

**REPORT ON THE UNIVERSITY OF CONNECTICUT'S  
COMPLIANCE WITH CGS 1-84(r)  
FACULTY CONSULTING PROGRAM**

**February 26, 2021**

**Report Issued by the Faculty Consulting Oversight Committee**

**SUMMARY**

Pursuant to a change in the Connecticut State Statutes and action by the University of Connecticut Board of Trustees, new policies and procedures for approving consulting activities for the Faculty and members of the AAUP bargaining unit were implemented in December 2007. The Board of Trustees approved the latest revisions to these policies in April 2013.

Faculty Consulting Offices (FCOs) were established in Storrs and at the UCHC that have provided training to those who consult and for those who must participate in the consulting approval process, such as department heads and deans. A University-wide Consulting Management Committee (CMC) was convened to provide recommendations regarding the identification and management of potential Conflicts of Interest arising from consulting activities.

As required by CGS 1-84(r), the Faculty Consulting Oversight Committee was convened including members appointed by the Legislature/Executive branch and from the Citizens' Ethics Advisory Board. This Committee has met on a regular basis to review the implementation of the consulting program and to review the audits of the program conducted by the University's Office of Audit, Compliance and Ethics.

Implementing this program required development of policies, procedures, forms and databases; identification and training of staff; and awareness and training of faculty, department heads, and deans. The Office of Audit, Compliance and Ethics has carried out annual (and previously semiannual) audits as required and, as expected, have identified areas in which clarifications and improvements have been recommended. The University has developed procedures to address all identified issues in a timely and appropriate manner.

**The Faculty Consulting Oversight Committee has determined that the University of Connecticut complies with CGS 1-84(r).** The oversight required by the Act, including the Faculty Consulting Oversight Committee itself and the audits, has and will continue to perform ongoing review, assessment and improvements to the program.

The Oversight Committee has no explicit recommendations for improvement of the program at the current time and has concluded that the University has made a committed effort to oversee the process and implement improvements, as necessary. While the Committee is aware of a recent State audit finding regarding consulting, it is satisfied this finding concerns the case of a single faculty member out of ~700 who consult annually and the issue has been appropriately addressed by the University.

To date, the program, with its policies, procedures, and implementation, have resulted in a system that proactively identifies and manages potential conflicts of interest. Any individual who does not

participate with the program is subject to sanctions by the University and may also be subject to additional sanctions by the Office of State Ethics.

## **BACKGROUND**

Public Act (PA) 07-166 (Section 12)<sup>1</sup>, approved on June 19, 2007, created a carve-out from the portion of the State Ethics Code dealing with consulting. Participating in appropriate consulting activities is viewed as being mutually beneficial for the University and its faculty and the intent of the Act is to enable such activities.

This carve-out applies to faculty and members of the faculty bargaining unit (herein fore referenced as “faculty”) of a constituent unit of the State system of higher education. In the context of the Act, “consulting” represents situations in which faculty are compensated for services rendered while not acting as a State employee. The request to consult must be based on the faculty member’s expertise in a field or prominence in such field and not due to the State position held. Faculty must receive prior approval before such consulting begins. No other State agency requires prior approval or any such mandated disclosure of outside employment activities.

The Act transfers final authority for approval of such activities to the University and it allows management plans to be implemented for addressing perceived conflicts of interest. Specifically, the legislation allowed these individuals to enter into a consulting agreement with a public or private entity, provided such agreement or project does not conflict with the individual’s employment as determined by policies established by the Board of Trustees for such constituent unit.

This carve-out from the State Ethics Code is predicated on a set of requirements being met including significant institutional oversight. The University of Connecticut Board of Trustees (BOT) approved the University’s “Policy on Consulting for Faculty and Members of the Faculty Bargaining Unit,” and reviewed the operational procedures for implementation, on September 25, 2007. The Policy and Procedures define a consistent set of rules for consulting for all the faculty of the University. These documents have been reviewed and revised by the BOT several times since 2007 in order to make improvements to the program.<sup>2</sup>

The new consulting system became fully operational on December 15, 2007. Since that time, both the Storrs Campus and UConn Health campus have each established a Faculty Consulting Office (FCO) with reporting lines and staffing. Usage data systems have been developed by each FCO. Further, both campuses have developed on-line and live training programs.

Requests to consult must be reviewed and approved by each faculty member’s department head, dean, and the provost’s designees (one for each campus). A subset of consulting activities with very low risk of conflict of interest are eligible for an accelerated approval process that only requires the approval of the department head.

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<sup>1</sup> See <http://consulting.uconn.edu/state-statutes/>

<sup>2</sup> The policy and procedures governing consulting may be found at: <http://consulting.uconn.edu/consulting-policies-procedures/>

At the end of the fiscal year, each faculty member must submit a reconciliation report indicating variances from the requested time spent consulting during the normal work time and confirming any and all appropriate reimbursements for use of University resources, if any.

If a faculty member does not adhere to the provisions described in the Act or the University's Consulting Policy and Procedures, the Office of State Ethics retains jurisdiction over the activity and has the responsibility for assessing compliance with the State Code of Ethics and whether additional sanctions are justified. Violations of the University's Consulting Policy and Procedures will in addition be subject to sanctions issued by the University which may result in termination.

### **CONSULTING MANAGEMENT COMMITTEE (CMC)**

As required by the implementation procedures, a University-wide Consulting Management Committee (CMC) was first convened on December 10, 2007. The CMC is authorized to review and recommend disposition of certain consulting situations that do not have obvious resolution. The CMC also offers input on unforeseen situations put before it that may arise as a result of consulting activities. To date, the CMC provided advice to the directors of the Faculty Consulting Offices on an *ad hoc* basis, and has also reviewed eleven general situations resulting in formal position papers. For example, based on one position paper, participation in promotional presentations with pharmaceutical companies has been banned.<sup>3</sup>

### **AUDITS**

As required in CGS 1-84(r), the University's Office of Audit, Compliance and Ethics has conducted audits on the University's faculty consulting program<sup>4</sup>. Per standard practice, management has had the opportunity to provide responses to each audit finding and recommendation. These audits are reviewed by the Joint Audit and Compliance Committee of the Board of Trustees as well as by the Faculty Consulting Oversight Committee.<sup>5</sup>

### **FACULTY CONSULTING OVERSIGHT COMMITTEE**

As required in CGS 1-84(r), the Faculty Consulting Oversight committee meets on an on-going basis to review the University's compliance with CGS 1-84(r), and to file annual reports regarding such compliance with the University's Board of Trustees and to the Legislature. This document is the twelfth in a series of such reports.<sup>6</sup> The Committee's responsibility is to ensure that the University complies with the provisions of the Act and the University's policies and procedures on consulting. It may also make recommendation for improvements to the consulting program.

The membership of the Faculty Consulting Oversight Committee is:

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<sup>3</sup> These position papers and the minutes of the CMC may be found at <http://consulting.uconn.edu/consulting-management-committee/actions/>

<sup>4</sup> Initially, audits were required twice a year but the legislature changed this to a once a year audit schedule starting in FY 12.

<sup>5</sup> Copies of past audits may be found at: <http://consulting.uconn.edu/reports-and-audits/>

<sup>6</sup> Past reports may be found at: <http://consulting.uconn.edu/reports-and-audits/>

<b>Name</b>	<b>Background</b>
Cobb, C.	Professor, School of Education
Dennis-Lavigne, A	Member, Board of Trustees
Chiusano, C.	Citizen's Ethics Advisory Board
Fox, K.	Professor Emerita, School of Business
Freedman, J. (chair)	Former Legislator
Krisst, I.	Former UConn Administrator
Silbart, L.	Professor, School of Allied Health
Siegle, D.	Professor, School of Education

The Committee last met on January 27, 2021 and reviewed and approved this annual report by email on February 23, 2021. It has reviewed the FY 19 final internal audit report and the FY 2020 annual report of the Faculty Consulting Offices (attached<sup>7</sup>). The former was presented at the Joint Audit and Compliance Committee of the University's Board of the Trustees and the latter will be reviewed at an upcoming meeting of the Board of Trustees along with this report from the Oversight Committee.

The Committee believes the program was effectively initiated and through ongoing revisions has been improved. In fact, in many regards the program is more rigorous than those governing other State employees not covered by CGS 1-84(r), especially through the requirement for approval prior to the consulting activities taking place.

Annual audits have led to improvements to the Consulting Program including revisions to the consulting request form, enhancements to the training program, improving the clarity and predictability of decision making, and assuring sufficient information is available to inform the decision making of the approvers. The University has developed an on-line request form/approval process that became operational in FY 12 and has been revised in FY 13, FY 14, FY 15 and replaced on October 1, 2020. This system has successfully addressed its objectives. All of these actions assure compliance with CGS 1-84(r).

The initial implementation of the consulting program, both in terms of logistics and compliance, has met initial expectations. There have been occasional differences in interpretations regarding the requirements of CGS 1-84(r) and the University's Policy and Procedures. The audit processes in place appear to be working to identify such areas and to report them to senior management and to the Faculty Consulting Oversight Committee. Management has demonstrated its willingness to address the audit findings in a timely manner. Management appears to be keenly aware of the need to fully comply with CGS 1-84(r).

The Committee takes note that the number and severity of audit finding has decreased over time and this demonstrates management's commitment to operate the program optimally and in full compliance with the Legislature's intent for the program. The Committee also takes notes that the two Faculty Consulting Offices (Storrs/regional campuses and at UConn Health) work together exceedingly well and thus present a consistent and reliable approach to consulting across all the units of the University.

The Oversight Committee did not issue recommendations for improvement for FY 2020.

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<sup>7</sup> The Office of Audit and Managerial Services has found this report to be materially correct.

## **VOLUME OF CONSULTING ACTIVITIES**

In FY 20, the twelfth full year of operations, the Faculty Consulting Office on the Storrs Campus received 1,133 requests to consult from 503 individuals. The UConn Health office received 690 requests from 207 individuals. Both campuses had a 100% response rate for those individuals required to complete reconciliation reports. The FY 20 annual report of the University's Faculty Consulting Program is attached.