

	<b>Lloydminster Catholic School Division – Administrative Procedures</b>	
	<b>AP 184 – Disposal of Surplus Capital Items</b>	
Related LCSD AP's		
Form(s)	F 184.1 – Disposal of Surplus Capital Items Request	
References:	<i>The Education Act, 1995 85, 87, 175, 348, 368</i>	
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### Background

The disposal of Capital Items (including furniture, equipment, transportation, textbooks and materials) may be required when the equipment or materials become obsolete, unrepairable or is no longer required for Division operations. Surplus equipment is to be disposed of in a manner approved by the CFO with consideration for fiscal responsibility, fairness and equal opportunity, environmental responsibility and ensuring privacy of information.

### Procedures

1. No property is to be disposed of without prior approval from the Chief Financial Officer.
2. Principals and Division Managers are to submit F184.1 - Disposal of Surplus Capital Items Request form identifying surplus items, reasoning for the disposal, estimate value, and a proposed disposal approach for review and approval from the Chief Financial Officer.
3. All disposals are to be disposed of in an environmentally friendly way.
4. All disposals are to be in compliance with LAFOIP.
5. Equipment that is unsafe, damaged, and unrepairable or equipment or materials that have no, or insignificant value are to be disposed of.
6. Equipment that is obsolete or no longer required for Division operations is to be disposed of by donation or sale.
7. School equipment or materials is not to be sold to students without the written approval of the student's parent/guardian.
8. All sales of equipment and materials shall be provided a receipt with a description of the item sold and condition of item "as is, where is".
9. All items that are sold or disposed of shall be removed from the Division asset listing and made available to the independent insurance appraisers.

## **Disposal Methods & Procedures**

1. Acceptable methods of disposal:
  - a. Trade-In: Surplus equipment may be traded in if the trade-in value is expected to exceed the proceeds of a direct sale.
  - b. Transfer within Division: Equipment and materials listing to be shared with other schools/facilities within the Division.
  - c. Consignment to Public Auction
  - d. Public Buy/Sell Forums
  - e. Removal to recycling organization or landfill
  - f. Other arrangements approved by the Chief Financial Officer
  
2. Where appropriate a Bill of Sale will be prepared and signed by the Chief Financial Officer, or designate, including the description of the item for sale, serial number if available, and purchaser details. No warranty will be offered or returns accepted, and the condition of the asset will include the description "as is, where is". A copy of the Bill of Sale is to be retained by the Chief Financial Officer and the proceeds of the sale are to be delivered to the Division finance department for deposit and coding.

## **Use of Proceeds of Sale**

1. The use of the proceeds of disposal will be determined at the discretion of the Chief Financial Officer, with consideration for the source of funds used in the original purchase of the asset, which may include the following:
  - a. Netting the proceeds of sale against the cost of new equipment or materials, if replacement is of a similar nature.
  - b. Adjustment to the school budget, decentralized or school generated. Location of fund adjustment based on the budget used to acquire the original equipment or materials.
  - c. Proceeds of sale may be retained by Division if the original equipment and materials was purchased with Division funds and initiative or if facility repairs are required due to removal of the equipment.
  - d. Retained by the School Community Council for future use.