

F14.0 DISPOSAL OF SURPLUS OR OBSOLETE FURNITURE, EQUIPMENT AND MATERIALS

PURPOSE

It is the purpose of this policy to make surplus furniture, equipment and materials available to other departments before it is presented for sale to the general public or scrapped. By providing the selling department with the proceeds from the sale, there is an incentive for departments to review their furniture, equipment and material holdings and report those which have become surplus.

SCOPE

All furniture, equipment and materials declared surplus or rendered obsolete due to technical advances.

POLICY

1. The Office Administrator is responsible for the storage, reissue and disposal of surplus and obsolete furniture, equipment and materials within his or her own department.
2. All departments will report to the Office Administrator all furniture, equipment and materials that have become surplus to their needs.
3. The Office Administrator will maintain an inventory of all surplus items and provide the Purchasing Department with a copy. The Office Administrator will also establish the value of surplus items. A department requisitioning an article will be asked to inspect the item for acceptability.
4. When a surplus item is sold internally, an Internal Transfer Invoice¹ or journal entry, will be used to record the sale's transaction.
5. In cases when the surplus item is not required by the *Society* it may be offered for sale to the public. Proceeds from a public sale will be reported as revenue by the *Society*. The revenue will be credited to the selling or declaring department, via the accounting code that was provided when the item was declared surplus. The Director of Finance reserves the right to determine the disposition of net proceeds on major items.
6. When items are declared surplus as the result of the *Society* being terminated, or vacating its premises, net proceeds from sales to outsiders will remain as revenue to the *Society*. The Director of Finance and the Executive Director may grant exceptions.
7. Due to the lack of storage space it may be necessary to leave certain surplus items in the declaring department until they are sold or disposed of in some other way.

¹ This assumes an in-house charge out system.