



## AP 574 – SURPLUS ASSET DISPOSAL

### BACKGROUND AND SCOPE

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All assets purchased and donated to Saskatoon Public Schools (SPS) are the property of SPS until disposition.

All moveable surplus assets are to be disposed of using this procedure.

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

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. Contact the Manager of Procurement Services if this procedure applies to the item in question.

Disposal can include either the sale, donation, transfer, retirement of parts, recycling or discarding of an asset.

The following are excluded from this procedure:

- Real property including land and buildings with a value of over \$100,000, which is outlined by the Ministry of Education's *Disposal of Real and Personal Property Policy*.
- Surplus asset disposal of all technology equipment (computers, laptops, tablets, smart boards and 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. Contact the IS department for further direction.
- Artwork, which is outlined in AP 516 – Art Acquisitions.

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.

### PROCEDURES

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The disposal of any SPS property within the scope of this procedure is assigned to the Procurement Services Department.

The owning department or school, at its discretion, may opt to repurpose any piece of its equipment for spare parts to maintain other assets. Documenting the retirement of an asset to be used as parts is still required on an Asset Redeployment/Disposal (AR/D) form.

All departments or schools wishing to dispose of an asset must complete Section A of the AR/D form and send to the Manager of Procurement Services.

Disposal methods for surplus assets are prioritized in the order of reuse, redeployment, sale, donation and recycling. If the asset is considered to have financial value, Procurement Services will determine the method of disposition. Any department disposing of vehicles is responsible for cancelling the registration and insurance.

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.

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



An AR/D form should also be completed for assets which are stolen or missing if no insurance claim is being submitted for the item.

### **RELATED PARTY TRANSACTIONS**

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SPS property will be disposed of in an arms-length transaction with no real or perceived personal benefit to any SPS employee or their immediate family members.

SPS property shall not be donated or sold, either directly or through a third party, to any SPS employee or their family members without explicit written permission from the Chief Financial Officer.

### **FINANCIAL IMPLICATIONS**

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Proceeds of asset sales will be documented by Procurement Services. Any proceeds received from the sale of surplus assets will be forwarded to Financial Services.

Funds generated by surplus asset disposal will be credited to the general revenues of the school division. The department or school disposing of the asset may request these proceeds be credited to their department or school through the AR/D form and approval is required by the CFO.

Reference:

Date Last Revised: April 2023