

## **Policy for the Disposal of Technology Assets**

<b>Date:</b>	June 18, 2007
<b>To:</b>	Government Management Committee
<b>From:</b>	Chief Information Officer Director of Purchasing and Materials Management
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2007\Internal Services\pmmd\gm07026pmmd (AFS #4221)

### **SUMMARY**

---

The purpose of this report is to request a change to the existing policy for the disposal of technology assets in order to comply with the Auditor General's recommendation to ensure technology assets declared obsolete be disposed of at the earliest opportunity.

The City is seeking authority to dispose of surplus technology assets through a technology asset disposal vendor selected through a competitive process, and to continue to make available surplus technology assets for City of Toronto grant receiving not-for-profit organizations and other not-for-profit organizations in Toronto, and to the City's partners under the Technical Exchange Program of the Federation of Canadian Municipalities.

### **RECOMMENDATIONS**

---

**The Chief Information Officer of the Information & Technology Division, along with the Director of the Purchasing and Materials Management Division recommend that:**

1. surplus working and non-working technology assets be disposed of through a technology asset disposal vendor selected through a competitive process;
2. staff in the I&T Division continue to make available surplus technology assets as a first priority to City of Toronto grant receiving not-for-profit organizations, second priority to other not-for-profit organizations in the City of Toronto, and

- third priority to our partners (eg Soyapongo and Botswana) under the Technical Exchange Program of the Federation of Canadian Municipalities in which the City of Toronto is a participant; and
3. the existing policy for the Disposition of Technology Assets adopted by Council in its session of July 22, 23 and 24, 2003, and revised by Council in its session of June 14, 15, and 16, 2005 be superseded with this Information Technology Asset Disposal policy when adopted.

### **Implementation Points**

Upon approval, staff in the Information & Technology Division will proceed with disposing of the existing technology assets in accordance with this Staff Report and City Policies and Procedures.

### **Financial Impact**

It is expected that there should be no cost to the City in disposing of its surplus technology assets. Should there be any costs associated with the disposal of technology assets, it is expected that these costs would be minimal and easily absorbed in the Information & Technology Division's Sustainment Program in WBS element CIT 702-01-01.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

### **DECISION HISTORY**

<http://www.toronto.ca/legdocs/2003/agendas/committees/adm/adm030702/it002.pdf>

<http://www.toronto.ca/legdocs/2005/agendas/committees/ec/ec050509/it002.pdf>

<http://www.toronto.ca/legdocs/2006/agendas/committees/au/au060222/it003.pdf>

### **ISSUE BACKGROUND**

The City of Toronto has implemented a technology asset lifecycle management program whereby technology assets get replaced in accordance to their defined lifecycle. The City's existing policy for the disposal of technology assets is no longer effective in the prompt disposal of technology assets as recommended by the Auditor General in his asset management review.

## COMMENTS

Staff in the I&T Division have been disposing of technology assets in accordance with the approved policy.

### Toronto School Boards

Staff in the I&T Division worked with the Toronto School Boards to get a list of the minimum technical specifications of the technology assets that they are willing to receive from the City of Toronto. Staff in the I&T Division has routinely updated this list. The School Boards are typically unresponsive when contacted by I&T Division staff. None of the City's surplus technology assets has been accepted by the Toronto School Boards since March 2000.

### Computers for Schools Ontario (CFSO)

Computers for Schools Ontario is a national, federal government led not-for-profit charity that has donated computers to Ontario schools since 1993. It has a recycling program that diverts technology assets from landfills by disassembling technology assets, sorting all the components and selling them to reputable recycling companies at market prices.

In accordance with the existing technology asset disposal policy, the City was giving its working and non-working technology assets to CFSO. The majority of the technology assets were displaced through the Technology End of Lease Strategy (TELS) and were, for the most part because of their age, non-working assets. CFSO was unable to reallocate many of the computers into schools, but rather had to send them directly into the recycling program. Because of the volume of assets the City was disposing of, and the many locations at which the assets had to be picked up from, CFSO realized that they could no longer offer this service to the City free of charge.

Rather than sole sourcing this business to CFSO, the City would like to select a vendor through the competitive process.

### Not-for Profit Organizations

Through CFSO, the City was able to donate about 322 computers to Toronto grant receiving not-for-profit organizations, and about 424 to other not-for-profit organizations in the City of Toronto. Upon approval of this report, the City would like to continue to offer its surplus technology assets to these organizations directly through the I&T Division. Surplus technology assets would be donated on a first come-first served basis to Toronto grant receiving not-for-profit organizations as a priority, and then to other not-for-profit organizations in Toronto.

### Technical Exchange Program under FCM

To date, 150 surplus computers have been donated to Soyapongo. Any further requests can be processed by the I&T Division, upon approval of this report.

### Technology Asset Disposal Vendor

The I&T Division, through a call process, would like to select a full-service disposal firm to remove and dispose of its surplus technology assets with a strong emphasis on hard drive data security and sanitization, and environmentally sound disposal procedures.

**CONTACT**

Kathryn Bulko, Manager  
Information & Technology Division

(416) 397-9921  
[kbulko@toronto.ca](mailto:kbulko@toronto.ca)

Victor Tryl, Manager  
Purchasing and Materials  
Management Division

(416) 397-4801  
[vtryl@toronto.ca](mailto:vtryl@toronto.ca)

**SIGNATURE**

---

Dave Wallace  
Chief Information Officer  
Information & Technology Division

---

Lou Pagano  
Director  
Purchasing and Materials  
Management Division