

Employee Interest in a Contract with the University

Conflict of Interest Program
Jouett Hall
2301 S. Third Street
Louisville, KY 40292

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 or its associated organizations (University of Louisville Research Foundation, the University of Louisville Athletic Association, or the University of Louisville Foundation), with the exception of compensation to the employee. This prohibition is also addressed in section 1.2 of the Addressing Potential Individual Conflicts of Interest Policy.

Accordingly, University employees may not have an ownership interest in an entity with a contract to provide goods or services to the University of Louisville or its associated organizations. As per current Institutional interpretation of KRS 164.821(7), an indirect interest includes employees receiving some direct financial benefit, and encompasses spouse, dependents, and other individuals for which the employee is legally responsible.

Contract with UofL Proper:



Permitted Example: John Doe works in the Biology Department at UofL and is a 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 is a co-owner of a flower shop. The Speed School requests to hire the flower shop.

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

What is KRS?

KRS are the Kentucky Revised Statutes are the laws that govern the Commonwealth of Kentucky. As a University operating in Kentucky, UofL is required to comply with these regulations. Our policy on an employee's interest in a contract with the university is in the compliance with the required regulations.

Information on COI prohibited activities is available at: <http://louisville.edu/conflictinterest/policies>.

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