

**GRAYS HARBOR COLLEGE**  
**Operational Policy**

**Subject: SALES OF GOODS AND SERVICES**

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**Operational Policy Number: 518**

**Date adopted: 11/16/87 Revised: 1/17/95, 5/20/14; Reviewed 4/21/ 2020**

Introduction

The primary mission of Grays Harbor College is the creation and dissemination of knowledge. In carrying out this mission, it is often necessary for the College and its affiliated units to charge fees for goods and services which enhance, promote, or support its teaching, research, 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 policy has been developed to define the legitimate purposes for which the sales of goods and services may be approved, and to establish a mechanism to review such sales. This policy shall not apply to: 1) charges for instruction in regular, evening, or continuing education programs; or, 2) services for fees in extracurricular programs, including food services, athletic and recreational programs, and performing arts programs.

Policy on Sales of Goods and Services for Fees

Grays Harbor 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 upon consideration of their full cost, including overhead, as well as the competitive price of such items in the local community.

Criteria

The direct sale of goods or services to faculty, staff, and students for the convenience of and in support of the broad educational mission of the College is distinctly different from sales to individuals or organizations external to the College. Therefore, different criteria have been established to evaluate requests for such sales programs.

Criteria for Sales to Campus Community Members

Each of the following criteria shall be used in evaluating the validity of providing goods or services to members of the campus community:

1. The activity is deemed to be important in the fulfillment of the institution's instructional, research, or public service missions;
2. The activity represents a special convenience and supports the campus community, or facilitates the extracurricular or public service of the campus community;
3. The goods or services are offered at prices or fees which account for full costs, including college overhead; and,
4. The goods or services will be provided primarily to members of the college student body, faculty, staff or guests.

### Criteria for Sales of Equipment and Supplies Abandoned by Students

Equipment purchased by students and abandoned when the student leaves the program will be disposed of using the following criteria:

1. Syllabus will state that abandoned equipment/supplies will be held for one quarter
2. Instructor or administrator will make an attempt to contact the student or student's family before items are sold
3. Items that are of minimal value or damaged, as determined by instructor or administrator, will be disposed of
4. Items deemed of value may be sold to current enrolled students using a fair and equitable method
5. Proceeds will be deposited to the program budget

### Criteria for Sales to the External Community

Grays Harbor 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 education 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 directly related to a unit's education mission, not commonly available or otherwise easily accessible, and for which there is a demand from the external community; and
2. The price or fee of the goods or services is established to account for the full costs of the goods or services, including overhead. The price of such items in the private marketplace shall be taken into account in establishing the price or fee.

### Review and Approval Procedures

Approval for the direct sale of any goods or services covered by this policy shall be vested in the president/designee. Before any sales project may be implemented, the unit proposing the project shall provide to the president/designee a request setting forth all pertinent information about the sales plan, and justification for such program addressing the elements of this policy and the stated evaluation criteria. Upon approval, the vice president for administrative services will create a revenue budget for the activity and coordinate control of that budget with the Business Office.

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 president/designee in accord with this policy.

### Oversight

The president/designee shall be available to:

1. Resolve matters concerning the internal application of this policy and review requests to establish revenue budgets.
2. Address questions from members of the external community about specific sales programs.

3. Review all proposed sales to other governmental agencies.

Review of Existing Programs

All current sales programs shall be evaluated by the president/designee following the procedure for initial review and approval stated above, not later than six months after the effective date of the adoption of this policy.

Implementation

The president shall be responsible for developing administrative procedures necessary to implement this policy.