Article X. Consulting and Outside Employment

Section 10.01 CVM Policy

The College of Veterinary Medicine formally adopts Oregon State University policies on Consulting and Outside Employment. Dean’s memo date August 7, 2001 [http://www.vet.orst.edu/Budget/Policies/coideb.htm](http://www.vet.orst.edu/Budget/Policies/coideb.htm) and the following amendments to the OSU policy will be in addition to OSU policy and will be applicable only to the College of Veterinary Medicine.

- Outside employment will be limited to an average of four days per month (48 days per year) inclusive of travel time.

- Outside employment approved in excess of the allowable 48 days per year will be taken as vacation leave or leave without pay.

- Outside activities unrelated to institutional responsibilities and undertaken by faculty on personal time, regardless of whether compensated or not, are not subject to the Board of Higher Education and institution policies.

- Faculty will not engage in outside consulting or employment activities related to their institutional responsibilities within the state of Oregon, or maintain an interest in a veterinary or diagnostic practice within the State of Oregon per ORS 244.020.

- Travel arrangements and expenses associated with outside employment are the sole responsibility of the faculty member or sponsoring agency.

- All Outside employment activities require prior approval on a case by case bases other than the classes of exempt activities as allowed under IMD 4.015 (3) which will not require prior approval as defined below:

  1) Veterinary health care clinical activities considered part of the faculty’s direct institutional responsibility as defined in their position description.

  2) Clinical consulting activities considered part of the faculty’s direct institutional responsibility as defined in their position description.

Section 10.02 OSU Statement Of University Policy

* Policy formally adopted by the College of Veterinary Medicine on August 6, 2001
(adopted by the College of Veterinary Medicine as amended in 1.01)

It is the University policy to encourage its faculty members to undertake outside activities (not to exceed an average of one day/week) that will increase their effectiveness and broaden their experience in relation to their functions at the University, or which will be of service to the community, private sector, nation, or world provided:

a. The cumulative total of outside professional activities and overload activities does not substantially interfere with the performance of the faculty member's University duties.
b. The outside activities do not involve use of University property, facilities, equipment, or services, except in limited circumstances when approved by the faculty member's department head/chair and dean or the dean and Provost.
c. The outside activities are approved by the department head/chair and dean or dean and Provost using the Request for Approval of Outside Employment form for consulting, or a memorandum for cases of deeper involvement with commercial enterprises. A copy of the approved document should be filed with the Office of Academic Affairs before the outside activity begins. If the proposed activity includes signing an agreement concerning rights in inventions or materials, the agreement must be reviewed and approved by the Vice Provost.
d. The faculty member makes it clear to the outside employer (agency, board, jury, or audience) that he or she is acting in an individual capacity and does not speak, write, or act in the name of the University or directly represent it.
e. The faculty member does not list his or her University telephone number in commercial listings or other public documents, the purpose of which is to draw attention to the individual's availability for compensatory service. Further, use of the University name, logo, and stationery is prohibited.
f. The outside employment is consistent with policies of the faculty member's college, school, or division.

These provisions, insofar as part-time faculty members are concerned, apply only to the times or periods of University employment. Nothing herein contained shall be considered applicable to any outside activities of these part-time faculty during the period of time for which they are not compensated as University employees, except insofar as use of University name, property, equipment, etc., is concerned.

Section 10.03  OSU Outside Employment

Activities considered to be within the regular work duties of University faculty members include:

- teaching;
- research and application of research findings;
- preparation, publication, and review of articles and books (whether for royalty or not);
- preparation and delivery of lectures;
- consultation to government agencies,
- serving on advisory bodies,
- memberships and activities in professional societies;
- participation in artistic performances or activities

In each of these, the following must apply:
1) the activities are related to the faculty member's professional field; and
2) **No compensation is received** other than royalties from publications, or small honoraria typically given for service on federal or state agency advisory panels or seminars at other universities. Use of the Request for Approval of Outside Employment Form is not required for such activities. (Section 1.1 in the OSU Policy on Outside Professional Activities.)

**Activities considered to be "outside" the faculty member's regular duties are:**
1) Consulting for additional remuneration, (e.g., providing services to individuals or firms, educational programs presented by private firms or independently by faculty members) which requires approval by use of the Request for Approval for Outside Employment form,

2) A deeper involvement with commercial enterprises (e.g. ownership in a commercial enterprise, holding a line management position) which requires submittal of a memorandum and its approval. (Sections 1.2 and 1.3 in the OSU Policy on Outside Professional Activities.)

**Section 10.04 Referenced State Statutes in Support of Policy**

580-021-0025

Outside Employment and Activities; Conflict of Interest

(1) No full-time employee of the Department or of any of the institutions or divisions shall engage in any outside employment that substantially interferes with duties. See also IMD 4.005 and 4.010, Board and Institution Policy on Outside Activities and Related Compensation.

(2) Institution employees shall provide written reports to their president regarding potential conflicts of interest as defined under ORS 244.020(8). Other Department employees shall provide the same reports to the Chancellor. Complaints by any person regarding potential conflicts of interest may be referred for investigation to the president, Chancellor or Director of Internal Audit who shall investigate the complaint.

351.067

Sources of compensation for officers and employees; potential conflict of interest; reporting; rules applicable to outside employment and activities.

(1) In carrying out its authority under ORS 351.070, the **State Board of Higher Education may authorize** receipt of compensation for any officer or employee of the State System of Higher Education from private or public resources, including, but not limited to, income from:

(a) Consulting;
(b) Appearances and speeches;
(c) Intellectual property conceived, reduced to practice or originated and therefore owned within the state system;
(d) Providing services or other valuable consideration for a private corporation, individual, or entity, whether paid in cash or in-kind, stock or other equity interest, or anything of value regardless of whether there is a licensing agreement between the state system and the private entity; and
(e) Performing public duties paid by private organizations, including institution corporate affiliates, which augment an officer’s or employee’s publicly funded salary. Such income shall be authorized and received in accordance with policies and rules established by the board.

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(2) The board shall not authorize compensation, as defined in subsection (1) of this section, that, in the board's judgment, does not comport with the mission of the institution and the higher education system or substantially interferes with an officer's or employee's duties to the state system.

(3) Any compensation, described and authorized under subsection (1) of this section, shall be considered official salary, honorarium or reimbursement of expenses for purposes of ORS 244.040. If authorization or receipt of such compensation creates a potential conflict of interest, the potential conflict shall be reported in writing in accordance with rules of the state board. The disclosure is a public record subject to public inspection.

(4) The state board shall adopt by rule standards governing employee outside employment and activities, including potential conflict of interest, as defined by state board rule and consistent with ORS 244.020, and the public disclosure thereof, and procedures for reporting and hearing potential or actual conflict of interest complaints. [1989 c.1090 s.2; 1991 c.614 s.1; 1993 c.743 s.22a]

244.020 Definitions.

(1) “Actual conflict of interest” means any action or any decision or recommendation by a person acting in a capacity as a public official, the effect of which would be to the private pecuniary benefit or detriment of the person or the person's relative or any business with which the person or a relative of the person is associated unless the pecuniary benefit or detriment arises out of circumstances described in subsection (7) of this section.

(2) “Business” means any corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual and any other legal entity operated for economic gain but excluding any income-producing not-for-profit corporation that is tax exempt under section 501(c) of the Internal Revenue Code with which a public official is associated in a nonremunerative capacity.

(3) “Business with which the person is associated” means any business of which the person or the person's relative is a director, officer, owner or employee, or agent or any corporation in which the person or the person's relative owns or has owned stock worth $1,000 or more at any point in the preceding calendar year.


(5) “Development commission” means any entity which has the authority to purchase, develop, improve or lease land or the authority to operate or direct the use of land. This authority must be more than ministerial.

(6) “Expenditure” has the meaning given that term in ORS 260.005.

(7) “Potential conflict of interest” means any action or any decision or recommendation by a person acting in a capacity as a public official, the effect of which could be to the private pecuniary benefit or detriment of the person or the person's relative, or a business with which the person or the person's relative is associated, unless the pecuniary benefit or detriment arises out of the following:

(a) An interest or membership in a particular business, industry, occupation or other class required by law as a prerequisite to the holding by the person of the office or position.

(b) Any action in the person's official capacity which would affect to the same degree a class consisting of all inhabitants of the state, or a smaller class consisting of an industry, occupation or other group including one of which or in which the person, or the person's relative or business with which the person or the person's relative is associated, is a member or is engaged. The commission may by rule limit the minimum size of or otherwise establish criteria for or identify the smaller classes that qualify under this exception.

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(c) Membership in or membership on the board of directors of a nonprofit corporation that is tax-exempt under section 501(c) of the Internal Revenue Code.

(8) “Gift” means something of economic value given to a public official or the public official’s relative without valuable consideration of equivalent value, including the full or partial forgiveness of indebtedness, which is not extended to others who are not public officials or the relatives of public officials on the same terms and conditions; and something of economic value given to a public official or the public official's relative for valuable consideration less than that required from others who are not public officials. However, “gift” does not mean:
(a) Campaign contributions, as described in ORS chapter 260.
(b) Gifts from family members.
(c) The giving or receiving of food, lodging and travel when participating in an event which bears a relationship to the public official's office and when appearing in an official capacity, subject to the reporting requirement of ORS 244.060 (6).
(d) The giving or receiving of food or beverage if the food or beverage is consumed by the public official or the public official's relatives in the presence of the purchaser or provider thereof.
(e) The giving or receiving of entertainment if the entertainment is experienced by the public official or the public official's relatives in the presence of the purchaser or provider thereof and the value of the entertainment does not exceed $100 per person on a single occasion and is not greater than $250 in any one calendar year.

(9) “Honoraria” means a payment or something of economic value given to a public official in exchange for services upon which custom or propriety prevents the setting of a price. Services include, but are not limited to, speeches or other services rendered in connection with an event at which the public official appears in an official capacity.

(10) “Income” means income of any nature derived from any source, including, but not limited to, any salary, wage, advance, payment, dividend, interest, rent, honoraria, return of capital, forgiveness of indebtedness, or anything of economic value.

(11) “Legislative or administrative interest” means an economic interest, distinct from that of the general public, in one or more bills, resolutions, regulations, proposals or other matters subject to the action or vote of a person acting in the capacity of a public official.

(12) “Legislative official” means any member or member-elect of the Legislative Assembly, any member of an agency, board or committee that is part of the legislative branch and any staff person, assistant or employee thereof.

(13) “Member of household” means any relative who resides with the public official.

(14) “Planning commission” means a county planning commission created under ORS chapter 215 or a city planning commission created under ORS chapter 227.

(15) “Public official” means any person who, when an alleged violation of this chapter occurs, is serving the State of Oregon or any of its political subdivisions or any other public body of the state as an officer, employee, agent or otherwise, and irrespective of whether the person is compensated for such services.

(16) “Relative” means the spouse of the public official, any children of the public official or of the public official's spouse, and brothers, sisters or parents of the public official or of the public official's spouse.

**IMD 4.011 Board Policy on Outside Activities and Related Compensation**

(1) Employees may engage in outside consulting or other work so long as it does not substantially interfere with institutional obligations.

(2) “Employees,” as used in this policy, means an employee hired under the authority of the Board.

(3) Laboratory and other institutional facilities and resources, including support staff and stationery, shall not be used in outside work for which the employee received remuneration unless expressly authorized.
by the institution. Such authorization may be included in the institution policy or as part of the approval of an employee's specific request.

(4) Remuneration received in accordance with IMD 4.011 and IMD 4.015 from sources outside the University System shall be considered official salary, honorarium, or reimbursement of expenses for purposes of ORS 244.040. Receipt of such compensation does not have to be reported under IMD 4.015(4) or (5) unless the outside work creates a potential conflict of interest as defined in ORS 244.020(8).

**IMD 4.015 Institution Policy on Outside Activities and Related Compensation**

Each institution shall adopt policies and procedures to implement IMD 4.011 to 4.015. Such policies and procedures shall:

(1) Include appropriate measures, such as one day per week, which define faculty time available for outside activities related to the faculty member's institutional responsibilities. **Outside activities unrelated to institutional responsibilities and undertaken by faculty on personal time, regardless of whether compensated, are not subject to these Board of Higher Education and institution policies.** However, if the faculty member, while on personal time, engages in outside activities which create a potential conflict of interest, the faculty member must provide written disclosure thereof in accordance with (4) and (5) below.

(2) Identify the name(s) or title(s) of institutional administrator(s) assigned responsibility for reviewing and acting on requests to engage in outside activities related to the faculty member's institutional responsibilities as referenced in (1) above.

(3) Identify and describe types of outside faculty activity related to faculty institutional responsibilities and associated funding sources which the institution approves as a class(es) and which will not require review and prior approval, such as health care faculty clinical activities, services as an expert witness, and services other than those identified in IMD 4.010(4) and (6) below. If, however, the particular activity under the class creates a potential conflict of interest, the faculty member shall provide a written disclosure thereof to a designated supervisor in accordance with (4) and (5) herein.

(4) Require faculty to disclose to the named institutional administrator(s) in writing, and to receive prior approval on a case-by-case basis, to engage in outside activities involving any or all of the following:

   (a) Acceptance of compensation, or ownership of equity in the case of a private entity.

   (b) Service in a line management position or participation in day-to-day operations of a private or public entity.

   (c) Service in a key, continuing role in the scientific and technical activity of a private or public entity.

   Institutional case-by-case approval will not be required if the activity is included within the scope of an institution-defined class as established under (3) above.

(5) Require that the faculty member's written disclosure, as referenced in (4) above, fully describe the:

   (a) Type of work or consulting to be provided to the named entity;

   (b) Nature of the relationship (e.g., employer/employee, entity/contractor, or consultant);

   (c) Anticipated time commitment;

   (d) Expected benefits to the entity, faculty member, and institution;
(e) Use of institutional facilities and support personnel, if any, and method of reimbursing institution for both direct and indirect costs, if institution approves such use; and

(f) Financial arrangements pertaining to funding sources of compensation, including equity ownership and other forms of economic value provided the faculty member or any immediate member of the faculty member's family.

(6) Require the institutional administrator(s) to consider the following when reviewing written requests to engage in outside activities:

(a) Written disclosures identified in (5) above.

(b) Contributions of the relationship to the faculty member's primary obligation to the institution and its support of the academic integrity of the institution as well as the faculty member's interdepartmental relationships.

(c) Prospective nonfinancial benefits to the faculty member and institution.

(d) Average time commitment over an academic term, such commitment not to exceed the limits established by the institution unless the institutional administrator(s) determines that the activity provides extraordinary benefit to both the institution and the participant as a faculty member. In cases where the time limits are to be exceeded, the faculty member shall disclose the amount of time in excess of the limits, and the institutional administrator(s) shall document in writing the rationale for approving the request to exceed the limits.

(e) Assurances that the outside activity does not substantially interfere with the faculty member's instructional, research, and other related institutional responsibilities, including those to students. Special attention must be given to the intellectual property interests of students who may create and claim ownership to such property developed in the process of completing their academic programs.

(f) Appropriateness of the use of institutional facilities and support personnel, if approved, including written documentation that the full cost thereof will be reimbursed to the institution.

(7) Establish the type, nature, and extent of the information required to be reported under (2) through (6) above, which shall be made a part of a faculty member's confidential personnel record.

(8) Provide a process whereby a faculty member dissatisfied with a decision of an authorized administrator may appeal that administrator's decision to another institutional authority. That authority shall be vested with power to make a final determination relative to authorization to engage in the outside activity.

(9) Provide for the institutional president to report to the Chancellor's Office by August 31 of each year any change in institutional policy on outside activities and evidence of procedures followed in monitoring faculty and family acceptance of compensation and equity for outside activities of the faculty member.

(10) Specify appropriate sanctions against faculty who fail to comply with Board and institutional policies and procedures concerning outside activities and acceptance of related compensation and equity.

(11) Be submitted to the Chancellor's Office for review and approval prior to adoption.