

## DHHS POLICIES AND PROCEDURES

---

<b>Section V:</b>	<b>Human Resources</b>
<b>Title:</b>	<b>Classification/Compensation</b>
<b>Chapter:</b>	<b>Secondary Employment</b>
<b>Current Effective Date:</b>	<b>10/22/07</b>
<b>Revision History:</b>	<b>7/1/03, 4/1/04, 8/1/04</b>
<b>Original Effective Date:</b>	<b>8/1/02</b>

---

### **Purpose**

To establish policy and procedures for agency review and approval of secondary employment for employees of the North Carolina Department of Health and Human Services (NC DHHS) as required by the Office of State Personnel's policy on [Secondary Employment](#).

### **Policy**

It is the policy of DHHS that any full-time or permanent part-time employee must have prior approval from his/her respective division/facility/school director before engaging in secondary employment. For purposes of this policy, secondary employment is defined as any activity involving the production or sale of goods, the provision of services, the performance of intellectual or creative work for pay in either an employer/employee relationship or in a self-employment capacity such as an independent contractor. These relationships are outside of state government.

Secondary employment requests shall be initially reviewed by the division/facility/school director and reviewed at least annually thereafter by the division/facility/school director or designee. The review of a secondary employment request is to ensure that secondary employment does not create a direct or indirect conflict of interest with department employment and does not adversely affect or impair the employee's judgment and ability to perform assigned duties and responsibilities in a satisfactory manner.

Conflict of interest includes secondary employment with a temporary or other direct services agency when the employee's work assignment is at a DHHS division, facility or school or other state agency or university and when the work is the same or similar to the work performed for the primary DHHS employer. Conflict of interest also includes an employee who engages in personal services contract work with a DHHS division, facility or school or other state agency or university and when the work is the same or similar to the work performed for the primary DHHS employer. See the DHHS [Dual Employment](#) policy for work performed between DHHS divisions, facilities or schools and other state agencies or universities. An example of secondary employment which would result in a potential conflict of interest would be a DHHS facility admission/discharge coordinator who requested approval to work with a local management entity to place clients. Another example would be

a DHHS employee working for a federal or state regulatory team that inspects a DHHS agency.

Note: Part-time temporary employees are not required to request approval for secondary employment; however, the potential for conflict of interest shall be reported to appropriate division/facility/school management in order for employment to be evaluated.

Approved requests may be subsequently withdrawn by the division/facility/school director. Adverse effects on job performance as a result of secondary employment shall be addressed as a part of the employee's performance evaluation process.

## **Implementation**

An employee shall submit a completed DHHS [Request for Approval of Secondary Employment Form](#) for division/facility/school approval prior to engaging in secondary employment. The completed secondary employment request form shall include the following:

1. A description of the nature of the work or activity;
2. A description of the employer's business and name of the business, or if self-employed, the nature of the employee's business; if a co-owner of a business, the name of the co-owner(s) and whether the co-owner(s) is a current state employee and of what state agency or university;
3. If self-employed, the names and addresses of proposed clientele, unless such disclosure would violate a statutory client privilege or a professional code of ethics; in cases where client confidentiality is necessary, the employee shall provide non-identifying client information sufficient to enable management to determine whether there would be a conflict with the primary employment;
4. The expected schedule and number of hours worked per week and the anticipated duration of the employment; and
5. Other relevant information deemed necessary by agency management to render a fair and informed decision on the request.

The request shall be submitted through supervisory channels for review and action by the division/facility/school director.

The decision to approve or disapprove the request shall be given to the employee in writing within 15 calendar days of receipt of the secondary employment request. An approved request shall specify any conditions or requirements associated with the approval. In the case of self-employment activity, the employee may be required to give advance notice of and secure approval for work for individual clients if there is potential for conflict of interest. Division/facility/school management is responsible for annually reviewing approved secondary employment requests to determine any adverse effects on primary employment.

An employee is responsible for immediately notifying his/her supervisor of any expected changes in secondary employment activities.

Disapproval or discontinuation of secondary employment by a director shall include the specific reason(s) for the disapproval or discontinuation. The division/facility/school director's decision shall be final. Denial or discontinuation of secondary employment is not grievable under the department's employee grievance policy.

Division/facility/school directors are responsible for ensuring compliance with this directive. Questions about whether an employee's secondary employment has potential for conflict of interest shall be forwarded in writing to the DHHS Director of Human Resources for consideration. The division/facility/school director shall prepare a written statement of concern which shall include the respective employee's attached secondary employment request form. The DHHS Director of Human Resources shall seek the review of the State Personnel Director when a secondary employment request has potential for conflict of interest.

Division/facility/school human resources managers are responsible for providing technical consultation to management on the secondary employment policy, notifying employees of secondary employment requirements during employee orientation, and maintaining related personnel records. Separate files or indexes shall be maintained on all secondary employment arrangements for purposes of periodic reporting.

Engaging in secondary employment without approval or after approval has been withdrawn constitutes unacceptable personal conduct which may result in disciplinary action up to and including dismissal.

*For questions or clarification on any of the information contained in this policy, please contact [Human Resources](#). For general questions about department-wide policies and procedures; contact the [Office of Policy & Planning](#).*