



Office of the President • One Washington Square • San Jose, California 95192-0002 • 408/924-1100

July 29, 1988

PD 88-02

TO: Vice Presidents, Associate Vice Presidents, Deans, Directors,  
Department Chairs, and SJSU Auxiliary Boards

FROM: Gail Fullerton  
President

A handwritten signature in cursive script that reads 'Gail Fullerton'.

SUBJECT: PD 88-02: EDUCATIONAL BUSINESS ACTIVITIES

This Presidential Directive has been developed in response to ABS 87-33, a directive from the Chancellor's Office. The intent of this presidential directive is to define the legitimate purposes for which sales of goods and services for fees may be approved and to establish a mechanism to review such sales. This directive shall not apply to charges for instruction in regular, extension, evening, or continuing education programs.

San Jose State University, directly or through its auxiliary organizations, 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 substantially related to the educational mission of the University. Business enterprises and services operated or authorized by the University shall generally be those necessary for the conduct of the mission of the University when comparable goods and services are not readily available to meet the express needs of the University.

Criteria for Sales of Goods and Services to Campus Community Members:

The following criteria shall be used in assessing whether it is appropriate to provide particular goods or services to members of the campus community:

- 1) The goods or services are substantially related to the University's instructional, research, public service, or campus support functions.
- 2) The service consists of recreational, cultural, or athletic events open to the broader university community. Events may be offered that have as their principal purpose the improvement of relations between the University and the general public and the generation of financial support for University programs and facilities.
- 3) Provision of the goods or services on campus represents a special convenience to and supports the campus community, or facilitates the extracurricular, public service, or residential life of the campus community.

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4) Goods or services are provided primarily for members of the campus community except where the service is incidental to the regular function of a campus entity: e.g., occasional sales by the bookstore or food service to campus visitors.

5) The price or fee for the goods or services is established taking into account their full cost, including University overhead, as well as the competitive price of such items in the local community.

Administration:

The Executive Vice President, as Chief Fiscal Officer, or Designee, shall have responsibility and authority to monitor this policy, to resolve matters concerning its application, to approve all new categories of goods or services offered for sale, and to address questions from the external community regarding specific sales programs.

GF:lvh

cc: Chancellor W. A. Reynolds  
Vice Chancellor D. Dale Hanner