

**BOARD OF TRUSTEES
UNIVERSITY OF THE DISTRICT OF COLUMBIA
UDC RESOLUTION NO. 2019-21**

SUBJECT: Notice of Final Rulemaking, Amendment to 8B DCMR 411, Business Enterprises and Sales of Products and Services

WHEREAS, pursuant to D.C. Official Code § 38-1202.01(a), the Board of Trustees (“Board”); has the power to adopt, prescribe, amend, repeal, and enforce bylaws, rules, and regulations it considers necessary for the governance and administration of the University; and

WHEREAS, pursuant to D.C. Official Code § 38-1202.06(13), it is the duty of the Board to perform such duties and make such regulations as may be necessary to carry out the purposes of the University and that such regulations are adopted in accordance with the provisions of D.C. Official Code § 2-505(a); and

WHEREAS, the University is seeking an amendment to 8B DCMR 411 in order to permit the University to engage in business activities, including the direct sales of goods and services to the general public; and

WHEREAS, the University’s auxiliary services department will provide oversight and ensure the University’s compliance with applicable laws and regulations pertaining to such activities.

WHEREAS, the substance of the proposed rule enacted herein was published on March 15, 2019 at 66 DCR 003082-003083 for a thirty (30) day public comment period in accordance with D.C. Official Code §2-505(a); and no public comment was received during the public comment period; and

WHEREAS, pursuant to 8B DCMR § 128.4, where no comments are received, the Chairperson of the Board committee may forward the rules for final adoption without committee action.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of the University of the District of Columbia hereby amends Chapter 4 of the University Rules (Title 8B DCMR) to permit the University to engage in business activities as indicated in the Notice of Final Rulemaking attached hereto as Appendix A; and

BE IT FURTHER RESOLVED that the rules enacted herein shall take effect upon publication in the D.C. Register and that all prior inconsistent resolutions, customs, procedures and practices are hereby repealed.

Approved by the Board of Trustees:

June 4, 2019



Christopher Bell
Chairperson of the Board

APPENDIX A
UNIVERSITY OF THE DISTRICT OF COLUMBIA
NOTICE OF FINAL RULEMAKING

The Board of Trustees of the University of the District of Columbia, pursuant to the authority set forth under the District of Columbia Public Postsecondary Education Reorganization Act Amendments (Act) effective January 2, 1976 (D.C. Law 1-36; D.C. Official Code §§ 38-1202.01(a); 38-1202.06(13) (2012 Repl.) hereby gives notice of its intent to amend Chapter 4 (Budget and Finance) of Subtitle B (University of the District of Columbia) of Title 8 (Higher Education) of the District of Columbia Municipal Regulations (DCMR)), effective upon publication of this notice in the *D.C. Register*..

The purpose of the proposed rule is to permit the University to establish business enterprises, including the sales of products and services to the public.

The substance of the rules adopted herein was published in the *D.C. Register* on March 15, 2019 at 66 DCR 003082 - 003083 for a period of public comment of not less than thirty (30) days, in accordance with D.C. Official Code § 2-505(a)(2016 Repl.).

No public comment was received by the Board within the public comment period. The rule was adopted by the Board as final on June 4, 2019, and will become effective upon publication of this notice in the *D.C. Register*.

Chapter 4, BUDGET AND FINANCE, of Title 8-B DCMR, UNIVERSITY OF THE DISTRICT OF COLUMBIA, is amended as follows:

Section 411, BUSINESS ENTERPRISES AND SALES OF PRODUCTS AND SERVICES, is amended as follows:

- 411.1 The University may engage in any trade or business, including sales to the public.
- 411.2 Income generated from any trade or business, regularly carried on by the University, that is not substantially related to the University's educational activities may be taxable.
- 411.3 A University business enterprise may be operated as an auxiliary enterprise, subject to negotiated agreements with the University, if applicable, but shall in all cases be under the direct management, control, and supervision of the Chief Operating Officer of the University.
- 411.4 The University shall identify and report unrelated business income on its annual tax returns and remit any tax due, in compliance with federal, state, and local tax laws and regulations.

411.5

The Chief Operating Officer of the University shall ensure the University's compliance with sales tax regulations by collecting, accounting for, reporting and remitting the required sales tax in a timely manner, for all taxable sales and rentals.