

Portland State University Policy on Outside Employment

Teaching and research are the primary functions of the University and are nourished by efficient and imaginative administration. Service to the community and nation is an inherent obligation. These four -- teaching, research, administration and public service -- are essential features of academic life and make comparable demands on ability and devotion.

The contributions of a faculty member are not, however, measured. The objectives of the University are served and its programs enriched by the active participation of its faculty members in outside activities which contribute to the advancement of the faculty member's profession, or provide an opportunity for professional growth through interaction with industry, business, government, and other institutions of our society.

The University recognizes contributions and achievements, not only by appropriate salary advancement and promotion, but also by permitting faculty members substantial freedom in arranging their academic lives. This freedom is, however, subject to an overriding principle: The potential magnitude of outside professional activity is such that orderly procedures must be followed to avoid ethical and legal conflicts of interest and to ensure that such activities do not conflict with the proper discharge of University responsibilities.

This document provides general guidance as to what constitutes appropriate and inappropriate outside professional activity. In addition, it illustrates a few areas for special emphasis in which particularly difficult situations could arise. This document is not intended to provide specific rules covering all possible situations, but rather to establish the spirit in which interactions with the private sector should be undertaken. In general, personal responsibility, integrity, and high ethical standards are the principal guides in avoiding conflicts of interest, and the University expects that all members of the faculty will conduct their outside activities in a manner that reflects credit on themselves, their profession, and the University. The principal safeguards against abuse are the standards reviewed by professional colleagues and the rigorous process by which the University evaluates and selects individuals for appointment and promotion.

Outside Professional Work

Professional Affiliations

Consistent with meeting obligations to the University, members of the faculty are encouraged to participate in pro bono scholarly and philanthropic activities outside their campus which may not provide the faculty member with anything other than reimbursement of direct expenses. It is thus appropriate for faculty members to accept invitations to serve on advisory bodies or public commissions related to their academic work, as well as to travel to other institutions or conferences for the purpose of presenting lectures, leading seminars or workshops, or visiting the laboratories of colleagues. Such activities are not subject to the limitations on outside consulting work or involvement with commercial enterprise other than consulting.

Outside Consulting Activities

To assure the University that the ability of the individual to discharge in full his or her obligations to the University is not impaired when undertaking outside consulting activities, the following principles shall be used, as far as possible, as appropriate guides:

- **Members of the faculty may engage in outside consulting work, but not to the detriment of their University obligations.** To this end, the amount of outside consulting work for remuneration in which full-time members of the faculty may engage is limited to an average of one day per week during the period of full-time university employment. This limitation is subject to review by their supervisor on a case-by-case basis to determine that participation in/outside consulting activities will not conflict or impinge on the University duties and obligations of the faculty member. With approval from the supervisor, a reasonable amount of averaging of time over the quarters of an academic year ordinarily will be acceptable, though particular circumstances such as teaching assignments or the terms of support under grants or contracts will need to be taken into account. Further potential conflict of interest may exist in other cases, e.g., if substantial time away from campus is required or outside consulting income equals the University salary.
- **No engagement shall be accepted which will involve a conflict of interest as prohibited by applicable state law or University regulations.** In essence, faculty members owe an overriding professional allegiance to the University, and they must be alert to the possibility that outside obligations, financial interests, or employment can affect the objectivity of their decisions as members of the University community. Individuals must be sensitive to potential conflict-of-interest situations. In situations where outside obligations have the potential for conflict with the faculty member's allegiance and responsibility to the University, the faculty member shall disclose the situation to his or her immediate supervisor and request approval of the engagement.
- **Laboratory and other institution facilities and resources, including support staff and stationery, shall not be used in outside consulting for which the faculty member receives remuneration unless expressly authorized by the supervisor.** If authorization is granted, the institution must be reimbursed in full for use of the institution facilities and resources (direct and indirect costs).
- **All members of the faculty who wish to engage in outside consulting activities must complete the Request for Approval for Outside Employment form.** For a consulting activity involving a number of clients each consuming less than twenty-four hours of consulting time, a single form describing the activity and total time for all clients shall be submitted.

Involvement with Commercial Enterprise More Substantive than Consulting

There are times when a University employee's involvement with commercial enterprise may exceed the usual relationships developed as part of normal duties, in professional affiliations, or in a consulting role, and thus may not be covered by earlier sections of this document, or by the University's Patent, Invention and Copyright Policy. The propensity for such involvement has increased as the potential to develop commercial enterprises to market university research-based technology has increased. The University recognized that such involvement can be and has been of significant benefit to the University, the employee, the commercial entity, and the general public, and encourages technology transfer.

Nine-month faculty are free to consult up to full-time during summer months.

Involvement with commercial enterprise also offers the potential for conflicts of interest and time, for inhibition of free exchange of information, and for interference with the employee's primary

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responsibility to the University and its teaching and research mission. An essential part of the University's commitment to encouraging technology transfer is protection of the University's integrity and of its primary goals of education and open inquiry. Toward this end, this section describes a disclosure and approval process for more substantive involvements with commercial enterprises than usual professional affiliations or outside consulting. The need for flexibility and the difficulty of anticipating all situations which may arise is recognized, and the employee's department chair or immediate supervisor will interpret, within the context of the unit in question, the policy and evaluate the activity proposed.

In order that the University has the opportunity to evaluate carefully the nature and extent of its employee's involvement with commercial enterprise, all employees must request prior approval from their department chair or supervisor for involvement with such enterprises where there is potential for conflict of interest, time, or allegiance with their University position. 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 for Graduate Studies and Research. Activities for which approval should be sought include:

- Ownership equity in a commercial enterprise involving activities related to employee's area of academic work;
- Holding of a line management position in a commercial (private or public) enterprise;
- Participation in the day-to-day operations of a commercial enterprise;
- Assumption of a key, continuing consulting role in an enterprise (including serving as a director of a company).

Written requests for approval of such involvement with commercial enterprise shall disclose fully to the department chair or supervisor the following aspects of the affiliation:

- Nature of the relationship;
- Short and long-term commitment of time and effort;
- Financial aspects, including the extent of compensation, equity and indirect and/or potential economic value;
- Expected benefit to the enterprise;
- Expected benefit to the employee and the University.

Supervisors should consider the following major issues when evaluating such requests from employees:

- There must be no anticipated distortion of academic programs. Involvement with an enterprise must in no way undermine the morale or academic integrity of the University.
- There must be no compromise of the intellectual freedom or property rights of any member of the University community. To this end, arrangements must ultimately provide for public access to the results of all research conducted at the University. Moreover, the intellectual property of students must be protected.
- There should be prospective benefits to both the employee and the University. The potential costs and benefits of proposed research projects should be carefully considered, as described in "Areas of Special Concern" below.

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- The employee's total average time commitment over a quarter to outside consulting and/or deeper involvement with commercial enterprise should not exceed the limit specified in "Outside Consulting Activities" above, that is, an average of one day per week.
- Except under extraordinary circumstances, holding of a line management position or participation in day-to-day operations within a commercial enterprise should not be approved for full-time employees. The only condition under which the employee might normally remain at the University while carrying out such activities is if his or her appointment is reduced by a fraction consistent with the level of activities.

The information disclosed by the employee and a record of the department chair's or supervisor's action on the employee's request shall be forwarded to the Provost for approval. The department chair or supervisor shall not disclose financial aspects to others.

Areas of Special Concern

Research Activities Undertaken in Collaboration with the Private Sector Should Be Appropriate to the University

The activity must be proportionate to the mission of the University, that is, promising significant contributions to scholarship and knowledge and, when possible, providing appropriate opportunities for students. In judging the appropriateness of a contemplated project, the supervisor should be satisfied that the project exhibits the following qualities:

- The facts and circumstances indicate that the faculty's financial involvement with sponsoring organization will not affect the conduct of research and technology transfer, in accordance with University policies and the highest professional standards.
- The University's interests will be maintained despite any interest of the faculty with the sponsor.
- The activity will lead to the advancement of knowledge.
- The activity will contribute to the University's mission of teaching, research, and public service.
- Consulting for the sponsor of one's research has great potential for conflict and must be safeguarded against. In general, such arrangements are not desirable.

The Teaching and Research Environment at the University Must Be Open

The teaching and research environment should promote the free exchange of ideas, information and materials among students and faculty in all of their forums: classrooms, laboratories, meetings and anywhere else at the University. In addition, the formal dissemination of information through publication should proceed efficiently and unimpeded by outside consulting activity.

Relations between Senior and Junior Faculty Should Not be Influenced by Interactions with the Private Sector

The involvement of junior members of the faculty with commercial enterprise may or may not be important to their professional development. Senior faculty may be able to assist junior faculty by offering potential opportunities to them and giving them advice with respect to both technical and ethical issues. It is important, however, that participation in commercial ventures activities not lead

to loss of senior faculty's objectivity in judging junior faculty in issues of promotion and tenure. Objectivity could be compromised by collaboration between junior and senior faculty in outside professional activities, or by expectations that the junior faculty should or should not participate in such activities.

The Possible Effects on Students of Interactions Between Faculty and the Private Sector Should be Carefully Assessed

Part-time involvement of graduate or undergraduate students in the activities of faculty may, under certain conditions, offer the potential for substantial benefits to the education of the student. In each case of such employment, approval should be given explicitly by the department chair or immediate supervisor after discussion with the faculty member and student.

In considering such arrangements, faculty should be guided by the need to avoid conflicts of interest or any relationship that would reduce objective evaluation of student performance, and to avoid infringement of the student's academic duties and rights. If the outside work is related to the student's thesis, special care should be expended to avoid conflict.

Procedures Involving Outside Professional Activity

Approval Procedures

Generally, approval at two levels of supervision is required for Outside Consulting Activities and for Involvement with Commercial Enterprises More Substantive than Consulting. In all cases, approval by the department chair (or equivalent) and provost is required. 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 for Graduate Studies and Research.

Faculty who wish to engage in Outside Consulting Activities must complete the Request for Approval for Outside Employment form.

They must then route this form for signature by their department chair (or equivalent) and Dean. Once approved by the Dean the form must be submitted to the Vice Provost for Sponsored Research in the Unitus Building, 6th floor. If approved, the Vice Provost's office will send the original to Human Resources and copies of the completed form to the faculty member, the department chair/director, the Dean, and the Vice Provost for Academic Personnel and Budget.

Faculty who wish to participate in Involvement with Commercial Enterprises More Substantive than Consulting must prepare a memorandum describing the activity. The request must be approved by the department chair (or equivalent) and provost. An approved copy must be sent to the Office of Academic Affairs.

Appeals Policy

In the event the faculty member is denied the opportunity to engage in outside activities by his/her supervisor, it is appropriate to appeal in accordance with the grievance process given in Grievance, Article 18, Agreement Between Portland State University and AAUP-PSU and the grievance process of the Non-Contractual Agreements Process of June 6, 1988. The choice of appeal process is optional in most circumstances.

Periodic Review

As part of the periodic review of each faculty member, the supervisor shall include an assessment of the faculty member's outside activities. The review will include an evaluation of the effect of the outside activities on the faculty member's normal job activities. If they negatively affect the faculty's performance, the faculty member shall be encouraged to reduce his/her outside activities.

Monitoring Procedure

It is important to record instances of professional involvement in outside activities in order to monitor the extent of such interactions and to assess its impact on the primary functions of the University -- teaching, research, and public service. Because the nature of faculty participation in outside activities differs greatly among disciplines and departments, the details of the most appropriate reporting method must be developed and maintained by each unit individually. However, some centralization is necessary to ensure that information for the entire University is gathered and that its format allows ready interpretation outside the unit where it originated. Therefore, the Provost shall be responsible for collecting and evaluating reports of faculty interaction in outside activities.

Sanctions

Faculty who fail to comply with this policy are subject to sanctions for cause ranging from a warning to dismissal, in accordance with the rules of the State Board of Higher Education, OAR 580-21-320 and following.

Future Changes in Policy

Needed changes in the University policy will be submitted to the Chancellor's Office by August 31 of each year.

**PORTLAND STATE UNIVERSITY
REQUEST FOR APPROVAL FOR OUTSIDE EMPLOYMENT**

Outside Employer: _____
(If self-employed, please indicate)

Period of activity (not to exceed one year): From: ___ / ___ / ___ To: ___ / ___ / ___

Anticipated time commitment (total time for an engagement or hrs/wk for continuing activity):

Location of activity: _____

Description of activity: _____

Note: Use of University facilities and staff is normally prohibited in connection with outside activities. If you will be using any such University property or staff, please describe:

Does this proposed activity include the signing of an agreement concerning rights in inventions or materials? Yes ___ No ___ If yes, attach a copy of the proposed agreement for review and approval by the Vice Provost for Graduate Studies and Research.

I have reviewed the University's policy concerning outside employment and will comply with its provisions. In addition, I have discussed all potential conflicts of interest with my department chair.

Date: _____
Faculty Member Signature

SSN: _____
Faculty Member Name (Print/Type)

Faculty member: Attach copies of any currently approved outside employment/overload compensation forms before submitting to your department chair or head for approval.

APPROVAL

I have reviewed the above request and certify that the proposed outside employment is in accordance with the University policy.

Date: _____ Approved: _____
Department Chair

Date: _____ Approved: _____
School/College Dean

Date: _____ Approved: _____
Vice Provost for Sponsored Research