

## **STAFF OPERATIONS**

### **PURCHASING DEPARTMENT**

#### **Disposition of Surplus Equipment**

All surplus property and equipment which has come to the end of its useful life to the community is to be disposed of in such a manner as to yield a maximum financial return to the Golden Rain Foundation (GRF). Foundation/Mutual surplus equipment may not be sold, traded-in, salvaged, scrapped, donated or otherwise disposed of without prior approval from the Finance Committee and will be executed at the lowest possible cost. In keeping with this policy, the following steps will be considered due diligence for disposal of surplus property:

##### **Initiation of Disposal Process:**

When a Mutual or GRF department seeks to declare property as surplus, the Purchasing Manager will be advised of intent to transfer surplus property to the warehouse for the removal process via Equipment Transfer/Disposition of Equipment form sent via email. In turn, the Purchasing Manager will then initiate and execute the steps outlined below for removal.

##### **Disposal by Internal Transfer:**

For GRF properties priority will be given to internal re-circulation of properties in an attempt to repurpose surplus items. The Purchasing Manager will communicate via email to department heads notification of property available on a first come, first serve basis. If there is no call for repurposing, the Purchasing Manager will present a list of the items received as surplus, along with an assessment of fair market value, to the Finance Committee for review and approval.

##### **Disposal by Sale to Shareholders:**

GRF and Mutual property deemed to have a resale value, will be sold on a first come, first serve basis at the approved set price or open for best offer. Items will be sold "as is" for pickup. Notification of items for sale will be done through the classified section of the LW Weekly for the period of at least one week. Mutual items that cannot be sold internally will be reported back to the mutual contact for further disposition. If no further disposition is received from the Mutual contact after seven (7) days items will continue through the following steps with any remaining GRF items.

##### **Disposal by Donation:**

GRF Items that cannot be sold internally may be donated to nonprofit organizations.

##### **Disposal as Waste:**

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GRF Items that cannot be sold or donated will be discarded through the GRF's normal scrap, recycle or waste removal process.

**Final Reporting:**

Final disposition of all disposed items will be reported back to the Finance Committee by the Purchasing Manager. Mutuals will be credited for items sold on their behalf, where appropriate.

**Policy:**

Adopted: 16 Dec 69  
Amended: 15 Sept 86  
Amended: 22 Jul 14  
Amended: 25 Apr 17

**Golden Rain Foundation  
Seal Beach, California**