

Memo to: All UH-Downtown/PS Holders UH-Downtown/PS 02.A.04
Issue No. 4
From: William Flores, President Effective date: 03/18/14
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Subject: Consulting and Paid Professional Service

1. PURPOSE

- 1.1 This PS describes the university regulations on consulting and paid professional service for faculty and exempt staff of the University of Houston-Downtown (UHD).
- 1.2 This PS is intended to be a supplement to [UH System Administrative Memorandum 02.A.08](#), [Board Policy 57.02](#) and the laws of Texas.
- 1.3 This policy statement applies to all full-time, benefits-eligible faculty and exempt staff.

2. DEFINITIONS

- 2.1 **Additional Compensation:** Pay 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 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 PS 02.A.05. (This is not a category of consulting and paid professional service.)
- 2.2 **Conflict of Interest:** The use of one's university employment to obtain unauthorized privileges, benefits, or things of value for oneself or others.
- 2.3 **Consulting and Paid Professional Service:** Activities undertaken for remuneration from a third party where the activity is related to the functions or expertise for which the individual is compensated by the university.
- 2.4 **Dual Office Holding:** Any officer of any component of the University of Houston System holding other non-elective state or federal office or position of honor, trust, or profit, requiring prior approval by the Chancellor (or designee). 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. (Is a category of Consulting and Paid Professional Service)
- 2.5 **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.
- 2.6 **Multiple Employment:** Work performed for another component university of the UH System within the scope of activities, functions, or expertise for which the component university compensates the individual is considered consulting or outside employment

[SAM 02.A.08](#) – Consulting and Paid Professional Service. 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. (Is a category of Consulting and Paid Professional Service)

3. POLICY

- 3.1 Each faculty and exempt staff employee is accountable to the University of Houston-Downtown for 100% of the duties associated with basic appointment. Professional activities of faculty and exempt staff may appropriately include certain forms of limited outside assignments for pay; however, in no case should these assignments outside the university interfere or conflict with university responsibilities. Before accepting such assignments, employees are expected to consult with and to obtain written approval from their supervisor as outlined in the procedures within this document.
- 3.2 Faculty who wish to arrange consulting activities must provide prior written notification to the appropriate department chair and dean. Review by the chair and dean of such activities will include consideration of any real or apparent conflict of interest and the benefit of the proposed service to the institution. Each faculty member who engages in consulting or other paid professional service, including teaching on a temporary basis at another institution, must ensure that such activities do not require commitments of time averaging more than one day per calendar week, and must arrange such activities so as not to interfere with regularly scheduled classes.
- 3.3 Exempt staff who wish to arrange consulting activities must obtain prior written approval from the appropriate supervisor. While consulting is a recognized aspect of faculty activity, within the limitations noted in this document, consulting by exempt staff must be justified on an individual basis by clear and direct benefit to the institution.
- 3.4 Permission for outside employment is left to the discretion of the university in accordance with the procedures defined within this policy statement. Outside employment shall not interfere with the performance of the employee's duties at UHD. Outside employment shall be performed outside the normal working hours of the employee or by the use of vacation time or leave without pay, in accordance with university guidelines governing leave entitlements.
- 3.5 No employee shall accept consulting or paid professional service which could result in any conflict of interest ([SAM 02.A.09](#)) 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, regardless of whether the request to

engage in such activities was approved. Discipline and dismissal of staff employees is addressed in PS 02.B.03 – Discipline and Dismissal of Regular Staff Employees.

- 3.6 Use of university facilities, space, equipment or support staff for consulting activities is permitted only if a financial arrangement has been concluded between the individual and the Vice President for Administration & Finance prior to the employee beginning the outside consulting service.
- 3.7 Employees may not represent themselves as acting in an official capacity on behalf of the university when conducting consulting or paid professional service. The university is not responsible for any actual or implied obligations or liabilities incurred by the employee resulting from the consulting or other paid professional service.
- 3.8 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.
- 3.9 An employee may not accept an honorarium or any fees or gifts in consideration or any services performed in his/her capacity on behalf of the university, excluding travel reimbursements.
- 3.10 Under Board of Regents Policy [57.04 – Dual Office Holding](#), the Chancellor (or designee) must give approval before any officer of the UH System or any of 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.
- 3.11 “Additional compensation” is different from “multiple employment,” (which is a category of “consulting and paid professional service”). All requests by faculty and exempt staff for “additional compensation” must be submitted for approval as specified in [PS 02.A.05](#).
- 3.12 Documentation for all outside consulting and employment for University of Houston-Downtown employees will be retained by Employment Services and Operations (ESO). ESO will provide an annual accounting of all such activities for the Chancellor's annual report to the Board of Regents.

4. PROCEDURES

- 4.1 An employee of the University of Houston-Downtown who has an opportunity to engage in outside consulting or outside employment (consulting and paid professional service) should:

- 4.1.1 Read [PS 02.A.04](#), Consulting and Paid Professional Service, [SAM 02.A.08](#), and [Board Policy 57.02](#).
- 4.1.2 If it is determined that the proposed outside consulting or employment (consulting and paid professional service) opportunity conforms to these three policies, the employee should complete the [Consulting and Paid Professional Service Application and Approval Form](#).
- 4.1.3 Faculty should submit the completed form to the department chair and exempt staff should submit the completed form to their immediate supervisor.
- 4.1.4 The department chair or supervisor should review and sign the form.
- 4.1.5 The signed Consulting and Paid Professional Service Application form is forwarded to the appropriate vice president or division head. The vice president or division head will review it and inform the dean/supervisor of the decision regarding approval or disapproval of the request. The dean/supervisor will inform the employee of the decision.
- 4.1.6 The vice president or division head will forward the form to the Vice President for Employment Services and Operations.
- 4.1.7 Dual office holding requests require approval by the Chancellor (or designee).
- 4.1.8 All faculty and exempt staff must annually complete the online UHS External Consulting form as part of mandatory training.

5. EXHIBITS

There are no exhibits associated with this policy.

6. REVIEW PROCESS

Responsible Party (Reviewer): Vice President for Employment Services and Operation

Review: Every five years on or before August 1st.

Signed original on file in Employment Services and Operations.

7. POLICY HISTORY

Issue 1: 04/01/88

Issue 2: 06/10/90

Issue 3: 02/17/10

8. REFERENCES

[UH System Administrative Memorandum 02.A.08](#)

[UH System Administration Memorandum 02.A.09](#)

[UH System Administrative Memorandum 02.A.29](#)

[UH System Administrative Memorandum 02.A.34](#)

[Board Policy 57.02](#)

[Board Policy 57.04](#)

[Board Policy 57.10](#)

[PS 02.A.05](#)

[PS 02.B.03](#)

[Consulting and Paid Professional Service Application Form](#)

[Fair Labor Standards Act \(FLSA\)](#)