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**BOARD OF REGENTS OF
THE UNIVERSITY SYSTEM OF GEORGIA**

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May 23, 2019

Presidents

University System of Georgia

sent via email

Dear Presidents:

The Board of Regents of the University System of Georgia met in Atlanta, Georgia on May 14, 2019. During this meeting, new Board of Regents policy sections were added and revisions were made to other policy sections as follows:

Campus Affairs

- **Board Policy 6.26 Application for Discretionary Review**

Finance and Business

- **Board Policy 7.5.1 Banking**
- **Board Policy 7.7.5 Background Checks of Supplier and Contractor Employees (*New Policy Section*)**
- **Board Policy 7.7.5.1 Background Check Requirements for Selected Suppliers (*New Policy Section*)**
- **Board Policy 7.7.5.2 Background Check Requirements for Construction Contractors and Subcontractors (*New Policy Section*)**

Personnel

- **Board Policy 8.2.18.2 Conflicts of Interest, Conflicts of Commitment, and Outside Activities**
- **Board Policy 8.2.19 Tuition Assistance Program**

The attached exhibit sets forth the rationale for the new policy sections and the revised policy sections, the effective date of the policy sections, and the new and edited policy language as approved by the Board of Regents. The exhibit also outlines the approval process for USG employees seeking to engage in compensated outside activities to include delegated approval authority for University System Office employees. As a point of clarification regarding the April policy letter, both Board Policy 7.8.2.3 Cyber Insurance and Board Policy 10.4 Cybersecurity were revised.

Please share widely with the appropriate offices on your campus to include Human Resources, Fiscal Affairs, Legal Affairs, Academic Affairs, Facilities, Internal Audit and Student Affairs.

Sincerely,

Steve W. Wrigley
Chancellor

Enclosure

cc: Tracey Cook, Executive Vice Chancellor for Strategy and Fiscal Affairs
Dr. Tristan Denley, Executive Vice Chancellor for Academic Affairs
Teresa MacCartney, Executive Vice Chancellor for Administration
Ashley Jones, Chief of Staff
Claire Arnold, Vice Chancellor for Internal Audit (Interim)
John Fuchko, III, Vice Chancellor for Organizational Effectiveness
Dr. Juanita Hicks, Vice Chancellor for Human Resources
Jim James, Vice Chancellor for Real Estate and Facilities
Dr. Joyce Jones, Vice Chancellor for Student Affairs
Dr. Bobby Laurine, Vice Chancellor and Chief Information Officer
Karen McCauley, Vice Chancellor of Development
Jen Ryan, Vice Chancellor for Communications
Edward Tate, Vice Chancellor for Legal Affairs and Secretary to the Board
Dr. Martha Venn, Vice Chancellor for Academic Affairs
Brooke Bowen, Legal Counsel
Jason Matt, Executive Budget Director
Wesley Horne, Executive Director of Risk and Compliance (Interim)
Institutional Vice Presidents of Academic Affairs
Institutional Vice President of Student Affairs
Institutional Chief Human Resource Officers
Institutional Chief Business Officers
Institutional Legal Officers
Institutional Audit Directors
Institutional Athletic Directors
Institutional Chief Information Officers
Institutional Effectiveness Leads

Exhibit
BOARD OF REGENTS POLICY MANUAL
New & Revised Policies and Background Information
Meeting of May 14, 2019

I. Revision of Board Policy 6.26 Application for Discretionary Review

A. Background:

The revision to this policy section was made to align with organizational changes in the Administrative Division at the University System Office. The revisions do not substantively alter the intent of the policy. Questions regarding this policy revision should be directed to the USG Office of Legal Affairs at (404) 962-3255.

B. Effective Date:

The effective date of this policy change is May 14, 2019.

C. Revisions to Board Policy 6.26 Shown with Markup

6.26 Application for Discretionary Review

Any University System of Georgia (USG) student or employee aggrieved by a final decision of a USG institution may apply to the University System Office of Legal Affairs (USO Legal Affairs) for a review of the decision subject to the parameters set forth below. Review of the decision is not a matter of right, but is within the sound discretion of USO Legal Affairs. USO Legal Affairs may issue guidelines governing the process for review.

Applications from USG students are permitted for final institution decisions other than decisions on admissions (including program admissions), residency, student grades, and traffic citations, as the final decision on those matters rests with the President of the institution at which the appeal is heard. Applications from USG employees are limited to instances in which an employee is terminated, demoted, or otherwise disciplined in a manner that results in a loss of pay. Notwithstanding the foregoing, an application may be reviewed if (1) the record suggests that a miscarriage of justice might reasonably occur if the application is not reviewed; or, (2) the record suggests that the institutional decision, if not reviewed, might reasonably have detrimental and system-wide significance.

Each application for review shall be submitted in writing to USO Legal Affairs within 20 calendar days following the final institution decision. USO Legal Affairs may, in its discretion, deny the application for review or refer the application a Committee composed of the following USO administrators or a designee of each administrator: the chief legal officer, who shall serve as the Chair of the Committee; the chief academic officer; ~~the chief operating officer;~~ the Chief administrative officer, the chief human resources officer; the chief student affairs officer; and any other person or persons deemed appropriate by the Committee. Upon referral, the Committee shall review the application and take any action that it deems appropriate.

The decisions of the USO Legal Affairs and the Committee shall be final and binding for all purposes. There shall be no recourse to the Chancellor or the Board of Regents from such

decision; provided, however, that the Board of Regents' Committee on Organization and Law retains the authority to make an exception to this policy in its discretion. USO Legal Affairs shall periodically report to the Committee on Organization and Law regarding applications for discretionary review filed and their dispositions.

Nothing in this policy shall be construed to extend to any party substantive or procedural rights not required by federal or state law or any expectation of employment, admission, or additional due process rights. This policy is not part of due process rights afforded to students or employees of the University System; any such rights have been fully afforded upon the final institution decision. The Board of Regents reserves the right to change this policy at any time and to make such changes effective retroactively to any pending application.

D. New Policy Language

6.26 Application for Discretionary Review

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The decisions of the USO Legal Affairs and the Committee shall be final and binding for all purposes. There shall be no recourse to the Chancellor or the Board of Regents from such decision; provided, however, that the Board of Regents' Committee on Organization and Law retains the authority to make an exception to this policy in its discretion. USO Legal Affairs shall periodically report to the Committee on Organization and Law regarding applications for discretionary review filed and their dispositions.

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II. Revision of Board Policy 7.5.1 Banking

A. Background

The USG has academic locations in foreign countries. Some USG institutions were notified of a change in the law that requires all taxes and utilities be paid from a country of origin bank. This means USG institutions can no longer use U.S. domestic accounts to pay bills and must open an account in the country of origin. It is difficult and unlikely that a competitive bid process will be successful in these instances. The most important considerations in selecting the foreign bank will be their financial health and stability, convenience and overall costs.

Questions regarding this policy section should be directed to Ms. Sherea Frazer, Director of Fiscal Affairs Operations at (404) 962-3209, sherea.frazer@usg.edu.

B. Effective Date:

The effective date of this policy revision is May 14, 2019.

C. Revisions to Board Policy 7.5.1 Shown with Markup

7.5.1 Banking

All banking services for the Board of Regents are subject to the review and approval of the USG chief fiscal officer in accordance with the State of Georgia Depository Board and the Office of the State Treasurer Bank Policy. Banking includes establishing bank accounts, domestic and international; bank services provided; and bank fees. Merchant card services or stored value cards are not included in banking services. Service providers are subject to the State Depository Board's published Banking Guidelines, the State of Georgia Banking Agreement, and related statutory requirements for banking. All new bank accounts and expansion of services using a Board of Regents FEI# must be approved by the USG chief fiscal officer. The USG chief fiscal officer shall notify the Office of the State Treasurer (OST) of all approved banking providers for review and recommendation to the State Depository Board for inclusion in the State Bank Registry.

All depositories where funds of the Board of Regents are held in time and demand deposits shall be collateralized in accordance with OCGA §§ 45-8-12 and 45-8-13 with either a dedicated or pooled methodology as prescribed by the OST.

For domestic bank accounts, tThe President of each USG institution shall determine the recommended bank or banks where funds are deposited through a best value competitive contract bid process to be undertaken every five years. This competitive bid process should include a pro forma analysis by the OST. Based on competitive bid results, the President shall request banking approval from the USG chief fiscal officer for the selected bank or banks.

For foreign bank accounts, institutions must verify and provide documentation that foreign banks: 1) are financially strong and stable, 2) offer security of deposits, 3) are convenient to the institution's foreign location, and 4) have fees and compensation terms that are rational to their marketplace. When possible, it may be prudent to consider competitive bids if multiple bank options that meet these criteria are available. Establishment of all foreign bank accounts should include a pro forma review by the OST. Once determined, the President shall request banking approval from the USG chief fiscal officer for the selected bank or banks. All foreign bank accounts of a USG institution must be in the name of the state entity (institution). A cap of \$100,000 is set on consolidated foreign bank accounts of a USG institution's depositories in a particular foreign bank and, in any event, shall not exceed the lower of the State Depository Board's prescribed limit or the limit of the FDIC equivalent organization that applies to the specific USG institution in that particular country. If a foreign country does not have a deposit insurance program, lower balances may be appropriate. When necessary, just in time funding or international wire transfers may be required for processing deposits.

Once established, bank providers are required to report and document activities as defined in the OST ~~Banking Guidelines~~ **Bank Policy** and State of Georgia Banking Agreement, which may be found at OCGA § 50-17-51.

The USG chief fiscal officer shall appoint a person or persons at each USG institution with authority to sign checks drawn on banks where funds of the respective institutions are deposited. Persons so appointed shall be authorized to sign any documents that may be required by the banks concerned.

The chief business officer of each USG institution and any other officer or employee who participates in the selection of the institution's depository (bank) are prohibited from serving on the governing boards of banks and other financial institutions if such banks or other financial institutions have or seek a commercial relationship with that institution.

A President of an institution may serve on the governing board of a bank or financial institution that does not have a commercial relationship with the institution. However, such a bank or financial institution will not be considered by the institution for establishment of a commercial relationship with that USG institution for not less than two years after the termination of the President as a member of the board.

D. New Policy Language

7.5.1 Banking

All banking services for the Board of Regents are subject to the review and approval of the USG chief fiscal officer in accordance with the State of Georgia Depository Board and the Office of the State Treasurer Bank Policy. Banking includes establishing bank accounts, domestic and international; bank services provided; and bank fees. Merchant card services or stored value cards are not included in banking services. Service providers are subject to the State Depository Board's published Banking Guidelines, the State of Georgia Banking Agreement, and related statutory requirements for banking. All new bank accounts and expansion of services using a Board of Regents FEI# must be approved by the USG chief fiscal officer. The USG chief fiscal officer shall notify the Office of the State Treasurer (OST) of all approved banking providers for

review and recommendation to the State Depository Board for inclusion in the State Bank Registry.

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For domestic bank accounts, the President of each USG institution shall determine the recommended bank or banks where funds are deposited through a best value competitive contract bid process to be undertaken every five years. This competitive bid process should include a pro forma analysis by the OST. Based on competitive bid results, the President shall request banking approval from the USG chief fiscal officer for the selected bank or banks.

For foreign bank accounts, institutions must verify and provide documentation that foreign banks: 1) are financially strong and stable, 2) offer security of deposits, 3) are convenient to the institution's foreign location, and 4) have fees and compensation terms that are rational to their marketplace. When possible, it may be prudent to consider competitive bids if multiple bank options that meet these criteria are available. Establishment of all foreign bank accounts should include a pro forma review by the OST. Once determined, the President shall request banking approval from the USG chief fiscal officer for the selected bank or banks. All foreign bank accounts of a USG institution must be in the name of the state entity (institution). A cap of \$100,000 is set on consolidated foreign bank accounts of a USG institution's depositories in a particular foreign bank and, in any event, shall not exceed the lower of the State Depository Board's prescribed limit or the limit of the FDIC equivalent organization that applies to the specific USG institution in that particular country. If a foreign country does not have a deposit insurance program, lower balances may be appropriate. When necessary, just in time funding or international wire transfers may be required for processing deposits.

Once established, bank providers are required to report and document activities as defined in the OST Bank Policy and State of Georgia Banking Agreement, which may be found at OCGA § 50-17-51.

The USG chief fiscal officer shall appoint a person or persons at each USG institution with authority to sign checks drawn on banks where funds of the respective institutions are deposited. Persons so appointed shall be authorized to sign any documents that may be required by the banks concerned.

The chief business officer of each USG institution and any other officer or employee who participates in the selection of the institution's depository (bank) are prohibited from serving on the governing boards of banks and other financial institutions if such banks or other financial institutions have or seek a commercial relationship with that institution.

A President of an institution may serve on the governing board of a bank or financial institution that does not have a commercial relationship with the institution. However, such a bank or financial institution will not be considered by the institution for establishment of a commercial relationship with that USG institution for not less than two years after the termination of the President as a member of the board.

III. New Policy Sections: Board Policy 7.7.5 Background Checks of Supplier and Contractor Employees; 7.7.5.1 Background Check Requirements for Selected Suppliers; 7.7.5.2 Background Check Requirements for Construction Contractors and Subcontractors

A. Background

These new policy sections address requirements for background checks of suppliers and construction contractors and subcontractors. The full policy language is highlighted below. Questions regarding these policy sections should be directed to the USG Office of Legal Affairs at (404) 962-3255.

B. Effective Date:

The effective date of this policy revision is May 14, 2019.

C. The new policy sections are shown below

7.7.5. Background Checks of Supplier and Contractor Employees

7.7.5.1 Background Check Requirements for Selected Suppliers

Each USG institution shall review services provided by its suppliers and assess the risk when the services require regular interaction with students, employees, monies, sensitive or confidential data, or regular access to secured facilities containing critical institutional-level infrastructure. When an institution determines that background checks of suppliers' employees should be required, the institution must seek appropriate contractual protections, including requiring that the supplier obtain appropriate background checks for all such supplier employees and defend, indemnify, and hold harmless the Board of Regents of the University System of Georgia for failing to do so. Suppliers shall be fully responsible for implementing and enforcing all appropriate background check requirements. Additionally, suppliers maintain full responsibility for the actions of their employees and contractual provisions shall provide that suppliers shall defend, indemnify, and hold harmless the Board of Regents of the University System of Georgia for the actions of the suppliers' employees.

7.7.5.2 Background Check Requirements for Construction Contractors and Subcontractors

If required pursuant to law or regulation, as determined by the construction contractor, construction contractors whose employees or whose subcontractors' employees provide on-site construction services to a USG institution shall conduct background checks of their employees and subcontractors' employees.

USG institutions shall not require that the construction contractor perform additional background checks. However, on a specific project basis upon written request by a USG institution, or on his or her own initiative, the University System of Georgia chief administrative officer or his or her designee may require background checks of contractors' and subcontractors' employees for a specific project and may disqualify certain individuals from working on-site for the specific project. In such instances, the chief administrative officer or his or her designee shall provide the construction contractor with specifications on what background checks are required and what the disqualification criteria will be.

USG institutions must seek appropriate contractual protections from the contractor, including requiring that the construction contractor conducts and takes appropriate action on any required background checks and defends, indemnifies, and holds harmless the Board of Regents of the University System of Georgia for any failure of the construction contractor to do so and for the actions of the construction contractors' employees and subcontractors' employees consistent with the current terms of the USG construction contract.

IV. Revision of Board Policy 8.2.18.2 Conflict of Interest and Conflicts of Commitment

A. Background

These approved revisions provide additional guidance to USG employees regarding conflicts of interest, required disclosures, outside consulting and compensated outside activities. The approved revisions also address research and institutional conflicts of interest. Important information is also provided to include the approval process for USG employees seeking to engage in compensated outside activities to include delegated approval authority for University System Office employees.

B. Web Resource Page for Conflicts of Interest, Conflicts of Commitment and Outside Activities

A web resource page has been prepared to assist all employees with questions regarding conflicts of interest, conflicts of commitment and outside activities. The web resource page includes additional guidance, forms and answers to Frequently Asked Questions (FAQs). The resource page can be access from the following link:

https://www.usg.edu/organizational_effectiveness/ethics_compliance/conflicts_of_interest

C. Outside Activities Approval Process

1. Policy Requirements & Applicability

Each USG employee with a work commitment of 30 or more hours per week and faculty members on contracts of nine months or more must obtain written approval prior to engaging in compensated outside activities that relate to the employee's expertise or responsibilities as a USG employee. Such activities include consulting, teaching, speaking, and participating in business, professional, or service enterprises.

Employees who work on a part-time basis of less than 30 hours per week, and faculty members on a contract term of less than nine months a year do not need written approval in advance of engaging in compensated outside activities so long as the outside activity does not create a conflict of interest or otherwise violate Board policy.

2. Approval Process for USG Presidents

Requests from USG Presidents to participate in compensated outside activities should be submitted to the USG Office of Ethics and Compliance at the contact information listed below. Forms are available from the above-referenced web resource page. The USG Office of Ethics and Compliance will review the information in consultation with the USG Office of Legal Affairs and will note any concerns. Final approval for compensated outside activities of USG Presidents will be made by the Chancellor.

USG Office of Ethics & Compliance
usgcompliance@usg.edu
(404) 962-3034

3. Approval Process for Direct Reports of USG Presidents and those with a title of Vice President or Equivalent

Direct reports of USG Presidents and those with a title of Vice President or equivalent seeking to participate in compensated outside activities should forward their request through the President's Office to the USG Office of Ethics and Compliance, at the contact information listed below. Forms are available on the above-referenced web resource page. Any concerns will be noted and provided to the appropriate institutional President to address. Final approval for compensated outside activities for direct reports of a USG President and those with a title of Vice President or equivalent will be made by the appropriate USG President.

USG Office of Ethics & Compliance
usgcompliance@usg.edu
(404) 962-3034

4. Approval Process for Other Institutional Faculty and Staff Employees

USG Institution employees other than Presidents, direct reports of Presidents and those with a title of Vice President or equivalent, must obtain written approval prior to engaging in compensated outside activities from the institution President or the President's designee utilizing institutional procedures for defining and managing potential and apparent conflicts of interest.

5. University System Office Employees

University System Office employees may obtain approval to participate in compensated outside activities by forwarding the request for approval through their supervisor to the USG Office of Ethics and Compliance. Executive Vice Chancellor for Administration Teresa MacCartney and Vice Chancellor for Organizational Effectiveness John Fuchko, III have been designated by the Chancellor to review and approve the compensated outside activities of University System Office Employees.

Executive Vice Chancellor MacCartney and Vice Chancellor Fuchko have also been designated by the Chancellor to review and approve vendor and other third-party payments to USG employees made in accordance with *BOR 8.2.14 Gratuities* for actual and reasonable expenses of food, beverages, travel, lodging and registration provided to permit participation in a meeting, demonstration, or training related to official or professional duties.

D. Effective Date:

The effective date of this policy revision is May 14, 2019.

E. Revisions to Board Policy 8.2.18.2 Shown with Markup

8.2.18.2 Conflicts of Interest, and Conflicts of Commitment, and Outside Activities

8.2.18.2.1 Conflicts of Interest and Apparent Appearance of Conflicts of Interest

Each University System of Georgia (USG) employee shall make every reasonable effort to avoid actual or apparent conflicts of interests and also the appearance of a conflict of interest. An appearance of a **apparent** conflict exists when a reasonable person would conclude from the circumstances that the employee's ability to protect the public interest, or perform public duties, is compromised by a personal, financial, or business interest. An **apparent** appearance of conflict can exist even in the absence of a legal conflict of interest. USG employees are referred to State Conflict of Interest Statutes O.C.G.A. § 45-10-20 through § 45-10-70 and institutional policies governing professional and outside activities.

Each USG employee has an ongoing responsibility to report and fully disclose any personal, professional, or financial interest, relationship, or activity that has the potential to create an actual or apparent conflict of interest with respect to the employee's USG duties.

Institutions shall adopt guidelines governing conflicts of interest and may further define methods of reporting conflicts of interest, how to manage said conflicts, and terms used within this policy section, so long as such guidelines and definitions are not inconsistent with this policy.

Conflicts of Interest – Research and Institutional

The USG recognizes the benefits of collaboration and commercialization with the private sector and other third-party entities that supports the USG mission. The resulting relationships and agreements, however, must not undermine the public's trust, compromise the integrity of the USG mission, or inappropriately influence teaching, research, and service activities. Under no circumstances should a grant, gift, contract or other funding be accepted that limits the ability of USG employees to conduct or report the results of research in accordance with applicable scientific, medical, professional, and ethical standards.

Institutions shall incorporate policy and review procedures within its institutional guidelines consistent with this policy.

8.2.18.2.2 Conflicts of Commitment

A USG employee shall not engage in any occupation, pursuit, or endeavor that will interfere with the regular and punctual discharge of that employee's official duties.

8.2.18.2.3 ~~Compensated Outside Activities: Restrictions & Approval Process~~

Compensated Outside Activities of Faculty and Staff

~~All employees are encouraged to participate in professional activities; however, those activities must be consistent with the mission of the USG.~~ Each USG employee with a work commitment of 30 or more hours per week (.75 or >FTE), and faculty members on contracts of nine months or more must obtain written approval in advance from institution president or designee prior to engaging in compensated outside activities that relate to the employee's expertise or responsibilities as a USG employee. Such activities include consulting, teaching, speaking, and participating in business, professional, or service enterprises.

Employees at USG institutions must obtain written approval from the institution President or the President's designee utilizing institutional procedures for defining and managing potential and apparent conflicts of interest. ~~Employees assigned to the System Office employees~~ and USG

Presidents must obtain approval from the Chancellor or the Chancellor's designee. Direct reports of USG Presidents and those with a title of Vice President or equivalent must obtain approval from the USG institution President, whose authority cannot be delegated, using procedures established by the Chancellor.

Each USG employee, with a work commitment of less than 30 hours per week (.75 FTE or <), and faculty members on a contract term of less than nine months a year do not need written approval in advance of engaging in compensated outside activities so long as the outside activity does not create an impermissible conflict of interest or otherwise violate Board policy.

Required Leave and Honoraria for Compensated Outside Activities

Except as authorized for eligible faculty employees, as set forth in Section 8.2.18.2.4, annual appropriate leave must be used by USG employees for compensated outside activities during normal the employee's work hours consistent with the USG procedures governing the use of annual leave.

Non-faculty employees may not receive Honoraria, as defined in Section 8.2.18.2.4, for activities during the employee's work hours.

Consulting for USG Vendors

USG institution employees are generally prohibited from consulting with or otherwise receiving compensation from a current USG vendor of, or an entity seeking a vendor relationship with, the USG institution where the employee works. System Office employees are generally prohibited from consulting with or otherwise receiving compensation from a current System Office vendor or an entity seeking a vendor relationship with the System Office.

Exceptions to this provision may be granted by the institution President or President's designee for USG institution employees that do not supervise, regularly interact with, or participate in the selection of vendors of for that employee's institution or in those instances where the employee seeking to consult for a vendor or potential vendor is not involved in any way with supervising, regularly interacting with, or selecting said vendor or potential vendor. or the System Office. Similar Exceptions for University System Office employees and USG Presidents may be granted by the Chancellor or Chancellor's designee. This prohibition applies only to those employees supervising or participating in vendor selection and/or providing oversight of vendor performance and to vendors / prospective vendors of that employee's institution or the System Office. This prohibition does not apply to vendor or service relationships between the USG and other government entities.

The nature of institutional and System Office executive positions is such that outside activities and potential conflicts of interest require an additional level of scrutiny in order to protect the public trust. Executive positions shall include direct reports to the president in addition to those with a title of Vice President, Vice Chancellor, equivalent, or higher. Individuals in executive positions desiring to participate in compensated outside activities or seeking approval for a conflict of interest management plan must obtain approval from the institutional president or from the USG Chancellor or designee for USO employees and USG presidents. Proposed approvals shall first be reviewed by USG Ethics & Compliance and USG Legal.

8.2.18.2.4 Institution Guidelines for Faculty Outside Consulting

Definitions

“Compensation” is defined as any payment, deferred payment, equity, or deferred equity provided in exchange for the expectation that the faculty member will perform work or services for the benefit of the outside payer. Compensation does not include standard Honoraria.

“Honoraria” are defined as any payments given for professional or voluntary services that are rendered nominally without charge, and any payments in recognition of these services typically forbids a price to be set. See Section 8.2.18.4 Gratuities for guidance on accepting expense reimbursement from outside parties.

“Faculty Primary Responsibilities” are defined as teaching, research, clinical practice, service, administrative duties, and other appropriate duties assigned by the institution to the faculty member.

“Faculty Secondary Responsibilities” are defined as professional activities or affiliations traditionally undertaken by faculty outside of the immediate institution employment context but where the faculty member represents the institution and his or her affiliation to it. Secondary Responsibilities may or may not entail the receipt of Honoraria, remuneration, or the reimbursement of expenses.

“Outside Consulting” is defined as any activity for Compensation other than Primary Responsibilities or Secondary Responsibilities that a faculty member may engage in that, (1) is based upon professional knowledge, experience, and abilities of the faculty member that relate to the faculty member’s expertise or responsibilities as a USG faculty member, and (2) is performed for any business, self-employment, or public or private entity other than his or her institution.

“Faculty” is defined in accordance with Section 3.2 Faculties, and includes full-time research and extension personnel and duly certified librarians on the basis of comparable training.

Required Institution Guidelines

Recognizing that teaching, research, and public service are the primary responsibilities of USG faculty members, it is reasonable and desirable for faculty members to engage in additional activity beyond duties assigned by the institution, which are professional in nature and based in the appropriate discipline for which the individual receives additional compensation during the contract year.

Each USG institution shall adopt guidelines governing outside consulting activities of faculty members which that shall include the following:

1. Time that faculty may engage in outside consulting during regular work hours, if any:
 - a. If faculty outside consulting is permitted during work hours, For nine-month employees the maximum limit is, on average, one day per week.
 - b. Unless express permission is granted by the institution President, whose approval authority may not be delegated, Twelve-month faculty assigned to administrative

positions who earn annual leave must take annual leave consistent with USG and institutional procedures governing the use of leave when engaged in consulting during their normal faculty member's work hours consistent with the USG procedures governing the use of annual leave.

2. A determination of what institutional resources may be used for outside consulting work;
3. A plan for reimbursing the institution for non-incidental use of the institution's personnel, facilities, equipment, and materials consistent with rates charged outside groups or persons;
4. A procedure for obtaining prior approval of the President or his or her President's designee; and,
5. A procedure for defining and managing conflicts of interest and conflicts of commitment regarding outside faculty consulting.

8.2.18.2.5 Disclosure

~~Each USG employee has an ongoing responsibility to report and fully disclose any personal, professional, or financial interests, relationships, or activities that has the potential to compromise an employee's objectivity in fulfilling the employees' responsibilities to the USG. Each USG employee must also report and fully disclose any financial and business interests that the employee or the employee's spouse, partner, parent, child, sibling, and any in-laws of any of the foregoing may have that relate to the USG employee's expertise or responsibilities as a USG employee.~~

F. New Policy Language

8.2.18.2 Conflicts of Interest, Conflicts of Commitment, and Outside Activities

8.2.18.2.1 Conflicts of Interest and Apparent Conflicts of Interest

Each University System of Georgia (USG) employee shall make every reasonable effort to avoid actual or apparent conflicts of interests. An apparent conflict exists when a reasonable person would conclude from the circumstances that the employee's ability to protect the public interest, or perform public duties, is compromised by a personal, financial, or business interest. An apparent conflict can exist even in the absence of a legal conflict of interest. USG employees are referred to State Conflict of Interest Statutes O.C.G.A. § 45-10-20 through § 45-10-70 and institutional policies governing professional and outside activities.

Each USG employee has an ongoing responsibility to report and fully disclose any personal, professional, or financial interest, relationship, or activity that has the potential to create an actual or apparent conflict of interest with respect to the employee's USG duties.

Institutions shall adopt guidelines governing conflicts of interest and may further define methods of reporting conflicts of interest, how to manage said conflicts, and terms used within this policy section, so long as such guidelines and definitions are not inconsistent with this policy.

Conflicts of Interest – Research and Institutional

The USG recognizes the benefits of collaboration and commercialization with the private sector and other third-party entities that supports the USG mission. The resulting relationships and agreements, however, must not undermine the public's trust, compromise the integrity of the USG mission, or inappropriately influence teaching, research, and service activities. Under no circumstances should a grant, gift, contract or other funding be accepted that limits the ability of USG employees to conduct or report the results of research in accordance with applicable scientific, medical, professional, and ethical standards.

Institutions shall incorporate policy and review procedures within its institutional guidelines consistent with this policy.

8.2.18.2.2 Conflicts of Commitment

A USG employee shall not engage in any occupation, pursuit, or endeavor that will interfere with the regular and punctual discharge of that employee's official duties.

8.2.18.2.3 Outside Activities

Compensated Outside Activities of Faculty and Staff

Each USG employee with a work commitment of 30 or more hours per week (.75 or >FTE), and faculty members on contracts of nine months or more must obtain written approval prior to engaging in compensated outside activities that relate to the employee's expertise or responsibilities as a USG employee. Such activities include consulting, teaching, speaking, and participating in business, professional, or service enterprises.

Employees at USG institutions must obtain written approval from the institution President or the President's designee utilizing institutional procedures for defining and managing potential and apparent conflicts of interest. System Office employees and USG Presidents must obtain approval from the Chancellor or the Chancellor's designee. Direct reports of USG Presidents and those with a title of Vice President or equivalent must obtain approval from the USG institution President, whose authority cannot be delegated, using procedures established by the Chancellor.

Each USG employee, with a work commitment of less than 30 hours per week (.75 FTE or <), and faculty members on a contract term of less than nine months a year do not need written approval in advance of engaging in compensated outside activities so long as the outside activity does not create a conflict of interest or otherwise violate Board policy.

Required Leave and Honoraria for Compensated Outside Activities

Except as authorized for eligible faculty employees, as set forth in Section 8.2.18.2.4, appropriate leave must be used by USG employees for outside activities during the employee's work hours consistent with the USG procedures governing the use of leave.

Non-faculty employees may not receive Honoraria, as defined in Section 8.2.18.2.4, for activities during the employee's work hours.

Consulting for USG Vendors

USG institution employees are generally prohibited from consulting with or otherwise receiving compensation from a current vendor of, or an entity seeking a vendor relationship with, the USG institution where the employee works. System Office employees are generally prohibited from consulting with or otherwise receiving compensation from a current System Office vendor or an entity seeking a vendor relationship with the System Office.

Exceptions to this provision may be granted by the institution President or President's designee for USG institution employees that do not supervise, regularly interact with, or participate in the selection of vendors for that employee's institution or in those instances where the employee seeking to consult for a vendor or potential vendor is not involved in any way with supervising, regularly interacting with, or selecting said vendor or potential vendor. Similar exceptions for System Office employees and USG Presidents may be granted by the Chancellor or Chancellor's designee. This prohibition does not apply to vendor or service relationships between the USG and other government entities.

8.2.18.2.4 Institution Guidelines for Faculty Outside Consulting

Definitions

“Compensation” is defined as any payment, deferred payment, equity, or deferred equity provided in exchange for the expectation that the faculty member will perform work or services for the benefit of the outside payer. Compensation does not include standard Honoraria.

“Honoraria” are defined as any payments given for professional or voluntary services that are rendered nominally without charge, and any payments in recognition of these services typically forbids a price to be set. See Section 8.2.18.4 Gratuities for guidance on accepting expense reimbursement from outside parties.

“Faculty Primary Responsibilities” are defined as teaching, research, clinical practice, service, administrative duties, and other appropriate duties assigned by the institution to the faculty member.

“Faculty Secondary Responsibilities” are defined as professional activities or affiliations traditionally undertaken by faculty outside of the immediate institution employment context but where the faculty member represents the institution and his or her affiliation to it. Secondary Responsibilities may or may not entail the receipt of Honoraria, remuneration, or the reimbursement of expenses.

“Outside Consulting” is defined as any activity for Compensation other than Primary Responsibilities or Secondary Responsibilities that a faculty member may engage in that, (1) is based upon professional knowledge, experience, and abilities of the faculty member that relate to the faculty member's expertise or responsibilities as a USG faculty member, and (2) is performed for any business, self-employment, or public or private entity other than his or her institution.

“Faculty” is defined in accordance with Section 3.2 Faculties, and includes full-time research and extension personnel and duly certified librarians on the basis of comparable training.

Required Institution Guidelines

Recognizing that teaching, research, and public service are the primary responsibilities of USG faculty members, it is reasonable and desirable for faculty members to engage in additional activity beyond duties assigned by the institution, which are professional in nature and based in the appropriate discipline for which the individual receives additional compensation during the contract year.

Each USG institution shall adopt guidelines governing outside consulting activities of faculty members that shall include the following:

1. Time that faculty may engage in outside consulting during work hours, if any;
 - a. If faculty outside consulting is permitted during work hours, the maximum limit is, on average, one day per week.
 - b. Unless express permission is granted by the institution President, whose approval authority may not be delegated, twelve-month faculty who earn annual leave must take leave consistent with USG and institutional procedures governing the use of leave when engaged in consulting during the faculty member's work hours.
2. A determination of what institutional resources may be used for outside consulting work;
3. A plan for reimbursing the institution for non-incident use of the institution's personnel, facilities, equipment, and materials consistent with rates charged outside groups or persons;
4. A procedure for obtaining prior approval of the President or President's designee; and,
5. A procedure for defining and managing conflicts of interest and conflicts of commitment regarding outside faculty consulting.

V. Revision of Board Policy 8.2.19 Tuition Assistance Program

A. Background

The approved revisions provide additional guidance to USG employees regarding the Tuition Assistance Program (TAP) and clarifies that masters level professional degrees for dental, medical, pharmacy and law are eligible under TAP. These masters level professional degrees are not the degrees required to practice as a dentist, doctor, pharmacist, or lawyer. Rather, the revised changes allow TAP-eligible employees to obtain master's level degrees offered within those respective programs, e.g., a Master in the Study of Law. Questions regarding this policy provision should be directed to Ms. Karin Elliott, Associate Vice Chancellor of Total Rewards at (404) 962-3248, karin.elliott@usg.edu.

B. Effective Date:

The effective date of this policy revision is May 14, 2019.

C. Revisions to Board Policy 8.2.19 Shown with Markup

8.2.19 Tuition Assistance Program

The University System of Georgia (USG) and its institutions ~~will~~ encourage full-time faculty, staff, and administrators to participate in development activities and study by remitting tuition for those activities that have been authorized by the **University System Office for System Office**

employees and by the employee's institution for individuals employed at USG institutions. Participation in the Tuition Assistance Program shall be available to full-time, benefits-eligible employees who have successfully completed at least six months of employment in a benefits-eligible position as of the date of the Tuition Assistance Program (TAP) application deadline for the desired academic semester.

Full-time employees who meet the applicable admissions standards and who have received appropriate prior authorization from their institution may enroll in up to nine academic semester credit hours for each of the three designated semester periods: fall semester, spring semester, and summer semester.

~~Student status will be secondary to employee status in all considerations, including student fee waivers.~~ Tuition assistance is the waiver of tuition and ~~the waiver of certain fees.~~ The Board approved applicable face-to-face or online tuition rate will be waived in full for all undergraduate and graduate programs and classes eligible under TAP. Student status will be secondary to employee status in all considerations, including student fee waivers. Tuition Assistance Program TAP participation will be granted on a space-available basis. For limited-slot enrollment programs, approval must be granted by the teaching institution. An employee must receive a grade of C or better in each approved Tuition Assistance Program TAP academic course. ~~Employees may not enroll in the following professional schools~~ The following programs are not eligible for the TAP waiver:

1. Dental (First professional degree)
2. Medical (First professional degree)
3. Pharmacy (First professional degree)
4. Veterinary
5. Law (First professional degree)
6. Executive total cost programs, ~~premiere, or comparable graduate programs~~

8.2.19.1 Employee Auditing of Courses

In addition to the TAP benefits provided for above, Employees of a USG institution may attend classes offered by the same institution as auditors without registering for the course as "auditors" and without credit being offered for such attendance. This provision applies to non-credit courses on a space-available basis. Institutions may permit employees to attend job-related continuing education classes, as determined by the appropriate supervisory authority, at a reduced rate or without payment of a fee (~~BoR Minutes, 1987-88, p. 197; 1987-88 p. 310; 1988-89, p. 42; 1989-90 p. 147~~).

D. New Policy Language

8.2.19 Tuition Assistance Program

The University System of Georgia (USG) and its institutions encourage full-time faculty, staff, and administrators to participate in development activities and study by remitting tuition for those activities that have been authorized by the University System Office for System Office employees and by the employee's institution for individuals employed at USG institutions. Participation in the Tuition Assistance Program shall be available to full-time, benefits-eligible

employees who have successfully completed at least six months of employment in a benefits-eligible position as of the date of the Tuition Assistance Program (TAP) application deadline for the desired academic semester.

Full-time employees who meet the applicable admissions standards and who have received appropriate prior authorization from their institution may enroll in up to nine academic semester credit hours for each of the three designated semester periods: fall semester, spring semester, and summer semester.

Tuition assistance is the waiver of tuition and certain fees. The Board approved applicable face-to-face or online tuition rate will be waived in full for all undergraduate and graduate programs and classes eligible under TAP. Student status will be secondary to employee status in all considerations, including student fee waivers. TAP participation will be granted on a space-available basis. For limited-slot enrollment programs, approval must be granted by the teaching institution. An employee must receive a grade of C or better in each approved TAP academic course. The following programs are not eligible for the TAP waiver:

1. Dental (First professional degree)
2. Medical (First professional degree)
3. Pharmacy (First professional degree)
4. Veterinary
5. Law (First professional degree)
6. Executive total cost programs

8.2.19.1 Employee Auditing of Courses

In addition to the TAP benefits provided for above, employees of a USG institution may attend classes offered by the same institution as auditors without registering for the course and without credit being offered for such attendance. This provision applies to non-credit courses on a space-available basis. Institutions may permit employees to attend job-related continuing education classes, as determined by the appropriate supervisory authority, at a reduced rate or without payment of a fee.