

# Capital Equipment: Transfer and Disposal of

## 1. Introduction

This policy addresses the transfer and disposal of capital equipment of Providence Health Care (PHC). The policy is designed to ensure that capital assets are used to their maximum potential and, if applicable, that the desire of donors is fulfilled.

### 1.1. Scope

This policy applies to all capital equipment that is owned by PHC including all departments managed by another Lower Mainland Health Organization. Capital equipment is generally defined as equipment with a unit cost of over \$5,000 and a useful life greater than one year.

## 2. Policy

### 2.1. Disposal of Capital Equipment

The disposal of capital equipment includes the sale, trade-in, transfer, loan or dismantling of the asset. Loaning of capital equipment between facilities, unless it is for temporary emergent purposes, is included in this approval process.

Before any capital equipment is moved or disposed of, the requesting department must contact Biomedical Engineering, for medical equipment, or Plant Services, for all other capital equipment, to determine if there is a need for the capital equipment somewhere else within PHC.

The department will contact PHC Finance and provide a sufficient description and detail of the capital equipment so it can be determined when it was purchased and the related funding source as well as the documented approval of disposition from either Biomedical Engineering (Bio-Med) or Plant Services (See "Asset Disposal/Transfer Request Form").

When PHC Finance has given approval to move or dispose of the asset, the department must ensure all appropriate regulations and safety standards are met, especially with regard to confidentiality, prior to disposing of the equipment to ensure PHC is not at risk of information breaches and of inadvertent disclosure of personal identifiable information.

Any transfers to a non-BC government organization require the appropriate waiver of liability to be signed (See "Assumption of Risks, Release, Waiver and Indemnity Agreements"). The department will go through the accepted order of priority in determining the appropriate manner of disposal.

The transfer or disposal of surplus or obsolete capital equipment will occur in accordance with the following order of priority:

1. Transfer to another department within PHC

2. Trade-in for newer equipment, if there is a trade-in value
3. Sell, if there is a market value
4. Transfer to another Lower Mainland Consolidation Health Organization
5. Donate to other non-profit organizations
6. As a last resort, the capital assets should be scrapped or destroyed if deemed hazardous

Capital equipment transfers are encouraged to conserve limited capital funds and to recycle equipment for environmental benefits.

## **2.2. Disposal of Donated Equipment**

PHC receives funding from donors to acquire specific pieces of equipment. Upon accepting donor funding PHC enters into a fiduciary responsibility to ensure that the donors' expectations have been fulfilled before the equipment is disposed of. Prior to disposal PHC Finance will determine who donated the funds to acquire the equipment and if the fiduciary responsibilities to the donor have been met. If not, PHC Finance will advise the department of the need to communicate with the donor. The appropriate management authority will meet with the donor to explain the need for movement or disposal and seek the donor's support and consent. If the donor is unwilling to provide their consent to the movement or disposal of the equipment the wishes of the donor will be respected. Donors include, but are not limited to, foundations, auxiliaries, service leagues, corporations or private individuals. There will be circumstances where, due to the sensitive nature of the donation, that even when PHC has met the fiduciary responsibilities it is deemed appropriate to inform the donor and seek their consent to move or dispose of capital equipment.

## **2.3. IT Equipment**

Departments and facilities are responsible to ensure that all confidential or sensitive material is removed from the devices before submitting for disposal. They must contact Information Management Information Technology ("IMIT") to have the information on devices removed, and to have electronic storage devices re-formatted prior to disposal.

## **2.4. Contaminated Equipment and Equipment Containing Hazardous Materials**

It is the responsibility of the disposing department/site/facility to ensure that all equipment subject to possible contamination or containing hazardous materials is checked by the services department that supports the equipment (Plant Services or Biomed) or a hazardous materials consultant prior to the equipment being declared surplus and made available for disposal. When possible, removal of the contaminated material should be pursued prior to disposal. Transport Canada regulations on transportation of dangerous goods must be followed for any disposal of contaminated goods.

## **3. Responsibilities**

The department leader has an overall responsibility to ensure capital assets are used to their maximum potential and, if applicable, that the desires of donors are fulfilled. Bio-Med, Plant

Services and IT along with the department leader must ensure all appropriate regulations and safety standards are met, especially with regard to confidentiality, prior to disposing of the equipment.

PHC Finance Department is responsible for monitoring of compliance and review of this policy.

#### 4. Compliance

Finance will monitor all the disposals and ensure that they are accounted for in accordance with the policy. Any non-compliance will be reported to VP Finance and Support Services.

#### 5. Supporting Documents

##### 5.1. Guidelines/Procedures/Forms

[Waiver Transfer of Medical Equipment Form](#)  
[Disposal Form](#)

#### 6. Definitions

**“Obsolete”** means no longer functional/serviceable

**“Surplus”** means functional but additional to the requirements of PHC

**“Undepreciated Value”** is the book (or residual) value of the item at the time of disposal. This information is available through PHC Finance–Capital Assets.

**“IT Equipment”** includes equipment such as computers, computer hard drives, standalone hard drives, diskettes, tapes, cassettes, electronic storage devices, monitors, printers.

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