

# SYSTEM REGULATION

## **33.04.01 Use of System Resources for External Employment**

*April 24, 1996*

*Revised July 18, 2001*

*Supplements System Policy 33.04*

### 1. COMPETITION WITH PRIVATE SECTOR

System resources may not be used to compete unfairly with private sector entities or private consultants.

### 2. EXTERNAL EMPLOYMENT

External employment includes consulting or other professional employment activities for which a faculty or staff member is compensated by a third party. System resources and services may not be used by the faculty or staff member unless the external employment has been approved by the component.

### 3. INCIDENTAL USE OF SYSTEM RESOURCES

Faculty or staff members may occasionally use their offices, library resources, office telephones for local calls, office equipment (including personal computer) and other resources for approved external employment (See System Regulation 31.05.01) if the use of these resources does not cause an additional expense to the System or an illegal conversion of System resources to private use.

### 4. SIGNIFICANT USE OF SYSTEM RESOURCES

#### 4.1 Significant Use of Resources Subject to Charge

4.1.1 A faculty or staff member in the course of performing approved external employment may not charge long distance telephone calls to a System account, use System personnel to perform services of any type, perform computing on a mainframe or departmental minicomputer facility, make use of a departmental copier, or otherwise use resources of the System related to the external employment, without paying for such services on a fee or contract basis that allows the System to recover its costs.

4.1.2 Arrangements for the use of and reimbursement for such resources and services must be in writing and approved in advance. The Chancellor's authority to approve such arrangements, set forth in System Policy 33.04, Use of System Property, is hereby delegated to Chief Executive Officers (CEOs), or designee(s).

#### 4.2 Services Available to the General Public

System services regularly available to private individuals or firms on a fee or per-unit basis may be secured by System employees at the same cost and under the same conditions that they are available to the general public.

#### 4.3 Contracting for Use of System Resources

A faculty or staff member engaged in approved external employment may contract with the System for personnel services, laboratory services, supplies, computing services, equipment use, and similar resources. Such contracts must be approved in advance using established contracting guidelines, including provisions for the payment of the components' indirect costs. Contracts for the use of System resources must be approved in advance by the CEO, or designee. Approval may be given only when all of the following conditions are met:

- (1) the requested resources are not reasonably available from the private sector, even at a somewhat higher cost;
- (2) the contract provides for the payment to the component of indirect costs;
- (3) the proposed work contributes to the advancement of System programs and/or to the professional development of personnel;
- (4) the use of resources for this activity will not interfere with or detract from the regular educational, research or service activities of the System; and
- (5) no conflict of interest exists between the proposed work and existing or anticipated activities of the individuals concerned or the System. (Caution should be exercised in hiring graduate students to assist in consulting.)

### 5. MONITORING

CEOs of System components must monitor all use of System resources under this regulation.

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CONTACT FOR INTERPRETATION: The System Human Resources Office

HISTORY: Last version: April 24, 1996

[Section 33 Rules](#)