

## 28.02 Educational Business Activities

Revised [October 31, 2019](#) (MO -2019)  
Next Scheduled Review: October 31, 2024  
Click to view [Revision History](#).



---

### Policy Summary

---

The chief executive officers (CEOs) of The Texas A&M University System (system) are authorized to approve the establishment of all educational business activities which meet the criteria set forth below and which comply with all other state or federal regulations pertaining thereto.

---

### Definitions

---

Click to view [Definitions](#).

---

### Policy

---

1. The member CEOs are authorized to approve the establishment of all educational business activities which meet the criteria set forth below and which comply with all other state or federal regulations pertaining thereto.
  - 1.1 In pursuing their mission of creating and disseminating knowledge, the members may find it necessary to charge fees for providing goods and services that further the purposes and functions of instructional, research, extension, public service, and all other educationally related activities.
  - 1.2. System educational business activities must meet the following three criteria:
    - 1.2.1 the activity is integral to and directly related to the fulfillment of the member's educational, research, extension, public service or campus support function without regard to profit;
    - 1.2.2 the activity is needed to provide reliable goods or services on a consistent basis, at a reasonable price, on reasonable terms, and at a convenient location and time; and
    - 1.2.3 the activity is required to meet educational needs and objectives and is carried out for the primary benefit of the students, faculty, staff or constituency of the member but with sensitivity to the impact upon the total community.

- 1.3 No member will establish any educational business activity until such activity has been reviewed and approved by its CEO, who will be responsible for compliance with the above criteria.
  - 1.4 Members establishing educational business activities must submit to the system chief financial officer a report detailing the purpose of the business activity and an assurance of compliance.
  - 1.5 All members must comply with applicable laws and regulations pertaining to educational business activities with particular attention to taxation, conflict of interest and unfair competition.
2. Privatization of business activities must be undertaken only with approval of the chancellor and the Board of Regents. The chancellor will ensure that each contract must provide a mechanism to assure quality control of services provided with adequate provisions for noncompliance.

---

## **Related Statutes, Policies, or Requirements**

---

[System Regulation 21.01.01, Financial Accounting and Reporting](#)

[System Regulation 21.01.05, Service Departments or Centers](#)

[System Policy 25.07, Contract Administration](#)

---

## **Member Rule Requirements**

---

A rule is not required to supplement this policy.

---

## **Contact Office**

---

Budgets and Accounting  
(979) 458-6100