

Date: November 17, 2016

Code: HR 2016-06

Supersedes: HR 2016-01  
HR 2014-12  
HR 2013-11

Reference: HR 2002-05

To: CSU Presidents, Vice Presidents, HR Officers, AVPs/Deans of Faculty Affairs and Campus Designees Responsible for Outside Employment Disclosure

From: Andrew Jones  
Interim Vice Chancellor  
Human Resources



Subject: Revised Outside Employment Disclosure Requirements for Management Personnel Plan (MPP) and Executive Employees

### Summary

The Outside Employment Disclosure Requirements for MPP and Executive Employees have been revised to include the following:

- Clarify that the policy applies to all MPP and Executive employees (full-time and part-time)
- Clarify that outside employment may not create conflict of commitment and/or conflict of interest
- All MPP and Executive employees are required to submit an Outside Employment Disclosure Form at least annually, even if there is no outside employment to report
- Defines Senior Management as Executive employees and Vice Presidents. This group will be required to submit for review and approval a detailed Outside Employment Disclosure Form
- The Outside Employment Disclosure Form for MPP employees has been revised, and a separate Form has been created for Senior Management employees
- Campuses are required to submit a detailed report on outside employment disclosures of Senior Management employees to the Chancellor's Office annually by **July 31**
- The Board of Trustees shall annually review, provide the opportunity for public discussion, and approve the outside employment endeavors of all Senior Management employees
- The Chancellor's Office Systemwide HR will be responsible for maintaining a public website reporting the outside employment endeavors of Senior Management

### Action Items

Develop procedures to manage the disclosure process and communicate the revised requirements to all MPP and Executive employees at the campus.

Update campus Outside Employment Disclosure Forms.

All MPP and Executive employees are required to submit an Outside Employment Disclosure Form at least annually.

Campuses must submit a detailed report on outside employment of Senior Management employees to the Chancellor's Office annually by **July 31**.

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### Distribution:

CSU Chancellor  
Associate Vice Presidents/Deans of Faculty  
All Campus Vice Presidents

Human Resources Officers  
Employee Relations Designees

**Affected Employee Group(s)/Units**

All (full-time and part-time) MPP and Executive employees

**Definition(s)**

**Appropriate Administrator:** The administrator to whom the MPP or Executive employee directly reports

**Conflict of Commitment:** In the context of this policy, a conflict of commitment is any outside work that creates a perceived or actual conflict with an employee's ability to perform normal CSU work assignments, maintain satisfactory performance, and meet his/her responsibilities to the CSU

**Conflict of Interest:** The Political Reform Act prohibits an employee from making, participating in the making, or influencing a governmental decision in which the employee has a financial interest

**Executive Employee:** Includes the Chancellor, Executive Vice Chancellors, Vice Chancellors, and Presidents

**Management Personnel Plan (MPP):**

As defined in Title 5 of the California Code of Regulations, Article 2.2, "MPP" refers to employees designated as "management" or "supervisory" under the Higher Education Employer-Employee Relations Act (HEERA). This includes Executive employees

**Outside Employment:** Any employment not compensated through the CSU payroll, including CSU foundation and CSU auxiliary employment. Unpaid volunteer work does not apply to this policy

**Reportable Employment/Income:**

Any work for which a W-2 or 1099 is issued. Reportable income can come from a number of sources, including but not limited to one-time speeches/presentations, paid work for profit or non-profit entities, and paid service on a board of directors. Passive income (e.g., payments for services performed in the past, including royalties for writing, copyrighted work, research, and patented materials) is not reportable

**Senior Management:** For the purposes of this policy, this term shall include Executives (Chancellor, Executive Vice Chancellors, Vice Chancellors, Presidents) and Vice Presidents

**Details**

*Policy Statement*

Outside employment activities, while often mutually beneficial to the CSU and the employees themselves, must not conflict with an employee's ability to meet his/her responsibilities to the CSU and at all times act in the best interest of CSU. Therefore, it is the policy of the CSU to provide a transparent system of disclosure, approval, and documentation of outside employment activities performed by CSU MPP and Executive employees to identify any potential conflicts of commitment and/or conflicts of interest. This policy complies with Section 42740 of Title 5, California Code of Regulations and frames the rules and procedures to delineate permissible outside employment activities. Campuses are required to establish procedures to implement this policy requirement.

*Background*

In response to the California State Auditor (CSA) recommendation on CSU Compensation Practices, the Board of Trustees (BOT) approved the following addition to Title 5 of the California Code of Regulations in January 2013:

**§ 42740. Outside Employment – Management and Executive Employees.**

Management Personnel Plan and executive employees shall be required to report outside employment for the identification of and to preclude any conflict of commitment. The Chancellor is responsible for implementing this section.

NOTE: Authority cited: Sections 89030 and 89500, Education Code. Reference cited: Section 89030 and 89500, Education Code.

The BOT resolution<sup>1</sup> required the annual disclosure and approval of all outside employment not compensated through the CSU payroll for MPP and Executive employees.

In April 2016, the CSU renewed its commitment to the State Legislature and the public to improve its policy, transparency, and accountability by revising the outside disclosure requirements for MPP and Executive employees. New requirements were also enacted under the Budget Act of 2016, signed into law by Governor Brown in June 2016. This policy update honors CSU's commitment to the Legislature and complies with the Budget Act of 2016. This updated policy goes into effect on January 1, 2017.

#### *Disclosure Reporting Requirements*

MPP and Executive employees are individually responsible and held accountable for ensuring that their outside employment activities do not create any actual or perceived conflict of commitment and/or conflict of interest to the CSU. All full-time and part-time MPP (including Executive) employees are expected to monitor and report any and all outside work for which they are being compensated. These employees are required to submit a disclosure form at least annually, even if there is no outside employment to report.

MPP and Executive employees should be given a copy of this policy and will be required to submit a written report of any outside employment at the following times:

- **At the time of hire or appointment** — Prospective MPP and Executive employees must disclose all current outside employment as a precondition of hire.
- **Annually** – All MPP and Executive employees must submit an annual disclosure by **July 15** of each year, reporting on outside employment held the previous calendar year (January 1 through December 31).
- **Within 30 days of accepting outside employment** – Employees must advise their supervisor of the outside employment opportunity within 30 days of accepting any outside employment.
- **Upon Request** – Employees shall provide any requested information within 10 days of an appropriate administrator's request.

The written disclosure statement shall include the nature of outside employment held, time commitment, and expected duration. In addition to providing the information above, members of Senior Management (which consists of Executives and Vice Presidents) are required to disclose details of the outside employment, including the organization name, total compensation received, whether the business has had dealings with the CSU, and whether the employee was involved in making any decisions that affect CSU's dealings with the outside employer. A revised sample disclosure form for MPP employees has been provided in Attachment A. Attachment B contains a separate Outside Employment Disclosure Form that has been created for Senior Management employees. Campuses may use electronic forms to satisfy the reporting requirement.

Campuses should designate an employee responsible for this function and develop procedures to manage the disclosure process for MPP and Executive employees. Campuses are also required to maintain these records in accordance with Section 1.17 of CSU's Records Retention Policy (at least 4 years from the date of the document), which can be found at <http://www.calstate.edu/recordsretention/>.

#### *Determining Conflicts of Commitment*

The following is a partial list of possible conflicts of commitment that merit a case-by-case examination of the outside employment activity to determine whether the activity should be managed appropriately, reduced or eliminated. Conflict of commitment may be found if the outside employment activity results in:

- A reduction of the employee's time and energy devoted to CSU activities
- The use of CSU property or other resources without authority (other than de minimus)
- An influence over the way the employee performs his/her CSU responsibilities
- The disclosure of confidential or proprietary information acquired through the performance of CSU duties
- Acting against the CSU's best interest or in conflict with the CSU's mission and goals
- The violation of CSU policies, procedures or practices

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<sup>1</sup> Link to Board of Trustees Resolution #RUF01-13-01: <http://www.calstate.edu/BOT/resolutions/jan2013.pdf>

The primary commitment of Executive employees must be to the fulfillment of their regular CSU university responsibilities. As a reminder, Executive employees may serve on up to two corporate boards. Approval from the Chancellor is required prior to accepting service on a corporate board. Notice and approval are not required for service on non-profit boards. These requirements protect the public interest and support reinforcement of this policy.

#### *Determining Conflicts of Interest*

No CSU MPP or Executive employee may make, participate in making, or influence a governmental decision in which he/she has a financial interest as defined by the Political Reform Act. A conflict of interest exists if the outside employment creates a financial interest on the part of the employee that precludes the employee from making decisions within the scope of the employee's duties.

#### *Document Review – MPP Employees (excluding Senior Management)*

All MPP employees are expected to reduce or eliminate outside employment if any perceived or actual conflicts of commitment or interest are found. Outside employment disclosures should be reviewed for any perceived or actual conflicts of commitment or interest by an appropriate administrator. The appropriate administrator who reviews these forms shall be the person to whom the employee reports.

If the employee's manager or the appropriate administrator determines there is a perceived or actual conflict of commitment and/or conflict of interest in the outside employment activity, and the employee disagrees with this determination, it should be noted on the outside employment disclosure form and escalated to the next level of review. This second and final level of review should be conducted by an independent review committee appointed by the President or Chancellor or his/her designee. The recommendation provided at this level shall be the final determination.

#### *Document Review and Approval – Senior Management Employees*

To protect the interests of the public and the CSU, all Senior Management employees are expected to perform outside employment free of any perceived or actual conflicts of commitment or interest. All outside employment disclosures should be reviewed for any perceived or actual conflicts of commitment or interest and approved by the President or his/her designee, and for all Executive employees, by the Chancellor or his/her designee. In addition, the Board of Trustees shall annually review, provide the opportunity for public discussion, and approve the outside employment endeavors of all Senior Management employees.

If the outside employment requires a second level of review for approval, an independent review committee appointed by the Chancellor (or the Board of Trustees for the Chancellor) or his/her designee and the Vice Chancellor of Human Resources, in consultation with the Office of General Counsel, shall review the outside employment disclosure. The recommendation provided at this level shall be the final determination.

#### *Violations of Policy*

Noncompliance and violations of this policy will be subject to corrective action, consistent with how the CSU addresses any policy violations<sup>2</sup> and will depend on the severity of the conduct.

#### *Chancellor's Office and Board of Trustees Review*

Campuses are required to submit a summary report (see Attachment D for a template) on outside employment disclosures to the Chancellor's Office annually by **July 31**. Reports should be sent to [CSUOutsideEmployment@calstate.edu](mailto:CSUOutsideEmployment@calstate.edu). Annual reminders will be sent from Systemwide HR. The report shall include the following:

- Percentage of MPP employees with outside employment at the campus
- Disclosure of all outside employment details for Senior Management
- Additional information as requested by the Systemwide HR office

Outside employment disclosure forms are public records and are subject to the California Public Records Act. To increase transparency, protect public interest, and ensure public trust, the CSU will publicly post the outside employment activities of Senior Management employees, which include the Chancellor, Executive Vice Chancellors, Vice Chancellors,

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<sup>2</sup> 5 Cal. Code Reg. §§42722, 42723

Presidents, and Vice Presidents. The Chancellor's Office Systemwide HR will be responsible for maintaining a public website reporting the outside employment endeavors of Senior Management.

Questions regarding this policy should be directed to Systemwide Human Resources at [CSUOutsideEmployment@calstate.edu](mailto:CSUOutsideEmployment@calstate.edu). This document is available on the Human Resources Policies Website at <https://csyou.calstate.edu/Policies/HRPolicies/Forms/Default.aspx>.

AJ/LH/tl

Attachments

## Outside Employment Disclosure Form For Management Personnel Plan (MPP) Employees<sup>1</sup>

**Requirements:** This form is to be completed as appropriate by MPP employees<sup>1</sup> pursuant to Section 42740 of Title 5, California Code of Regulations, even if completed at an earlier date.

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

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

**Type of Disclosure (Check at least one box):**

- Annual:** The period covered is January 1, 20\_\_\_\_, through December 31, 20\_\_\_\_.
- OR- The period covered is \_\_\_\_/\_\_\_\_/20\_\_\_\_ (Time of hire or appointment) through December 31, 20\_\_\_\_.
- Time of Hire or Appointment Date:** \_\_\_\_/\_\_\_\_/20\_\_\_\_
- Accepted outside employment:** Outside employment accepted date: \_\_\_\_/\_\_\_\_/20\_\_\_\_
- Administrator request:** The period covered is \_\_\_\_/\_\_\_\_/20\_\_\_\_ through \_\_\_\_/\_\_\_\_/20\_\_\_\_
- OR - Current outside employment beginning \_\_\_\_/\_\_\_\_/20\_\_\_\_

**Outside Employment Status (Select one):**

- I have outside employment to report (complete table below).
- I have no outside employment to report.

	Nature of Outside Employment Held	Number of Hours for Reporting Period	Expected Duration From/To
1			
2			

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I affirm that the information on this form is accurate to the best of my knowledge, that I have read and understand my obligations under the CSU's policy on Outside Employment Disclosure, and that I will comply with the conditions and restrictions imposed by the CSU to manage, reduce, or eliminate conflicts of commitment/interest. I certify that my time commitment to the outside employer(s), if applicable, does not create a conflict of commitment/interest that would interfere with CSU work assignments and satisfactory performance. I also commit to providing an updated form to my immediate supervisor whenever a significant change occurs in the information I have provided. *(Complete and sign below)*

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

**Reviewed by:**

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

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

***If applicable, submit form and attachments to the independent review committee for additional review and approval. Submit completed form to HR.***

<sup>1</sup> For Vice Presidents and Executive employees, see the Outside Employment Disclosure Form for Senior Management Employees.

## Outside Employment Disclosure Form For Senior Management Employees

**Requirements:** This form must be completed by all Senior Management employees (includes the Chancellor, Executive Vice Chancellors, Vice Chancellors, Presidents, and Vice Presidents) pursuant to Section 42740 of Title 5, California Code of Regulations and the 2016 Budget Act under the following conditions: upon hire, annually by **July 15**, within 30 days of accepting outside employment, and within 10 days of request by an appropriate administrator.

**1. Employee Information:**

Name: \_\_\_\_\_ Campus: \_\_\_\_\_  
Title: \_\_\_\_\_

**2. Type of Disclosure (Check at least one box):**

- Annual:** The period covered is January 1, 20\_\_\_\_, through December 31, 20\_\_\_\_.  
-OR- The period covered is \_\_\_\_/\_\_\_\_/20\_\_\_\_ (Time of hire or appointment) through December 31, 20\_\_\_\_.
- Time of Hire or Appointment Date:** \_\_\_\_/\_\_\_\_/20\_\_\_\_
- Accepted outside employment:** Outside employment accepted date: \_\_\_\_/\_\_\_\_/20\_\_\_\_
- Administrator request:** The period covered is \_\_\_\_/\_\_\_\_/20\_\_\_\_ through \_\_\_\_/\_\_\_\_/20\_\_\_\_  
-OR- Current outside employment beginning \_\_\_\_/\_\_\_\_/20\_\_\_\_

**3. Outside Employment Involvement (Select "Yes" or "No" for each):**

Types of services engaged in during disclosure period:	Please select one:	
Paid service* on a federal, state, or local government agency committee, panel, or commission	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid service* as an officer or member on a non-profit or for-profit board	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid service* to organization(s) that further the interests of higher education	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Pay* for presentation(s) at scholarly colloquia and conferences, speaker at an event, and/or guest lecturer	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid* consulting/professional advising activities	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid service* as an expert witness	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid service* on committees/advisory groups to other universities outside the CSU	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid* for developing scholarly communications or conducting editorial work in books, journal articles, movies, television productions or similar works	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid* review of journal/book manuscripts, grant or contract proposals	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Other (please specify any other service for which compensation was received): _____		

**If you answered YES to any of these questions, you have outside employment to report.**

\*Does not include reasonable incidentals (e.g., travel, meals).

**4. Outside Employment Status (Select one):**

- I have outside employment to report.
- I have no outside employment to report (skip to Section 6 for signature and submit).

**5. Detailed Reporting (attach additional pages as necessary):**

**Outside Employment/Activity 1:**

1. Name of outside employer or business: \_\_\_\_\_
2. Duration of employment (From/To): \_\_\_\_\_
3. Describe the nature of the outside employment: \_\_\_\_\_
4. Number of hours for reporting period: \_\_\_\_\_
5. Total compensation received including equity or deferred compensation: \_\_\_\_\_

6. Does the outside employer have any business dealings with CSU?  Yes  No If "yes", please explain: \_\_\_\_\_
7. Are you involved in making any decisions affecting CSU's dealings with the outside employer (either directly or indirectly)?  Yes  No If "yes", please describe: \_\_\_\_\_
8. Additional comments (e.g., if compensation was donated, disclose here): \_\_\_\_\_

**Outside Employment/Activity 2:**

1. Name of outside employer or business: \_\_\_\_\_
2. Duration of employment (From/To): \_\_\_\_\_
3. Describe the nature of the outside employment: \_\_\_\_\_
4. Number of hours for reporting period: \_\_\_\_\_
5. Total compensation received including equity or deferred compensation: \_\_\_\_\_
6. Does the outside employer have any business dealings with CSU?  Yes  No If "yes", please explain: \_\_\_\_\_
7. Are you involved in making any decisions affecting CSU's dealings with the outside employer (either directly or indirectly)?  Yes  No If "yes", please describe: \_\_\_\_\_
8. Additional comments (e.g., if compensation was donated, disclose here): \_\_\_\_\_

**6. Certification and Review**

**To be completed by the Employee:**

I hereby affirm that the information on this form is accurate to the best of my knowledge, that I have read and understand my obligations under the CSU's policy on Outside Employment Disclosure, and that I will comply with the conditions and restrictions imposed by the CSU to manage, reduce, or eliminate conflicts of commitment/interest. I certify that my time commitment to the outside employer(s), if applicable, does not create a conflict of commitment/interest that would interfere with CSU work assignments and satisfactory performance. I also commit to providing an updated form to my immediate supervisor whenever a significant change occurs in the information I have provided.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**To be completed by the Employee's Immediate Supervisor/Appropriate Administrator:**

I have reviewed this disclosure form and assessed whether the outside employment described above will create a conflict of commitment or interest between the employee and the CSU. I find that:

- the information submitted does not present a conflict of commitment or conflict of interest.
- the information submitted may present a conflict of commitment or a conflict of interest.

Comments/recommendations (*attach additional pages if necessary*): \_\_\_\_\_

***If applicable, submit form and attachments to the independent review committee for additional review and approval. Submit completed form to HR.***

Administrator's Name (Print): \_\_\_\_\_ Title, Dept: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**IF APPLICABLE - INDEPENDENT REVIEW COMMITTEE (FINAL LEVEL OF REVIEW)**

Committee members: \_\_\_\_\_  
\_\_\_\_\_

Select one:

- The outside employment does not present a conflict of commitment or conflict of interest.
- The outside employment presents a conflict of commitment or conflict of interest.

**Determination/Recommendation (Attach additional pages if necessary):**  
\_\_\_\_\_



Revised Outside Employment Disclosure  
Requirements for MPP and Executive Employees

**Outside Employment Disclosure Policy for MPP and Executives  
Frequently Asked Questions**

**1. Who is required to report outside employment?**

All MPP and Executive employees, whether part-time or full-time, are required to complete the Outside Employment Disclosure Form even if they do not have any outside employment to report (see Attachments A and B).

**2. What are MPP and Executive employees expected to report?**

MPP and Executive employees are expected to report outside work for which the employees are being compensated and result in reportable income. "Reportable income" is any work for which a W-2 or 1099 is issued.

**3. When must MPP and Executive employees disclose outside employment?**

MPP and Executive employees must disclose outside employment under the following instances:

- **At the time of hire or appointment** — Prospective MPP and Executive employees must disclose all current outside employment as a precondition of hire.
- **Annually** – All MPP and Executive employees must submit an annual disclosure by **July 15** of each year, reporting on outside employment held the previous calendar year (January 1 through December 31).
- **Within 30 days of accepting outside employment** – Employees must advise their supervisor of the outside employment opportunity within 30 days of accepting any outside employment.
- **Upon Request** – Employees shall provide any requested information within 10 days of an appropriate administrator's request.

**4. Why are there outside employment disclosure requirements for MPPs and Executives?**

The need to report compensatory outside employment initially resulted from a California State Auditor (CSA) finding on CSU Compensation Practices and a Board of Trustees Resolution approving the addition to Title 5 of the California Code of Regulations. In April 2016, the CSU renewed its commitment to the State Legislature and the public to improve its policy, transparency, and accountability by revising the outside disclosure requirements for MPP and Executive employees. New requirements were also enacted under the Budget Act of 2016, signed into law by Governor Brown in June 2016. This policy update honors CSU's commitment to the Legislature and complies with the Budget Act of 2016.

**5. Why are there two separate forms for reporting?**

The Outside Employment Disclosure Form for Senior Management Employees (Attachment B) is a detailed reporting form that is required for all Executive employees and Vice Presidents. Attachment A (Outside Employment Disclosure Form for MPP Employees) is for all other MPP employees.

**6. Who is considered "Senior Management"?**

Senior Management, for the purpose of this policy, includes the Chancellor, Executive Vice Chancellors, Vice Chancellors, Presidents, and Vice Presidents.

**7. Why must outside employment for Senior Management be disclosed publicly?**

It is required under the Budget Act of 2016.

**8. Are Vice Presidents required to submit both forms (Attachment A and Attachment B)?**

No, Vice Presidents are only required to submit Attachment B.

**9. Are prospective MPP/Executive employees required to submit the Form even if they do not have outside employment?**

Yes, the policy requires all prospective MPP and Executive employees to complete the Disclosure Form even if he/she does not have outside employment to report.

**10. If an MPP employee works one or two days only on an outside employment engagement, do they have to report it under this policy?**

Yes, as stated in the policy, "MPP and Executive employees are expected to report any and all outside work for which the employees are being compensated." Any work that results in reportable income (for which a 1099 or W-2 is issued) must be reported, no matter the time commitment.

**11. If an MPP/Executive employee accepts an honorarium for giving a speech or presentation, does it have to be reported as outside employment?**

Yes. MPP/Executive employees are required to report all outside work for which they receive compensation. As a reminder, an employee may not accept an honorarium from a reportable source (i.e., a source the employee will be required to disclose on an annual Form 700 Statement of Economic Interest). Cal. Govt. Code §89502.

**12. Does the supervisor have the ability to tell the employee that the outside employment is a conflict and they cannot do the work?**

Yes. The appropriate administrator has the authority to advise the individual that his/her outside employment conflicts with CSU employment, and that the conflict can no longer continue.

**If so, can the employee be disciplined or discharged if they do not comply with the policy?**

Noncompliance and violations of this policy will be subject to corrective action, consistent with how the CSU addresses any policy violations and will depend on the severity of the conduct.

**13. Is documentation required to support that the outside employment "interfered with normal work assignments" or affected "satisfactory performance"?**

As with any disciplinary action and/or unfavorable performance review, these situations must be documented appropriately and in the same manner. Campus performance evaluation/assessment procedures should support these actions.

**14. When administrators sign the Disclosure Form that employees submit, are they actually approving the outside employment?**

Yes, only if the administrator is reviewing it for Senior Management employees. For MPP employees, the administrator's signature confirms that the administrator has reviewed the employee's outside employment and has determined that no conflict of commitment or conflict of interest exists.

**15. What happens if the employee refuses to provide the information?**

The administrator should acknowledge, sign, and indicate on the disclosure form that the employee refused to sign the form. Further action will be required to evaluate the employee on failure to adhere to a policy requirement.

**16. What is "too much" outside employment?**

"Too much" outside employment is one that interferes with CSU work assignments and employee performance.

**17. If the work that is being performed does not conflict with the employee's work for the CSU and does not occur during CSU business hours, is this still reportable?**

Yes.

**18. If the employee is not performing work but is receiving passive income (e.g., royalty payments) for service(s) performed in the past, does this need to be disclosed?**

No.

**19. If the industry in which outside employment is being performed has no affiliation with the CSU, is it still reportable?**

Yes.

**20. What constitutes a conflict of commitment?**

A conflict, in the context of this policy, means any outside work that conflicts with an employee's ability to perform normal CSU work assignments, maintain satisfactory performance, and meet his/her responsibilities to the CSU. Please refer to the "Determining Conflicts of Commitment" section of the policy for further information.

**21. Where are completed forms filed, in the employee's personnel file or a separate file?**

Completed forms shall be kept in a separate file and maintained in a fashion that allows Systemwide HR to efficiently access these files in the event of an audit.

**22. Exactly what must the MPP disclose about his/her outside employment?**

For MPP employees (excluding Senior Management), the Disclosure Form only requires the information about the nature of outside employment held, time commitment, and expected duration. "Nature" in this context can be used to categorize the role or category of employment services being performed (e.g., supervisor, president, manager, consultant). Senior Management employees have a separate and more comprehensive disclosure requirement.

**23. What if the employee does not agree with the perception of work conflict?**

The appropriate CSU administrator is responsible for determining if a work conflict exists, made in consideration of the employee's CSU work assignments and performance. If the employee does not agree that there is a conflict of commitment, it should be noted in the outside employment disclosure form and escalated to the next level of review, which will involve an independent review committee. See "Document Review – MPP Employees (excluding Senior Management)" and "Document Review and Approval – Senior Management Employees" sections in the policy for more information.

**24. Will the Chancellor be asking the Presidents to report outside employment?**

Yes. This policy applies to all Executive and MPP employees, including the campus presidents. The Chancellor will administer the policy to Presidents.

**25. Why do campuses have to report outside employment of their presidents and vice presidents to the Chancellor's Office?**

The CA State Legislature requires the Chancellor's Office to report outside employment activities of Senior Management employees publicly on an annual basis. The Chancellor's Office will maintain a public website reporting the outside employment endeavors of these individuals, and will be requiring campuses to report this information to the Chancellor's Office annually by **July 31**.

**26. What is required on the annual report submitted to the Chancellor's Office?**

The report shall include the percentage of MPP employees with outside employment at the campus, detailed disclosure of all outside employment activity for Senior Management, and any additional information as requested by the Systemwide HR office. Annual reminders will be sent from Systemwide HR detailing the required contents of the report.

**27. Will my Outside Disclosure Form be posted on the internet?**

The Chancellor's Office Systemwide HR will be responsible for maintaining a public website reporting the outside employment endeavors of Senior Management employees. All forms are public records and subject to production under the California Public Records Act.

**Outside Employment Activity Disclosure for Senior Management - Final Report  
California State University (Campus)  
Reporting Year: January 1, 20XX to December 31, 20XX**

Attachment D

Percentage of MPP employee who disclosed outside employment XX %
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Employee Name	CSU Working Title	Name of Outside Employer/Business	Role	Duration of Employment From/To	Number of Hours for Reporting Period	Total Compensation Received (\$)	Additional Comments
John Doe	President	Company ABC	Board member	1/1/2015-6/30/2015	2 hrs/week (52 hrs. total)	\$ 1,000.00	Compensation was gifted to campus