

**UNIVERSITY of HOUSTON**  
**MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES**

**SECTION: Human Resources**  
**AREA: Compensation**

**Number: 02.01.07**

<b>SUBJECT: Consulting and Paid Professional Service - Exempt Staff</b>
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**I. PURPOSE AND SCOPE**

This document provides the process for monitoring paid professional service of exempt staff to ensure that such activities are consistent with Board of Regents Policy [57.02](#), Consulting and Paid Professional Service and System Administrative Memorandum [02.A.08](#) - Consulting and Paid Professional Service. This document applies to all benefits-eligible exempt staff, regardless of the source of funds from which paid. Policy provisions for faculty are promulgated by the Office of the Senior Vice President for Academic Affairs and Provost.

**II. POLICY STATEMENT**

The University of Houston recognizes that consulting and other paid professional service of exempt staff may be beneficial to the employee and the University of Houston. However, the employee's primary responsibility is to fulfill their duties and responsibilities to the University of Houston. Consulting and paid professional service is a secondary activity, which should not create a conflict of interest, time, or commitment with University of Houston responsibilities.

**III. DEFINITIONS**

- A. Additional Compensation: Pay from UH for work performed outside the employee's normal duties and outside normal work hours in addition to the employee's regular base salary. Work performed for the University of Houston outside the employee's normal duties and outside normal work hours is considered an overload assignment. Policy provisions regarding additional compensation regarding overload assignments are set forth in [MAPP 02.01.06 - Additional Compensation - Exempt Staff](#).
- B. Contract staff: Exempt staff whose terms of employment are defined by contract.
- C. Consulting and paid professional service: Activities undertaken for remuneration from a third party where the activity is within the scope of activities, functions, or expertise for which the individual is compensated by the University of Houston.
- D. Exempt staff: Staff employees in positions that are not subject to the overtime provisions of the Fair Labor Standards Act (FLSA). Exempt staff includes professionals, administrators, and executives who are paid on a monthly basis.
- E. Multiple Employment: Work performed for another component university of the System within the scope of activities, functions, or expertise for which the component university compensates the individual is considered consulting or outside employment. Consulting activities must be non-regular, part-time appointments or temporary appointments as defined in [SAM 02.A.34](#) – Types of Staff Employment. Prior written approval to engage in these activities is required. Compensation for these services must be made through the component university's payroll system and are subject to withholding and other payroll deductions.

## IV. GENERAL PROVISIONS

- A. An employee must obtain **prior** written approval to engage in consulting and paid professional service. The employee must submit a written [request](#) to his/her immediate supervisor. Requests must include the employing entity, the nature of the proposed work, time commitment, duration, and justification of benefit to the university.
- B. All [requests](#) for consulting and paid professional service require the approval of the dean/director of the employing department.
- C. No employee shall accept consulting or paid professional service, which could result in any conflict of interest that would impair his/her independence of judgment in performance of university duties or induce the employee to disclose confidential information acquired through his/her position. This provision is in accordance with System Administrative Memorandum [02.A.29 - Ethical Conduct of Employees](#). An employee who violates these standards is subject to discipline and dismissal from employment with the University of Houston, regardless of whether the request to engage in such activities was approved. Discipline and dismissal of staff employees is prescribed in MAPP [02.04.03 - Discipline and Dismissal of Staff Employees](#).
- D. Use of University of Houston facilities, space, equipment or support staff for consulting and paid professional service is not permitted unless financial arrangements have been made between the university and the employee, which adequately covers the university's costs, before the employee engages in such activities.
- E. Employees may not represent themselves as acting in an official capacity on behalf of the University of Houston when conducting consulting or paid professional service. The University of Houston is not responsible for any actual or implied obligations or liabilities incurred by the employee resulting from the consulting or other paid professional service.
- F. Consulting and paid professional service must be performed on the employee's own time. Authorizations for absences from an employee's official place of duty because of consulting or paid professional service shall be requested and approved in accordance with university policy governing leave entitlements.
- G. Unpaid public service is not covered by this document. Lectures that include fees are also not covered by this document, unless these activities require significant amounts of time or otherwise adversely affect the employee's performance of assigned university duties.
- H. An employee may not accept an honorarium or any fees or gifts in consideration for any services performed in his/her official capacity on behalf of the university, excluding travel reimbursements.

## V. DUAL OFFICE HOLDING

The board must give its approval before any officer of the system or its component institutions may hold other non-elective state or federal office or position of honor, trust, or profit. Approval must include formal findings that the dual office holding is of benefit to the state or required by state or federal law, and creates no conflict of interest.

## VI. GENERAL PROCEDURES

- A. An employee must submit a [Consulting and Outside Employment Application Form](#) to his/her immediate supervisor prior to engaging in consulting or paid professional service activities. The form includes identification of the employer, nature of the proposed work, duration and time required, and justification of benefit to the University of Houston. The form also includes a description of facilities, space, equipment or support staff that will be used and the financial arrangements that have been made with the university for such use. The form also requires the employee to divulge any equity ownership he/she may have in the consulting employer.
- B. The employee must sign the [Consulting and Outside Employment Application Form](#), certifying agreement to conduct the consulting or paid professional service activities in accordance with the provisions of this document and the accuracy of the information contained on the form.
- C. The dean/director of the employing department must review and approve requests for third-party consulting or multiple employment consulting.
- D. Dual office holding requests require the Board's approval.
- E. Once the request form has been approved, the employee may begin the consulting or paid professional service activities. The dean/director of the employing department is responsible for ensuring that the original approved request is submitted to Human Resources. One copy of the original approved request should be maintained in the departmental records, and one copy should be provided to the employee.

## VII. CONTRACT STAFF

Annually, full-time and part-time employees (excluding secretarial and clerical personnel) of the Intercollegiate Athletics Department shall provide a written detailed account to the Chancellor of all athletically-related income and benefits from sources outside the university. The approval of such employment and income must occur within the guidelines of the university in order to be in compliance with NCAA legislation, specifically NCAA Bylaw [11.2.2 \(Athletically Related Income\)](#).

## VIII. ANNUAL REPORTING

The Office of the Executive Vice President for Administration and Finance will prepare an annual report of all consulting and paid professional service activities for the Chancellor's annual report to the Board of Regents.

IX. REVIEW AND RESPONSIBILITY

Responsible Party: Associate Vice President for Finance

Review: Every two years on or before June 1

X. APPROVAL

Carl Carlucci  
Executive Vice President for Administration and Finance

Renu Khator  
President

Date of President's Approval: May 17, 2011

XI. REFERENCES

Board of Regents Policy [57.02 - Consulting and Paid Professional Service](#)  
Board of Regents Policy [57.04 - Dual Office Holding](#)  
System Administrative Memorandum [02.A.08 - Consulting and Paid Professional Service](#)  
System Administrative Memorandum [02.A.29 - Ethical Conduct of Employees](#)  
MAPP [02.01.06 - Additional Compensation - Exempt Staff](#)

NCAA Regulations (Bylaws [Section 11.2 and 11.3](#))  
[Consulting and Outside Employment Application Form](#)

**REVISION LOG**

<b>Revision Number</b>	<b>Approved Date</b>	<b>Description of Changes</b>
1	01/02/2001	Initial version
2	08/06/2001	This document was revised to comply with Internal Audit Report 1997-10, which requires the implementation of MAPP 02.01.07 to include the requirements for athletically-related income required by the NCAA Bylaws
3	02/17/2005	Applied revised MAPP template. Added documentation to Section V, Additional Compensation to reflect current operating requirements. Deleted Section VI, Multiple Employment. Changed the responsible party from AVP for Human Resources to the Chief Human Resources Officer
4	05/17/2011	Applied revised MAPP template and added Revision Log. Changed MAPP title from "Consulting and Outside Employment" to "Consulting and Paid Professional Service." Added definitions for Additional Compensation and Multiple Employment. "Paid professional service" inserted for "outside employment" throughout the document. Removed Section V, Additional Compensation. Revised Section VI, Dual Office Holding. Revised Section VII.E to reflect current operating practices. Removed Section VIII.A. The responsible party was changed from the Chief Human Resources Officer to AVP for Finance. The review period was changed from May 1 <sup>st</sup> to June 1 <sup>st</sup> . Removed Index terms and added references. Removed Addendum A form and added to text as web link