

ADMINISTRATIVE POLICY
PRODUCTS AND SERVICES PROVIDED BY THE DISTRICT

This policy pertains to employees.

Any activity resulting in the provision of products and services by the District must be deemed important to fulfilling the institution's education, training, and economic development functions; the activity is needed to provide products and services integral to the institution at a reasonable price, or reasonable terms, and at a convenient location and time; and the activity is carried out for the primary benefit of the College community but with sensitivity to the total community.

Criteria for District-Provided Products and Services

All activities paralleling the private sector must be integral to the fulfillment of the District's mission or must meet at least one of the following criteria:

- There are compelling reasons of economic efficiency where District resources can be made available to the broader community at relatively little additional cost to the institution.
- The product or service is unavailable elsewhere in the community in either sufficient quantity or quality.
- Providing the product or service is a major convenience to the College community including students, staff, and members of the public participating in institutional activities.
- The District's offering of the product or service is of major importance to maintaining the quality of the institution.

Pricing

The pricing of products and services offered by the District shall recover full cost or be comparable to private sector prices, unless a reduced price is demonstrated to be necessary to fulfill a function integral to the mission of the institution. The objective of the sale or resale of products that emerge as a result of an educational program is to recover or defray the cost of program operation.

Full cost for contracts to provide educational services is determined by using the methodology specified by the *WTCS Financial Accounting Manual* (direct instructional costs plus the District's indirect cost which is calculated by multiplying the indirect cost factor times the total faculty salary and fringe charged to the contract). FVTC strives for all contracts to produce positive net revenue.

Pricing recommendations for training and technical assistance contract services and District facilities rental are presented by the administration for District Board approval annually. Pricing on other products and services (e.g. food service, child care services, automobile resale) of the College is developed by the respective operations managers and division dean or director and reviewed at least annually by the vice president responsible for the functional area.

Private Sector Review Committee

The District Board of Trustees, through the president of the College, shall appoint a committee to review specific issues of potential competition with the private sector. Membership of the committee shall include representatives of the institution, the private sector, and the general public.

The private sector review committee reviews any formal complaints made by the private sector providers using the above guidelines and provides an advisory opinion to the District administration. A private sector provider will be notified in writing of the District's decision in regard to a complaint within 30 days of receipt of a formal written complaint. As an appeal's process, the District Board of Trustees reviews the complaint if formally requested subsequent to the complainant's notification of the District's decision.

Related Policy:

WTCS Board Policy Reference: #408 Effective 6/30/2010

Adopted: 06/24/1989

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