

Asset Disposal Policy

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Development Wheel (DEW)

13-A/\$-A (3rd Floor), Block-B, Babar Road

Mohammadpur

Dhaka-1207

www.dewbd.org

Development Wheel (DEW) Asset Disposal Policy

1. INTRODUCTION

This policy applies to the disposal of all assets by DEW and ensures that an appropriate level of discipline and compliance with any legal or policy requirements is applied across the organization.

2. POLICY OBJECTIVES

The objectives of this Asset Disposal Policy are to ensure that:

- All DEW staff understand clearly their responsibilities, accountabilities and reporting requirements;
- DEW service delivery objectives are supported to maximize the use of DEW assets and reduce associated service and operational costs resulting in increased asset performance and a lower total cost of ownership;
- Assets are only disposed of where they meet identified criteria for disposal and that appropriate planning and approval is undertaken prior to any asset disposal;
- An appropriate level of discipline for asset disposal, and compliance with any legal or policy requirements, is applied across the organization;
- Best practice asset management (disposal) principles are upheld;
- Any disposal complies with DEW's position and responsibilities on sustainability and Environmentally friendly practices.

3. POLICY SCOPE

This scope of this policy applies to all assets and applies to all staff at all levels of the DEW and includes:

- All employees (whether full time, part time, temporary, interns, consultants and casual);
- All volunteers and work experience students working with DEW employees and using DEW services and assets;
- Any business units and/or corporatized entities.

4. DEFINITION

An asset shall mean any resource owned or controlled by DEW, from which the DEW expects to derive economic benefits or use for service delivery to the participants/stakeholders/general public during its useful life.

5. POLICY STATEMENT

The Independent Commission Against Corruption (ICAC) advise that public sector agencies that regularly dispose of depreciated, redundant or excess stock need to ensure they have standardized methods to manage the disposal of unwanted resources in a transparent and accountable manner.

This policy directs DEW activities to openly and transparently dispose of assets that have reached end of useful life or are deemed to be surplus to its needs. In doing so, DEW must aim to:

- Provide a systematic and transparent method for the disposal of assets;
- Ensure that best value for money is achieved;
- Promote fair and effective competition to the greatest extent;
- Comply with DEW's position on sustainability and environmentally friendly practices.

Decision to Dispose

A decision to dispose of an asset may be based on one or more of the following:-

- Reached the end of its useful life;
- Surplus to requirements;
- Under-utilized;
- Not fit for purpose;
- Unserviceable;

- Does not meet legislative requirements

Factors to be considered prior to disposal

- Other uses (a reasonable effort should be made to ensure no other DEW department has a need for the asset)
- Hazardous Materials (that any dangerous goods are disposed of in an authorized manner)
- Conflict of Interest (that the officers involved in the disposal process has no conflict of interest)
- Identifying marks (that any identifying mark or insignia is removed)
- Associated material (ensure that assets to be disposed do not contain confidential documents; software which may have licensing implications or additional items which are not intended for disposal).
- The method most likely to provide the highest revenue to DEW

Methods of Disposal

As a general principle, sale of assets to staff is not to occur outside of a public process.

Authorized disposal methods are:

1. Public Tender (conducted in accordance with the same principles as DEW's tendering Policy);
2. Public Auction (maximizes opportunity for public participation);
3. Expressions of Interest/Quotations (conducted in accordance with the same principles as DEW's Purchasing Policy);
4. Trade In (must be based on a clear analysis of the benefits of the trade in as opposed to separate sale of surplus goods);
5. Writing off the Value of the Goods (where the goods are deemed to have no value; are beyond economical repair or that the disposal cost is higher than the likely return.)

6. IMPLEMENTATION

6.1 Roles and Responsibilities

Asset owners responsible for the disposal of assets under this Policy are to provide the Asset Disposal Form to Finance as soon as practicable after the disposal date, so that Finance staff can record the disposal of the assets in DEW's Asset Register. Finance is then to notify the management of Development Wheel (DEW).

6.2 Procedures and Forms

The process for the disposal of goods via tendering, expression of interest or quotation should be conducted in accordance with the same principles as DEW's tendering and purchasing policies. The Asset Disposal Form is to be completed each time an asset covered by this policy is to be disposed of. At the end of the disposal process, the Form needs to be provided to Finance.

6.3 Financial Management

Reporting and accounting for disposal of all assets will be done in accordance with Local Government Code of Accounting Practice and Financial Reporting. Manager, Finance and Admin will ensure that appropriate financial management practices are followed and records are maintained, including the DEW's financial accounts and asset register.

7. REVIEW

Review of this Policy will incorporate relevant legislation, documentation released from relevant state agencies and best practice guidelines. This Policy will be reviewed biennially.