



POLICY:  <p style="text-align: center;"><b>Disposal of Surplus Assets</b></p>		POLICY NUMBER:  <p style="text-align: center;"><b>FM-3</b></p>
		PREVIOUS/REPLACES:  <p style="text-align: center;"><b>Disposal of Surplus Assets</b></p>
APPROVED BY:  <p style="text-align: center;"><b>Executive Council</b></p>	EFFECTIVE DATE AS OF:  <p style="text-align: center;"><b>March 13, 2017</b></p>	PRIOR VERSIONS:  <p style="text-align: center;"><b>October 30, 2009</b></p>

**1. Policy Statement:**

The Manitoba Institute of Trades and Technology (to be referred to as MITT) determines, on an ongoing basis, items of furniture, equipment, supplies, vehicles, and other assets which are surplus to its requirements. The items have been purchased with MITT funds or have been donated by individuals or organizations.

Disposal of an asset may be necessary for many reasons including the asset becoming obsolete, redundant, inefficient, becoming unserviceable or beyond repair, replaced by an upgrade, damaged, stolen or missing, or surplus to requirements.

A clear process outlining disposal requirements will help minimize storage costs and reduce space tied up by surplus equipment that is no longer needed.

Before an asset is declared surplus, MITT will ensure that the asset could not be used elsewhere in the organization. All areas of MITT will have an equal opportunity to obtain surplus assets before they are disposed of. Additional costs may be incurred by the area accepting the surplus asset provided the costs are paid by the department receiving the asset and that the benefits of retaining the asset outweigh any additional costs to move or keep the asset.

**Principles:**

- No surplus equipment acquired from any source of funds will be removed from MITT property without the appropriate MITT signatories on the Surplus Asset Offer form (see Appendix “A”).
- MITT will attempt to dispose of these items in a manner that will generate revenues for the Institute or reduce costs associated with their disposal.
- Any disposal of surplus assets will employ a fair and equitable process. All employees of MITT will be made aware of the disposition of assets and have an opportunity to bid on the assets.
- If an asset was donated to MITT, any disposal requirements specified in the donor agreement shall be adhered to.



- If an asset cannot be sold or donated then disposal will consider all recycling options and environmentally sound practices will be deployed to dispose of an asset.
- In a situation where there is an opportunity for a program area to materially benefit from the sale of an asset, proceeds from the disposition may be credited to the program area subject to approval from the appropriate Vice-President and the Associate Vice-President, Finance & Campus Services. Revenue accrued from the disposition should normally be used in the same fiscal year that it was generated.
- For all assets deemed to be immaterial to the program (e.g., filing cabinet, desk, etc.), the proceeds of the sale of assets will be credited to a MITT general revenue account. Only in the case of pre-approval from the Associate Vice-President, Finance & Campus Services would proceeds be credited to the department/program budget area.
- All assets sold are on an “as is, where is” basis. There will be no warranties and the purchaser shall be responsible for removal at their own expense within a determined period of time. For assets sold at a public/garage sale payment is required at the time of sale.

## **2. Scope:**

This policy applies to all employees that have any involvement in disposing surplus assets.

The disposal of all buildings and land owned or leased by MITT are excluded from this policy and must have approval from the Governing Board.

## **3. Procedure:**

### **Procedures to Sell**

To facilitate the disposition of surplus assets:

1. If an asset has been identified to be surplus according to this policy, the Finance Department must be informed before it is disposed of.
2. The Surplus Asset Offer Form must be completed for the sale of any surplus assets that fall within the scope of this policy.
3. Individual program/department areas will identify which assets are surplus to MITT's requirements. This assessment will be forwarded to the appropriate Manager/Director/Dean or designate for approval.
4. Disposition of general administrative assets that are used corporate wide will be determined by the Manager, Operations.



5. Each specific program area and/or operations will ensure that the maximum asset life has been used without incurring operating costs that exceed the benefits being derived from the asset before it is disposed of.
6. All surplus assets identified will be assigned an estimated market value jointly by the applicable department and the Manager, Operations.
7. Items valued at less than \$1,000.00 will be disposed of in one of the following ways:
  - a. Written Bids – A list of all surplus assets that are being disposed of shall be communicated to all MITT staff through a group email. The communication shall indicate the asset(s) being disposed of, the minimum bid required, and the date the bid is due. Bids may be made either electronically or manually using a prescribed form. The highest bid shall prevail.
  - b. Public Sale – A list of all surplus assets shall be provided to MITT staff and the Metro School Divisions Committee and advertised to the general public for disposition at public/garage sale. The advertisement shall include a list of the assets to be disposed of, the location and date of the sale, and any minimum bids that may be required.
8. Items valued at \$1,000.00 or greater will be disposed of in one of the following ways:
  - a. Trade - Where replacement equipment is purchased, the surplus or obsolete asset may be used as a “trade-in”.
  - b. Written Bids - Items will be advertised in trade publications, local newspapers, and MITT’s website. Written offers to purchase will be accepted by the Associate Vice-President, Finance & Campus Services or designate.
9. Items with no market value, may be donated “as is” to a non-profit organization with any associated costs the responsibility of the recipient organization.
10. MITT will ensure that taxes are collected and remitted to the appropriate level of government.

#### **4. Administration:**

The Associate Vice-President, Finance & Campus Services is responsible for ensuring this policy is adhered to.



**5. Review:**

This policy will be reviewed by Executive Council every five years.

**6. Reference:**

Donor Relations – Acceptance of Gifts



**APPENDIX "A"  
SURPLUS ASSET OFFER <sup>(1)</sup>**

**A. PURCHASER**

Purchaser must complete Section A and submit to appropriate MITT Authority (Manager/Director/Dean or designate or Manager, Operations).

I, \_\_\_\_\_, of \_\_\_\_\_

offer to purchase:

COMPLETE ITEM DESCRIPTION	QUANTITY	PRICE
	<b>SUBTOTAL</b>	
	<b>5% GST</b>	
	<b>8% PST</b>	
	<b>TOTAL</b>	

<sup>(1)</sup> The highest bid on each individual item will be accepted.

\_\_\_\_\_  
*Purchaser's Signature*

\_\_\_\_\_  
*Date*



**B. ESTIMATED MARKET VALUE (to be completed by MITT)**

The item(s) to be sold have been appraised at the following amounts:

Item(s) Being Sold:	Appraised Amount (\$)	Minimum Bid (\$)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**C. MITT AUTHORIZATION TO ACCEPT OFFER TO PURCHASE SURPLUS ASSET(S)**

\_\_\_\_\_  
*Manager/Director/Dean or Designate Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Manager, Operations Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Associate Vice-President, Finance & Campus Services Signature*

\_\_\_\_\_  
*Date*