




Policy & title	PUR001 - Disposal of redundant and second hand goods
Effective date	1 October 2005
Objective	<ul style="list-style-type: none">• To ensure the disposal process is fair, transparent and equitable• To ensure the optimal use and placement of unused or redundant equipment and materials within the University• To maximise the return on initial investment to the University as a whole
Scope	Includes all movable UCT assets that are paid for by UCT funds, assets donated to UCT and assets not owned by UCT but placed on the asset register for insurance purposes. It excludes immovable assets and motor vehicles purchased via the UCT staff car scheme.
Applicable to	All UCT staff, committees and student organisations.
Additional information	Surplus materials and equipment represent an investment and the recovery value may be considered an offsetting factor when purchasing new goods.
Policy	<p>Equipment, furniture or stocks belonging to the University shall not be transferred, sold, traded-in, cannibalised or otherwise deleted from the asset register without the approval of the Director of Finance or his/her nominee.</p> <p>Members of staff do not have authority to dispose of University equipment, and all requests to offer equipment for sale, or otherwise dispose of equipment, must be authorised by a Director or Head of a budget-holding Department.</p> <p>When assets are no longer required by a Department and can no longer be used for any reason (obsolescence, beyond economic repair, etc), the budget-holder is responsible for ensuring that the disposal takes place in accordance with University procedures. It is important that the disposal satisfies audit requirements, and is undertaken in the most economically advantageous manner.</p> <p>Even when fully depreciated, equipment is still listed on the asset register. The Assets office must be informed regarding the relocation of assets or, in the case of sale or disposal, their removal from the asset register. When such equipment is not on the asset register but is on a departmental inventory list, the disposal must be recorded on that list for audit purposes</p>
Procedure	<p>General</p> <p>Care must be taken when disposing of pc hardware and peripherals since some items may be the responsibility of ICTS who purchases them on behalf of departments. All such pc hardware and peripherals are clearly marked "University of Cape Town" or "UCT". Although the standard depreciation time for computer hardware is three years, hardware acquired through ICTS is covered by a maintenance agreement for a period of 5 years. ICTS helpdesk ext 4500 should be contacted to:</p> <ul style="list-style-type: none">• Determine if the pc hardware falls under the ICTS maintenance program• Ensure warranties on pc hardware are not voided when upgrades or disposals are considered <p>Re-deployment or transfer of equipment</p> <p>Departments will not be reimbursed for equipment, office furniture, materials or goods which are re-deployed within the University. However, goods originally acquired with research funds may follow the sale procedure if sold to another department within the University.</p> <p> Note</p> <p>Offers from members of staff, or from the general public, will not be invited at this stage.</p> <ul style="list-style-type: none">• Procurement & Payment Services will assess the condition of equipment, office furniture, material or goods.



- Procurement & Payment Service will reallocate or relocate equipment, office furniture, material or goods to ensure optimal usage.

Trade-in against new equipment, material or goods

- In the case of replacement of equipment, materials or goods, every effort should be made to include part-exchange as part of the new purchase contract. Even where it is clear that the old item has no commercial value, it may be cheaper to arrange for the supplier of the new equipment to remove the old equipment at no cost to the University.
- In the case of vehicle trade-ins on new vehicle purchases:
The department must ensure that the trade-in request accompanies the new vehicle request submitted to the assets office for processing.

Sale of equipment, material or goods

- **Internal sales**

If the equipment, material or goods cannot be re-deployed then:

Procurement & Payment Services will establish the market-related selling price of goods. In the case of computer hardware ICTS will provide guidance.

Procurement & Payment Services will advertise the equipment, material or goods for sale to members of staff for first refusal.

Procurement & Payment Services will facilitate the formal bidding or tender process.

- **External sales**

The equipment, material or goods may be of such nature or value that it would be in the best interest of the University to obtain bids from external organisation or companies. If the department is in a better position to identify suitable organisations or companies then:

The departments must provide Procurement & Payment Services with the details of any suggested organisations or companies.

Procurement & Payment Services will advertise the request for sale in appropriate external media and / or in writing to organisations or companies suggested by the department.



Note

The external bidding process is open for staff members as well.

All equipment, materials or goods are sold “voetstoots”. Buyers will be advised to inspect equipment, material or goods as the University will not be liable for any defects, whether apparent or latent, should the equipment, material or goods be deemed faulty after it has been collected. The University will not be liable for any repairs.

Donation to an external organisation

Equipment, material or goods which cannot be re-deployed within the University, and has minimal re-sale value and potential, may be donated to charitable institutions e.g. Section 21 organisations, local primary or secondary schools and other community projects.

Authorisation for such donation will only take place after:

- Authorisation and motivation from the Head of department
- Assessment of equipment has been done by Procurement & Payment Services



Note

All donations of equipment, material or goods will be done at the discretion of the Finance Committee, when advised by Procurement & Payment Services that this would be appropriate.



Destruction or cannibalisation

Equipment, material or goods may not be abandoned. The attention of the Head of department or relevant fund holder is drawn to their responsibility to account for all equipment, materials or goods during relocation of staff or operations in their respective departments.

Implementation responsibility

UCT fund holders or staff members authorised to dispose of assets that are owned by the University.

UCT staff acting as custodians for non-UCT owned assets being used for UCT purposes, including research



Note

The HOD has to ensure all policies and procedures are communicated to and implemented by the responsible individual(s), including research staff. The area finance manager has to ensure reasonable controls exist to support the implementation of policies.

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Policy Section	Procurement Services
Policy Owner	Head, Procurement & Payment Services (PPS)
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Approval	Director, Finance Department