

## SECTION X - COMMERCIAL PURPOSES

### A. Related Policies

1. University Regulation No. 4
2. Approval and Execution of Incoming Purchase Orders for University Goods and Services, PPM 500-4
3. Vending, peddling, and/or soliciting of merchandise is forbidden with the exception of the regulations listed in this Section.
4. Official publications of the University - those of an informational or administrative nature used in the conduct of routine activities, including maps, guides, directories, catalogs, departmental announcements, and schedules of classes - should not contain commercial advertising. (Saxon to Chancellors, 4/12/80)
5. UCSD Student Handbook

### B. Definitions

#### 1. Commercial:

An activity having profit as the primary aim. Commercial activity is distinguished from fund raising by examining:

- a. the for profit/non-profit tax status of an organization; and
- b. the nature of the activity.

Any activity of a for-profit business having profit as the aim is commercial and any activity of a non-profit organization which is not substantially related to the purpose of the organization and resembles a commercial activity is commercial. To resemble a commercial activity, the purpose must be to produce profit and the activity must be on-going. Thus, a non-profit organization which has a one-time sale of goods is fund raising and one which is operating a store is conducting a commercial activity.

#### 2. Unrelated Business Income

Taxable income of a non-profit organization generated from a commercial activity.

### C. Policy

The University must retain its non-profit status and cannot engage in activities which generate unrelated business income.

The University can perform commercial services which are substantially related to the purposes of teaching, research, and/or public service related to teaching or research. Traditional commercial services include, but are not limited to, bookstores, sundry stores, food service, housing, performing arts and entertainment activities which are primarily for the benefit of the

University community.

UCSD official units or registered organizations will not be permitted to use University properties to conduct non-traditional commercial activities except when it is shown conclusively that such non-traditional commercial activities are not available and do not compete with private enterprise.

### **Revised Paragraph**

Effective 11/1/00

Subject to University regulations governing the use of University facilities, including but not limited to Regulation 4, the University may enter into agreements with external entities to perform specified commercial activities either on campus or using campus property, facilities and/or equipment. Except as allowed under such agreement or as specifically permitted by this or other UCSD policy, commercial activity on the UCSD campus or using UCSD property, facilities and/or equipment is strictly prohibited.

### **End Revised Paragraph**

UCSD will grant permits to vendors sponsored by a registered UCSD Student Organization to sell their own handmade wares at Revelle Plaza under certain conditions and procedures.

A for-profit company can use UCSD properties for educational or research activity through the Conference Program if such an activity provides a substantial benefit to the campus in furtherance of University related purposes as affirmed by an eligible sponsor (refer to Section IV, M. of this PPM).

University goods and services will not be sold to the general public other than through University retail outlets except when it is shown conclusively that the services are not otherwise available and the service sold benefits education or research.

## **D. Procedure**

### **1. Commercial Activities of Official University Units**

All commercial activities of official University units are subject to the review and approval of the Vice Chancellor for Business and Finance-Business Affairs.

### **2. Commercial Activities of Registered Student Organizations**

The Student Organizations Advisor will examine the statement of purpose and constitution or by-laws of each student organization upon registration. Those organizations proposing non-traditional commercial activities using University properties will be referred to the Vice Chancellor for Student Affairs who will coordinate with the Vice Chancellor- for Business and Finance Business Affairs in deciding whether the activity complies with University policy. These organizations will follow accepted business and accounting practices and methods of accountability approved by the Vice Chancellor- for Business and Finance Business Affairs.

### **3. Commercial Activities of Registered University Related Organizations**

**Revised Paragraph****Effective 11/1/00**

The Director, Business Services Director of Human Resources for Equal Opportunity/Staff Affirmative Action will examine the statement of purpose and constitution or by-laws of each University staff or academic related organization upon registration. The UCSD Office of Support Group Operations will examine the statement of purpose and constitution or by-laws of each University related organization upon registration. Those organizations proposing commercial activities using University properties will be referred to the Vice Chancellor-for Business and FinanceBusiness Affairs for approval. These organizations will follow accepted business and accounting practices and methods of accountability approved by the Vice Chancellor- for Business and FinanceBusiness Affairs.

**End Revised Paragraph****4. Sale of Handmade Wares**

- a. Students, staff, and faculty of the University of California, San Diego, and others, can sell their own handmade wares through the week at three designated locations: Revelle Plaza, Muir Commons, and the grassy area in front of the Student Center, provided they follow the procedure set forth below.
- b. Only handmade wares may be sold. These items must be locally made (within the San Diego County). Imported goods and second-hand items are not permitted. The basic item must be completely handmade, with accessories which can be manufactured (ie., belt buckles, beads, etc.). Status of questionable items will be determined by the Student Center Director. (See i. below).
- c. Each seller must obtain a University of California, San Diego Vendors Permit in order to sell goods on campus. The following procedures have been established for all vendors:
  - (1) All vendors must obtain a permit from the State Board of Equalization, 1350 Front Street, San Diego (236-7731). Depending on the business, there may be an assessed deposit which may be refunded in full upon compliance with the Board's rules. (Be prepared to present ID, local address, and two references.)
  - (2) Once this permit is obtained, vendors who are UC students, staff or faculty must present it to the Student Center Director where an application form will be filled out. Please bring UC ID and a sample of goods to be sold with you. The Student Center will then issue a selling space and Vendors Permit. there will be a \$5.00 charge for the students per quarter and a \$25.00 charge for staff and faculty per quarter.

(3) Off campus vendors may sell on campus by obtaining a permit from the State Board of Equalization. This permit must be presented to the Director, Business Services for approval. After approval by the Director, Business Services the seller presents certification of approval, a sample of goods to be sold, and ID to the Student Center Director where an application will be filled out. The charge for off-campus vendors is \$25.00 per quarter. The Student Center Director will then issue a selling space and Vendors Permit.

- d. Once the UCSD Vendors Permit has been obtained, the seller is required to openly display this at all times when selling. Permits are to be returned to the Student Center Director at the end of the quarter. (There is a \$1.00 fee for all unreturned permits.)
- e. Applicants may choose any 15 days during the quarter to sell. Dates will be allocated on a first come, first serve basis. An applicant may receive a 15 day extension if selling spaces are available at no extra charge.
- f. Applicants must choose a space within the designated selling area. Sales are limited to such selected areas and shall be conducted so as not to disrupt traffic.
- g. A vendor may utilize an area no larger than 10'x15'. Items may not be displayed more than 4' above the ground.
- h. This selling policy is subject to reasonable regulation by the Student Center Director.
- i. For those vendors wishing to sell items not listed below (i.e. perishable goods, foodstuffs, etc.) there may be alternative procedures which can be worked out with the Student Center Director's Office and the Director, Business Services.

## 5. **Sale of University Goods and Services**

Refer to PPM 500-4.

## 6. **Vendor Displays on Campus**

The Purchasing Department must authorize any vendor display on campus.

**Permits may be issued only for the goods listed below:**

- a. Posters and Paintings
- b. Wall Plaques and Decorations
- c. Decoupage
- d. Macrame
- e. Leather Goods, Including Buckles
- f. Flowers and Plants
- g. Jewelry
- h. Candles
- i. Handcarved Goods

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- j. Photographs
- k. Breadboxes
- l. Skateboards
- m. Hammocks
- n. Rugs and Quilts
- o. Clay Goods
- p. Glass Goods
- q. Beaded Work
- r. Handmade Cards
- s. Handmade flutes and recorders
- t. Handmade Clothes, Bags and Purses

**No food or items of a perishable nature may be sold.** (See para. D.4.i. of this Section.)