

**Date:** August 30, 2013

**Code:** HR 2013-11

**To:** CSU Presidents

**Reference:** HR 2002-05

**From:** Gail E. Brooks   
Vice Chancellor  
Human Resources

**Subject:** Outside Employment Disclosure Requirements for MPP and Executive Employees

**Overview**

**Audience:** CSU Presidents, Vice Presidents, HR Officers, AVPs/Deans of Faculty Affairs and campus designees responsible for outside employment disclosure.

**Action Item:** Report any conflict of commitment with outside employment that runs concurrent with CSU employment.

**Affected Employee Group(s)/Units:** MPP and Executive Employees

**Summary**

Pursuant to Section 42740 of Title 5, California Code of Regulations, the CSU is implementing a policy that will require administrators to identify any conflict of commitment that would interfere with CSU work assignments and employee performance. Outside employment of a Management Personnel Plan (MPP) or Executive employee shall not conflict with normal work assignments or satisfactory performance. As a result, MPP and Executive employees shall provide the appropriate administrator with a written disclosure statement of all outside employment endeavors. Administrators, executives, and management employees should review and implement the contents of this policy.

**Background:**

Consistent with the requirements of the California Bureau of State Audits (BSA) finding on CSU Compensation Practices, the Board of Trustees has approved an addition to Title 5 of the California Code of Regulations at its January 2013 Board of Trustees meeting. The resolution required the disclosure and approval of outside employment for all full-time management and executive employees for the identification of and to preclude any conflict of commitment. The link to the Board of Trustees Resolution #RUF 01-13-01 is found here: <http://www.calstate.edu/BOT/resolutions/jan2013.pdf>. This requirement is already in place for faculty. See Article 35 of the Collective Bargaining Agreement (CBA) with the California Faculty Association (CFA).

**Definition:**

For the context of this policy, outside employment refers to any employment not compensated through the CSU payroll, including CSU foundation and CSU auxiliary employment. Volunteer work does not apply to this policy.

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**Distribution:**

CSU Chancellor  
Vice Chancellor, Human Resources  
Associate Vice Presidents/Deans of Faculty

All Campus Vice Presidents  
Human Resources Officers  
Employee Relations Designees

**Disclosure Requirements:**

MPP and Executive employees are expected to report any and all outside work for which the employees are being compensated. In addition, requests for written disclosure may also be made when the appropriate administrator deems it necessary to ascertain that the employee's outside employment does not conflict with normal work assignments or satisfactory performance. In the case of Executive employees, the appropriate administrator could include the Chancellor and/or the Board of Trustees.

The written disclosure statement shall provide the nature and approximate distribution of time devoted to continuous outside employment endeavors.

**Reporting Requirements:**

To ensure policy compliance, campuses shall initiate a reporting period for all MPP and Executive employees, in which current employees shall disclose outside employment activity within 60 days. Current employees who have outside employment are required to complete the disclosure form annually, and within 30 days of taking outside employment. Annual reminders for disclosures will be sent by Human Resources. For newly hired MPP and Executive employees, campuses shall provide a copy of this policy and require the completion of an acknowledgement form as a precondition of employment. In the event that an administrator requests the disclosure of outside employment from a current employee, the written report shall be provided to the administrator within 10 days. A sample disclosure and acknowledgement form has been provided in Attachment A. Campuses may use electronic forms to satisfy the reporting requirement.

**Document Review and Filing:**

Campuses are required to establish procedures to implement this policy requirement.

Campuses should designate an employee responsible for this function and develop procedures to manage the disclosure process. Campuses are also required to maintain these records in accordance with CSU's Records Retention Policy.

Questions regarding this policy should be directed to systemwide Human Resources at (562) 951-4411 or your campus department. This document is available on the Human Resources Management's Website at <http://www.calstate.edu/HRAdm/memos.shtml>.

GB/tl

Attachment

**Outside Employment Disclosure and Acknowledgement Form  
Management Personnel Plan (MPP) and Executive Employees**

This form is to be completed as appropriate by MPP and Executive employees pursuant to Section 42740 of Title 5, California Code of Regulations.

**Requirements:**

All management and executive employees shall be required to provide a written statement to the appropriate administrator of any and all outside employment. Employees shall also provide a written statement of outside employment if a written request by an administrator is made.

**Disclosure:**

Name: \_\_\_\_\_ Position/Title: \_\_\_\_\_

Campus: \_\_\_\_\_ Department: \_\_\_\_\_

Date: \_\_\_\_\_

I acknowledge that the information listed below is true and correct, and that my time commitment to these outside employer(s) do not create a conflict of commitment that would interfere with CSU work assignments and satisfactory performance. *(Complete and sign below)*

	<b>Nature of Outside Employment Held</b>	<b>Time Commitment</b>	<b>Expected Duration</b>
1			
2			

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Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Reviewed by:**

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Administrator's Signature: \_\_\_\_\_