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| <b>Title:</b>          | <b>POLICY ON THE DISPOSAL OF CAPITAL ASSETS</b> |
| <b>CLASSIFICATION:</b> | MANAGEMENT                                      |
| <b>FIRST ADOPTED:</b>  | October 17, 2012                                |
| <b>AMENDED</b>         | October 15, 2014; November 11, 2014             |

**Article 1 Principles**

- 1.01 As a public institution, the College is best served by transparency in the disposal of used equipment and goods as a result of the growing need to replace aging equipment. The College's strategic goal in refurbishing and upgrading our installations has resulted in Plant and Facilities examining and defining the process of the disposal of capital assets.
- 1.02 In all cases of disposal of movable assets, the Director of Plant and Facilities will be responsible for maintaining a register of these assets as follows:
  - a. a description of the asset including the serial number and/or inventory sticker number where applicable;
  - b. purchase information (purchase order number, vendor name and number, invoice date, invoice number);
  - c. disposal details:
    - If donated, to whom and receipt/acknowledgement from recipient;
    - If sold, to whom, selling price, and copy of cheque/receipt;
    - If decommissioned or scrapped, signed by P&F.
- 1.03 The Capital Budget Committee will review the register from time to time.

**Article 2 Categorization of Capital Assets**

- 2.01 Capital assets for colleges are divided into 11 categories according to *Annexe 2 of the Politique de capitalisation des immobilisations pour les établissements des réseaux de l'éducation et de la santé et des services sociaux (avril 2012)* of the *Contrôleur des finances du Québec* as follows:
  - 2.01.1 Land and Landscaping
  - 2.01.2 Buildings
  - 2.01.3 Leasehold Improvements
  - 2.01.4 Material and Equipment
  - 2.01.5 Specialized Teaching Equipment
  - 2.01.6 Library Acquisitions
  - 2.01.7 Teaching Manuals
  - 2.01.8 Rolling Stock
  - 2.01.9 Software Development
  - 2.01.10 Communications Networks
  - 2.01.11 Lease-to-own Acquisitions

### **Article 3 Disposal of Capital Assets with Residual Value**

- 3.01 Disposal of immovable capital assets, generally those in categories 2.01.1 through 2.01.3, is governed by the *Regulation respecting the standards, conditions and procedures for alienation of an immovable of a general and vocational college (c. C-29, r. 3)*.
- 3.02 Disposal of movable capital assets with more than a nominal value, generally those in categories 2.01.4 through 2.01.11, is governed by this policy.
- 3.03 The Director of Plant and Facilities, after consultation with the Coordinator of Financial Services, the manager responsible for the movable capital asset and, as appropriate, the Director of Information Systems and Technology, will present a proposal for the disposal of movable capital assets with residual value to the College's Capital Budget Committee. The Capital Budget Committee will confirm the fair market value of each of the assets and determine the method of disposal, either by donation, invitations to bid or internal silent auction.

### **Article 4 Disposal of Capital Assets with No Actual Value**

- 4.01 The procedures outlined in clauses 4.02 and 4.03 apply:
- a) when the equipment or goods have a zero residual (book) value in the College's capital assets;
  - b) when the cost of transportation and/or disposal is higher than the estimated selling value.

#### **4.02 Goods and Equipment in Acceptable Working Condition**

When the College disposes of goods or equipment which are no longer required or usable by the College but still in acceptable working condition, the College may:

- donate them to other academic institutions, social groups or charitable organizations;
- sell them to external bodies by invitation through a bidding process;
- sell nominal value individual items through an internal silent auction.

In no case will the College sell capital assets to external individuals.

#### **4.03 Other Goods and Equipment**

When goods or equipment are considered damaged, unsafe and beyond repair, or have been deemed to be not usable in their current state due to legal safety restrictions, e.g., CSST regulations, the College may:

- sell the items to external bodies that specialize in repair, recovery or refurbishing of such items;
- sell the items to scrap metal or recycling companies;
- dispose of the items while respecting the College's sustainability practices.

In no case will the College sell these items to any individual, internal or external.

#### 4.04 Exceptions

In the case of a researcher whose grant subsidy includes provisions for the purchase of capital assets which become the property of the researcher on conclusion of the grant, the disposal stipulations described above are waived with the exception of the requirements under clauses 1.02 and 1.03

### **Article 5      Responsibility**

- 5.01 The Director of Plant and Facilities, in conformity with clause 5.08 of Bylaw Number 1, is responsible for the application and administration of this Policy.
- 5.02 The Management of the College is responsible for adopting and revising this Policy as required from time to time.