Employee Interest in a Contract with the University
KRS Compliance Guidance

KRS 164.821(7) prohibits university employees from having an interest in a contract to provide goods or services to the University of Louisville (UofL) with the exception of compensation to the employee.

As per current Institutional interpretation of KRS 164.821(7), interest includes an indirect interest, such as the ownership interest of a Relative of the Covered Person. Current interpretation also includes the University of Louisville Research Foundation (ULRF) and the University of Louisville Athletic Association (ULAA) under the prohibition. Accordingly, Covered Person may not have an ownership interest in an entity with a contract to provide goods or services to UofL, ULRF, or ULAA.

### Contract with UofL Proper:

**Permitted Example:** John Doe works in the Biology Department at UofL and is contracted to prepare a proposal for the Department of Medicine. John Doe is paid using X pay.

**Prohibited Example:** Jane Doe works in the Biology Department at UofL (full or part-time) and her husband is part-owner of a medical device company. The Department of Medicine requests to purchase from the medical device company.

Policy reference: Section 1.2 of *Addressing Potential Conflicts of Interest Policy*

### What is KRS?

KRS are Kentucky Revised Statutes which are the laws that govern the Commonwealth of Kentucky. As a public University operating in Kentucky, UofL is required to comply with these regulations.

Information on COI prohibited activities is available at: [http://louisville.edu/conflictofinterest/policies](http://louisville.edu/conflictofinterest/policies).

*Do you have general questions regarding vendors? Additional information on contracting and vendors is available through the Controller’s Office at 852-7072.*

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