Approved Procedure for Disposal of Agricultural Products
June 24, 2003

Policy for the Disposal of Personal Property
Board Policy - RP-6.2.2.5f, Livestock and Farm Products: Livestock and farm products excess to the needs of the University may be disposed of by auction, livestock or farm product sales, or in whatever manner would best serve the interests of the University.

If time, stock or product warrant, the preferred method is to advertise the product to both State of Nebraska and University of Nebraska departments as excess to the needs of the individual department. If there is no interest as a result of this notice, the next preferred method is to initiate competition for the sale of the product utilizing sealed bid, auction, public sale or exchange for other product.

Alternate Policy for Disposal of Agricultural Products
In some instances the nature of the product may require a more expeditious method of sale. In all instances priority shall be given to University Departments and political subdivisions of State government. For this reason we propose the following alternatives:

Sale of agricultural grain and feed products*:

All efforts shall be made to establish a local area market price (i.e. a local or area elevator for grains, region market for hay or straw). If there are competitive elevators or local individuals that might be interested, a request should be made to obtain a bid from these sources also. The highest price offered (elevator or individual), weighing in potential expenses related to delivery and research data collection needs, should be determined in making the final award. A file, containing documentation of each sale and explanation of any conditions of sale due to research needs, shall be established and maintained a minimum of five (5) years. This file should be maintained for potential audit and as a record of how each sale was transacted. In all cases, no preference will be given to University personnel or relatives**.

Sale of Livestock*:

All efforts shall be made to determine a local area market price. Packers and livestock dealers should be contacted for pricing and to establish a local area market price. Individuals that may, or, have expressed interest shall be contacted to request bids. The highest price offered (packer or individual), weighing in potential expenses related to delivery and research data collection needs, should be determined in making the final award. A file, containing documentation of each sale and explanation of any conditions of sale due to research needs, shall be established and maintained a minimum of five (5) years. This file should be maintained for potential audit and as a record of how each sale was transacted. In all cases, no preference will be given to University personnel or relatives**.

*Most transactions, where the sale amount is one thousand dollars ($1,000) or more, shall require payment in the form of a certified/cashiers check or money order. If a prior business relationship has been established over time, with a history of payments, sales may occur with payment made by company check. However, departments selling commodities without securing a certified/cashiers check or money order shall be responsible for all costs associated with collecting payment and any loss of amount due.

**In all instances where a manager may be selling commodities to employees or relatives of employees, University managers must exercise caution to ensure that all decisions made can be justified and are in the best interest of the University.