I. Policy Statement

The University of North Texas shall establish auxiliary enterprise services to support the University's mission by providing services that improve value and enhance the overall student experience. The University will establish and maintain proper operating control over such services to help ensure compliance with applicable laws and University policies.

II. Application of Policy

All University

III. Policy Definitions

A. Auxiliary Enterprise

“Auxiliary Enterprise,” in this policy, means an entity that is managed to operate as a self-supporting activity, that exists predominantly to furnish goods or services to students, faculty, or staff, and that charges a fee directly related to, although not necessarily equal to, the cost of goods or services. The general public may be served incidentally by some auxiliary enterprises.

B. Enterprise Funds

“Enterprise funds,” in this policy, means funds used to support operations.

IV. Policy Responsibilities

A. The University may authorize the establishment of an Auxiliary Enterprise when it is determined necessary to charge fees for providing goods and services.

B. To be approved as an Auxiliary Enterprise, the business activity must be integral to the fulfillment of the University's instructional, research, or public service missions, and comply with state and federal law.

C. In accordance with Texas Education Code Section 51.009, Auxiliary Enterprise Funds shall be accounted for in a manner recommended by the National Association of College and University Business Officers and approved by the Comptroller of Public Accounts and the Texas Higher Education Coordinating Board. Other rules and procedural guidelines established for the administration of University budgets, finances, human resources, procurement, business, facility, and administrative services may also apply to Auxiliary Enterprises.

D. Privatization of business activities, such as contracting with an external party for the operation of campus business services, shall only be undertaken at the direction of the University President after careful consideration and review. When a business activity is
privatized, the Senior Vice President for Finance and Administration shall ensure that the resulting contract contains (i) a mechanism to assure that quality services are provided in accordance with the scope of work (ii) adequate provisions for noncompliance and operational control, as appropriate, and (iii) if the contract is with a food service provider, a requirement that the food service provider periodically hold meetings or forums to provide students at the University with a reasonable opportunity to discuss the performance of the food service provider.

E. Appropriated funds may not be expended to support auxiliary enterprises.

V. References and Cross-References

Article III § 6(8)(b) of the General Appropriations Act
Texas Education Code §§ 51.009 & 51.945
Texas Government Code § 2252.061(1)

VI. Revision History

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