

I. Scope

This policy is applicable to agreements whereby an institution in the Tennessee Board of Regents System or any agency of state government desires to procure the services of an employee of another institution or state agency or to provide the services of one of its employees to other institutions or state agencies. See Pellissippi State Policy No. 06:17:00 and TBR [Policy No. 05:01:05:00, Outside Employment and Extra Compensation](#).

II. General Rules

- A. Job priorities - It is the policy of Pellissippi State Community College that a fulltime employee of the College must devote his or her full working time to his or her position; therefore, any agreement which diminishes an employee's availability for the performance of his or her duties will not be approved, except as provided in this policy. In general, the services to be performed are of an infrequent or short-term nature.
- B. Overtime - If the work to be performed constitutes overtime or extra services for the employee involved and if the vendor institution receives payment from the procuring agency or institution and desires that the employee be compensated for such work, then compensation must be made pursuant to one of the following methods: (i) for faculty workload reduction or extra compensation; or (ii) for other employees, compensatory time, overtime payment, workload reduction, or temporary salary adjustment.

III. Essential Contents of the Agreement

The form agreement at the end of this section contains all required elements; however, a few elements are described below:

- A. Provide a brief description of the services provided or secured from the state agency concerned.
- B. Include the name of the employee providing the services.
- C. In describing the terms of the agreement, include ~~–~~ a statement of the rate and means of compensation to be paid by the procuring agency or institution to the employer agency or institution (the vending party), including when payment will be made and to what address invoices are to be sent.
- D. Include conditions governing employee services and methods of compensation.

A letter or other notice from the procuring party that the services have been provided and the submission of an invoice from the vendor party is required prior to payment for services rendered when

- 1. an employee of another institution is to be compensated for services other than as a temporary part-time employee; or
  - 2. compensation is to be paid to another institution or state agency for services to be performed pursuant to an agreement.
- E. Number 7 of the form agreement may be omitted in dual services agreements between TBR institutions, between Pellissippi and UT, and between Pellissippi and any other state entity; however, some state entities may require this provision.

IV. Rules Governing Dual Services Agreements with Other State Agencies (other than the University of Tennessee and Tennessee Board of Regents Institutions).

- A. No payment shall be made by Pellissippi State directly to an employee of another state agency for services of any nature. Any payment or transfer of funds for such services shall be between Pellissippi State and the state agency.
- B. Approvals:
  - 1. All dual services agreements of this kind require the signature of an authorized official of the institution or agency procuring the services.
  - 2. In addition, if compensation exceeds \$1,500 to any state agency employee, other than UT or between TBR institutions, approval by the Department of Finance and Administration is required.
  - 3. Regardless of amount involved, a copy of each agreement must be filed with the Department of Personnel and the Department of Finance and Administration.
- C. No dual services agreement which conforms to the requirements of this guideline shall require the approval of the TBR Central Office, except dual services agreements in which the Central Office is either the vendor or procuring party.

V. Rules Governing Dual Services Agreements with the University of Tennessee Institutions

- A. When the agreement concerns an institution in the Tennessee Board of Regents System and a University of Tennessee institution, the agreement may take one of two forms. The contract may be either:
  - 1. between the employee involved and the other institution pursuant to the provisions in B below or (see Attachment II), or
  - 2. between the two institutions involved, pursuant to the provisions in G below (see Attachment I).
- B. Contracts between an employee of one system and a procuring institution in the other system are permitted only in the following situations:
  - 1. The services to be performed are of an infrequent or short-term nature;
  - 2. payment will not exceed the maximum rate provided in Pellissippi State Policy No. 06:17:00 and TBR Policy No. 05:01:05:00;
  - 3. When the services to be performed involve teaching or instruction by an employee, the maximum services permitted shall be as provided in Pellissippi State Policy No. 06:17:00 and TBR Policy No. 05:01:05:00.

Contracts under this Section B. may be between the employee and the institution or between institutions. If payment is made directly to the employee, the employee shall be treated as a temporary part-time employee of the procuring institution.

Dual services agreements under this Section V.B., between an employee and the procuring institution, are the only dual services agreements in which an employee may be a party, and the employee's signature is only required on dual services agreements in which an employee is a party.

- C. When an agreement is made directly between the employee and the institution as discussed in V.B., the employee must obtain the written approval of his or her supervisor and dean or director and vice president; and the procuring institution must provide written notice of the agreement to the employer institution. A copy of the agreement must be forwarded to the Human Resources office.
- D. Any payment made to an exempt employee of a TBR institution by a University of Tennessee institution should be treated as, and counted toward the maximum of extra compensation for such employee as described in Pellissippi State Policy No. 06:17:00 and TBR Policy No. 05:01:05:00.

- E. Any compensation paid shall not exceed the rate the procuring institution or agency normally pays for such services.
- F. Conflicts of interest must be avoided.
- G. In all dual services agreements covered by Section V. other than those set forth in paragraph V.B.:
  - 1. A memorandum of agreement must be signed between the two institutions involved.
  - 2. Any payment or transfer of funds for such services must be between the two institutions, and must not involve the individual employee.
  - 3. No employee of an institution may be a party to such agreement.

VI. Rules Governing Dual Services Agreements between Tennessee Board of Regents Institutions

- A. When one TBR institution procures the services of an employee of another TBR institution, the agreement shall take the following form:
  - 1. The agreement shall be between the institutions involved, pursuant to the provisions in V.B. below.
  - 2. Blanket dual service agreements are allowed. For example, if an institution is employing twenty (20) individuals from another TBR institution, one blanket agreement which includes the names and rates of compensation, including benefits, may be used.
  - 3. Payment shall only be made after performance. The procuring institution shall be required to send a copy of the agreement and notice to the vending institution that the services have been completed, and the vendor institution will then invoice the procuring institution for payment.
- B. Contracts between the TBR institutions are permitted in the following situations:
  - 1. the services are of an infrequent or short-term nature; and
  - 2. the services to be performed involve teaching or instruction by an employee not in excess of the maximum permitted under Pellissippi State Policy No. 06:17:00 and TBR Policy No. 5:01:05:00.
- C. Any payment made by the procuring institution to another institution shall be treated as, and counted toward, the maximum of extra compensation for an exempt employee as described in Pellissippi State Policy No. 06:17:00 and TBR Policy No. 05:01:05:00.
- D. Any compensation paid shall not exceed the rate the procuring institution normally pays for such services
- E. Conflicts of interest must be avoided

Source: Tennessee Board of Regents Policy No. 05:01:05:00  
 Tennessee Board of Regents Guideline No. G-030  
 Approved: Executive Council, March 4, 1991  
 Editorial Changes, April 21, 1993  
 Approved: President Allen G. Edwards, February 19, 1999  
 Approved: President Allen G. Edwards, January 13, 2003  
 Reviewed/Recommended: President's Staff, February 4, 2008  
 Approved: President Allen G. Edwards, February 4, 2008  
 Editorial Changes, July 2008, July 1, 2009  
 Reviewed/Recommended: President's Council, November 25, 2013  
 Approved: President L. Anthony Wise, Jr., November 25, 2013  
 Reviewed/Recommended: President's Council, March 4, 2019  
 Approved: President L. Anthony Wise, Jr., March 4, 2019



7. During the performance of this contract, both parties warrant that they will not discriminate against any employee or applicant for employment because of race, age, religion, creed, color, gender, disability, veteran status or national origin. The parties will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, creed, color, gender, age, disability veteran status or national origin. Such action will include, but not be limited to, the following: employment, upgrading, demotion, transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection available to employees and applicants for employment.

\* Number 7 may be omitted from agreements: between TBR and UT, and between TBR and any other state entity; however, some state entities may require this provision.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

(VENDOR PARTY)

(PROCURING PARTY)

BY: \_\_\_\_\_ BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ TITLE: \_\_\_\_\_

APPROVED:

FINANCE AND ADMINISTRATION\*

(If the other party is not a TBR/UT institution)

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

Attachment II

MEMORANDUM

TO: [Insert Employee's Academic Department Dean's Name Here]

FROM: Human Resources and Affirmative Action department  
Pellissippi State Community College

SUBJECT: Employment Contract

DATE:

Pellissippi State Community College has received approval from the supervisor and dean or director of [insert name] to perform services at Pellissippi State for [insert duties]. This employee will receive direct payment for the employment contract with Pellissippi State rather than through a dual service agreement with the University of Tennessee.

It is understood that the employee is teaching, he/she may not teach more than two credit courses per semester in an institution of higher education.

cc: UT Human Resources Department  
Employee