



ADMINISTRATION POLICY:

Disposal of Surplus Assets

Policy number:	FA-053 (A)
ALT report:	ALT2012-0249
Approved by:	Administrative Leadership Team (ALT)
Effective date:	2012 / 06 / 19
Next revision due:	2015 / 06 / 19
Department/BU:	Chief Financial Officer's Department / Finance & Supply (Supply Management)

BACKGROUND

The Corporation of The City of Calgary ("The City") recovers value through the sale of surplus items. The Investment Recovery group in the Supply Management Division ("Supply") is responsible for managing the disposal of City-owned assets to ensure that the best value is received.

PURPOSE

The purpose of this administration policy is to define the rules for disposing of City-owned assets.

DEFINITIONS

None

POLICY

1.0. Scope/Exceptions

- 1.1.** This Administration policy applies to:
 - 1.1.1. All City business units (“BUs”) and employees.
 - 1.1.2. All items, as defined in this policy, which are owned by The City.
 - 1.1.3. Lost and found property that is unclaimed by its rightful owner.
 - 1.1.4. Items that Supply agrees to market or sell on behalf of third parties.
- 1.2.** This policy does not apply to:
 - 1.2.1. The disposition of land or permanent buildings / structures.
 - 1.2.2. Items seized by the Calgary Police Service (“CPS”) as the proceeds of crime, unless released by the Court of Queen’s Bench.
- 1.3.** Additional exceptions to this policy may be authorized, in writing, by the Manager of Supply.

2.0. Consequences of Non-Compliance

- 2.1.** Failure to adhere to the items contained in this policy may result in:
 - 2.1.1. Increased operational costs and lost revenue
 - 2.1.2. Duplication of effort and or delays in recovering funds.
 - 2.1.3. Violations of environmental, safety, or trade-related policies and agreements, creating the potential for legal challenges or penalties to The City.
 - 2.1.4. Loss of reputation for The City if investment recovery practices are perceived to be non-transparent.
 - 2.1.5. Disciplinary action against any employee found to be in violation of this policy.

3.0. Policies for Disposing of Assets

- 3.1.** Only the Manager of Supply is authorized to dispose of items owned by The City.

- 3.1.1. The Manager of Supply may delegate this authority in whole or in part
- 3.2. No item belonging to The City shall be disposed of unless such disposal has first been approved by the Manager of Supply or designate.
- 3.3. Supply Management shall create and maintain guidelines for compliance, standard operating procedures and work instructions to assist with the implementation of this policy.
 - 3.3.1. Any additions, revocations or changes to the above must be approved by the Manager of Supply or designate.
 - 3.3.2. To the extent applicable, BUs are required to comply with these guiding principles, standard operating procedures and work instructions.

4.0. Roles and Responsibilities

- 4.1. Supply is responsible for:
 - 4.1.1. Inspecting items to assess their market value, at the request of the BU.
 - 4.1.2. Ensuring that all items are sold, disposed, or destroyed in accordance with all applicable laws, bylaws, and agreements.
 - 4.1.3. Selling or disposing of items in the most appropriate manner to obtain the best overall value for The City.
 - 4.1.4. Reporting the summary of recovered funds and expenses from the sale of items to the BU.
 - 4.1.5. Coordinating the physical transfer of items from or between BUs.
 - 4.1.6. Developing and administering contracts on behalf of third parties for the sale of surplus equipment, vehicles, machinery, material, technology, scrap or recyclables and portable structures.
- 4.2. The BU is responsible for:
 - 4.2.1. Declaring items as surplus / obsolete.
 - 4.2.2. Informing Supply of surplus / obsolete items.
 - 4.2.3. Maintaining a practical approach to storing items so as not to cause harm or excessive deterioration when not in use.

- 4.2.4. Performing required TCA accounting and reporting work for the disposal of a TCA in accordance with the TCA Policy.

SUPPORTING REFERENCES AND RESOURCES

Please note that some of the items listed below may not be publicly available.

Links to related corporate-wide procedures, forms and resources

- [Tangible Capital Assets](#) intranet website
- [Tangible Capital Assets \(TCA\) Procedures Manual](#) (which contains TCA Definitions, Procedures for TCA Policy Compliance, and the Asset Hierarchy)

References to related [Council policies](#), bylaws and [administration policies](#)

- Tangible Capital Assets (Administration Policy FA-054)

REVISION HISTORY

Review Date	Description
2012 06 19	New policy (ALT2012-0249)
2009 04 09	Amended
1993 11 11	Chapter 27 Supply Management Services Department (purchasing/procurement policies) in the old Administration Manual (Section 2701.07 Disposal of Surplus, Slow-Moving or Devalued Items (related to Section 2708 Sale of Unwanted Material) and Section 2708 Sale and Disposal of Surplus Materials, Equipment, Machinery or Vehicles).