Purpose:
The purpose of this policy is:

- To ensure disposal of assets achieve the best value for money and is conducted in an efficient, effective, transparent and adequately documented and approved manner.
- To ensure assets sold or otherwise disposed of are correctly written off the assets records and that appropriate assets stewardship and balance sheet valuation can be verified.

Definitions:

**Asset:** includes, but may not be limited to, financial assets (debtors, loans), equipment, furniture and fittings, collections, livestock, vehicles, land and buildings for which the University may have legal title. Assets also include Crown owned land and buildings used by Massey University.

**Disposal:** includes the sale of assets, or the disposal of assets declared surplus to University requirements.

**Write off:** specifically refers to the removal of the asset from the University asset register, or Statement of Financial Position, at nil value.

Policy:
The following applies:

- University property that is declared surplus to requirements must be disposed of in accordance with current law and regulations (if any) stipulated from time to time, by the Secretary of Education.

  The Assistant Vice-Chancellor Finance, Strategy and Information Technology (or delegate) must approve the sale and/or write off of all assets with Vice-chancellor and Council approval for certain strategic and material assets as per the financial delegations framework.

- Property assets should be independently valued by one registered valuer, or if expected to be over $5 million two registered valuers, prior to being offered to the market for sale.

- Fixed assets that are declared surplus must be disposed off by public tender, auction, or by other such means as to ensure a transparent and competitive process is undertaken.
Proceeds from the sales of assets must be correctly and expediently recorded in the financial accounting systems.

**Audience:**
All staff

**Relevant Legislation:**
Education Act 1989 and amendments
Finance Act 1989

**Legal Compliance:**
Ss 203 of the Education Act 1989 states that every tertiary institution (under than Act) is a “Crown Entity” for the purposes of the Public Finance Act 1989. All monies received by a crown entity must be banked into its bank account as soon as practicable.

S192 (4) of the Education Act 1989 requires written consent from the Secretary of Education to
- sell or dispose of assets or interest in assets
- Mortgage or charge assets or interests in assets
- grant leases of land or buildings

There is a materiality limit on the value of the assets to be sold. To ascertain the legality of sale of any University owned assets please contact the Assistant Vice-Chancellor FIS (or delegate).

**Related Procedures:**
- Equipment Disposal Process and Procedures (link to ITS website)
- Delegations Document

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