The order of priority for disposal is:

**1.** As directed by the donor

**2.** Organisation to use at a different location

**3.** Donate to other NGOs

**4.** Donate to civil or local authority

**5.** Sell

**6.** Destroy

Consideration for health and safety for safe storage of all items must be strictly adhered to.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Description of Activity** | **Responsible** | **Timeline** | **Remarks** |
| 1 | Distribution of the master asset list to the Programme Manager and Logistics Coordinator |  |  |  |
| 2 | Review of all stakeholders and beneficiaries needs/requirements |  |  |  |
| 3 | Updating of the asset register/physical verification exercise |  |  |  |
| 4 | Identifying budget codes/holders and donors for all assets/equipment, etc. |  |  |  |
| 5 | Retrieval of assets from staff/signing the asset liability forms |  |  |  |
| 6 | Compilation of list for items requested by NGO’s local partners, local authority, etc. |  |  |  |
| 7 | Develop disposal plans, i.e. auction sales, donation or transfer |  |  |  |
| 8 | Approval from finance/donor(s) |  |  |  |
| 9 | Notice of disposal/public auction/bids |  |  |  |
| 10 | Opening of bids for items identified for staff auctioning |  |  |  |
| 11 | Sales/public auction day – independent auctioneer services to be required |  |  |  |
| 12 | Filing administration and compilation of bid sums for inputting into appropriate system |  |  |  |
| 13 | Drafting of MOU/agreements with beneficiaries and handing-over process |  |  |  |
| 14 | Transfer of identified assets to other projects |  |  |  |

Equipment or materials no longer required for the programme or project must be disposed of in line with the following procedure. The original donor of the goods must be identified, and their restrictions on disposal, if any, must be followed.

**Change of ownership** – a letter confirming the change of ownership must be issued. For computers, etc. a statement stating that all software has been removed should also be signed. All insurances and maintenance agreements must be cancelled before handing over assets to new owners.

**Tax and duty** – for goods that were originally acquired on a tax-free or duty-free basis, approval must be granted by the appropriate government authority before the goods can be sold or destroyed.

**Sales** – use discretion to choose a disposal procedure appropriate to the value and type of goods. Goods of a high value or a high technical specification require a more formal disposal procedure than those of little value.

**Reserve prices** – should be set by the Programme Manager, roughly at a price equal to that available on the open market.

**Sales to organisation’s staff** – at the discretion of the Senior Finance Manager, goods may be offered for sale to staff. Interested staff members must submit sealed bids, and the sale is to be made to the highest bidder (subject to meeting the reserve price).

**Sales to outside parties** – sales are to be conducted by public auction or by submitting sealed bids. Sale is to be made to the highest bidder (subject to meeting the reserve price).

**Transfer to other organisation site** – at the close of project, assets that are to be transferred to other projects will require finance department consent in order for the transfer to be documented in the disposal register (with a new budget code). Normally the value will be nil since the cost of the asset has been charged against the first project. During the transfer, a signed receipt must be obtained at the time of the transfer stating:

* Date of transfer Agreement that ownership and responsibility has passed to the third party
* A brief description of the condition of the asset including a record of any apparent defects
* Signature of both parties

**Lost/Theft** – Assets/items that are either lost or destroyed in the project will require a theft/loss form to be filled in, and signed off by the budget holder. A copy should be passed to Finance. Depending on the situation, either a full payment must be made by the person responsible (if the loss/theft was due to carelessness), or waived in the event of unavoidable accident.