

DATE: March 4, 1999

MEMORANDUM TO: Deans and Directors

COPY TO: Jan Chaboyer, Purchasing Officer
Deb Berkan, Director, Financial & Registration Services

FROM: Scott J. B. Lamont

SUBJECT: **Disposal of Surplus Assets on Campus**

The Policy on Disposal of Obsolete or Surplus Furnishings and Equipment (including Computer Equipment) is found in the Brandon University Purchasing Manual.

Among other important pieces of information, the policy states that:

Any disposal of University assets, regardless of value, must be processed through the Purchasing Office of Financial & Registration Services

The policy also states that:

It should be noted that all physical assets, including furnishings and equipment, donated to or purchased by Brandon University, whether purchased from Operating Funds (including PDA), Renovations and Equipment Funds, or Research and Special Purpose Funds, are the property of the University. These assets do not belong to any individual person, department or faculty and may be claimed or reassigned by the University, as it deems necessary.

The policy has not been clear in the subsequent procedures on whether transfers of furniture or equipment between University departments is to involve a "purchase" of the item from the disposing unit or whether it is to be simply transferred.

The President's Advisory Group discussed the issue and came to a unanimous position that transfers of property between departments should be done without financial consideration.

Effective immediately, the policy is revised to ensure that inter-departmental transfers are done without financial consideration.

It should be noted that proceeds from the sale of property (through the Purchasing Office) are to be credited to the disposing unit. It should also be noted that property may only be offered for sale if no other unit on campus can make use of the item.

The purchasing manual will be revised to reflect these changes and new pages will be distributed to update the manual.

Scott J. B. Lamont
Chief Administrative & Financial Officer

7. Policy on Disposal of Obsolete or Surplus Furnishings and Equipment (including Computer Equipment)

In order to facilitate effective use of the University's resources and promote accountability for those resources, this policy on the disposal of obsolete or surplus furnishings and equipment has been developed.

It should be noted that all physical assets, including furnishings and equipment, donated to or purchased by Brandon University, whether purchased from Operating Funds (including PDA), Renovations and Equipment Funds, or Research and Special Purpose Funds, are the property of the University. These assets do not belong to any individual person, department or faculty and may be claimed or reassigned by the University as it deems necessary.

Notwithstanding the foregoing, when assets are to be disposed of, the unit (faculty, etc.) should consider firstly its own continuing need for the asset; secondly, the needs of other University units; and, lastly, the value of the asset as a trade-in on a new piece of equipment. A written release of the assets is to be provided to the Purchasing Office. Assets may only be offered for sale if no other unit on campus can make use of the item. The net proceeds from any sale of these assets will be credited to the appropriate budget unit in the form of a recovery.

The following provisions apply to all sales.

- The appropriate Budget Unit Head must approve all disposals. Where the revenue is likely to be greater than \$1,000, approval of the appropriate Vice-President must be obtained.
- Disposals required as a result of emergency or hazardous situations must be coordinated through the Office of the Vice-President, Administration & Finance. Disposal of assets that include or incorporate any hazardous chemical(s) must be coordinated through the University Safety and Health Office. That Office will be responsible for ensuring that applicable regulations are followed and that the terms and specifications of the University Emergency Procedures Manual are implemented.
- Any disposal of University assets, regardless of value, must be processed through the Purchasing Office of Financial & Registration Services in order to:
 1. Ensure that the University community is made aware of the availability and possible utility of the assets in the event that a transfer might be possible.
 2. In the event of sale of the assets, the Purchasing Office must:
 - Assist in determining the probable value of the assets. In the case of computer equipment, this will be done in consultation with Computer Services.
 - Determine the necessity of outside advertising and obtaining competitive bids for any proposed sale.
 - Determine the applicability of any taxes.

- Ensure that the University has received or will receive adequate (monetary) value for any sale.

3. Record any transfers or sales in the University equipment records.

8. Renovations and Equipment:

Individual items with a value of more than \$1,000 including taxes, with a useful life in excess of one year, should be coded to renovations and equipment.

Small items valued under \$500, with a useful life in excess of one year, will not be coded as renovations and equipment individually or when purchased in a group, e.g. software programs, filing cabinets, etc. Smaller items that are a part of a set with a total value of over \$500 will be coded to renovations and equipment.

9. Career Development or PD Funds:

The University provides for professional development funds for all BUFA members and Exempt Staff members. Refer to the following sections of agreements or handbooks for a detailed explanation:

Brandon University Faculty Association Collection Agreement
Brandon University Exempt Staff Handbook

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Normal purchasing procedures apply in all respects to these funds.