

UNIVERSITY *of* HOUSTON
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Human Resources
AREA: Compensation

Number: 02.01.07

SUBJECT: Consulting and Outside Employment - Exempt Staff
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I. PURPOSE AND SCOPE

This document provides the process for monitoring outside employment of exempt staff to ensure that such activities are consistent with Board of Regents Policy 49.02, Consulting and Paid Professional Service and System Administrative Memorandum 02.A.08 - Consulting and Other Outside Employment. This document applies to all benefits-eligible exempt staff, regardless of the source of funds from which paid, except executive management employees as defined by Board Policy 49.10 with employment agreements that supersede provisions of this document. 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 outside employment of exempt staff may be beneficial to the employee and the University of Houston. However, the employee's primary responsibility is to fulfill the duties and responsibilities for the University of Houston. Consulting and outside employment is a secondary activity, which should not create a conflict of interest, time or commitment with University of Houston responsibilities.

III. DEFINITIONS

- A. Exempt staff: Staff employees in positions that are not subject to the overtime provisions of the Fair Labor Standards Act. Exempt staff includes professionals, administrators and executives who are paid on a monthly basis.
- B. Contract staff: Exempt staff whose terms of employment are defined by contract.
- C. Consulting and outside employment: 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.

IV. GENERAL PROVISIONS

- A. An employee must obtain **prior** written approval to engage in consulting and outside employment. 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 outside employment require the approval of the Dean/Director of the employing department.
- C. No employee shall accept consulting or outside employment, 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 outside employment 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 outside employment. 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 outside employment.
- F. Consulting and outside employment must be performed on the employee's own time. Authorizations for absences from an employee's official place of duty because of consulting or outside employment 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. ADDITIONAL COMPENSATION

(1.) Pay from UH for work performed outside the employee's normal duties and outside normal work hours or pay from another UHS component university for any work performed and/or (2.) pay for 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 and the third party is affiliated (vendor, contractor, sponsor) with the UH employing department of the employee. Additional Compensation is pay is 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. Additional compensation payments from UHS component universities must be made through the university's payroll system and are subject to withholding and other payroll deductions.

VI. DUAL EMPLOYMENT

Work performed for a state agency that is not a component university of the University of Houston System is considered dual employment with the State of Texas. Board Policy 49.04 requires Chancellor approval before an employee may hold other non-elective state or federal office or position of honor, trust or profit.

VII. GENERAL PROCEDURES

- A. An employee must submit a Request for Consulting and Outside Employment Form (Addendum A) to his/her immediate supervisor prior to engaging in consulting or outside employment 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 Request for Consulting and Outside Employment Form, certifying agreement to conduct the consulting or outside employment 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 employment requests require Chancellor approval.
- E. Once the request form has been approved, the original approved request is returned to the employee, and the employee may begin the consulting or outside employment activities. A copy should be retained for departmental records.
- F. A second copy of the approved form should be sent to the Office of the Vice President for Administration and Finance.

VIII. CONTRACT STAFF

- A. Employment contracts with executive management employees (defined in Board Policy 49.10) supersede provisions of this document.
- B. 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/President 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).

IX. ANNUAL REPORTING

The Office of the Vice President for Administration and Finance will prepare an annual report of all consulting and outside employment activities for the Chancellor/President's annual report to the Board of Regents.

X. REVIEW AND RESPONSIBILITY

Responsible Party: Chief Human Resources Officer

Review: Every two years on or before May 1

XI. APPROVAL

John M. Rudley
Vice President for Administration and Finance

Jay Gogue
President

Date of President's Approval: February 17, 2005

XII. REFERENCES

- Board of Regents Policy 49.02 - Consulting and Other Outside Employment
- Board of Regents Policy 49.04 - Dual Employment
- UH System Administrative Memorandum 02.A.08 - Consulting and Other Outside Employment
- UH System Administrative Memorandum 02.A.29 - Ethical Conduct of Employees
- UH System Administrative Memorandum 02.A.34 - Types of Staff Appointments
- MAPP 02.01.06 - Additional Compensation - Exempt Staff
- MAPP 02.04.03 - Discipline and Dismissal of Regular Staff Employees
- NCAA Regulations (Bylaws Section 11.2 and 11.3)

Index Terms: Consulting
Outside employment
Third party consulting
Multiple employment
Dual employment

Addendum A

Request for Consulting and Outside Services - Exempt Staff

Employee Information
Employee Name:
Employee ID #:
Title:
Department:
Description of Consulting and Outside Employment
Third-Party Consulting:
Employing firm or individual:
Address:
Telephone Number:
Multiple Employment:
Component University:
Dual Employment:
State Agency:
Address:
Telephone Number:
Nature of the proposed work:
Duration: Proposed start and end dates
Estimated hours for the proposed activity (per day, per week, total)
Will any hours coincide with normal working hours? If so, how many?

Addendum A (Page 2)

Justification: How does this activity benefit the University of Houston?
Describe the extent University facilities, space, equipment or support staff will be used. What proposed financial arrangements have been made with the University for such use?
Is an equity ownership involved? If so, describe the type interest owned or to be owned and any conditions to that ownership interest.

I have read MAPP 02.01.07, Outside Consulting and Other Outside Employment, and agree to conduct my consulting/outside employment in accordance with the provisions contained therein.

Employee Signature Date

Approved:

Dean/Director Date

* Chancellor Date

* Required if request for dual employment

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