
HORIZON SCHOOL DIVISION**POLICY HANDBOOK**

Policy Code:	FD
Policy Title:	Disposal of Division Property
Cross Reference:	
Legal Reference:	<i>Education Act S.192, 201,</i> Disposition of Property Regulation 3/2001
Adoption Date:	December 18, 1996
Amendment or Re-	September 29, 2009
affirmation Date:	November 30, 2017 November 25, 2019

POLICY

THE BOARD OF TRUSTEES OF HORIZON SCHOOL DIVISION SHALL FOLLOW THE PROCEDURES OF THIS POLICY WHEN DISPOSING OF SURPLUS, UNSERVICEABLE, AND/OR OBSOLETE REAL OR PERSONAL PROPERTY BELONGING TO THE SCHOOL DIVISION.

DEFINITIONS**Real Property:**

Permanent and immovable property such as land or a building or an object that has become permanently affixed to land or a building.

Personal Property:

Property other than Real Property that is movable, including furniture and equipment that is not an affixed to a building, vehicles, etc.; whose ownership belongs to the Division.

Obsolete/unserviceable:

to classify items including equipment, furniture and books as obsolete and/or unserviceable individuals must seek the opinion and approval of the Superintendent of Finance and Operations or designate with regard to whether the items can no longer be kept in service without excessive repair costs, or changing conditions or programs make them unsuitable for further use.

GUIDELINES

1. When personal property is surplus to the needs of one school/facility, the division will endeavor to extend its usefulness through internal transfer of the item(s) prior to the final disposition.
2. Every attempt shall be made to dispose of surplus property at “fair market value.”
 - 2.1. Where property has no “fair market value” it shall be disposed of in the most efficient and cost effective manner.
3. No Horizon owned material or equipment may be directly sold or disposed of by any school, or the maintenance department because
 - 3.1. all goods that are purchased or received as donations by a school/jurisdiction are the legal property or responsibility of the Horizon Board of Trustees; and
 - 3.2. the authority to dispose of these items is vested in the Superintendent of Finance and Operations or designate.

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4. The sale of all property will comply with the Disposition of Property Regulation.
5. The Board shall consider negotiating a right of first refusal option in the sale of any real property. Such right shall provide that the Board will have first option to purchase back the property if it is ever offered for sale by the owner

REGULATIONS

1. The disposition/sale of real property over \$50,000 and personal property that has a value of more than \$10,000 shall be undertaken by the Associate Superintendent – Finance and Operations subject to Alberta Disposition of Property Regulation.
2. The following steps will be followed in disposing of real property that has a value of less than \$50,000.
 - 2.1. Sale will be conducted by the Associate Superintendent – Finance and Operations;
 - 2.2. At least two or more current independent appraisals of the market value of the property is required;
 - 2.3. Property must be sold via public tenders, a public auction, real estate broker, or any other method with Minister approval;
 - 2.4. The disposal of the real property must be advertised for a minimum of 10 business days in any manner that is commercially reasonable and likely to be seen by the community members and potential buyers.
 - 2.5. The board may only sell property if the bid, tender, or offer is reasonable, in the opinion of the board with regard to the appraisals it received
 - 2.5.1. In regard to real property, the Minister approves the sale after the bid, tender, or offer is received.
3. Personal property that has a value of less than \$10,000.00 may be disposed of/sold in consultation with the Associate Superintendent – Finance and Operations and with final approval of the Associate Superintendent – Finance and Operations. The following steps will be taken by the school administrator, department manager/supervisor/coordinator to dispose of personal property:
 - 3.1. If under \$1,000.00 estimated value:
 - 3.1.1. A process for sale or disposition of the personal property, and the finalization of transactions, shall be determined in consultation with the Associate Superintendent – Finance and Operations
 - 3.1.1.1. Books classified as obsolete/unserviceable may be donated to charitable organizations or disposed of through recyclers to the maximum extent possible.
 - 3.1.1.2. Equipment and furniture classified as obsolete/unserviceable shall be disposed of in as efficient, practical and environmentally friendly manner as possible.
 - 3.2. If estimated value is between \$1,000.00 and \$10,000:
 - 3.2.1. Seek and obtain approval of the Associate Superintendent – Finance and Operations to dispose/sell;
 - 3.2.2. Advertise within the Division the item(s) for disposal stating the estimated value;
 - 3.2.3. If not disposed of within the Division, advertise publicly requests for sealed tenders or

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- arrange for a public auction;
 - 3.2.4. Highest bid need not necessarily be accepted or if auctioned, reserve bid may be established;
 - 3.2.5. Credit of the funds obtained through the disposition will be determined in conjunction with the Associate Superintendent – Finance and Operations.
 - 3.2.6. Seek permission of the Associate Superintendent – Finance and Operations to finalize disposal/sale.
4. Revenues generated from the sale or disposal or division real property and personal property over \$10,000 shall be returned to the Capital Reserve Account.
- 4.1. Revenues generated from the sale or disposal or division personal property with a value less than \$10,000 shall be credited to the school via their decentralized account.