

August 19, 2014

All,

As many of you know, in recent months, the university has been investigating allegations of financial fraud involving a former faculty member in the College of Engineering.

The faculty member, when confronted with these allegations, resigned. The appropriate legal authorities are investigating and the university continues to examine and implement changes in policies and procedures to minimize the reoccurrence of this type of incident.

With your leadership, we already have instituted new training programs, clarified existing policies, and created approaches to more efficiently review questions about issues when they arise.

However, one issue that has prompted questions and concerns involves our regulation related to internal overload, consulting and external work.

It's critically important to reinforce the point that the university values -- and, in fact, encourages -- faculty to engage in professional activity outside of their work at the university. Often, our faculty -- recognized as leading experts in their respective fields -- are uniquely qualified to assist in major questions and challenges with other organizations. We also recognize that participation in professionally relevant consulting and other activities can also enhance a faculty member's competence as a teacher and a researcher.

That said, it's also important that strong and clear policies are in place to protect both the institution and the faculty. Over the last several months, a team in the Provost's office has been reviewing the administrative regulation -- AR 3:9 -- relating to faculty consulting, external work, and internal overload activity. To better clarify this important policy, the following summarizes the current policy as well as steps we are taking to strengthen it:

- The existing policy with respect to consulting, external work, and internal overloads has not changed and has been in place since 1999
- We are required to file the proper forms -- the Form F --to gain approval for relevant professional work.
- The approval process includes reviews by the appropriate department chairs, deans and, ultimately, the provost's office. Decisions can be appealed if and when a faculty member disagrees.
- A faculty member, if approved, can engage in consulting and external professional work of not more than 20 percent of his or her university appointment as a percentage of time.
- The university recognizes that there are occasional circumstances when a faculty employee may be the most appropriate person to undertake an assignment that is beyond the scope of that individual's normal responsibilities. A faculty member, if approved, can engage in, and be compensated for, internal overload work, consistent with approved fee schedules or by a per diem compensation arrangement. The total compensation earned by a faculty member for internal workload assignments cannot exceed 20 percent of the individual's annual salary. Exceptions to the compensation methods and policies must be considered and approved by the Provost (or designee) prior to the start date of the internal overload assignment.
- The same filing requirements remain in place for faculty members whether their appointment is for 9, 10, 11, or 12 months.

What has changed is that we have been working diligently to better define and clarify this policy so that everyone involved understands it. Moreover, we are modernizing the process for filing Form Fs through an on-line system. That should make it easier for faculty to comply with the regulation. And it will make it easier for us to gather these records, review them as appropriate and provide regular updates to departments, colleges, administration and our Board of Trustees, as required on an annual basis.

Faculty are now able to electronically file this important document at this link by access via the myUK portal at: <https://myuk.uky.edu/iri/portal>. In the coming weeks, we will have all approved Form Fs for the last year centralized so that we can provide better and timelier reporting.

Going forward, we will be engaging the entire faculty in an ongoing dialogue regarding some of the substantive issues that have been raised in recent months -- from better defining what constitutes potential conflicts of interest and conflicts of commitment to clearer descriptions of the policies and requirements in place for reporting consulting and professional work.

The goal is not to create more burdens. The goal, rather, is to make policies clearer and more transparent for the entire university community. I look forward to working with all of you on these important processes in the coming months.

If you have additional questions or concerns regarding the policy, please feel free to contact me or G.T. Lineberry, Associate Provost for Faculty Advancement, gt.lineberry@uky.edu.

All the best,
Chris

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