

**LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM**  
**Policy # 6.018**

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**Title: OUTSIDE EMPLOYMENT OF LCTCS EMPLOYEES**

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Authority: Board Action

Original Adoption:

Effective Date:

Last Revision: 11/08/2005

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**Declaration of Policy**

*Definitions*

The LCTCS recognizes that certain outside employment activities are of benefit to the System, to LCTCS institutions, to the State of Louisiana and to the private sector as well as to individual employees. Although the LCTCS recognizes a right of employees to engage in outside employment, it has established policies and procedures requiring that such outside employment be disclosed and submitted for administrative review and approval **on an annual basis, as applicable.**

1. All full-time employees of the LCTCS including faculty, other academic, unclassified and classified employees, are required to abide by this policy at all times, including during regular and summer term and while on paid or unpaid leave.
2. Outside employment is defined as any non-LCTCS activity for which economic benefit is received, including but not limited to:
  - a. employment with any non-LCTCS employer;
  - b. contracts to provide consulting, personal or professional services to non-LCTCS employer;
  - c. self-employment or operation of business.
3. 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 LCTCS salary rates but should be negotiated fairly based on normal private sector levels for similar services.
4. Outside employment shall be performed only outside of assigned working hours or responsibilities or during a period of paid or unpaid leave. During paid sabbatical, special or educational leave, outside activities may be permitted only in exceptional circumstances.
5. 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 LCTCS and/or an LCTCS institution.

## **Outside Employment That Will Be Considered for Approval**

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

1. General consulting, other outside employment or business activities.
2. Serving as an expert witness in an area based upon the employee's training and experience.
3. Consulting by faculty and staff members of the LCTCS where the consulting services are related to the academic discipline or expertise of the faculty or staff member, as outlined in La. R.S. 42:1123 (9)(b). Generally, LCTCS faculty and staff members will not be approved for consulting agreements that require the faculty or staff member to participate directly in the supervision of activity where the outside employer currently does business with the LCTCS or an LCTCS institution; **however**, the proposed employment will be considered for approval where the activity is designed to increase the opportunity for the State's workforce to succeed through innovative skills training within that faculty or staff member's academic discipline, the activity will further the economic development of the State; and the activity can not be otherwise achieved through contract with the LCTCS under established policies and procedures.

## **Outside Employment That Will Not Be Approved**

1. An LCTCS 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.
2. Blanket approvals for outside employment will not be granted.
3. Employment or contractual relationships that are considered to be a violation of the Louisiana Code of Governmental Ethics will not be approved.

## **Employee Responsibilities**

Full-time employees contemplating outside employment or engaged in outside employment, on the effective date of this Policy, shall:

1. Disclose, **on an annual basis**, outside employment in accordance with the policies and procedures established herein.
2. Submit a list of all contracts or other agreements between the LCTCS and the outside employer in which the employee is involved on behalf of the LCTCS and/or an LCTCS institution. Such 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 LCTCS and/or the affected LCTCS institution.
3. 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 LCTCS and/or an LCTCS institution. 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 LCTCS and/or the LCTCS institution. In no case may the individual concerned use the name of the LCTCS and/or

the affected LCTCS institution or his/her LCTCS affiliation, title or address officially or 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 of LCTCS may be included as introductory material to written reports or orally in the case of expert witness statements, but may not be incorporated into the body of the written report.

4. Comply with any other provisions of this Policy.

### **Approval Levels**

Certain types of outside employment require **annual** approval of a chancellor and/or the President as follows:

- A. Approval by a Chancellor. Under the Louisiana Code of Governmental Ethics, certain outside employment requires review and approval by the Chancellor and may be approved only for academic, administrative and professional employees.
  1. Outside employment that requires approval by a Chancellor includes:
    - a. Outside employment with an individual or entity currently doing or actively seeking to do business with the employee's unit within the LCTCS or under circumstances in which the employee is collaborating with, or on special assignment to, a unit within the LCTCS with which the entity is doing or is actively seeking to do business.
    - b. Outside employment involving teaching that will result in LCTCS institution credit for the students, which will be conducted on LCTCS time or which will utilize LCTCS property or services.
    - c. Outside employment that ordinarily would be performed as part of the public service aspect of the LCTCS and/or an LCTCS institution insofar as that employee's job duties and responsibilities are concerned.
    - d. Outside employment yielding results that advance a theory of practice in the employee's field.
    - e. Outside employment activity that could be accomplished more appropriately by a contract through the LCTCS and/or an LCTCS institution. 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 an LCTCS employee.
  2. If such proposed outside employment is with a third party that is contracting with or is seeking to contract with the LCTCS and/or an affected LCTCS institution, the faculty or staff member shall remove himself or herself from any relationship in which he or she would:
    - a. Approve payments by the LCTCS and/or an LCTCS institution to the third party pursuant to any contract between the LCTCS and/or the LCTCS institution and the third party.

- b. Evaluate any work performed by the LCTCS and the LCTCS institution pursuant to a contract between the LCTCS and/or an LCTCS institution and the third party.
- c. Negotiate and/or approve any subsequent contracts between the LCTCS and/or the LCTCS institution.
- d. Approve the purchase of LCTCS equipment pursuant to the contract with the third party in an amount in excess of \$2,000.00.

The above actions must be carried out **on an annual basis, as applicable,** by the faculty or staff member's immediate supervisor and that approving supervisor's next immediate supervisor.

3. Outside employment requiring the approval of a Chancellor also requires a written agreement between the employee and the outside entity that shall contain the following explicit information:
  - a. General technical or specialized 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 compensation rate and method of payment.
  - f. Statement that agreement is between employee and outside entity, that employee is not acting as an agent of the LCTCS and/or an LCTCS institution and that the LCTCS and the affected institution bears no liability in the relationship.
  - g. Statement that the use of the LCTCS and/or the LCTCS institution's name in connection with the employment activities shall be only upon written authorization of the LCTCS and/or the LCTCS institution.
4. The outside entity and the employee shall negotiate and draft an agreement meeting all of the requirements herein. If the contract involves trade secrets and commercial or financial information obtained from the outside employer such information may be removed from the agreement before its submission for administrative review.
5. For such agreements, a Chancellor 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 LCTCS and/or the affected LCTCS institution for which the employee is being compensated by the LCTCS and/or the affected LCTCS institution.
  - 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 LCTCS and/or the affected LCTCS institution.
  - 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 LCTCS and/or the affected LCTCS institution.

6. Following approval and execution, the appropriate Chancellor shall receive a copy of the executed agreement. Copies of approval forms, certifications and the executed agreement shall be kept in a permanent file by the Chancellor or his designee until at least three years beyond the expiration of the agreement.
- B. Approval by the President. The following types of outside employment require review and approval by the President in addition to campus approval:
1. Outside employment involving public policy.
  2. Outside employment of a Chancellor.
  3. Outside employment or contracts by employees for professional, personal, consulting and social services with a department, commission, council, board, office, bureau, committee, institution, agency, government, corporation, or any other establishment of the Executive Branch of the State of Louisiana.
- C. Approval by Chancellor or Designated Administrative Officer. All other outside employment may be approved through normal administrative channels by the Chancellor or by a campus administrative officer designated by the Chancellor.
- D. Joint Appointments. If the outside employment involves 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.

### **Use of LCTCS Equipment, Materials and Services**

The appropriate campus administrators, including chairs, directors, deans and vice chancellors, are responsible for determining the circumstances under which LCTCS and/or LCTCS institutions personnel, laboratories, services and equipment may be used in connection with outside employment of LCTCS employees. When LCTCS owned facilities, equipment or other resources are needed or required for any reason, a contract between the LCTCS and/or the affected LCTCS institution and the private third party may be executed separately. Compensation to the LCTCS and/or the affected LCTCS institution 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 LCTCS user.

### **Procedures**

The attached written procedures and approval forms, necessary to provide for compliance with this policy, shall be completed by the requesting faculty or staff members and submitted such to the Chancellor or President for review and approval.

### **Reporting Requirements**

**An employee is required to report outside employment, as applicable under the policy, on an annual basis.** Annually, the Chancellor shall prepare an information report listing all outside employment approved by the Chancellor and currently in force under this policy and any other

details which may be requested. Copies of this report shall be sent to the President of the System and to the Board of Supervisors.

### **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 LCTCS. All employees, both full-time and part-time, are reminded that they are subject to the Ethics Code.