets available for re-deployment will be posted and updated regularly on myAC. Redeployment will occur on a first come, first serve basis.</p> <p><b>*Note:</b> Computers and Laptops will not be re-deployed to other locations within the College if they are designated to be no longer serviceable by the Information Technology Services Department. Exceptions will be made for certain Academic Programs (see point 'a' below).</p>
After 3 months to 6 months	<p><u>Computers and Laptops: Public Sale via College Retail Services</u> Computers and Laptops, that are not suitable for re-deployment to other College departments, will be transferred to College Retail Services for sale to the Public.</p> <p><u>Other Academic Equipment: Public Sale from the Academic Department</u> Assets used for academic instruction that are declared surplus will be advertised and promoted as being available for sale to the Public and College students.</p> <p><u>Other Corporate Assets: Public Sale via public auction web-site</u> When appropriate, surplus assets may be sold via public auction web-site. The Capital Assets Coordinator will have the discretion to develop appropriate terms of sale.</p> <p><u>Other Corporate Assets: Public Sale via 'basement sale'</u> Surplus assets may be sold via a College 'basement sale'. The Capital Assets Coordinator will have the discretion to develop appropriate terms of sale.</p>
After 6 months	<p>After 6 months, the Capital Asset Coordinator has the discretion to dispose of surplus assets by any of the following methods:</p> <p><u>Public Sale via public auction web-site</u> When appropriate, surplus assets may be sold via public auction web-site. The Capital Assets Coordinator will have the discretion to develop appropriate terms of sale.</p> <p><u>Public Sale via 'basement sale'</u> Surplus assets may be sold via a College 'basement sale'. The Capital Assets Coordinator will have the discretion to develop appropriate terms of sale.</p> <p><u>Donation to a Charitable Organization</u> Surplus assets may be donated to other charitable organizations. Capital Assets Coordinator will have the discretion to develop appropriate terms of the donation.</p> <p><u>Immediate disposal as Scrap</u></p>

## 5. Transparency

Offers to purchase received through any of the sale methods above will be directed to the Capital Asset Coordinator for approval. The highest price offer will be accepted. In the event that none of the above methods are successful, sale to an individual (excluding College employees) or company may be negotiated.

The asset should remain in its current location until the Capital Assets Coordinator advises of its final destination.

Any asset that has become an environmental, safety or health hazard will be immediately removed from service and disposed of in the most economical and environmentally responsible manner possible.

All sales are subject to taxes as required. Purchasers will be issued a receipt clearly indicating the terms of sale.

Purchasers must arrange and pay for transportation and delivery where required.

Employees may purchase items only through an offer to purchase from one of the Public Sale methods identified above.

Revenue from the sale of surplus assets will be credited to a general corporate revenue account maintained by Financial Services and utilized to offset College overhead expenditures. This includes sales of surplus assets by College Retail Services.

## **PROCEDURES**

Departments will notify the Capital Assets Coordinator of any surplus asset as soon as it is declared to be surplus. An Asset Redeployment/Disposal form should be completed, signed by the Dean / Director and sent to the Capital Assets Coordinator for approval and guidance on how to proceed with disposal.

The Capital Assets Coordinator, in consultation with the department, will determine the appropriate course of action. Some of the factors to be considered are the condition and age of the asset, the market demand for assets of its type and the availability of space. Assets that are declared to be surplus and are in good working condition will be subject to the following process:

Assets that are declared surplus, are not in good working condition and are no longer serviceable may be disposed of immediately using any of the following methods:

- a. Computers and Laptops: Transferred to academic programs (for example, Computer Systems Technician) to be utilized for teaching practical skills in computer technology in a lab environment.
- b. Dismantling for parts
- c. Immediate disposal as scrap

## **RELATED POLICIES:**

BG II -02

## **RELATED DOCUMENTS:**

None