POLICY 402

Subject:	Disposal of Surplus Furnishings and Equipment
Effective:	November 1, 1981
Revised:	June 1994; July 1, 2001

1.0 PURPOSE

This policy aims to establish conditions by which a school district is to dispose of surplus furnishings and equipment.

2.0 **APPLICATION**

This policy applies to all school districts

3.0 DEFINITIONS

Surplus property means any property that is unserviceable, redundant, worn out or no longer required, but does not include school buildings or land.

Cumulative value of property means the before tax total value of an item or group of like items. For the purposes of this policy, the cumulative value would be calculated by multiplying the number of like items in the lot by the individual items' value. For example, if 45 student desks were valued at \$25 each, the cumulative value of this "property" would be \$1,125.

4.0 LEGAL AUTHORITY

4.1 *Education Act* section 51(1)(b)

51(1) The Minister may retain from year to year and expend, in such manner and for such proposes as the Minister considers appropriate, such sums of money as are

(b) realized from the disposal of surplus school property by the Minister in accordance with the *Financial Administration Act* or any regulation under that Act.

4.2 *Financial Administration Act* section 5(1)(a)

The Board of Management shall act as a committee of the Executive Council on all matters relating to:

(a) financial management, including estimates, expenditures, accounts, fees or charges for the provision of services or the use of facilities, rentals, licenses, leases, revenues from the disposition of property, fines and interest charges, and procedures by which departments manage, record and account for revenues received or receivable from whatever source;

ORIGINAL SIGNED BY

New Brunswick

POLICY 402

4.3 <u>Regulation 83-227</u> under the <u>Financial Administration Act</u> – Sections 5 and 6

5.0 GOALS / PRINCIPLES

Because tax dollars are used to purchase assets/property of the Crown, government has a responsibility to ensure that those assets/property are treated responsibly, and in cases where those assets/property are deemed surplus, the residual value resulting from the disposal of those assets/property should be returned to governments' consolidated revenue fund.

6.0 REQUIREMENTS / STANDARDS

- 6.1 Prior written approval of the Department of Education shall be received before disposal.
- 6.2 Disposal must be carried out by either public advertised tender or auction.
- 6.3 No sale is to have a cumulative value in excess of five thousand dollars (\$5,000).
- **6.4** Reports of all disposals shall be made in writing by the Department of Education to the Department of Supply and Services.
- **6.5** Permission to dispose of individual equipment items in excess of \$1,000 per item must be obtained from Board of Management by the Department of Education on behalf of the district.
- **6.6** All revenues resulting from the disposal or sale of surplus equipment must be forwarded to the Department of Education for deposit to the consolidated revenue fund.
- **6.7** The district will in turn be reimbursed for the disposal by an internal adjustment to the district's furnishings and equipment replacement budget.

7.0 GUIDELINES / RECOMMENDATIONS

None

8.0 DISTRICT EDUCATION COUNCIL POLICY-MAKING

A District Education Council may establish policies regarding:

- the use of furnishings and equipment, and
- the collection and reallocation of surplus furnishings and equipment

within the school district, not inconsistent with this policy.

New Brunswick

POLICY 402

9.0 REFERENCES

None

10.0 CONTACTS FOR MORE INFORMATION

Department of Education – Educational Facilities Branch (506) 453-2242

ORIGINAL SIGNED BY