

Compliance Quandary
May, 2017

Starting an outside business

Matthew is a UConn Health employee in the Finance Department. Given his extensive financial experience and expertise, he is considering starting a part-time financial planning business outside of UConn Health. Several of Matthew's colleagues have expressed interest in utilizing his services for investment advice.

Would such a venture be permitted under the State Code of Ethics? What are the key factors Matthew must consider before launching an outside business?

There are several considerations regarding possible outside employment. First, as a state employee, Matthew's primary obligation is to act in the best interest of the State of Connecticut. Under the State Code of Ethics, Matthew may not use his state position for any type of personal financial gain. Although it is permissible to operate an outside business, he may not promote the business or solicit customers through his UConn Health role. Additionally, he may not use state time, contacts gained through state service or state resources such as personnel, equipment, supplies, or email to further his outside business. Lastly, he may not use his UConn Health mailing or email addresses or any UConn Health phone extension as part of his outside business contact information.

Can Matthew's UConn Health colleagues also be customers?

Although Matthew may not advertise for or solicit customers through his state position, those that are aware of his business may utilize his services. Any business-related work must be conducted entirely outside of Matthew's and his clients' state time and UConn Health work setting.

Any employee thinking about starting an outside business should also take into account department-specific policies which may be stricter than the State Code of Ethics and is encouraged to discuss the idea with his or her department manager.

Please Note: If the employee is a faculty member or member of the Storrs AAUP collective bargaining unit, s/he would also need permission to start this company through the Consulting system so long as the employee was going to be doing any work what-so-ever for the company. This would include marketing the company, attending meetings, providing advice, etc.

For questions or to discuss a specific scenario, please contact Ginny Pack, UConn Health Ethics Liaison, at (860) 679-1280 or pack@uchc.edu. Employees may also seek guidance directly from the Office of State Ethics at (860) 263-2400 or ethics.code@ct.gov.