



RABAI EMPOWERMENT FOR COMMUNITY

Building passion for humanity through action to community



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# ASSET DISPOSAL POLICY

Policy Manual

## 1. Introduction

### 1.1 Purpose

This policy provides a structured and transparent framework for the disposal of assets owned by REFCOM. It ensures that all disposals are conducted in a manner that maximizes value, minimizes waste, and adheres to legal, environmental, and financial regulations.

### 1.2 Scope

This policy applies to all tangible and intangible assets owned by REFCOM, including but not limited to:

- Office equipment (computers, printers, furniture, etc.)
- Vehicles and machinery
- Real estate and property
- Intellectual property (licenses, patents, trademarks)
- Electronic waste (E-waste)
- Any other assets as classified by the organization

### 1.3 Policy Objectives

- Ensure accountability, transparency, and fairness in asset disposal.
- Prevent loss, fraud, or misuse of assets.
- Optimize financial returns from asset disposal.
- Promote environmental sustainability and regulatory compliance.

## 2. Asset Disposal Principles

### 2.1 Accountability and Oversight

- The Finance & Administration Department shall oversee all asset disposals.
- Asset disposals above a predetermined threshold shall require Board approval.
- Disposal transactions shall be documented and auditable.

### 2.2 Legal and Regulatory Compliance

- Disposal must comply with government laws, tax regulations, and donor requirements (if applicable).
- Data security protocols must be followed for IT equipment disposal, including data wiping and destruction.

- Environmental laws must be observed, particularly in electronic and hazardous waste disposal.

### 2.3 Sustainability and Corporate Social Responsibility (CSR)

- Preference should be given to recycling and repurposing rather than landfill disposal.
- Donations to social impact programs (e.g., schools, community centers) shall be considered when assets are no longer needed.
- Eco-friendly disposal methods should be prioritized, in line with SDG 12 (Responsible Consumption and Production).

## 3. Asset Disposal Methods

The disposal method shall depend on the asset's condition, financial value, and organizational needs. The following methods shall be considered:

### 3.1 Sale of Assets

- Assets may be sold through competitive bidding, auction, or direct sale.
- Independent valuation shall be done for high-value assets to determine a fair market price.
- Buyers must sign a no-liability agreement post-purchase.

### 3.2 Donation

- Assets that have reached the end of their useful life within REFCOM but are still usable may be donated to:
  - Charitable organizations
  - Schools or educational institutions
  - Partner community-based organizations
  - All donations must be approved by management and documented.

### 3.3 Trade-in or Exchange

- Where possible, obsolete assets may be traded in for new purchases.
- Trade-in agreements should be negotiated to ensure maximum value for REFCOM.

### 3.4 Recycling and Disposal

- Assets that cannot be sold or donated must be disposed of in an environmentally responsible manner.

- E-waste (computers, printers, batteries, etc.) shall be disposed of following Kenyan NEMA regulations and global best practices.
- Contracts with licensed waste disposal firms shall be required for hazardous materials.

#### 4. Asset Disposal Process

##### 4.1 Identification of Disposable Assets

- Departments must conduct annual asset reviews to identify assets for disposal.
- A disposal request form must be submitted to the Finance & Administration Department.

##### 4.2 Approval Process

- Assets valued below a set threshold can be approved by the Executive Director.
- Assets exceeding the threshold must be approved by the Board of Directors.

##### 4.3 Disposal Execution

- Disposal shall be conducted transparently and competitively.
- Proper documentation must be maintained, including:
- Asset disposal request
- Valuation report
- Approval minutes
- Disposal method and final sale/donation agreements

##### 4.4 Financial Accountability

- Proceeds from asset disposal must be deposited into the organization's bank account and recorded in the financial system.
- A full report shall be prepared for financial audits.

#### 5. Monitoring and Review

- The policy shall be reviewed every three years or as needed to ensure alignment with best practices and regulatory changes.
- An annual report on disposed assets shall be prepared and shared with the Board.

#### 6. Compliance and Enforcement

- Any employee or officer found misusing or benefiting unlawfully from asset disposals shall be subject to disciplinary action, including legal measures.
- Regular internal and external audits shall ensure compliance with this policy.



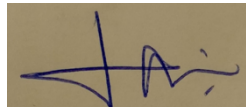
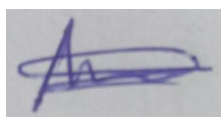
## 7. References

- Kenya's Public Procurement and Asset Disposal Act (2015)
- ISO 55000 Asset Management Standards
- UN SDG 12 – Sustainable Consumption and Production
- International Financial Reporting Standards (IFRS)

## Approval & Implementation

This policy is effective as of January 15<sup>th</sup> 2025 and will remain in force until further notice.

Approved by:

S/NO	Names, Postal Addresses, position held and Occupations of Directors	ID number of Director	Mobile Number of Director	Signatures of Directors
1.	James Katana Gibson	21005098	0723 734 303	
2.	Edward Chongwa Gamimbah	14499314	0721 786 550	
3.	Lennox Ringa Mwabaya	28186907	0718 056 796	
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