

SECTION 14.0 - DISPOSITION OF EXCESS MATERIAL

14.1 Introduction

This chapter sets forth general requirements for the disposal of excess Hastings-owned material.

14.2 Determination of Excess Material

Each department head shall determine whether an item has no further value to the organization and can be disposed of as excess material. A report of those items shall be submitted to the Chief Financial Officer who will determine if other departments have any use of them.

14.3 Method of Disposal

When it has been determined that the excess material is of no immediate use to Hastings, it may be disposed of in one of the following ways, whichever is considered to bring the highest net return or benefit to Hastings:

- a. Trade-in on new equipment;
- b. Public sale to the highest bidder;
- c. Sale on a "first come, first served" basis if a fair market value has been established by the Supplies/Purchasing Manager and the availability and the price of the item(s) are made known to the general public through newspaper advertising and/or other announcements;
- d. Private sale to an individual when the cost and effort involved in arranging for a sale by method A, B, or C would be disproportionate to the return expected, and the Material Manager has determined that the sale price is reasonable; or
- e. Donation of excess material to an organization outside Hastings if the market value of the excess material is below the costs required for handling, record keeping, storage, and other costs associated with trade or sale; and either the specific prior review and approval of the General Counsel has been secured or the General Counsel has given blanket approval for donation of specific categories of excess material to educational institutions, other governmental bodies, or non-profit organizations.

14.4 Processing of Proceeds From Sales

Proceeds from the sale of excess material shall be processed in accordance with the applicable provisions of Chapter VII., of this Manual.

14.5 Limitation of Sales To Certain Employees and Their Near Relatives

- a. No one employed in the Supplies/Purchasing Office, or a near relative of such employee, may buy excess material directly from Hastings.
- b. No one employed in a department originating excess material, or a near relative of such employee, may buy any excess material originating in that department directly from Hastings.
- c. The principal driver(s) of a Hastings-owned motor vehicle, or a near relative of such employee, may not buy such motor vehicle directly from Hastings.
- d. Near relative is defined as husband, wife, mother, father, daughter, son, sister, brother, and step-relatives and in-laws in the same relationships.

The Chancellor and Dean or the Chair of the Board may approve exceptions to these provisions.

14.6 Restrictions - Donated Material

Disposition of non-cash gifts of tangible property is subject to the prior review and approval of General Counsel.

14.7 Responsibilities

The Chief Financial Officer is responsible for implementing these procedures and maintaining records will substantiate compliance with this chapter.