

MADISON COUNTY MEMORIAL HOSPITAL

POLICY: Disposal of County Hospital Personal Property

POLICY:

From time to time, the hospital has occasion to dispose of personal property (Property), such as equipment, furniture, etc. This policy outlines procedures to be followed for disposal of these items.

PURPOSE:

To ensure hospital personal property is disposed of per specified hospital procedures and in compliance with State of Iowa Code 347.14(3).

PROCEDURE:

- I. The Board of Trustees delegates to the Chief Executive Officer (CEO) or Chief Financial Officer (CFO) the authority to dispose of certain of Hospital's Property that has been identified as having exceeded its useful life and which meets one of the following conditions:
 - Has been fully depreciated
 - Is out of date technology of no further use to the Hospital
 - Due to age or condition has little or no value to the Hospital

The CEO or CFO will determine the disposal method of the Property by any of the following methods, without the requirement of a further vote of the Board of Trustees:

- Trade-in the current equipment towards the purchase price of replacement equipment
 - Donate the Property to interested tax-exempt non-profit organizations who can use the Property to further their respective charitable missions
 - Sell the property to a third party including to entities that resell hospital supplies, according to hospital policy in a fair and equitable manner seeking the best price and depositing the funds into the Hospital's bank account. Property of little or no value may first be offered to Hospital employees.
 - Any Property that stores data will be appropriately swiped to remove any data before disposal. If data cannot be removed, the Property will be destroyed in a manner to permanently eliminate the possibility of access to the data.
- II. A vote of the Board of Trustees is required to dispose of any Hospital personal property that has 25% or more of the original purchase price remaining as undepreciated value on the fixed asset system. The Board will consider the recommendation for disposal, including the method of disposal. The Board's decision is final.

- III. Once an item is determined to no longer be needed in a department, the respective Manager, in coordination with their Senior Manager, will decide if the equipment can be utilized by another department.
- If the equipment can be utilized by another department, the transfer is made and the Property Accounting Transfer Form is completed for capital items and given to the Controller.
 - The Controller will record the transfer in the fixed asset system.

Equipment deemed ready for disposal per this policy will be documented on the Property Accounting Disposal Form and submitted to the CFO (or CEO in the CFO's absence).

- The completed form will be returned to the respective Manager regarding approval or denial of the disposal request.
- If approved for disposal, the Manager is responsible to make arrangements to dispose of the items, remove hospital property tags and provide the completed Property Accounting Disposal Form to the Controller once the Property has left the premises.
- The Controller will record the disposal in the fixed asset system.