

<b>Topic:</b>	<b>Disposal of Surplus / Obsolete Assets Administrative Procedure</b>
<b>Effective:</b>	<b>October 2019</b>
<b>Cross-Reference:</b>	<a href="#">Code of Ethics Policy</a> ; <a href="#">Code of Ethics Administrative Procedure</a> ; <a href="#">Procurement Administrative Procedure</a> ; <a href="#">School Generated Funds Administrative Procedure</a> ; <a href="#">Broader Public Sector Procurement Directive</a>
<b>Reviewed:</b>	<b>October 2019, October 2022</b>
<b>Revision Date:</b>	<b>October 2026</b>
<b>Responsibility:</b>	<b>Superintendent of Business Services and Treasurer</b>

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## **INTENDED PURPOSE**

The purpose of this Administrative Procedure is to provide a standard process for the disposal of surplus / obsolete assets, equipment and fixtures within the Halton District School Board (HDSB).

## **DEFINITIONS**

**Asset:** Means a physical item that the HDSB has acquired or purchased.

**Equipment:** Means anything kept, furnished, or provided for a specific purpose.

**Fixture:** Means a piece of equipment or furniture which is fixed in position in a building.

**Obsolete:** Means any Asset, Equipment or Fixture that is no longer useful at the location, because of changing technology or a change in the delivery of programs:

**Surplus:** Means any Asset, Equipment or Fixture that has not been used or is no longer needed at a HDSB school, department or HDSB location.

**Public Auction:** Means an auction that gives prospective buyers a description of the property to be auctioned off or sold.

## **GENERAL**

All assets, equipment and fixtures contained within a school/department or HDSB location as well as assets, equipment and fixtures purchased through HDSB budgets, school generated funds and/or donations remain the exclusive property of the HDSB. These items shall not be disposed of or sold by a school, department or employee without the permission of the Manager of Purchasing (or designate).

The intent of this standard approach is to obtain maximum utilisation or recovery of funds when assets, equipment or fixtures are no longer required for their original purpose. The disposal method chosen, should be the one that results in the best overall benefit to the HDSB and has minimum impact on the environment. Surplus equipment or fixtures from HDSB facilities that are scheduled for closure will be coordinated and managed through the Purchasing Department.

## **PROCEDURES**

School/department or staff are not permitted to dispose of HDSB property, except as authorised in accordance with this Administrative Procedure.

### Declaration of Surplus

Schools/ departments that have surplus or obsolete assets, equipment or fixtures are to offer the items to other schools or departments within the HDSB, directly, or by providing the Purchasing Department with an inventory list of surplus items, (Appendix A). HDSB surplus may be used to fill a need elsewhere within HDSB, as long as it is not cost prohibitive to relocate surplus items. Assets, equipment or fixtures deemed surplus are to be held at the originating location for a ten (10) business day internal solicitation period. Surplus not requested by/or moved to another HDSB facility within ten (10) business days, is to be reported to the Purchasing Department using Appendix A. Upon the conclusion of the HDSB's internal solicitation process, any surplus not re-purposed within the HDSB, will be addressed through the Purchasing Department.

### Request for Surplus

Schools/departments may request surplus from other schools / departments directly. A budget code must accompany any internal surplus request to ensure all costs associated with surplus movement is the responsibility of the receiving location. Surplus requested to be utilised at a different HDSB location, is to be relocated in the most cost effective manner possible. A work order issued through the Facilities Department may be required to disconnect large equipment/fixtures, prior to being relocated, as well as when installed within the receiving HDSB location. All work orders will be coordinated and approved through the Facilities Department to ensure infrastructure (electrical, plumbing, ventilation etc.) and asbestos requirements are documented and properly addressed.

### Disposal of Surplus Goods

If offered surplus assets, equipment or fixtures are not requested or needed by other schools/ departments within ten (10) business days, then the originator is to contact the Purchasing Department. The Manager of Purchasing (or designate), in collaboration with the originating location Principal or Manager will proceed with disposing of the assets, equipment or fixtures. All material that is to be disposed is to be categorised and an inventory list is to be created by the originating location (Appendix A). This list is to be forwarded to the Manager of Purchasing. The method of disposal used for a particular asset should be that, which results in the best overall benefit to the HDSB.

Approved methods of disposal include (but are not limited to):

- Scrap, dismantle, recycle, refurbish, recondition, rebuild
- Donate to a non-profit organisation or relief fund at no cost to HDSB
- Return to the supplier for trade-in or credit
- Sell by public quotation to the highest bidder
- Sell by cooperative public auction with other public agencies
- Utilise services of a third party

## Sale of Surplus

All surplus that is no longer needed or useful within the HDSB, but is in saleable condition, shall be listed and put out to bid or public auction. The Purchasing Department shall manage the sale of such items. Items sold through this process will require the completion of a Bill of Sale (Appendix B) which intends to limit the HDSB liability to third parties. Completed Bill of Sale forms are to be retained by the Purchasing Department. All payments for the purchase will be made payable to HDSB and submitted to the Manager of Purchasing (for audit purposes) along with the Bill of Sale documents.

Revenue from sales shall be processed and deposited through the HDSB Finance Department.

Appendix A

Surplus Inventory List

Date: \_\_\_\_\_

School / Department: \_\_\_\_\_

Contact Person:(name, phone#, email \_\_\_\_\_

Location within the building: \_\_\_\_\_

Description	Colour	Manufacturer	Serial Number	Condition Good/Fair/Poor	Age (If known)	Action Relocate/Sell/ Dispose	Work Order Required Yes/no

Add more lines as required. Include pictures where possible.

This form when complete will be forwarded to the Purchasing Department.

## **Appendix B**



### **BILL OF SALE**

Made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_

**B E T W E E N:**

\_\_\_\_\_ (the “Purchaser”)

-and-

HALTON DISTRICT SCHOOL BOARD (the “Vendor”)

**WITNESSETH THAT:**

**1. Purchased Asset(s)**

The Vendor hereby sells, transfers, conveys and assigns to the Purchaser, its successors and assigns, subject as hereinafter provided, all of its right, title and interest in the item(s) set forth in Schedule “A” attached hereto (the “Purchased Assets”).

**2. Consideration**

As consideration for the Purchased Assets, the Purchaser shall, on receipt of the Purchased Assets, pay to the Vendor the sum of \_\_\_\_\_ (\$\_\_\_\_\_) representing the value of the Purchased Assets being conveyed by the Vendor to the Purchaser.

**3. Limitation of Vendor’s Liability**

(a) The Purchaser has fully inspected, examined and investigated the purchased assets.

(b) The Vendor makes no representations, warranties or guarantees in respect of the Purchased Assets and the Purchaser accepts the Purchased Assets on an as-is and where-is basis, with all faults, and without recourse, irrespective of condition, wear or damage.

(c) The Vendor hereby disclaims any and all other warranties, either express, or implied, by fact or by law, including but not limited to representations or warranties of merchantability or fitness for the ordinary or any particular purpose, the condition, design, construction, quality, accuracy or completeness of any Purchased Assets, and the results of any future operations, sales or other economic performance of any Purchased Assets. No claim shall be made by the Purchaser relating to or arising from the condition, operation, use, design, construction, accuracy or completeness of any Purchased Assets or for incidental or consequential damages arising therefrom (including but not limited to any product liability claims).

(d) The removal of the Purchased Assets from the Vendor's premises shall be the sole responsibility of the Purchaser.

**4. Indemnity and Release**

The Purchaser hereby agrees to release, hold harmless and indemnify the Vendor and its respective trustees, officers, employees and agents from and against all liability, claims, damages, actions, and costs related to the use of the Purchased Assets by the Purchaser or the removal of the Purchased Assets by the Purchaser.

**5. General Terms**

(a) This indenture shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and assigns.

(b) This indenture shall be governed and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

(c) The Vendor and the Purchaser hereby agree that either of the Vendor's or Purchaser's execution of this indenture may be evidenced by signature thereafter delivered by facsimile transmission, which shall be conclusive evidence that this indenture has been duly executed by that party.

(d) This indenture may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.

(e) The Purchaser acknowledges having read and understood the terms and conditions stated above and agrees to be bound by them.

**IN WITNESS WHEREOF** the parties hereto have executed this indenture.

**HALTON DISTRICT SCHOOL BOARD**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**[PURCHASER]**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_