

Faculty Consulting, Overload and Disclosure

In recent years, entrepreneurial activities by College of Agriculture, Food and Environment (“CAFE”) faculty have become more frequent and, often times, more complex. Occasionally, supporting these entrepreneurial activities conflicts – or appears to conflict – with the University’s institutional interests. This commonly occurs in connection to external faculty consulting and overload employment. This memo is intended to clarify and document CAFE practices and policies on this topic.

Disclosure

Administrative Regulation 3:9 contains the University’s rules regarding faculty consulting and overload employment. That regulation pertains to all employment outside the University, not only paid consulting, and not only work performed during a faculty member’s assignment period. The regulation states, in relevant part:

Regardless of the assignment period, faculty who plan to consult or to undertake employment outside the University must complete Form F. Form F must be completed before a faculty employee undertakes any consulting or outside employment. The information provided by the faculty employee on Form F will be evaluated to ensure that there are no actual or potential conflicts of interest during the nine-month, ten-month, eleven-month, or twelve-month assignment period and also during any non-assignment period, authorized leave, or vacation period. AR 3:9.1.A (Emphasis added).

As the regulation makes clear, prior approval of the consulting or overload employment is essential, so that perceived or actual conflicts of interest can be appropriately managed before they occur.

The current university regulations are admittedly unclear about the need to disclose either self-employment (e.g., part-time farming) or significant equity interests in professionally relevant enterprises. The CAFE strongly recommends that such self-employment or financial interests be disclosed, for your own protection. In many such cases a brief memo to your chair, rather than an annual filing of Form F, may suffice. Chairs should forward any disclosure statements to the Dean’s Office for entry into the faculty standard personnel file.

The University is currently reviewing financial disclosure requirements that may encompass non-employment investment or equity interests by you or immediate family members. At this time such disclosure is only required for potential conflict of interest on grant submissions. But as stated above, the College strongly recommends that faculty disclose, in writing to their chair, any potential conflict of interest, perceived or real.

Procedure

The Form F is now electronic and must be completed on-line. A reference guide can be found on the CAFE’s consulting page: <http://administration.ca.uky.edu/consulting>. Upon submission, the form is forwarded electronically to the faculty member’s Department Chair for review and, if appropriate, approval. If approved by the Department Chair, the Form F is forwarded

electronically to the Dean for additional approval. The faculty member is notified electronically upon final approval.

Limitations

While AR 3:9 acknowledges the benefit of faculty involvement in the general community, it also recognizes that the primary obligation of the faculty is to the University, stating, “[T]he dean of a college, with the approval of the Provost, has the authority to limit external consulting and other overload employment for faculty in that college to less than the maximum extent when such limitation is necessary to meet the college’s commitments to instruction, research and service.” AR 3:9.1.A

The land-grant mission of the CAFE is supported by specifically designated public funds to conduct research, service and extension, including state mandated programs. This public mandate, and the public investment supporting it, justifies limitations on internal or external overload for faculty, and some cases of outside employment, that are specific to the CAFE. Therefore, activities that may be approved for supplemental, external compensation in some colleges may not be appropriate in the CAFE.

Faculty and administrators should be aware of the following:

- It has long been the policy of the CAFE not to approve more than 30 total days per year of external consulting and/or other overload activities.
- Faculty with an Extension DOE exceeding 10% will rarely, if ever, be approved for paid consulting within Kentucky.
- Potential conflicts of interest arising from paid consulting may be interpreted more broadly for faculty with Experiment Station or Extension appointments than specified in AR 3.9, and may result in the activity not being approved. AR 3.9 emphasizes conflicts with the interests of the University of Kentucky. The CAFE considers conflicts with the public interest to be sufficient grounds to disapprove paid consulting.
- Paid consulting funded by University of Kentucky accounts (grant, gift or endowment) is discouraged and will generally not be approved.

Internal Overload Guidelines

- Unless stated otherwise, all guidelines below apply to 12-month faculty throughout the calendar year, and to 9-month faculty during the period August 16 through May 15.
- Internal overload compensation for instructional activities within the CAFE is not routinely approved. This does not apply to summer instruction for nine-month faculty, emergency teaching assignments, or some special projects or agreements.
- Under no circumstances will faculty receive both supplemental compensation and Distribution of Effort credit the same teaching activity.
- Faculty will normally not be approved for teaching overload in a degree program that their department directs, or co-directs in the case of multi-department programs. Exceptions may be made, by mutual agreement of the chair and faculty member, and

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- approved by the Associate Dean for Instruction, for essential courses when no alternative instructors are available. Under some uncommon circumstances, Distance Learning courses may also be exempted.
- Faculty will normally be approved to teach overload outside of their department's own programs and be eligible for supplemental compensation, with completion of an internal overload form, approval of their chair and the Associate Dean for Instruction, assuming the overload assignment is deemed not to conflict or compete with in-load assignments.
 - Faculty teaching Distance Learning courses normally teach in-load (no supplemental compensation, with DOE credit). DL courses may be approved as overload (supplemental compensation allowed, no DOE credit) only when justified on the basis of benefits to students (e.g., access, facilitates retention and graduation) or the inability of the department to deliver a required or essential course by any other means. Such overload assignments must be reviewed and approved by the Chair, the Associate Dean for Instruction, and the Dean.
 - Compensation for faculty teaching Distance Learning courses in approved overload will be no greater than the net incentive funds generated by the course. Supplemental compensation will not exceed that fraction of base salary normally associated with DOE that would be attributed to the teaching activity. (Example: a 3 credit course with 20 undergraduates would be 12.5% of annual DOE for a 9-month faculty member. The faculty member could receive no more than an amount equal to 12.5 percent of their base salary as supplemental compensation.)
 - Any additional incentive funds received for Distance Learning courses will be allocated 80% to the generating department and 20% to the college Associate Dean for Instruction for reinvestment in instructional programs.
 - Teaching during summer sessions by 9-month faculty is subject to agreement by the chair and faculty member. The guidelines are not intended to alter practices on compensation of faculty for summer or winter intersession teaching.

If you have questions about consulting, overload, or disclosure of financial interest, contact Tim West at timothy.west@uky.edu or 257-3879.