

Office of the President
May 14, 2013

Members, Board of Trustees:

PROPOSED REVISION TO GOVERNING REGULATIONS:
EMPLOYMENT OF RELATIVES (NEPOTISM)

Recommendation: that the Board of Trustees receive and vote to accept for the first reading the attached revisions to Governing Regulation (GR) I and X, relating to the employment of relatives (nepotism). The revisions are intended to: 1) strengthen and clarify the University's policies relating to the employment of relatives and nepotism; and 2) provide for the appropriate disclosure and management of situations where nepotism may occur.

Background: The University of Kentucky intends to recruit and retain the most qualified candidates available for positions on the faculty and staff. The University does so in an international market increasingly defined by professionals who have spouses and extended family members also pursuing careers in the academe. As a result, there may be situations where it is in the best interest of the University to approve the employment of relatives within the same area of the University. When disclosed properly, these employment situations can be managed appropriately so that the University and its employees can avoid actual or perceived conflicts of interest and situations that might impair objective judgment.

In order to accomplish the University's goal of recruiting and retaining the most qualified employees, while at the same time appropriately managing situations that create a potential for nepotism to occur, the Governing Regulations require revision. The proposed revisions include:

1. A more concise definition of nepotism and a stronger statement that nepotism is prohibited.
2. A new and narrower definition of "relative." The new definition is identical to the definition of relative included in KRS 164.001 (20), but also includes "step-relatives" in the same relationship. For example, while the statute prohibits employment of a son or daughter, the new definition also includes a stepson and stepdaughter. The new definition eliminates the prohibition on nieces and nephews.

3. Specific criteria for the approval of an employment situation where one relative works under the direction and control of another relative. Such employment arrangements will be approved only if: 1) the arrangement is in the best interest of the University; 2) the situation is managed so that neither employee is disadvantaged; 3) there is an explicit written agreement between the University and both employees regarding the supervisory and management arrangement for the situation; and 4) approvals are obtained from either the Board of Trustees (Relatives of the President and Presidential Direct Reports) or the Presidential Direct Report for the appropriate University sphere (all relatives).

4. Revisions of the existing Human Resources Policy and Procedure on Nepotism (HRP 19.0) to reflect the new the GR revisions.

Revised copies of the relevant sections of GR I and GR X are attached. Proposed additions are underlined; proposed deletions are lined through.

The President and the General Counsel support these revisions. In accordance with Governing Regulation XIII, the University Senate, Staff Senate and Student Government Association will review the proposed revisions before the second reading (final action) by the Board of Trustees.

Action taken: Approved Disapproved Other _____



UNIVERSITY OF
KENTUCKY
Regulations

Governing Regulation, Part I

Responsible Office: Board of Trustees

Effective: DRAFT 3/27/2012

Supersedes Version: 3/27/2012
4/22/2008

GOVERNING REGULATION

The University of Kentucky (Definition)

Major Topics

- A. Statutory Definition
- B. University Programs and Requirements
- C. Vision, Mission and Values
- D. Ethical Principles and Code of Conduct
 - 1. Ethical Principles
 - 2. Code of Conduct
 - (a) Nondiscrimination Policy
 - (b) Confidentiality of Information
 - (c) Use of the University's Name
 - (d) Civic Responsibility of the Individual
 - (e) University Resources
 - (f) Sexual Harassment
 - (g) Personal Relationships
 - (h) Employment of Relatives (Nepotism)
 - (i) Intellectual Property
 - (j) Conflict of Commitment
 - (k) Conflict of Interest
 - (l) Auditing Services
 - (m) Financial Advantage
 - (n) Fiscal Responsibility
 - (o) Acceptance of Gifts or Benefits
 - (p) Clarifications and Reporting Violations
- E. Diversity
- F. Shared Governance

Governing Regulation I.D.2 - Code of Conduct

(h) Employment of Relatives (Nepotism)

This nepotism policy reflects the realities of today's multi-professional, dual-career families in a manner that addresses nepotism concerns but does not inhibit the ability of the University to hire the best qualified individuals. Nepotism is generally inconsistent with the University's longstanding policy of making employment decisions based solely on unit needs and individual qualifications, skills, ability and performance.

Nepotism is generally prohibited within the University community. Nepotism means actions by a member of the University community that shall directly influence, benefit, or cause detriment to the University employment (e.g., hiring, promotion, supervision, evaluation, and determination of salary) of any other member who is a relative. Relative means a person's father, mother, brother, sister, husband, wife, son, daughter, aunt, uncle, son-in-law, daughter-in-law, and step-relatives in the same relationships.

The employment of relatives within the University is not precluded, as long as the employment is in compliance with all University policies regarding employment qualifications, performance, promotion, and management of situations where nepotism, or the appearance of nepotism, is possible. See Governing Regulation X, Regulations Affecting Employment, and Human Resources Policy and Procedure 19.0, Nepotism, for additional University policies and procedures related to Nepotism and the appropriate management of situations involving the employment of relatives within the University.

~~In order to assure independence of judgment that is free from conflicting interest and to avoid relationships that could be perceived as conflicts of interest, no relative of the President shall be employed in a position at the University.~~

~~Similarly, no relative of the Provost, or any executive vice president, vice president, or any associate provost or associate vice president shall be employed in a position in that officer's administrative area. The Board of Trustees on a stated temporary basis may permit waiver of the above regulation, not to exceed two years, when it is otherwise impractical to fill a position with another fully qualified person. The same individual shall not be eligible for reappointment under the terms of this exception unless approval is given by the Board of Trustees.~~

~~No relative of any employee of the University may be appointed to any position in the University over which the related employee exercises supervisory or line authority. Employment of relatives within the same department or division shall be~~

~~approved specifically by the Provost or executive vice president, as appropriate (GR Part X-1).~~

~~The University shall employ no relative of a member of the Board of Trustees. Members of the Board of Trustees, except those elected to the Board as faculty, staff, or student representatives, and relatives of any member of the Board of Trustees are ineligible for employment at the University.~~



UNIVERSITY OF
KENTUCKY[®]
Regulations

Governing Regulation, Part X

Responsible Office: Board of Trustees

Date Effective: DRAFT 6/14/2011

Supersedes Version: 6/14/2011
10/14/2008

GOVERNING REGULATION

Regulations Affecting Employment

Major Topics

General

Merit as the Basis for Appointment

Nepotism

Intellectual Property

Representation and Attendance at Meetings

Retirement

Social Security

Group Insurance

Workers Compensation

Employee Disability Program

Employment of Faculty

Types of Faculty Appointments

Probationary Periods

Delay of Probationary Periods

Appointment Record

Notification of Non-Renewal of Appointment

Termination of Appointment

Academic Freedom of Non-Tenured Faculty

Resignation

Conditions of Employment

Terms of Assignment

Vacation Leave

Professional Practices

Leaves of Absence

Employment of Staff Employees

Opportunity for Hearing

GR X, Regulations Affecting Employment

A. General

1. Merit as the Basis for Appointment

All appointments shall be made strictly on the basis of merit. An applicant for a position shall not be discriminated against because of sex, race, ethnic origin, national origin, sexual orientation, color, creed, religion, age, or political belief. Additionally, the University shall not discriminate against any applicant for employment because of Vietnam-era veteran status, disabled veteran status, or physical or mental disability in regard to any position for which the applicant for employment is qualified.

2. Employment of Relatives (Nepotism)

a. Nepotism is generally inconsistent with the University's longstanding policy of making employment decisions based solely on unit needs and individual qualifications, skills, ability and performance. Nepotism is generally prohibited within the University community. Nepotism means actions by a member of the University community that directly influence, benefit, or detriment the University employment (e.g., hiring, promotion, supervision, evaluation, and determination of salary) of any other University member who is a relative. Relative means a person's father, mother, brother, sister, husband, wife, son, daughter, aunt, uncle, son-in-law, daughter-in-law, and step-relatives in the same relationships. Employment includes regular and temporary full- and part-time employment, student employment and work-study, and graduate and other assistant programs.

b. No member of the Board of Trustees, except those elected to the Board of Trustees as faculty or staff representatives, shall be employed by the University. (KRS 164.131(7)) No relative of an member of the Board of Trustees shall be employed by the University. (KRS 164.225)

c. No relative of the President or any person reporting directly to the President shall be employed in a position in that person's administrative area, unless approval is granted by the Board of Trustees. Approval by the Board shall only be granted upon a determination that:

(1) The employment is in the best interest of the University;

(2) The Board has been informed of the selection process and all University regulations and policies regarding hiring and employment qualifications have been followed; and

(3) The Board has reviewed and approved a written management plan, including an agreement concerning supervisory and other management arrangements. The management plan shall ensure that employment decisions are made impartially and that neither employee is disadvantaged. The management plan shall ensure that the possibility of nepotism and the appearance of impropriety are eliminated and shall be consistent with *Human Resources Policy and Procedures 19.0, Nepotism.*

d. No relative of any employee of the University may be employed in any position in the University over which the related employee exercises supervisory or line authority. In some cases however, when it is in the best interest of the University, potential conflicts can be managed through prompt disclosure of the relationship and approval by the appropriate senior administrator. Senior administrator means the person reporting directly to the President and having supervisory authority for the area where the conflict or potential conflict exists. Approval shall include a written management plan, including an agreement concerning supervisory and other management arrangements, that ensures employment decisions are made impartially and that neither employee is disadvantaged. The management plan

shall ensure that the possibility of nepotism and the appearance of impropriety are eliminated and shall be consistent with *Human Resources Policy and Procedures 19.0, Nepotism*.

- e. The employment of relatives of University employees, as described in this paragraph, whose relationship was not a violation of this section of these *Governing Regulations* prior to its amendment on April 10, 1984, does not constitute a violation of the amended policy provided the relatives are regular employees of the University and remain in the University employment positions which they held on April 10, 1984. However, the transfer of any such employees described in this paragraph (whose employment relationship was not a violation of policy prior to its amendment on April 10, 1984) to any other regular University position shall require approval of the President.

~~Members of the Board of Trustees, except those elected to the Board of Trustees as faculty, staff, or student representatives, and relatives of any member of the Board of Trustees are ineligible for employment at the University. "Relatives", as used above, include parents and children, husbands and wives, brothers and sisters, brothers and sisters-in-law, mothers and fathers-in-law, uncles, aunts, nieces and nephews, sons and daughters-in-law, and step-relatives in the same relationships. Employment includes regular and temporary full and part-time employment, including student work-study and graduate assistant programs.~~

~~No relative of the President shall be employed in a position at the University. Similarly, no relative of the Provost, or any associate provost, executive vice president, vice president, or associate vice president shall be employed in a position in that officer's administrative area. Waiver of the above regulation may be permitted by the Board of Trustees. All changes in position and/or rank related to this waiver shall be approved by the Board of Trustees. No relative of any administrative officer of the University, or of any member of the University Faculty, may be appointed to any position in the University over which the related officer or staff employee exercises supervisory or line authority. Employment of relatives within the same department or division shall be approved specifically by the Provost or appropriate executive vice president or vice president. "Relatives," as used above, include parents and children, husbands and wives, brothers and sisters, brothers and sisters-in-law, mothers and fathers-in-law, uncles, aunts, nieces and nephews, sons and daughters-in-law, and step-relatives in the same relationships. The employment of relatives of University employees, as described in this paragraph, whose relationship was not a violation of this section of these *Governing Regulations* prior to its amendment on April 10, 1984, does not constitute a violation of the amended policy provided the relatives are regular employees of the University and remain in the University employment positions which they held on April 10, 1984. However, the transfer of any such employees described in this paragraph (whose employment relationship was not a violation of policy prior to its amendment on April 10, 1984) to any other regular University position shall require approval of the President.~~