

Wisconsin Technical College System Board
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Edward Chin, State Director

ADMINISTRATIVE BULLETIN

Date: March 29, 1999

Subject: District Relations with the Private Sector: General Policy on Goods and Services

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Effective: March 29, 1999

Distribution: District Directors
Chief Financial Officers
Instructional Services Coordinators
AB Distribution List

Each district board shall adopt policy guidelines to regulate the provision of goods and services by their institutions. Guidelines shall provide that any activity, not related to the mission and purposes of the WTCS System, resulting in the provision of goods and services by a district is permissible only if the activity is:

1. Deemed important to the fulfillment of the institution's education, training, and economic development functions;
2. Needed to provide goods or services necessary for district operations at a reasonable price, on reasonable terms, and at a convenient location and time; and,
3. Carried out with sensitivity to the larger community for the primary benefit of the district community.

District board guidelines to regulate the provision of goods and services not related to the mission and purposes of the WTCS System shall provide at a minimum that:

1. All activities paralleling the private sector must be integral to the fulfillment of the district's instructional, research, or public service missions. Exceptions may be granted if any of the following pertain:

- a. There are compelling reasons of economic efficiency. Economic efficiency means that district resources can be made available to the larger community at relatively little additional cost to the district;
 - b. The product or service is unavailable elsewhere in the community. Unavailability may be defined in terms of the lack of quality or quantity of the product or service;
 - c. The product or service is a major convenience to the district community including students, staff, and other members of the public participating in district activities. Although other factors may be involved, convenience is typically defined in geographic terms: i.e., private sources are too far away to be, practically, the suppliers;
 - d. The district's offering of the product or service is of major importance to the maintenance of the quality of the district's operations and facilities; or,
 - e. The pricing of goods or services shall recover full costs or be set higher so as to 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 district.
2. Each WTCS District Board shall appoint a private sector relations review committee to review specific areas of potential competition with the private sector. The membership of the committee shall include representatives of the district, the private sector and the general public. Any proposed provision of goods and service presented to the committee shall include full documentation of costs and pricing considerations. The committee shall review the proposal for compliance with district guidelines. The review shall include a determination that any pricing structure complies with district board criteria. The committee shall report its findings to the district board before the board acts upon the proposed offering of goods and services.

Edward Chin /s
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