

University of Louisiana System

**Title: OUTSIDE EMPLOYMENT/
PROCEDURES**

Effective Date: February, 1995

Cancellation: None

Chapter: Faculty and Staff

Policy and Procedures Memorandum

I. INTRODUCTION

The Board of Supervisors for the University of Louisiana System recognizes that certain outside employment activities are of benefit to its System institutions, to the State of Louisiana and to the private sector, as well as to its individual employees. Although the Board recognizes a right of employees to engage in outside employment, as required by L.R.S. 42:1123(9), it has established policies and procedures requiring that such outside employment be disclosed and submitted for administrative review and approval.

- A. All full-time employees of the System, including faculty, other academic, unclassified, and classified, are required to abide by this memorandum at all times, including during regular and summer term and while on paid or unpaid leave.
- B. Outside employment is defined as any non-University/College activity for which economic benefit is received, including but not limited to:
 - 1. Employment with any non-University employer.
 - 2. Contracts to provide consulting, personal or professional services to non-University individuals or entities, including publishing agreements or arrangements.
 - 3. Self-employment or operation of a business.

- C. Economic benefits include cash payments or such other non-cash economic benefit, e.g., share of profits, shares of stock, equity participation, etc. as the employee and outside employer may agree; provided that such non-cash economic benefit shall not have a present value significantly in excess of fair compensation for the services rendered. Compensation rates for outside employment need not be related to University salary rates but should be negotiated fairly based on normal private sector levels for similar services.
- D. Outside employment shall be performed only outside of assigned working hours or responsibilities, or during a period of paid or unpaid leave. During said sabbatical, special or educational leave, outside activities may be permitted only in exceptional circumstances, and only in accordance with Board Rules and State Law.
- E. Outside employment shall not conflict, delay, or in any manner interfere with instructional, scholarly and/or other services, which the employee is obligated to render to the University.

II. OUTSIDE EMPLOYMENT THAT WILL BE CONSIDERED FOR APPROVAL

The following types of outside employment will be considered for approval:

- A. General consulting, other outside employment or business activities.
- B. Serving as an expert witness in an area based upon the employee's training and experience.
- C. Consulting on a non-University research project. A University employee may be engaged as a consultant on a non-University research project or projects conducted by an outside employer, provided the employee neither supervises nor performs the research.

III. OUTSIDE EMPLOYMENT THAT WILL NOT BE APPROVED

- A. A university employee may not receive compensation to assist in the passage or defeat of legislation during the fiscal year in which the legislation is pending in the legislature, except from the Louisiana Legislature or any department, institute or agency within the Legislative branch.

- B. If the University employee supervises non-University research or performs the research, he/she is considered a participant or a part of the outside research team rather than a consultant. In such instances, the employee may not be employed by, nor contract directly with, the outside agency unless it is not feasible or practical to seek a contract through the University under established procedures for sponsored research, as determined by the appropriate University President.
- C. Blanket approvals for outside employment will not be granted.
- D. Employment or contractual relationships, which are considered to be a violation of the Louisiana Code of Governmental Ethics, will not be approved.

IV. EMPLOYEE RESPONSIBILITIES

Full-time employees contemplating outside employment or currently engaged in outside employment shall:

- A. Disclose outside employment in accordance with this Issuance, and procedures established therefor.
- B. Submit a list of all contract or other agreements between the University and the outside employer in which the employee is involved on behalf of the University. Such a list is to include, to the extent the information is known to the employee, the owners, directors, majority shareholders, or affiliates of the outside employer. Additional information about such contracts may be required by the University upon request.
- C. Provide notification to the outside employer that he/she accepts such employment as an individual, and not, in any manner, as a representative of the University. It is recommended that employees do this by including with any oral testimony or written reports, a statement to the effect that the views expressed are those of the employee and do not necessarily reflect the views of the University. In no case may the individual concerned use the name of the University or his/her University affiliation, title, or address officially in any other way in support of any position he/she may take. Biographical data, including a statement of employment by the Board of Supervisors for the University of Louisiana System, may be included as introductory material to written reports or orally in the case of the expert witness statements, but may not be incorporated into the body of the written report.

- D. Comply with any other provisions of this issuance.

V. APPROVAL LEVELS

Certain types of outside employment require approval of the University President and/or the System President as follows:

- A. Approval by the University President. Under the Louisiana Code of Governmental Ethics, certain outside employment requires review and approval by a President and may be approved only for academic, administrative and professional employees.
 - 1. Outside employment that requires approval of the University President includes:
 - a. Outside employment with an individual or entity currently doing or actively seeking to do business with the employee's unit at the University or under circumstances in which the employee is collaborating with, or on special assignment to, a unit within the University with which the entity is doing or seeking to do business.
 - b. Outside employment involving teaching which will result in University level credit for the student, which will be conducted on University time, or which will utilize University property, service, or resources.
 - c. Outside employment which ordinarily would be performed as part of the public service aspect of the University insofar as that employee's job duties and responsibilities are concerned.
 - d. Outside employment yielding results that advance a theory or practice in the employee's field.
 - e. Outside employment activity that could be accomplished more appropriately by a contract through the University. This activity shall be the subject of a University contract unless it is not feasible or practical to do so.

- f. Outside employment activity for an individual or entity that has substantial economic interests which may be materially affected by the way in which the employee performs his or her duties and responsibilities as a University employee.
- 2. If such proposed outside employment is with a third party that is contracting with or is seeking to contract with the University, the employee must remove himself or herself from any relationship in which he or she would:
 - a. Approve payments by the University to the third party pursuant to any contract between the University and the third party.
 - b. Evaluate any work performed by the University pursuant to a contract between the University and the third party.
 - c. Negotiate and/or approve any subsequent contracts between the University and the third party.
 - d. Approve the purchase of University equipment pursuant to the contract with the third party in an amount in excess of \$2,000.

The employee's immediate supervisor, and that approving supervisor's next immediate supervisor must carry out the above actions.

- 3. Outside employment requiring the approval of the University President also requires a written agreement between the employee and the outside entity that shall contain the following explicit information:
 - a. General technical area of endeavor.
 - b. Specific employment or consulting activities.
 - c. Duration of employment agreement.
 - d. Estimated time in hours per week or days per month required for the employment.
 - e. Employee's hourly or daily compensation rate, method of payment, and total estimated compensation to be received.

- f. Statement that agreement is between employee and outside entity, that employee is not acting as an agent of the University, and that the University bears no liability in the relationship.
 - g. Statement that the use of the University name in connection with the employment activities shall only be upon written authorization of the University.
 - h. Statement that the rights to any intellectual property, i.e., inventions, materials subject to copyright, etc. resulting from employment activity, to the extent that they would vest in the employee in the absence of any other agreement, will be assigned to the University and disposed of in the manner prescribed by Chapter III, Section VI, of the Bylaws, Policies and Procedures of the Board of Supervisors for the University of Louisiana System, and such other University policies as may be applicable.
- 4. The outside entity and the employee shall negotiate and draft an agreement meeting all of the requirements herein. If the contract involves consulting with respect to research or technology, the appropriate University office primarily responsible for licensing and transfer of technology, e.g., Office of Research, Office of Technology Transfer, etc. should be consulted during the negotiating process. If the contract involves trade secrets and commercial or financial information obtained from the outside employer pertaining to research or to the commercialization of technology, such information may be removed from the agreement before its submission for administrative review.
- 5. For such agreements, the University President must certify to the following prior to the execution of any contract approved pursuant to this policy:
 - a. The outside employment activities are not within the employee's duties and responsibilities to the University for which the University is compensating the employee.
 - b. The outside employment activities do not conflict, delay, or in any manner interfere with instructional, scholarly, and/or other services that the employee is obligated to perform for the University.

- c. The consulting activities to be performed are within the academic or professional discipline of the employee or are related to the area of expertise in which the employee is employed by the University.
- 6. Following approval and execution, the appropriate University President shall receive a copy of the executed agreement. The President or his designee shall keep copies of approval forms, certifications, and the executed agreement in a permanent file for at least three years beyond the expiration of the agreement.
- B. Approval by the System President. Outside employment of a University President will require review and approval by the System President.
- C. Approval by President or Designated Administrative Officer. All other outside employment may be approved through normal administrative channels by the University President or by a campus administrative officer designated by the University President.
- D. Joint Appointments. If the outside employment involved employees from more than one department or campus, or if it involves an employee holding joint appointments, action by the appropriate administrative officers of the affected campuses is required.

VI. USE OF UNIVERSITY EQUIPMENT, MATERIALS OR SERVICES

The appropriate campus administrators, including chairs, directors, deans, and vice presidents, are responsible for determining the circumstances under which University personnel, laboratories, services, and equipment may be used in connection with outside employment of University employees. When University owned facilities, equipment or other resources are needed or required for any reason, a contract between the University and the private third party may be executed separately. Compensation to the University must be paid at the fair market rate, or, if different, at the same rate that such services, facilities, equipment, or technology would be available to any qualified non-University user.

VII. PROCEDURES

Each campus head shall develop such written procedures and approval forms as are necessary to provide for compliance with this policy and submit such campus procedures and approval forms to the System office for review and approval.

VIII. REPORTING REQUIREMENTS

Annually, each University President shall prepare an information report listing all outside employment approved by him/her and currently in force under this policy and any other details that may be requested. Copies of this report shall be kept on file at each campus.

IX. CODE OF ETHICS REQUIREMENT

Compliance with the provisions of this policy is required by the Louisiana Code of Governmental Ethics. Violation of this policy may result in a violation of the Ethics Code and penalties applicable thereto and/or appropriate sanctions by the University and/or the Board of Supervisors for the University of Louisiana System. All employees, both full-time and part-time, are reminded that they are subject to the Ethics Code.

Policy References:

Board RULES

Review Process:

Council of Vice Presidents for Finance
Legal Counsel

Distribution:

Institution Presidents