

## **AP 5032 Sales of Goods and Services**

### **References:**

NWCCU 2020 Standard 2.G.2  
ORS 341.290(8)

### **Overview**

Rogue Community College, in carrying out its mission, it is often necessary for the college to provide goods and services for charges which enhance, promote, or support its teaching, and public service functions. At the same time, the College must be mindful that when it provides goods and services for fees, it may be competing with local private businesses.

This AP has been developed to define the legitimate purposes under which sales of goods and services for charges may be approved, and to establish a mechanism to review such sales. Recognizing that the central mission of the College is providing instruction, this procedure shall not apply to charges for instruction in degree seeking programs or continuing education programs.

The Board of Education (Board) has the authority to assess the following types of fees:

- Tuition fees;
- Program fees;
- Course fees;
- Service and activities fees;
- Charges for services;
- Other fees/charges as determined by the discretion of the Board.

The Board has retained authority for review and approval of certain fees and has delegated authority for review and approval of other fees and charges to the College President, who in turn, may delegate review and approval to others.

### **Sales of Goods and Services for Fees**

The College may engage in the direct sale of goods and services to individuals, groups, or external agencies for fees only when those services or goods are directly and substantially related to the educational mission of the College. Charges for such goods and services shall be determined taking into account their full cost, including College overhead, as well as the competitive price of such items in the local community.

### **Criteria**

The College shall not engage in any sales activities solely for the purpose of raising revenue to support an educational activity if the goods or services sold are not directly and substantially related to the educational program.

Each of the following criteria shall be used in assessing the validity of providing goods or services to the external community.

1. The goods or services represent a resource which is directly related to a department's educational mission for which there is a demand from the external community.
2. The price or fee of the goods or services is established to account for the full costs of the goods or services, including College overhead.

### **Review and Approval Procedures**

Approval for the direct sale of any goods or services covered by this procedure shall be vested in the Vice President for the departments under their authority. Before any sales project may be implemented, the department proposing the project shall provide to the Vice President a request setting forth all pertinent information about the sales plan, and justification for such program addressing the elements of this procedure and the stated evaluation criteria. The Vice President shall, if they approve the project, notify the Budget and Finance Office of said approval as a condition to the creation of a revenue budget, and provide the Budget and Financial Services Office with copies of the documentation supporting the request.

Each category of goods or services sold is to be considered individually so as to avoid the unplanned expansion of any sales program. All new categories of sales shall be justified to and reviewed by the Vice President in accordance with this procedure.

### **Oversight**

The Chief Financial Officer (CFO) is designated as the individual who shall be available to:

- Resolve matters concerning the internal application of this procedure. It is the role of the Budget and Financial Services Office to review requests from the Vice President to establish revenue budgets. Should the Budget and Financial Services Office believe that the request is inconsistent with this procedure, it shall refer the matter to the CFO who will work with the Vice President to find a resolution.
- Address questions from members of the external community about specific sales programs.



- Because sales of goods or services to other governmental agencies involve College considerations, the CFO shall review all proposed sales to other governmental agencies.

**Rescinds Procedure Number: None**

**Approved: March 3, 2020**