



SUBJECT:	CATEGORY:	NO.
SIAST Asset and Materials Disposal	Finance	414

PREAMBLE

The effective management of surplus assets and materials limits liability and disposal costs. Assets and materials are considered surplus if they no longer serve a useful purpose and/or are fully amortized, in the case of assets.

Valuable space becomes available when these assets and materials are not allowed to accumulate. They should be managed as inventory with retention decisions based upon need, replacement cost and opportunity for reuse. Although the primary objective is to facilitate the reuse of assets through internal transfers, an equally important objective is to obtain the maximum proceeds for the sale of assets and materials.

SIAST will encourage sustainability and its commitment of corporate social responsibility.

The policy aims to achieve the best possible outcome for SIAST by gaining the best available net return when disposing of assets and materials.

POLICY

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

SIAST Procurement department will have the responsibility for the disposal/redeployment/salvage and recycling of SIAST assets and materials. All SIAST employees have the responsibility to ensure any assets/materials under their responsibility that no longer serve a useful purpose in their area, are submitted to the Procurement department for disposal.

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SIAST assets and materials are defined as any item, whether or not it is an operable or complete unit, purchased by or donated to SIAST. Assets are defined consistent with SIAST's Fixed Asset Capitalization Policy 404.

This policy includes, but is not limited to, the following asset categories integral to SIAST's operation or administration: all equipment, furniture, computers and vehicles. In addition the policy includes those non-asset materials that have a salvage value, such as: stainless steel, copper and scrap metal.

Library books are excluded from this policy and are administered by the SIAST Librarian.

Limitations

- No asset may be sold privately or be disposed of by any employee of SIAST other than Procurement.
- No asset may be sold to any employee of SIAST without the written permission of the Vice President or designate.

PROCEDURES

1. General

Procedures and their accompanying forms may require amending from time to time, the determination of which will be at the discretion of the Financial Services Division.

Asset disposal decisions, and the reasons for taking them, are to be documented. If no monetary transaction is involved, the necessary documentation must be completed as per its specific process set out below.

Goods should only be disposed of consistent with the processes set out below.

Procurement will have the responsibility of ensuring the price established will be based on current market value and condition of the assets/materials. To account for the sale of all assets and materials, the proceeds of disposal of all assets will be credited to a general revenue account and then journalized to the individual department(s) after any offsetting expenses (auction fees, advertising) have been paid.

SIAST assets and materials identified for disposal may be dispensed with using the procedures below. Acceptable methods of disposal are:

- sale by public tender;
- donation;
- sale by an agent acting for SIAST (auction etc);
- redeployment/transfer of the asset to another department of SIAST;
- trade-in;
- recycled;

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- scrap/salvage.

Choice of the most appropriate disposal option will normally be influenced by the nature of the goods.

Asset and Materials Disposal Policy Guidelines and forms are available on mySIAST.

Other Relevant Policies:

- Management Authorities Grid 504-G
- Procurement 1002
- Fixed Asset Capitalization 404
- Fraud Prevention Reporting 405
- Conflict of Interest 704

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