



NORTHUMBERLAND HILLS
HOSPITAL
BOARD OF DIRECTORS MANUAL

CATEGORY:	FINANCE	NUMBER:	III-004
ISSUED BY:	FINANCE AND AUDIT COMMITTEE	PAGE:	1 of 2
APPROVED BY:	BOARD OF DIRECTORS		
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DISPOSAL OF CAPITAL ASSETS

Policy:

Any disposition of a capital asset with a fair market value of greater than \$10,000 must be supported by an appraisal or valuation.

Items with fair market value of more than \$50,000 shall require approval by the Finance and Audit Committee prior to disposition.

However any use and disposition of NHH Real Property shall be in accordance with Board Policy 111-010 Use and Disposition of NHH Real Property.

Purpose:

To ensure the Hospital's surplus assets return fair market value.

Procedure:

1. Assets subject to disposal (excluding trade-ins) with a fair market value greater than \$50,000 shall be identified by the CEO and presented to the Finance and Audit Committee giving date of purchase, cost and current book value wherever possible.
2. Surplus assets requiring an independent appraisal will be agreed upon by the CEO and the Finance and Audit Committee.
3. The CEO will obtain appraisals from reputable appraisal professionals.
4. The CEO will dispose of assets as follows:
 - a) Assets valued at less than \$50,000:
 - Dispose of asset(s) and report results in the financial statements

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- b) Assets with appraised value greater than \$50,000:
 - Advertise and receive written quotations from prospective purchasers
 - Receive approval from the Finance and Audit Committee prior to sale
- 5. Where there is likely a public relations impact regarding disposal of previously donated capital assets, the CEO will inform the Foundation or Auxiliary (as applicable).

References:

Approved:

November 30, 1998

March 2001

April 2002

May 2003

October 2007

October 2008

April 2011