



TRANSMITTAL LETTER

The University of North Carolina
General Administration

Transmittal Number 102
October 21, 2015

THIS LETTER TRANSMITS CHANGES TO THE
UNC POLICY MANUAL

[300.2.2.1\[R\]](#) Regulations on External Professional Activities for Pay by Faculty and EHRA Non-Faculty Employees*

*A redline version of the policy is attached herein.

Regulations on External Professional Activities for Pay by Faculty and EHRA Non-Faculty Employees

In accordance with the Board of Governors' policy on Conflict of Interest and Commitment (UNC Policy Manual, Section 300.2.2), UNC faculty and EHRA non-faculty employees (together "Covered Employees") sometimes may engage in compensated activities that are not a part of University employment. Through such opportunities, employees apply their specialized knowledge and experience to activities outside of their University employment, thereby enhancing their own capabilities in teaching and research and contributing significant societal benefits, including economic development through technology transfer. These activities are encouraged if the intended activity complies with sections II and III of the corresponding UNC Policy, Section 300.2.2, and do not create a conflict of interest or conflict of commitment (see UNC Policy Manual, Section 300.2.2, I, Definitions¹).

Covered Employees, including faculty with nine-month appointments or contracts except as provided in III.C., below, who wish to engage in an External Professional Activity for Pay must adhere to these regulations to provide satisfactory assurances that such activity will not interfere with University employment obligations. Covered employees not complying with these regulations or policies implemented by their Constituent Institution will be subject to disciplinary action.

External Professional Activities for Pay should generally be limited to no more than the equivalent of 20 percent (20%) of the Covered Employee's contracted time, during the appointment; however Constituent Institutions may adopt differing standards dependent upon a Covered Employee's full-time status equivalent.

I. Notice, Approval, and Appeal Requirements

A. Notice Requirements

1. Any Covered Employee who plans to engage in an External Professional Activity for Pay shall complete the "Notice of Intent to Engage in External Professional Activity for Pay" (hereinafter referred to as "Notice of Intent," which shall solicit, at a minimum, the data elements shown in Appendix I to this regulation). A separate "Notice of Intent" shall be filed for each such activity in which a Covered Employee proposes to engage.
2. Unless there are exceptional circumstances or if the Constituent Institution has implemented a different time period for filing, the "Notice of Intent" shall be filed not less than ten (10) calendar days before the date the proposed external professional activity for pay is to begin.
3. The Notice of Intent shall be filed with the appropriate administrator in accordance with the Constituent Institute' implementing procedures and may include the head of the department in which the Covered Employee is employed, the Conflict of Interest Officer, and/or the Conflict of Interest Committee.
4. Additionally, Covered Employees must disclose their financial interests consistent with the Board of Governors' policy on Conflict of Interest and Commitment (UNC Policy Manual, Section 300.2.2), and the Constituent Institution's implementing policies and procedures.

B. Review and Approval Requirements.

1. Except as set out in paragraph B.2., below, the "Notice of Intent" shall be reviewed and considered as follows:

¹ This regulation incorporates by reference the definitions used in Section 300.2.2, UNC Policy Manual.

a. If, after a review of the "Notice of Intent" and consultation with the Covered Employee, the department head (or appropriate administrator, as defined in UNC Policy Manual, Section 300.2.2, I.H.) determines that the proposed activity is consistent with the policy statements of the institution or Board of Governors, an approval of a "Notice of Intent" may be granted for a period not to exceed the balance of either (1) the fiscal year (in the case of 12-month employees and employees with contract service periods that include the summer session), or (2) the academic year (in the case of nine-month employees with no summer session contract period) remaining as of the date of approval. The Covered Employee shall be notified in writing of the approval within ten (10) calendar days of the date the "Notice of Intent" is filed. If the approved activity will continue beyond the end of the relevant fiscal or academic year in which it was begun, the Covered Employee must file an additional "Notice of Intent" at least ten (10) calendar days before engaging in such activity in the succeeding relevant year unless the Constituent Institution has adopted another time period for filing.

b. If, after a review of the "Notice of Intent" and consultation with the Covered Employee, the department head (or appropriate administrator, as defined in UNC Policy Manual, Section 300.2.2, I.H.) determines that the proposed activity is not consistent with the policy statements of the institution or Board of Governors, the Covered Employee shall be notified in writing of that determination within ten (10) calendar days of the date the "Notice of Intent" is filed.

2. If the "Notice of Intent" discloses (1) a proposed activity for an entity that provides funding that directly supports the Covered Employee's University Employment Responsibilities or activities, or (2) a proposed activity for a private entity in which the Covered Employee or member of the Covered Employee's Immediate Family (see UNC Policy Manual, Section 300.2.2, I, Definitions) holds an equity or ownership interest or holds an office, the review and consideration procedure set out in item B.1., above, shall be modified as follows:

a. The decision of the department head to approve the activity shall be reviewed promptly and approved or disapproved within ten (10) calendar days of receipt by the administrative officer to whom the department head reports.

b. An appeal of a disapproval by that officer shall be to the chancellor or the chancellor's designee (or, in General Administration, to the president or the president's designee). The decision of the chancellor or chancellor's designee (or of the president or president's designee) shall be final.

C. Appeal Requirements

1. In the event of such notification by the department head, the Covered Employee shall not proceed with the proposed activity but may appeal that decision to the administrative officer to whom the department chair reports, and then to the chancellor or the chancellor's designee (or, at UNC General Administration, to the president or the president's designee). Appeals shall be made in writing within the time frame implemented by the Constituent Institution.

2. A decision on any such appeal shall be given by the administrative officer of the chancellor or chancellor's designee (or, at UNC General Administration, to the president or the president's designee) to the Covered Employee within ten (10) calendar days of the date on which the appeal is received.

3. The decision of the chancellor or chancellor's designee (or of the president or president's designee) shall be final.

II. Reporting Requirements

A. Annually departmental summaries of all "Notices of Intent" filed and of actions taken in response to such "Notices of Intent" during the preceding fiscal year shall be submitted by department heads to the chancellor or the chancellor's designee (or, at UNC General Administration, to the president or the president's designee).

B. On or before September 1 of each year, UNC General Administration's Office of Research and Sponsored Programs will initiate the submission of annual summary reports from the chancellors to the president.

III. Special Provisions

A. External Professional Activities for Pay performed for another institution or agency of the State of North Carolina also must comply with State policies governing dual employment and compensation, unless an exception to those State policies is expressly authorized by the chancellor or the chancellor's designee (or, at UNC General Administration, to the president or the president's designee).

B. In addition, senior academic and administrative officers may be subject to special regulations regarding honoraria. (UNC Policy Manual, Section 300.2.2.2[R].)

C. These regulations shall not be required of Covered Employees serving on academic year appointments, if the External Professional Activity for Pay is wholly performed and completed outside of the academic year, provided that the activity does not conflict with the policy statements of the Constituent Institution or Board of Governors and is not conducted concurrently with a contract service period for teaching, research, or other services to the institution during a summer session. Notwithstanding this regulation, such employees will disclose their financial interests in accordance with the Board of Governors' policy on Conflict of Interest and Conflict of Commitment (UNC Policy Manual, Section 300.2.2), and the implementing policies and procedures of the Constituent Institutions.

Appendix I

Notice of Intent to Engage in External Professional Activities for Pay Data Elements

- I. Date of filing
- II. Name of Covered Employee
- III. Name and address of contracting organization
- IV. Nature of proposed activity
- V. Beginning date and anticipated duration of activity
- VI. Average number of hours per week to be devoted to the activity
 - A. *For 12-month employees, for the anticipated duration of the activity, within the current fiscal year ending June 30 _____*
 - B. *For 9-month employees, for each component part of the academic year, as applicable, within the current fiscal year ending June 30_____*
 1. Second Summer Session (post-July 1)
 2. Fall Semester
 3. Spring Semester
 4. First Summer Session (pre-July 1)
- VII. Total number of hours to be devoted to the activity
- VIII. Identification of classes, meetings, or other university duties that will be missed because of involvement in the proposed activity (identify the duties that will be missed based on the components of the academic year shown above, if 9-month employee) and identification of what arrangements have been made to cover such duties
- IX. Identification of any university resources to be used for the activity
- X. Determination if the contracting organization listed in the Notice of Intent is providing funding which directly supports the Covered Employee's university duties
- XI. Determination if the contracting organization is a private firm
 - A. *If yes, determination if the Covered Employee or member of his/her immediate family own an equity interest in the contracting organization*
 - B. *If yes, determination if the Covered Employee holds an office in the contracting organization*
- XII. Certifying statement by Covered Employee that information disclosed on the "Notice of Intent" is consistent with the Board of Governors' policy on Conflict of Interest and Commitment (UNC Policy Manual, Section 300.2.2)

Regulations on External Professional Activities for Pay by Faculty and ~~EHRA~~ Non-Faculty ~~EPA~~ Employees

In accordance with the Board of Governors' policy on Conflict of Interest and Commitment (UNC Policy Manual, Section 300.2.2), UNC faculty and ~~EHRA~~ non-faculty ~~EPA~~ employees (together "Covered Employees") sometimes may engage in compensated activities that are not a part of University employment. Through such opportunities, employees apply their specialized knowledge and experience to activities outside of their University employment, thereby enhancing their own capabilities in teaching and research and contributing significant societal benefits, including economic development through technology transfer. These activities are encouraged if the intended activity complies with ~~Section~~sections II and III of the corresponding ~~policy~~UNC Policy, Section 300.2.2, and do not create a conflict of interest or conflict of commitment (see ~~definitions~~, UNC Policy Manual, Section 300.2.2, Section I, Definitions¹).

An EPA employee who wishes to engage in Covered Employees, including faculty with nine-month appointments or contracts except as provided in III.C., below, who wish to engage in an External Professional Activity for Pay must adhere to these regulations to provide satisfactory assurances that such activity will not interfere with University employment obligations. Covered employees not complying with these regulations or policies implemented by their Constituent Institution will be subject to disciplinary action.

I. Regulations

External Professional Activities for Pay should generally be limited to no more than the equivalent of 20 percent (20%) of the Covered Employee's contracted time, during the appointment; however Constituent Institutions may adopt differing standards dependent upon a Covered Employee's full-time status equivalent.

I. Notice, Approval, and Appeal Requirements

A. Notice Requirements

1. Any ~~EPA~~Covered Employee who plans to engage in an External Professional Activity for Pay shall complete the "Notice of Intent to Engage in External Professional Activity for Pay" (hereinafter referred to as "Notice of Intent," which shall solicit, at a minimum, the data elements shown in Appendix I), which shall be filed with the head of the department in which the individual is employed, to this regulation). A separate "Notice of Intent" shall be filed for each such activity in which ~~an~~ Covered Employee proposes to engage.

2. Unless there are exceptional circumstances or if the Constituent Institution has implemented a different time period for filing, the "Notice of Intent" shall be filed not less than ten (10) calendar days before the date the proposed external professional activity for pay is to begin.

3. The Notice of Intent shall be filed with the appropriate administrator in accordance with the Constituent Institute' implementing procedures and may include the head of the department in which the Covered Employee is employed, the Conflict of Interest Officer, and/or the Conflict of Interest Committee.

~~4.~~ Additionally, Covered Employees will~~must~~ disclose their financial interests consistent with the Board of Governors' policy on Conflict of Interest and Commitment, (UNC Policy Manual, Section 300.2.2), and the Constituent ~~Institution~~Institution's implementing policies and procedures.

¹ This regulation incorporates by reference the definitions used in Section 300.2.2, UNC Policy Manual.

B. Review and Approval Requirements.

1. Except as set out in paragraph B.2., below, the "Notice of Intent" shall be reviewed and considered as follows:

a. If, after a review of the "Notice of Intent" and consultation with the Covered Employee, the department head (or appropriate administrator, as defined in UNC Policy Manual, Section 300.2.2, I.H.) determines that the proposed activity is consistent with the policy statements of the institution or Board of Governors, an approval of a "Notice of Intent" may be granted for a period not to exceed the balance of either (1) the fiscal year (in the case of 12-month employees and employees with contract service periods that include the summer session), or (2) the academic year (in the case of ~~nine~~-month employees with no summer session contract period) remaining as of the date of approval. The Covered Employee shall be notified in writing of the approval within ten (10) calendar days of the date the "Notice of Intent" is filed. If the approved activity will continue beyond the end of the relevant fiscal or academic year in which it was begun, the Covered Employee must file an additional "Notice of Intent" ~~must be filed~~ at least ten (10) calendar days before engaging in such activity in the succeeding relevant year unless the Constituent Institution has adopted another time period for filing.

b. ~~Except as set out in paragraph D below, the "Notice of Intent" shall be considered as follows: If, after a review of the "Notice of Intent" and consultation with the EPA-Covered Employee, the department head (or appropriate administrator, see definition as defined in UNC Policy Manual, Section 300.2.2, Section I, Item G), H.) determines that the proposed activity is not consistent with the policy statements of the institution or Board of Governors, the EPA-Covered Employee shall be notified in writing of that determination within ten (10) calendar days of the date the "Notice of Intent" is filed. In the event of such notification by the department head, the EPA employee shall not proceed with the proposed activity but may appeal that decision to the administrative officer to whom the department chair reports, and then to the chancellor or the chancellor's designee (or, in General Administration, to the President). A decision on any such appeal shall be given to the EPA employee within ten (10) calendar days of the date on which the appeal is received. The decision of the chancellor (or of the President) shall be final. Appeals shall be made in writing.~~

3.2. If the "Notice of Intent" discloses (1) a proposed activity for an entity that provides funding that directly supports the EPA-employees' Covered Employee's University Employment Responsibilities or activities, or (2) a proposed activity for a private entity in which the EPA-Covered Employee or member of the EPA-employee's immediate family Covered Employee's Immediate Family (see UNC Policy Manual, Section 300.2.2, I, Definitions) holds an equity or ownership interest or holds an office, the review and consideration procedure set out in item ~~CB.1.~~, above, shall be modified as follows:

a. The decision of the department head to approve the activity shall be reviewed promptly and approved or disapproved within ten (10) calendar days of receipt by the administrative officer to whom the department head reports, ~~and,~~

~~a.b.~~ An appeal of a disapproval by that officer shall be to the chancellor or the chancellor's designee (or, in General Administration, to the president) ~~or the president's designee~~. The decision of the chancellor or chancellor's designee (or of the president or president's designee) shall be final.

C. Appeal Requirements

1. In the event of such notification by the department head, the Covered Employee shall not proceed with the proposed activity but may appeal that decision to the administrative officer to whom the department chair reports, and then to the chancellor or the chancellor's designee (or, at UNC General Administration, to the president or the president's designee). Appeals shall be made in writing within the time frame implemented by the Constituent Institution.
2. A decision on any such appeal shall be given by the administrative officer of the chancellor or chancellor's designee (or, at UNC General Administration, to the president or the president's designee) to the Covered Employee within ten (10) calendar days of the date on which the appeal is received.
3. The decision of the chancellor or chancellor's designee (or of the president or president's designee) shall be final.

II. Reporting Requirements

A. Annually departmental summaries of all "Notices of Intent" filed and of actions taken in response to such "Notices of Intent" during the preceding fiscal year shall be submitted by department heads to the chancellor or the chancellor's designee (or, ~~in General Administration, to the President~~) ~~each July. On or before September 1 of each year, the UNC General Administration, Office of Research and Sponsored Programs, will initiate the submission of annual summary reports from the chancellors to the President.~~ at UNC General Administration, to the president or the president's designee).

B. On or before September 1 of each year, UNC General Administration's Office of Research and Sponsored Programs will initiate the submission of annual summary reports from the chancellors to the president.

III. Special Provisions

A. External Professional Activities for Pay performed for another institution or agency of the State of North Carolina also must comply with State policies governing dual employment and compensation, unless an exception to those State policies is expressly authorized by the chancellor or the ~~President~~ chancellor's designee (or, at UNC General Administration, to the president or the president's designee).

B. In addition, senior academic and administrative officers may be subject to special regulations regarding honoraria. ~~Please refer to the (UNC Policy Manual, Section 300.2.2.2[R].)~~
~~B. University employees not complying with these procedures will be subject to disciplinary action.~~

H. Special Provision

C. These regulations shall not be required of EPA Covered Employees serving on academic year ~~contracts~~ appointments, if the External Professional Activity for Pay is wholly performed and completed outside of the academic year, provided that the activity does not conflict with the policy statements of the Constituent Institution or Board of Governors and is not conducted concurrently with a contract service period for teaching, research, or other services to the institution during a summer session. Notwithstanding this ~~policy, UNC Policy Manual, 300.2.2.1[R], Covered~~ regulation, such employees will disclose their financial interests in accordance with the Board of Governors' policy on Conflict of Interest and Conflict of Commitment (UNC Policy Manual, Section 300.2.2), and the implementing policies and procedures of the Constituent Institutions.

Appendix I

²

Notice of Intent to Engage in External Professional Activities for Pay Data Elements

- I. Date of filing
- II. Name of EPA Covered Employee
- III. Name and address of contracting organization
- IV. Nature of proposed activity
- V. Beginning date and anticipated duration of activity
- VI. Average number of hours per week to be devoted to the activity
 - A. *For 12-month employees, for the anticipated duration of the activity, within the current fiscal year ending June 30 _____*
 - B. *For 9-month employees, for each component part of the academic year, as applicable, within the current fiscal year ending June 30 _____*
 1. Second Summer Session (post-July 1)
 2. Fall Semester
 3. Spring Semester
 4. First Summer Session (pre-July 1)
- VII. Total number of hours to be devoted to the activity
- VIII. Identification of classes, meetings, or other university duties that will be missed because of involvement in the proposed activity (identify the duties that will be missed based on the components of the academic year shown above, if 9-month employee) and identification of what arrangements have been made to cover such duties:
- IX. Identification of any university resources to be used for the activity
- X. Determination if the contracting organization listed in the Notice of Intent is providing funding which directly supports the EPA Covered Employee's university duties

²[This Appendix I 300.2.2.1[R] replaced the preceding Appendix I entitled, "Notice of Intent to Engage in External Professional Activities for Pay," adopted August 12, 2005.]

- XI. Determination if the contracting organization is a private firm
- A. *If yes, determination if the ~~EPA~~Covered Employee or member of his/her immediate family own an equity interest in the contracting organization*
 - B. *If yes. determination if the ~~EPA~~Covered Employee holds an office in the contracting organization*
- XII. Certifying statement by ~~EPA~~Covered Employee that information disclosed on the “Notice of Intent” is consistent with the Board of ~~Governor’s~~Governors’ policy on Conflict of Interest and Commitment (UNC Policy Manual, Section 300.2.2)