

Category:	Finance & Administration	Number:	4.07
Responsibility:	Vice-President Finance & Administration	Approval:	Board of Trustees
Approval date:	June 23, 2011	Issue date:	May, 1988
Next review:	June, 2014		

Background

Brock University is committed to effective and efficient management of University assets. When assets become surplus, the University will redeploy/dispose of them in an equitable manner that maximizes its useful life without incurring operating costs exceeding the benefits derived. The following policy is intended to facilitate and encourage the timely reallocation or disposal of surplus assets.

Purpose

The purpose of this policy is:

To clarify the assets to which this policy applies.

To provide a method to identify, track, store and redeploy/dispose of assets that have no further use to the department currently using the asset or to the University.

To promote redeployment and reuse of assets within the University on an equal opportunity basis.

To minimize costs relating to storage and to provide sufficient lead time for inter-departmental transfers.

To maximize the resale value of all assets that are of no further use to the University. To ensure that Brock operates in accordance with Canada Revenue Agency (CRA) requirements in respect to all applicable sales taxes, duties, and employee taxable benefits relating to asset dispositions.

To identify conditions under which assets will be considered scrap or available for donation.

To provide a basis for insurance coverage and the reporting of capital expenditures to external governing bodies.

Promote and facilitate sustainability at Brock University.

Scope

This policy applies to all assets purchased through any Brock University account and includes all University departments and related organizations. The scope of this policy includes, but is not limited to, the following assets; equipment for teaching, research, academic and administrative support (scientific, office, audio visual, fitness, maintenance, communication, administrative), furniture, fixtures, computers, software, vehicles, etc.

Brock University is responsible under research grants, contracts and agreements for the custody of the equipment purchased from the funds provided. Unless otherwise specified by a granting agency, all equipment is considered to be Brock University Property and therefore included in the scope of this policy. The ownership of certain assets purchased by Brock University may be determined by a granting agency upon completion of the research project.

All assets purchased through professional allowances, including computers and software, are the property of Brock, even when located off campus, and are included in this policy, unless otherwise specified in the individual employment contract or the funding agreement, as noted above. While

the equipment is located off-campus, the person using it assumes full responsibility for any loss or damage due to negligence.

Exclusions:

The disposal of all land, parking lots, and buildings and building improvements owned or leased by the University must have Board of Trustees approval and are excluded from this policy.

Library materials (e.g. books, periodicals, etc.) are excluded from this policy and are administered by the University Librarian or the Instructional Resource Center Manager.

Materials for resale purchased by the Brock University Bookstore are excluded from this policy.

Policy

1. The existing user department should complete an Asset Redeployment/Disposal Form (form is available at www.brocku.ca/finance/faculty-and-staff/procurement-services/surplus-asset-redeployment-dis) when an asset is first considered for redeployment/disposition and forward it to the Manager, Procurement Services or Supervisor of Shipping & Receiving. Circumstances which may give rise to the completion of this form include:
 - An asset cannot be redeployed within the same unit.
 - Decisions regarding space reallocation/reconfiguration/reuse that necessitate removal of furniture/equipment.
 - An asset uses outdated technology and requires replacement.
 - An asset has been damaged beyond economical repair.
 - It is not economically viable to dismantle the asset for parts.
 - An asset has become an environmental, safety or health hazard.

Note: Before considering any asset for redeployment, the user department should ensure the asset is not used periodically by any other unit whose operations may be detrimentally impacted by the removal of the asset. Furthermore, the asset should remain in its current location until a final destination is determined. Surplus or broken assets should not be placed in public spaces such as corridors or stairwells as this is a violation of the Fire Code.
2. An Asset Redeployment/Disposal Form must be completed for all assets that are stolen. This form together with the Campus Security Incident Report must be forwarded to the Manager of Procurement Services and reported to the Associate Vice-President of Finance.
3. Information Technology Services (ITS) should complete the "Recommended for" and "Condition" section of the Asset Redeployment/Disposal Form for the redeployment/disposal of all computer equipment and peripherals.
4. The Manager, Procurement Services will co-ordinate with Central Stores, Facilities Management or any other unit necessary for the redeployment/disposition of the asset. In specific instances (as noted on the form), Procurement Services may delegate its operational responsibilities to other groups within the University while retaining its functional authority.
5. Procurement Services or delegate will publicize the availability of all assets designated for redeployment to all Brock units. In keeping with the common goals and objectives of the University community, need will always be the overriding factor when assessing surplus equipment for redeployment. If no requests are received to redeploy the asset after a sufficient length of time (no less than 10 business days and no greater than 1 calendar month but will be published on web site), the asset may be stored or sold or scrapped in accordance with environmental recycling best practices. Opportunity for budget transfers equivalent to the fair market value of the assets transferred would be subject to 8 below. Where disputes arise regarding inter-departmental transfers, the unit heads involved will resolve it or the Vice-President Finance & Administration or designate will arbitrate.

6. The user department or researcher has an obligation to recommend to Procurement Services either the continued storage or the redeployment/disposal of a specialized asset that carries a significant fair market value.
7. Where the proceeds of disposition are less than the fair market value and the assets are transferred to a departing/retiring faculty member, Human Resources must be notified immediately. This will ensure that all benefits of employment are reported on the employee's T4 as a taxable benefit for the year in which the assets are transferred.
8. The sale of any asset which cannot be redeployed will be handled by one of the following methods:
 - Trade-in against replacement equipment required.
 - Public auctions/display on website for those articles which are marketable to others.
 - Special negotiations with others for scientific, technical or research equipment.
9. To account for the sale of all fixed assets, the proceeds of the sale of assets will be credited to a general revenue account. However, an amount equal to the proceeds (less fees associated with the advertisement or sale of the asset) will be made available for subsequent budget adjustments to user departments. The Finance Department will review all proceeds of disposal, make all appropriate budget adjustments and accounting entries and will review for tax implications. Some budget adjustments may require the approval of the Financial Planning and Human Resources Committee.
10. An asset will be considered scrap or eligible for donation to charitable or government-funded organizations when:
 - The asset has been damaged beyond economical repair. (Scrap)
 - It is not economically viable to dismantle the asset for parts. (Donation)
 - The asset has become an environmental, safety or health hazard. (Scrap)
 - The value of the asset is so negligible that the administrative cost to sell the asset would exceed the value of the proceeds of the sale. (Scrap or Donation)
 and all attempts to redeploy or sell the asset have been unsuccessful and/or if the costs of storage exceed the benefits. In these cases, the Manager, Procurement Services will dispose of the asset in the most economical and environmentally safe manner possible.
11. No asset may be sold to any employee of Brock without the written permission of the Vice-President, Finance & Administration or designate except as specifically allowed for under the provisions of an employment contract or collective agreement. Employees are welcome to bid on any asset via the public website.

On the rare occasion where it is deemed appropriate and reasonable to transfer an asset to employee upon recommendation by the Procurement Manager and approval by the Vice-President of Finance & Administration the Signing Authority Policy will be applied for additional approval if required.

12. No asset may be sold privately or be disposed of by any employee of Brock except as allowed for by this policy.

Research

13. All assets purchased from research agreements are the property of Brock and are included in this policy, unless otherwise specified by the funding agreement and/or policies of the funding agency.
14. Faculty members and librarians continuing their research programs after retirement may retain computers and related peripherals if needed for their research program. Ownership of assets remains with Brock. Continued maintenance costs of this equipment may be allowed by the Dean or Vice-President of Research under some circumstances.

15. The transfer or sale of research equipment up to a value of \$100,000, to another institution/organization or to a departing/retiring faculty member requires the approval of the Vice-President, Research, and the appropriate Faculty Dean. All such transfers > \$100,000 must be approved by the Vice-President Academic & Provost. In cases as noted in 7 above, Human Resources approval is required. In cases where a donation is provided or the initial equipment was donated, the Vice-President of University Advancement should be notified of the intention to dispose of the asset.
16. This policy shall be reviewed at least every 3 years unless an earlier review is indicated. Finance will report to the Senior Administrators Committee and the Vice-President Finance & Administration on any recommended changes.

Related policies and Documents

Capital and Non-Capital Asset
 Library Collection Development
 Purchasing
 Procurement Cards

Amendments (revision history)

Date revised	Responsible
October 1994	Vice-President Finance & Administration
January 2004	Vice-President Finance & Administration
June, 2011	Vice-President Finance & Administration