



Policy 301

Instructional-Related Programs Policy

Section: 300 – Aid to Instruction

Responsible Executive: Associate Executive Director, Administration and Legal Affairs

Responsible Department: Associate Executive Director, Administration and Legal Affairs

Issued: January 28, 2011

Updated: January 1974, June 15, 1990

First Effective Date: January 1974

Next Scheduled Review: June 15, 2014

1.0 PURPOSE

- 1.1. To establish policy and criteria for the distribution and sale of products and services from programs operated through the Aid-to-Instruction programs, including, but not limited to, student enterprise programs, commercial enterprises, and University Graphic Systems (“UGS”).

2.0 BACKGROUND

- 2.1. The California Polytechnic State University (“University”) Aid-to-Instruction programs, including student enterprise and commercial programs, operate through an Operating Agreement and a non-exclusive facility usage license between Cal Poly Corporation (“CPC”) and the University. Aid-to-Instruction programs are intended to support the “learn by doing” teaching philosophy of University.
 - 2.1.1. A student enterprise program, typically results in a marketable product. Generally students are not paid to participate in the program, but receive a share of the net proceeds and generally receive class credit for participation. The product must be sold in accordance with an enterprise agreement to recover program costs and distribute net income. In some cases, product distribution and sales are a component of the instruction associated with the program.
 - 2.1.2. A commercial enterprise program is operated by CPC employees, including any students, and the intention is to operate a program of adequate and sustainable size such that students in enterprise programs and classes may have the opportunity to participate or learn about the product or service firsthand.

3.0 POLICY

3.1. General.

- 3.1.1. CPC agrees that Aid-to-Instruction programs provide hands on experience to students in multiple disciplines, and can provide revenue to support related educational programs. It is important that CPC continue to provide the legal and administrative infrastructure to support these programs.
- 3.1.2. It is important that all instructionally-related service and sales activity be undertaken with clear standards involving sound fiscal and management considerations that are complementary to programmatic and educational objectives.
- 3.1.3. Products and services resulting from instructionally-related activity shall be marketed in a manner that is:
 - 3.1.3.1. Consistent with the educational objectives of the instructional program;
 - 3.1.3.2. In conformity with applicable general or special business practices set by CPC) and the University Dean with program service or responsibility;
 - 3.1.3.3. Related to practices of the industry of the service or product; and

- 3.1.3.4. Sensitive to the marketplace and for-profit competition.
- 3.2. **Programs.** A number of programs have existed for a number of years, some annually, and some periodically. New programs may be initiated if approved by the University Dean with that program service responsibility and departmental support. Customary types of programs from student and commercial programs, and their business goals, include, but are not limited to, retail, wholesale and traditional industry distribution practices,:
- 3.2.1. Livestock (Beef, Dairy, Sheep, and Swine) - Consignment sales to packing plants and sales yards; stock shows; breeding services or materials, and private treaty sales and auctions.
 - 3.2.2. Horses - Consignment sales and private treaty; and breeding services or materials.
 - 3.2.3. Poultry - Wholesale agreements with campus and local retailers; retail sales through Farmer's Market and campus outlets.
 - 3.2.4. Meats and Meat Products - Wholesale through campus outlets, locker plants and processors, and local retailers; private wholesale and retail.
 - 3.2.5. Crops and Ornamental Horticulture - Retail through campus outlets, Farmer's Market and campus community; and wholesale to campus and industry users and local retailers.
 - 3.2.6. Feed - Contract surplus grain sales on high bid basis; finished feed to County Honor Farm; and campus users.
 - 3.2.7. Pilot Plant - Wholesale through campus outlets or to local retailers.
 - 3.2.8. Dairy - Wholesale product sales to campus outlets and individuals, and local retailers, with excess to cooperative.
 - 3.2.9. Trees - Christmas tree sales at retail to campus individuals or to general public on choose and cut basis.
 - 3.2.10. Consumable food products- Chocolates, jams and jellies, and other food products for retail sale.
 - 3.2.11. Print production – Printing, press and other production services, generally to end users at University through University Graphic Systems.
- 3.3. **Sales Agreement and other Forms.** Written sales instruments customary to the pertinent industry or for products or services subject to special business practices shall be to the approval of the Associate Executive Director, Administration and Legal Affairs and the responsible University Dean, or designee(s).
- 3.4. **Enterprise Agreements.** Each student enterprise must operate per the terms of the enterprise agreement, including the enterprise plan and budget for each program, and shall comply with all policies and practices of CPC and the law, including human resources. The agreement shall be as approved by the Associate Executive Director, Administration and Legal Affairs, and the responsible department and University Dean, or designees.
- 3.5. **Commercial Enterprises.** Such enterprises are operated by employees of CPC and shall comply with all policies and practices of CPC and pertinent law.

4.0 DEFINITIONS

- 4.1. None.

5.0 PROCEDURES, GUIDELINES AND FORMS

- 5.1. The Associate Executive Director, Administration and Legal Affairs, in consultation with the University Dean having programmatic responsibility for that specific program, shall develop and implement documentation and further management Guidelines consistent with this policy document, if necessary.

6.0 COMPLIANCE

- 6.1. All auxiliary units, departments and personnel and any authorized personnel that manage Aid-to-Instruction programs based on funding from any account held by Corporation must comply with this policy.

7.0 REFERENCES AND RELATED POLICY

- 7.1. None.