



Disposal of Surplus Assets and Goods

Financial Services – Business Advisory Services
Policy C21

Policy:	C21 – Disposal of Surplus Assets and Goods
Policy Department(s):	Financial Services – Business Advisory Services
Adoption Date:	March 19, 2001
Adoption Reference:	03/150/2001
Effective Date:	March 19, 2001
Last Amended:	November 28, 2022

Policy Purpose

To conduct the disposal of municipal assets, surplus supply of goods, and assets/goods seized under Distress Warrant in a transparent and fair manner, while recovering the maximum Residual Value.

Policy Statement

This policy is designed to conduct the disposal of County assets, surplus supply of goods, and assets.

Definitions

“Asset” means an item, thing or entity that is physically existing and has potential or actual value to an organization.

“County” means the municipality of the County of Grande Prairie No. 1 having jurisdiction under the Municipal Government Act and other applicable legislation.

“Distress Warrant” means written instructions to seize goods of the person named in the warrant.

“Leased Asset’s/Capital Leases” means an asset which is provided for use by the owner to the County for a period of time or as indicated in the leasing contract, in return for money or monetary compensation. During this indicated period, the owner is in contract with the County, allowing the County to utilize the asset until it is returned or otherwise disposed of.

“Local Area Municipalities” means the local municipalities located within the County of Grande Prairie No.1.

“Net Residual Value” means the historical cost of an asset less depreciation and anticipated disposal costs.

“Surplus Assets” means tangible capital assets that are obsolete, no longer needed, or no longer usable, as determined by the responsible director.



Disposal of Surplus Assets and Goods

Financial Services – Business Advisory Services
Policy C21

“Surplus Goods” means items that have an original cost of less than \$5,000 or do not meet the definition of a Tangible Capital Asset.

“Tangible Capital Asset” means the non-financial assets having physical substance that:

- Are held for use in the production or supply of goods and services
- Have useful lives that extend beyond one year
- Are to be used on a continuing basis by the County of Grande Prairie
- Are not for sale in the ordinary course of operations Policy Guidelines

“Technology Assets” means computing devices, peripherals, software/hardware, servers, printers, copiers, facsimile equipment, mobile devices, and any other technological devices capable of retaining data, including leased electronic equipment.

Methods of Disposal

1. When a director deems an asset as a Surplus Asset, the department manager in conjunction with the Procurement Advisor, will dispose of the asset using the following methods:
 - 1.1. Trade-in the asset
 - 1.2. Offer the asset free of charge to other County departments
 - 1.3. Offer the asset at its Net Residual Value to Local Area Municipalities
 - 1.4. Sell the asset through a competitive commercial mechanism, such as through a competitive bid or through auction (traditional or electronic format), in an open and transparent process.
 - 1.5. If the asset is a vehicle, return the vehicle to the leasing agency, for resale and equity return to the County of Grande Prairie for use of the vehicle's replacement, or to be sent to the Mobile / Non-Mobile equipment replacement reserve.
2. If the above methods of disposal are unsuccessful or deemed inappropriate, the Procurement Advisor, in consultation with the relevant department manager, will dispose of the asset through the best alternative and environmentally sustainable method.
3. Once an asset is disposed of, the Department Manager (or staff responsible for the management of the asset), must notify the Business Advisory Team. This is to facilitate the asset being removed from Insurance Policies, and Asset Registries.
4. Proceeds from the disposal of Surplus Assets will be transferred to the Mobile/Non-Mobile Equipment Replacement Reserves, or Computer Equipment Replacement Reserve.
5. County employees may only purchase Surplus Assets through an open, public and transparent method.



Disposal of Surplus Assets and Goods

Financial Services – Business Advisory Services
Policy C21

Disposal of Technology Assets

6. County-owned Surplus Assets, including leased equipment, containing memory devices shall be decommissioned prior to disposal to ensure the protection of confidential and sensitive data. Departments shall also ensure that any leased equipment is decommissioned by the Service Desk prior to its return to the lessor.

Acquisition of Surplus Assets by Charitable and Non-profit Organizations

7. Charitable and non-profit organizations can bid on County Surplus Assets through competitive commercial processes that the County undertakes for the disposal of Surplus Assets. If the asset is below the Surplus Goods threshold, it may be donated for charitable or benevolent purposes at the discretion of the responsible director. Any requests for assets will be presented to Council for consideration.

Disposal of Surplus Goods

8. When a director has approved an item for disposal that meets the definition of Surplus Goods under this policy, the department manager will dispose of the item using the most appropriate method of disposal listed in this policy.

Internal Transfer of Assets

9. When an internal transfer of asset occurs (Policy Guideline 1.2) the asset cannot be added to the receiving department's equipment replacement list, rather, replacement of the asset will require a new capital budget request.

Attachments

N/A

References

Legal Authorities	Municipal Government Act, RSA 2000 c M-26, sections 70 and 445
Related Plans, Bylaws, Policies, Etc.	Policy B1 – Policy Development Policy C12 – Tangible Capital Assets Policy C39 – Asset Management
Other	Procedure C21 – Disposal of Surplus Assets and Goods

Revision History

Review Date	Description
November 28, 2022	Reviewed and Amended CM20221128.016
October 21, 2019	Reviewed and Amended CM20191021.036
August 21, 2006	Reviewed and Amended CM08/987/2006
March 19, 2001	Adoption Date CM03/150/2001