**UNIVERSITY OF PITTSBURGH POLICY 07-06-06**

**CATEGORY:**              PERSONNEL
**SECTION:**                  Employee Support
**SUBJECT:**                 Faculty and Staff Indemnification
**EFFECTIVE DATE:**   May 1, 2002 Revised
**PAGE(S):**                   2

**I.    SCOPE**

      This policy establishes the conditions under which the University will provide

      indemnification and legal defense to faculty and staff.

**II.   POLICY**

      A.   Except as prohibited by law, the University of Pittsburgh shall furnish each current and

            former employee of the University with legal defense and payment of judgments, fines,

            penalties, settlements and any other expenses actually and reasonably incurred in

            connection with an actual or threatened action, suit or proceeding, whether civil,

            criminal, administrative or investigative (such action, suit or proceeding hereinafter

            being referred to as "Action"), brought against such employee by reason of being or

            having been an employee of the University, or by reason of serving or having served

            the University as a member of or representative to a committee, board or other entity

            outside the University.  Any rights that accrue under this policy shall inure to the benefit

            of the employee's estate in the event of the employee's death.

      B.   Defense and/or indemnification under Paragraph A shall be available only if all of the

            following conditions are met:

            -     Such employee's actions or omissions were within the scope of his or her

                  University duties and authority in teaching, research and administrative activities
                  for which an employee is paid by the University.

            -     Such employee's actions or omissions were in good faith, and in a manner

                  reasonably believed to be lawful and in the best interests of the University.

            -     The acts or omissions did not constitute willful misconduct, gross negligence or

                  recklessness.

      C.   Subject to all of the limitations contained in this policy and associated procedure,

            protection in this policy may, at the University's sole discretion, also be extended to:

            -     Writing or publishing that has been or will be a basis for appraisal of the employee's

                  job performance, that adds to the employee's professional knowledge and

                  experience and that contributes to the employee's professional or academic field.

            -     Professional activities, including public service, that are unambiguously related to

                  the employee's function as a representative of the University, that add to the

                  employee's professional knowledge and experience and that contribute to the

                  general society, even though not carried out at the University's direction or under

                  its control, provided such activities are not compensated by any other person or

                  entity (other than for reasonable expenses or by honoraria no higher than the level

                  paid by the federal government), e.g., service on accrediting commissions and on

                  governmental advisory boards, and attendance at professional conferences.  The

                  University reserves the right to decide in each case, based on the facts and

                  circumstances, whether or to what extent to extend protection for the activities

                  described in this paragraph C.

      D.   The protection in this policy shall not, among other things, extend to consulting or other

             outside professional or business activities for which the employee or an entity with
             which he or she is affiliated is entitled to receive compensation exceeding reasonable

             expenses.

      E.   The protection in this policy shall extend only to Actions in which an employee is a

            defendant or proposed defendant, and shall not extend to Actions that an employee

            may affirmatively initiate or propose initiating against any other persons or entities.

      F.   The protection in this indemnification policy shall not extend to defense and/or

            indemnification of an employee in an internal University proceeding. Internal

            proceedings are those that are conducted by the University under University rules

            and guidelines.  There shall be two exceptions to this provision:

            1.   An employee shall be eligible for defense and/or indemnification in an internal

                  proceeding that arises from allegations made by an outside individual, agency,
                  organization or interest group, if the outside party is already represented by legal

                  counsel in the proceeding.  An employee is eligible for defense and/or

                  indemnification in such an internal proceeding once it reaches a formal stage

                  (e.g., the investigation stage of a research integrity proceeding) and in an amount

                  not to exceed $30,000.

            2.   An employee who has been accused of research misconduct under the

                  University's Research Integrity Policy and who has been fully exonerated of all

                  charges of research misconduct in a Research Integrity Proceeding mandated by

                  the federal government shall be eligible for indemnification in connection with his/

                  her reasonable legal costs incurred in responding to the charges under the

                  Research Integrity Policy.  If, however, an employee has been exonerated from

                  charges of research misconduct but has been found to have committed research

                  impropriety under the University's Research Integrity Policy in a Research Integrity

                  Proceeding mandated by the federal government, the Committee on Indemnification

                  shall decide whether or not to award the indemnification.  An employee is eligible

                  for indemnification in such internal Research Integrity Proceedings for the

                  reimbursement of reasonable legal costs necessary for the defense in an amount

                  not to exceed $30,000.

      G.  The protection in this policy shall not extend to actions or omissions while an employee

            is on an unpaid leave of absence from the University.

            -     Exceptions may be made at the University's sole discretion where an employee on

                  leave is engaged in activities that are an extension of his or her University activities.

      H.   The protection in this policy shall not extend to medical or other professional liability

            with respect to which employees are protected under the University Health Center of
            Pittsburgh professional liability insurance program.

**III.  REFERENCE**

      Procedure 07-06-06, Faculty and Staff Indemnification