June 15, 2015

MEMORANDUM

To: President’s Staff/Vice Presidents/Associate Vice Presidents
Vice Provosts/Associate Vice Provosts
Deans and Chairs/Directors of Departments and Schools
Directors of Research and Public Service Centers
NIU Faculty Members and Administrative Staff

From: Lisa C. Freeman
Executive Vice President and Provost

Jerry Blakemore
Vice President and General Counsel

Subject: Outside Consulting, Research, Instruction or Other Types of Outside Employment

As mentioned in the Academic Policies and Procedures Section 1, Item 10 2.a. “Interaction (e.g., research or consulting) between employees and outside enterprises for reasonable periods of time (and which may or may not provide personal remuneration) is advantageous when the relationship enhances one’s professional skills or entails a public service activity. Such relationships are encouraged as long as they are consistent with the missions of the University.”

To simplify compliance with University Faculty Research and Consulting Act of 1969 as amended, and NIU’s Board of Trustees Regulations Section II. B. 2. on Outside Employment, the university has established a reporting system under which faculty members and administrative employees annually request approval to engage in outside consulting, research or other forms of outside employment, and disclose and manage any conflict of interests that may arise from such outside activities. Those who receive approval to engage in outside activities then must report annually the actual number of days spent on the approved activities. Compensation for these activities does not qualify as additional pay or as any other type of university remuneration, and therefore, should not be paid through university cost centers. Outside consulting, research and other types of outside employment by faculty and administrative employees are subject to an external audit, and therefore, it is very important that such activities are documented to verify NIU’s compliance with relevant statutes.

The form that must be used to request approval to engage in outside consulting, research or other forms of outside employment is available at:
http://www.niu.edu/provost/resources/index.shtml#O

Directions
A separate form must be completed by the faculty member or administrative employee for each outside consulting, research, instruction or other forms of outside employment for each academic year. The completed form should be signed by the requesting faculty member or administrative employee, and routed through his or her department/unit (employee’s supervisor will serve as the President’s designee at the department/unit level) and college/division offices to the Office of the
Provost at least 15 days before the start date of the proposed outside activity. The form should be submitted as hardcopy with original signatures to the Office of the Provost or it can be submitted electronically through email to provost@niu.edu with digital signatures or scanned signatures and clearly indicating where the individual email messages originated and their dates. A copy of the form will be returned to the requesting faculty member or administrative employee upon approval or denial of the request. If the request is approved, the original form will be returned to the faculty member or administrative employee near the end of the activity for completion of the report of the actual time expended on the activity. Completed forms will be kept on file in the Office of the Provost, and a copy will be forwarded to the department/unit and college/division offices.

The relevant language of the Board of Trustees Regulations Section II. Subsection B. 2. On Outside Employment is as follows:

Faculty and administrative employees whose primary positions are with the Board of Trustees normally shall not be employed under any employment or regular agreements or contracts for more than normal full-time employment from the State of Illinois and/or university funds.

Exceptions may be granted in the case of faculty teaching extension or noncredit courses, or other circumstances when duties are performed in addition to their regular assignments. Exceptions may be made upon advance approval of the president or a designee.

Faculty must have prior written approval of the president, or a designee, to perform research or provide consulting services to nongovernmental agencies. (University Faculty Research and Consulting Act, 110 ILCS 100/0.01 et seq., effective September 16, 1969.)

Employment or services provided outside of those activities supported by the State of Illinois and/or university funds should not encroach upon the employee's primary responsibilities and obligation to the employer.

The president or a designee shall authorize in writing those persons designated to approve outside employment. A copy of the written authorization shall be maintained by the President's Office.

The relevant language of the current law (110 ILCS 100/1 et seq.) regarding outside consulting or research is as follows:

Section 1. No full-time member of the faculty of any state-supported institution of higher learning may undertake, contract for or accept anything of value in return for research or consulting services for any person other than that institution on whose faculty he serves unless

(a) he has the prior written approval of the president of that institution, or a designee of such president, to perform the outside research or consulting services, such request to contain an estimate of the amount of time which will be involved and (b) he submits to the president of that institution or such designee, annually, a statement of the amount of actual
time he has spent on such outside research or consulting services.

Section 2. For the purposes of this Act,
“State-supported institution of higher learning” includes the University of Illinois, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University and all public community colleges; and

“Contract” includes any grant made by any person (individual or corporate), partnership, foundation or association, other than federal, state or local governments, [emphasis added] for the performance of research or consulting services by a member of the faculty of a state-supported institution of higher learning. The term does not include a scholarship or grant for study or research required for a graduate degree or the improvement of existing skills without any services to be rendered for the grantor or donor of such a scholarship or grant.

The 110 ILCS 100/1 et seq. statutes do not pertain to research or consultation for federal, state, or local governments. The university's chief legal officer has determined this legislation is not applicable to non-faculty or non-administrative employees or to any faculty or administrative employees whose appointments are less than full-time. The legislation does not require any report of compensation a faculty member or administrative employee may receive for performing private outside services. However, the Board of Trustees Regulations Section II. Subsection B. 2 on Outside Employment is much more comprehensive than the 110 ILCS 100/1 et seq. statutes and requires formal approval of all forms of outside employment.

Faculty members or administrative employees are required to make only one annual request for approval for performing services for each outside entity. However, because they must report the amount of actual time expended for each outside entity annually, a new form must be submitted each academic year for each outside entity.

Finally, the university's legal counsel has determined the legislation applies only during periods for which full-time faculty members or administrative employees are receiving their regular salaries; it does not apply when they are not under contract (e.g., summer months for those on nine-month contracts). The statute creates no limitation on the time one may work for others during times that one is not under a full-time contract here. If work is to be done on weekend days during the regular contract period, that fact should be specifically shown on the form. Conflict of interest issues may have a bearing in some cases and will be reviewed and handled appropriately.

We appreciate your assistance in making new as well as continuing faculty or administrative employees aware of these requirements and remind them to submit the appropriate form for approval before engaging in outside research, consulting or other forms of outside employment activities.

C: President Baker
LF/JB:ca