# MID-STATE TECHNICAL COLLEGE

### **ADMINISTRATIVE POLICY**

Policy Section: FISCAL MANAGEMENT

## Policy Title: GENERAL POLICY GOODS AND SERVICES

As directed by the Wisconsin Technical College System and detailed in the WTCS Contracts for Services and Contract Reporting System Manual, each district must adopt policy guidelines regulating the provision of goods and services by the District, which may be in competition with the private sector. The purpose of this policy is to prevent the College from engaging in an unfair competition with public funds. However, there are legitimate situations when discounts or pricing below market can be offered.

Goods and services provided by the District shall be considered permissible if the activity is:

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

In general this policy may impact contracted services, student club activities or fund raisers, bookstores, cafeterias, cosmetology clinic, PC repair clinic, and other enterprise activities or services. The respective managers in these areas are responsible for compliance with this policy, which requires an awareness of other competitors and the market.

#### **GUIDELINES FOR COMPETING WITH A PRIVATE SECTOR FOR-PROFIT BUSINESS**

All activities paralleling, or competing with the private sector shall comply with the following guidelines:

- The activity is to be an essential part of the District's instructional, research or public service mission. Exceptions may be granted if:
  - Compelling reasons of economic efficiency exist. Economic efficiency means that district resources can be made available to the larger community at relatively little additional cost to the District.
  - 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.
  - 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.
  - o The product or service is of major importance to the quality of the College.

- The pricing of goods or services offered by the District 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.
- The College shall consider the availability of the requested services from external service providers before entering into a competitive contract to provide similar services.

#### **ESTABLISHED APPEAL PROCESS**

The College President shall appoint a private sector review committee, as needed, to review disputes received by competing services providers in areas of alleged competition. The membership of the committee shall include representatives of the District, the private sector, and the general public.

The committee shall review the situation for compliance with district guidelines. The review shall include a determination that any pricing structure complies with board criteria. The committee shall report its findings to the College President.

The College President will respond to the complainant, in writing, within thirty (30) business days of receipt of the complaint. The complainant may request, in writing, a review by the District Board.

Adopted: August 2011
Last Reviewed: May 2022
Last Revised: January 2021

Policy Section: Fiscal Management

Policy Title: General Policy on Goods and Services