



Title:

Policy for Outside Professional Activities

Version	4.0
TRIM file number	05/XXXX
Short description	A policy on undertaking outside professional activities on behalf of the University or in a private capacity.
Relevant to	All employees
Approved by	Executive Committee of Council
Responsible officer	Deputy Vice-Chancellor (Research)
Responsible office	Centre for Research and Graduate Training
Date introduced	5 December, 1997 (PER02 – resolution BG 97/203)
Date(s) modified	18 October, 2000 (resolution CNL 00/206) 27 May, 2004 (resolution CNL 04/71) 18 November, 2005 (resolution EXE 05/106) 31 August 2007 (resolution CNL 07/84)
Next scheduled review date	November, 2008
Related University documents	Procedure for Outside Professional Activities Intellectual Property Policy CSU Code of Conduct
Related legislation	
Key words	policy, outside professional activities, commercial activities, competitive neutrality

CONTENTS

1. Purpose
2. Scope
3. References
4. Role of outside professional activities in the University's mission
5. Benefits and risks of engaging in outside professional activities
6. Competitive neutrality
7. Activities which are exempt from this policy
8. Activities that require prior approval
9. Categories of commercial activities
10. Charles Sturt University outside professional activities
11. Private outside professional activities
12. Students
13. Responsibilities
14. Breach of policy
15. Review
16. Administration

1. PURPOSE

- 1.1 This Policy sets out Charles Sturt University's (CSU's) management principles on undertaking outside professional activities on behalf of the University or in a private capacity.
- 1.2 This Policy shall form part of the Conditions of Employment of academic and general staff of the University.

2. SCOPE

This Policy applies to both full-time and fractional-time employees of the University.

3. REFERENCES

Where intellectual property arises, or is likely to arise, in the pursuit of outside professional activities, this Policy is to be read in conjunction with CSU's Intellectual Property Policy.

4. ROLE OF OUTSIDE PROFESSIONAL ACTIVITIES IN THE UNIVERSITY'S MISSION

- 4.1 In the Charles Sturt University Act 1989, the University is, *inter alia*, charged with:

“the development of consultancy and entrepreneurial activities, including research and development initiatives, especially those that will contribute to the development of western and south-western New South Wales”.

- 4.2 It is desirable that the special expertise and skills of CSU employees should be available to the wider community and, in particular, to the regions that CSU was established to serve.

CSU employees are, therefore, encouraged to undertake outside professional activities, provided such activities do not conflict with the interests of the University. (For information on what constitutes a conflict of interest, employees are advised to refer to the CSU Code of Conduct.) Such work should be related to a employee's expertise and should be of a standard and kind that are likely to enhance the academic and professional status of the individual employee and CSU.

5. BENEFITS AND RISKS OF ENGAGING IN OUTSIDE PROFESSIONAL ACTIVITIES

- 5.1 Outside professional activities provide a tension for CSU. On the one hand they are clearly beneficial when:
 - (a) they bring the University into closer contact with a variety of external situations, thereby leading to invigorated research, teaching and professional practice;
 - (b) national benefits accrue from expert advice in the development of policy;

- (c) new products and know-how reach the market place, or increase export income and import replacement;
 - (d) students are given valuable educational opportunities and added experience outside CSU, or in projects inside CSU which are funded by outside professional bodies, government or industry;
 - (e) partnership arrangements are established with outside organisations that attract various benefits for both CSU and the partner;
 - (f) they promote CSU's image to the wider community;
 - (g) income received may supplement CSU's operating grant;
 - (h) CSU receives additional income from the Commonwealth through the Institutional Grants Scheme, in proportion to its relative success in attracting income from research and research related grants; and
 - (i) the individual's professional standing is enhanced.
- 5.2 On the other hand, there is a need to ensure that CSU, its staff and students are protected from legal and financial liability associated with outside professional activities. Such activities must be managed to reduce the level of risk to CSU and to avoid conflict of interest and damage to the reputation of CSU. This could arise through unfair competition with the private sector that may prove to be detrimental to CSU's reputation and standing. The quality of the normal activities of CSU should also be maintained when fractional-time staff are employed to cover an employee's teaching or consulting activities.

6. COMPETITIVE NEUTRALITY

- 6.1 The Commonwealth and state governments have accepted the principle of competitive neutrality. This principle means that CSU is not to use the advantages of government-funded facilities and/or salaries to compete unfairly with commercial companies or consultants in the private sector.
- 6.2 Governments recognise potential benefits to universities and their employees from outside commercial activities but any cost subsidies provided by CSU need to be identified.
- 6.3 CSU, in establishing its costing and pricing arrangements (see clause 6 of the Procedure), has taken account of the principles of competitive neutrality.
- 6.4 The policy of charging full commercial rates places a significant degree of responsibility on CSU. Deadlines must be met, and the product or report must be of the highest professional standard. Under common law, CSU employees must demonstrate "duty of care" in undertaking CSU outside professional activities.

7. ACTIVITIES WHICH ARE EXEMPT FROM THIS POLICY

- 7.1 Some activities, even though they may attract income, are exempt from the approval provisions found elsewhere in this Policy. These include:
- (a) refereeing of books, preparation of papers for journals, and occasional presentations at conferences;
 - (b) occasional lectures, broadcasts or participation in fora;
 - (c) examining theses for other institutions;
 - (d) unpaid membership of committees (e.g. government or syllabus committees and professional associations), which may include recovery of expenses; and
 - (e) advice to Senate inquiries, tribunals and the community.
- 7.2 Research grants funded by the Australian Research Council, the National Health and Medical Research Council and other listed agencies, which include the Rural Industries Research and Development Corporation and others classified under the Australian Competitive Grant Schemes.

8. ACTIVITIES THAT REQUIRE PRIOR APPROVAL

Activities that require prior approval include:

- (a) any private work conducted by an employee and related to his/her professional expertise, including that done while on study leave or long service leave except for that described in clause 7 of this Policy;
- (b) consulting (CSU and private), whether or not payment is received;
- (c) contract research;
- (d) collaborative research;
- (e) testing services;
- (f) other arrangements (including licensing and joint ventures);
- (g) appointment to any public or private body where an employee may be expected to serve at any times when CSU facilities may be used;
- (h) engagement in professional practice such as private work done by employees in clinical work, counselling and related professional activities;
- (i) membership of committees (including government committees or other management groups) where the employee receives payment other than for expenses;

- (j) involvement as partner, principal, company director or board member in a company or in a long-term engagement by a company or organisation;
- (k) delivery of a series of lectures or broadcasts undertaken for an outside organisation;
- (l) preparation of learning material for other universities or other organisations except for occasional presentations, occasional lectures and the like; and
- (m) publication of materials for use in connection with a course, subject or unit offered by CSU.

9. CATEGORIES OF COMMERCIAL ACTIVITIES

9.1 Consultancies

Consulting occurs when an external organisation pays for the skills and expertise of CSU employees to work on specified projects. In such cases, the client would normally expect to own the intellectual property or advice given arising from the paid consultancy and would also expect confidentiality from CSU. Work as an expert witness is deemed to be consultancy by this Policy. Consultancies can either be University or private (see clauses 10 and 11 of this Policy).

9.2 Contract Research

Contract research is an activity undertaken by CSU employees for an outside organisation or company on a specific project with some component of research and specified objectives and usually results in a deliverable product or report. Ownership of any intellectual property arising out of the work shall be negotiated between the parties according to their relative financial and intellectual contributions prior to the start of the research.

9.3 Collaborative Research

Collaborative research occurs where joint research projects are developed between CSU and an outside organisation. It may also occur where an outside organisation or company wishes to support work of a general or strategic kind in collaboration with CSU, with the outside organisation having first option to commercial rights to any products, processes or other outcomes. Unless another arrangement is agreed to in advance, the ownership of intellectual property arising from collaborative research arrangements shall be retained by CSU.

9.4 Professional Practice

Professional practice covers both University and private work done by employees in areas such as clinical work, counselling and related professional activities where practice or staff development is required for professional accreditation. This is normally regular or long-term and is subject to the approval of the Vice-Chancellor, who will determine any conditions to be attached to the approval. The conditions in sub-clauses 11.2 and 11.3 of this Policy will prevail.

9.5 Testing Services

Testing occurs where analysis and data collection are made by CSU on behalf of an outside person or organisation. CSU does not normally encourage routine testing unless the service demonstrably enhances the University's core research and teaching mission or supports the region by providing expertise or services which would not otherwise be available. Full commercial rates should be charged for such services.

9.6 Other Commercial Activities

Intellectual property often arises out of collaborative research activities that may have commercial value leading to licensing, joint venture and other commercial arrangements. Arrangements covering such activities shall be negotiated in advance by CSU and should include, for instance under licensing arrangements, up-front payments and royalties (see clause 10 of this Policy).

10. CHARLES STURT UNIVERSITY OUTSIDE PROFESSIONAL ACTIVITIES

10.1 It is recognised that an opportunity or invitation to engage in outside professional activities may arise from advertisement or from an inquiry made directly to an employee or to the Vice-Chancellor.

10.2 A University outside professional activity is a professional activity in which CSU is responsible for the provision of the services. Payment for the service is to be made to CSU and not to an individual employee or administrative unit. In such cases, a written contract shall be entered into with the outside individual or organisation and provision will be made to cover, as a minimum, all direct and overhead costs, except in collaborative research arrangements or in some areas of professional practice where the Vice-Chancellor may choose to waive or reduce such costs.

10.3 Conditions

An employee engaged in an approved outside professional activity:

- (a) shall be entitled to use the name of CSU, its letterhead and his/her academic rank;

- (b) shall be permitted to use CSU's resources such as technical or secretarial staff, equipment, administration and telephone on conditions to be determined by the Vice-Chancellor;
- (c) is covered by CSU's professional indemnity and public liability insurances. These safeguard the employee, within the financial limits of the insurance cover, provided that any acts of negligence by the employee are not deemed wilful; and
- (d) may be defended by CSU in the event of a claim against the employee.

11. PRIVATE OUTSIDE PROFESSIONAL ACTIVITIES

11.1 Private outside professional activities are those undertaken by individual employees in a private capacity and not under the aegis of CSU.

11.2 Conditions

11.2.1 CSU accepts no responsibility and no legal or financial liability for any private outside professional activities undertaken by employees.

11.2.2 Employees acting in a private capacity:

- (a) shall be responsible for their own professional indemnity and public liability insurance, evidence of which is to be provided with the application for approval to undertake private outside work – refer to form POPA-1;
- (b) shall sign a disclaimer form releasing CSU from all claims of liability and shall lodge the form for each project with the Pro-Vice-Chancellor (Research and Graduate Training) for approval, in accordance with procedures set down in sub-clause 5.2 of the Procedure;
- (c) will not be defended by CSU in the event of any claim against the employee;
- (d) shall be responsible for notifying their client, in writing, that the activity is being undertaken in a purely private capacity and not as an employee or representative of CSU;
- (e) shall not use CSU's resources such as technical or secretarial staff, facilities, letterhead or telephone in connection with private activities. If any use of CSU facilities or equipment is proposed, the work must be treated as a University activity. On occasions, the Vice-Chancellor may approve the use of CSU facilities or equipment on a fee-for-service basis;
- (f) shall not make use of CSU's reputation or name, either in connection with the private activity or in any advertisement;

- (g) shall request clients to direct all communications, for example, postal, telephone and email, to a place other than CSU;
- (h) shall not credit fees arising from private activities to any CSU account; and
- (i) shall keep their Head of School, Centre Director, Executive Director or Dean informed of any proposed absences from CSU and provide contact details.

11.3 Fractional-Time Appointments.

11.3.1 Where an employee wishes to pursue private outside professional activities, apart from those activities which are exempt from this Policy (see clause 7 of this Policy), the Vice-Chancellor may consider fractional-time release with proportional salary savings to the University.

11.3.2 Any variation in employment conditions will be detailed in writing by the Executive Director, Division of Human Resources.

11.4 Private Student Tuition

Private tuition on a fee-for-service basis of a student enrolled in any course/subject offered by CSU in a field of expertise for which the staff member is employed by CSU is not permitted.

12. STUDENTS

12.1 It is acknowledged that students may participate in CSU outside professional activities where both CSU and the student benefit from the activity, but students cannot be party to a contract, and an appropriately qualified and senior member of staff must take responsibility for the student and any other person employed to perform the contract.

12.2 Normally, CSU will not encourage the involvement of students in commercial activities where there is the possibility that the results are to be kept confidential for commercial or other reasons so that the student's opportunity to engage in free debate may be restricted.

12.3 Where honours or postgraduate students are invited by employees as part of their course to be involved in CSU outside activities, students must be immediately and fully informed by their supervisor of any likely consequences such as those affecting free discussion and publication of the results. Postgraduate students and their supervisors shall be required to sign agreements detailing matters including confidentiality and ownership of any intellectual property developed. Postgraduate students shall be alerted to their rights and obligations on intellectual property by the Commercialisation Officer. The CSU Intellectual Property Policy details rights of ownership by students.

12.4 Unless the Vice-Chancellor waives or agrees in writing and in advance, where students are employed by CSU on a full-time, fractional-time or casual basis, CSU owns any intellectual property arising from the employment of a student.

13. RESPONSIBILITIES

13.1 The **Vice-Chancellor** shall approve all major projects of any kind where there is significant risk or prospect of conflict of interest, or where the University seal is to be affixed. The Pro-Vice-Chancellor (Research and Graduate Training) shall exercise judgement on whether the Vice-Chancellor's approval is required.

13.2 The **Pro-Vice-Chancellor (Research and Graduate Training)** shall approve:

- (a) all private outside professional activities on the advice of the Head of School, Dean or Executive Director;
- (b) all private outside professional activities which use CSU facilities on advice of the Head of School, Dean or Executive Director;
- (c) disbursement of income to individuals from commercialisation and royalties, on the advice of the Commercialisation Officer;
- (d) **all CSU research projects**, after recommendation by the Head of School and, if appropriate, Centre Director;
- (e) **all CSU consultancies** with one or more of the following features:
 - private payment;
 - student involvement;
 - joint appointments of staff;
 - significant risk of liability;
 - possibility of real or perceived conflict of interest; and/or
 - prospect of claims against CSU of unfair competition;
- (f) engagement as an expert witness;
- (g) fast track approvals; and
- (h) professional practice outside salary.

13.3 The **Head of School/Executive Director** shall approve:

- (a) all consultancies except those with features listed in sub-clause 12.2 (e) (note that a record shall be maintained for periodic audit);
- (b) professional practice within salary; and
- (c) membership of public or private outside committees or boards.

13.4 In advising the Pro-Vice-Chancellor (Research and Graduate Training) on permission to undertake private work or professional practice, the Head of School or Executive Director shall consider whether employees have demonstrated that they will continue to fulfil their teaching, administrative and other academic duties to a satisfactory standard.

13.5 For the purposes of sub-clauses 12.3 and 12.4 of this Policy, the approval of a **Centre director** shall be required for employees who are appointed by the Centre.

14. BREACH OF POLICY

Any breach of this Policy that is deemed to be a breach of discipline of CSU will be dealt with in accordance with the relevant industrial instrument (i.e. Enterprise Agreement, Australian Workplace Agreement or contract of employment).

15. REVIEW

15.1 The decision of the Vice-Chancellor in relation to an Outside Professional Activity application shall not be subject to internal appeal or review.

15.2 Nothing in this Policy prevents an employee from accessing CSU's Grievance Resolution Policy and Procedure.

16. ADMINISTRATION

The Pro-Vice-Chancellor (Research and Graduate Training) should be contacted in connection with any matters covered by this Policy.

Supplementary Information including guidelines and forms are available from the Centre for Research and Graduate Training.

Table of amendments

Version number	Date	Short description of amendment
2.0	18/10/2000	Resolution CNL00/206
3.0	27/5/2004	Resolution CNL04/71
4.0	18/11/05	Policy reformatted into the CSU style and divided into a policy and procedure.



Title:

Procedure for Outside Professional Activities

Version	1.0
TRIM file number	05/XXXX
Short description	A procedure on applying for and approving outside professional activities on behalf of CSU or in a private capacity.
Relevant to	All employees
Approved by	Pro-Vice-Chancellor (Research and Graduate Training)
Responsible officer	Pro-Vice-Chancellor (Research and Graduate Training)
Responsible office	Centre for Research and Graduate Training
Date introduced	18 November, 2005
Date(s) modified	
Next scheduled review date	November, 2008
Related University documents	Policy for Outside Professional Activities Intellectual Property Policy CSU Code of Conduct
Related legislation	
Key words	procedure, University outside professional activities, private outside professional activities, financial considerations

1. PURPOSE

This document details procedures intended to protect both Charles Sturt University (CSU) and its employees from legal liability and other risks when applying for outside professional activities.

2. SCOPE

This Procedure applies to all employees of CSU.

3. PRINCIPLES OF APPROVAL PROCEDURE

3.1 Employees who wish to undertake outside professional activities shall first obtain approval from the Vice-Chancellor. In giving approval, the Vice-Chancellor shall take into account the staff development opportunity afforded and the benefits to CSU.

3.2 Where appropriate, the Vice-Chancellor must also be assured that:

- (a) principles of competitive neutrality are reflected in appropriate costing and pricing (see clause 6 of this Procedure);
- (b) the Centre for Research and Graduate Training has checked the budget submitted for the project to ensure appropriate and accurate provisions have been made, and that the project is financially viable;
- (c) all necessary legal and insurance checks have been completed;
- (d) all necessary approvals, including animal and human ethics and radiation safety procedures and approvals, can be obtained;
- (e) agreement has been reached on internal disbursement of income to the University, Division, Faculty, School, Centre or employee, as may be determined in accordance with sub-clause 6.4 of this Procedure;
- (f) the use of CSU resources by other employees or students is not unreasonably restricted;
- (g) exposure to legal or financial liability is minimised; and
- (h) arrangements made are not deemed to involve avoidance of income tax.

3.3 The decision of the Vice-Chancellor in relation to an Outside Professional Activity application shall not be subject to internal appeal or review.

4. CHARLES STURT UNIVERSITY OUTSIDE PROFESSIONAL ACTIVITIES

4.1 It is recognised that an opportunity or invitation to engage in outside professional activities may arise from advertisement or from an inquiry made direct to a employee or to the Vice-Chancellor.

- 4.2 A University outside professional activity is a professional activity in which CSU is responsible for the provision of the services. Payment for the service is to be made to CSU and not to an individual employee or administrative unit. In such cases, a written contract shall be entered into with the outside individual or organisation and provision will be made to cover, as a minimum, all direct and overhead costs, except in collaborative research arrangements or in some areas of professional practice where the Vice-Chancellor may choose to waive or reduce such costs.

4.3 Important Issues for Staff

Before considering any outside professional activity, it is important that staff be aware of the following:

- (a) Many CSU outside activities are initiated by informal discussions between employees and external individuals and organisations. CSU employees are not empowered to commit the University to an agreement and potential clients should be advised of this fact. With permission, employees may commence negotiations concerning the nature and scope of work to be undertaken, but are not authorised to negotiate or settle arrangements that include the asking price, particulars of payment, length of contract period, secrecy provisions, restriction on publication, royalty provisions, performance clauses and intellectual property rights.
- (b) Undertakings made verbally or in writing to an outside person or organisation may expose CSU to liability. In such communications, it should always be made clear that any undertakings or advice are tentative and “without prejudice”.
- (c) Employees should take care to avoid a conflict of interest with their CSU responsibilities, and avoid outside involvement which may impede their teaching, research and other responsibilities to the University.
- (d) CSU and employees should retain the right to publish in all consultancies, contract research and collaborative research arrangements. In the event that publication is restricted, the period of restriction should be limited to 18 months unless special approval is given by the Vice-Chancellor.
- (e) All work undertaken should be conducted in the most productive and efficient manner possible. In doing so, employees should not agree to timelines for specified outcomes that cannot be guaranteed.
- (f) Special care should be taken with termination clauses to ensure that financial commitments, such as emoluments committed for postdoctoral or support workers or for scholarships, are protected.
- (g) CSU should seek to own intellectual property and copyright, and any negotiations must be conducted on behalf of the Vice-Chancellor rather than by an individual employee.

- (h) In the absence of specific contracts to the contrary, a student should not be involved in CSU outside activities of a commercial nature until the student has agreed to assign their rights to CSU.
- (i) The Vice-Chancellor is the only officer with the authority to sign contracts on behalf of CSU. The Vice-Chancellor, by resolution of the Council, may delegate this authority. Employees should not give any undertakings with respect to the conditions of a contract.

4.4 Approval Procedure

- 4.4.1 Where prior approval is required (see clause 8 of the Policy), an individual employee shall first obtain an in-principle agreement to negotiate from at least one of the following: the relevant Head of School, Centre Director, Dean or Executive Director. He/she must make it clear to the client that negotiations are without prejudice and that the contracting party for all CSU outside professional activities is the University. Early contact with the Commercialisation Officer is recommended.
- 4.4.2 An employee shall submit the appropriate application form (available from the Centre for Research and Graduate Training) to seek approval to undertake University outside professional activities.
- 4.4.3 The Pro-Vice-Chancellor (Research and Graduate Training) shall determine, in consultation with the employee concerned, the category of University activity (*viz*, consulting, contract research, collaborative research, professional practice, other). This will enable the Centre for Research and Graduate Training, in association with the Division of Financial Services, to provide early advice on a number of matters, including costing and pricing, ownership of intellectual property, indemnity and liability issues, student involvement and possible conflict of interest.
- 4.4.4 The Vice-Chancellor is responsible for approving outside professional activities, with advice from the relevant Head of School, Centre Director, Dean or Executive Director that the issues listed in sub-clause 4.3 of this Procedure have been properly and fairly considered.
- 4.4.5 The Centre for Research and Graduate Training shall arrange for an appropriate contract to be drafted, negotiated and signed by the Vice-Chancellor or delegate before the activity is commenced. Any draft contracts provided by the contracting party may be reviewed by the Pro-Vice-Chancellor (Research and Graduate Training).
- 4.4.6 A copy of the signed contract is to be lodged with the Centre for Research and Graduate Training, which will issue a University outside professional activity number.

4.5 Fast Track Procedure for Minor Activities

CSU recognises that many University and private outside professional activities are small, pose no liability and little risk. In order to avoid an unnecessary administrative burden, the Pro-Vice-Chancellor (Research and Graduate Training) may approve these activities without recourse to other procedures. However, approval in writing and the allocation of an Outside Professional Activity Code Number are required.

5. PRIVATE OUTSIDE PROFESSIONAL ACTIVITIES

5.1 Private outside professional activities are those undertaken by individual employees in a private capacity and not under the aegis of CSU.

5.2 Approval Procedure

5.2.1 Employees proposing to undertake a private consultancy should apply on the appropriate application form to undertake private consulting, which is available from the Pro-Vice-Chancellor (Research and Graduate Training).

5.2.2 Private outside professional activities by members of academic staff require the written prior approval of the Vice-Chancellor acting with the advice of the Head of School and Centre Director, if appropriate, and the relevant Dean. Academics in Divisions require the approval of their Executive Director. General staff require the approval of their supervising academic staff member or their manager and Executive Director, as appropriate.

5.2.3 Such approval shall be given when:

- (a) a completed disclaimer letter has been lodged, as required under sub-clause 11.2.2 (b) of the Policy;
- (b) it can be demonstrated that the proposed activity will not interfere with the efficient conduct of the employee's CSU responsibilities; and
- (c) benefits to CSU, including staff development opportunities and the need for engagement in professional practice, have been fairly and equitably considered.

6. FINANCIAL CONSIDERATIONS

6.1 Costing and Pricing

6.1.1 '**Full cost**' is the total cost to CSU (including salary on-costs and all other overheads) to undertake CSU outside professional activities.

- 6.1.2 **'Price'** refers to the actual amount charged to the outside organisation. The 'price' may be more or less than the full cost. The extent to which the price exceeds the full cost is the **'profit'**.
- 6.1.3 The **'commercial rate'** is the normal rate that applies outside CSU and will normally include full cost plus a profit.
- 6.1.4 All outside professional activities to be undertaken as a commercial activity must be priced to be commercially competitive.
- 6.1.5 Normally the pricing of consultancies and contract research should exceed the full cost of carrying out the work. In the case of collaborative research, costs may be shared jointly between the external organisation and CSU. In some cases, however, the potential benefit to CSU, the employee or the wider community may be such that full cost recovery would not be applied.
- 6.1.6 Where the price is less than the full cost, the reasons and basis for this price must be documented.
- 6.1.7 A Schedule of Charges will be developed and be approved by the Vice-Chancellor annually. As part of the budget process, the Executive Director, Division of Financial Services shall seek from each commercial/enterprise and service area a recommended charge for each service performed. The Executive Director, in advising the Vice-Chancellor, shall ensure that charges are set at commercially acceptable rates to meet the requirements of competitive neutrality, and ensure consistency in charging across CSU.

6.2 Categories of University Activity

6.2.1 Consultancies

Commercial rates are to be charged for consultancies. A commercial rate scale for consultancies is available from the Centre for Research and Graduate Training. Normally, there is no discounting for short term consultancies. Longer term consultancies (e.g. 3 months or more) may be discounted with the approval of the Vice-Chancellor.

6.2.2 Contract Research

Commercial rates are to be charged for contract research.

6.2.3 Collaborative Research

Collaborative research projects will normally be charged at less than full cost. The fraction of the full cost to be charged by CSU will depend, in the first instance, on the benefits to be derived by CSU. Nevertheless, in the first instance, a full cost budget must be prepared by using the budget pro-formas available from the Centre for Research and Graduate Training.

6.2.4 Professional Practice

The Vice-Chancellor shall determine the conditions that apply to professional practice, including any special arrangements for designated Professional Centres.

6.2.5 Testing Services

All testing services are to be charged at commercial rates.

6.2.6 Other Commercial Activities

Employees are not empowered to agree on the price or particulars of payment. These will be approved by the Vice-Chancellor with advice.

- 6.2.7 Budget pro-formas are available from the Centre for Research and Graduate Training. Completed documents should be forwarded to the Centre for Research and Graduate Training for approval and should provide reasons if departure from the full commercial rate in any category is proposed. The reasons for any reduction in full commercial rates should demonstrate real and significant benefits to CSU. All budget proposals will need to be recommended by the Head of School, Dean, Centre Director or Executive Director as appropriate.

6.3 Financial Management

- 6.3.1 The financial transactions associated with outside professional activities, including the classification of income and expenditure, will need to be properly audited by CSU. The requirements of the Public Finance and Audit Act, Treasury Regulations, accounting standards and CSU accounting policies must be met.

6.3.2 Non-Research Consulting and Testing Services

6.3.2.1 Non-research consulting and testing services are often undertaken as part of a trading enterprise. The existing trading enterprises within the University's accounting system have been assigned 'E' codes.

6.3.2.2 Where a new enterprise is to be established, a Business Plan must be submitted with any request to establish a new code in CSU's accounting system.

6.3.2.3 Consulting and other non-research outside professional activities that are conducted outside a trading enterprise will be allocated 'A' codes.

6.3.3 Contract and Collaborative Research

6.3.3.1 Both contract and collaborative research attract additional income from the Institutional Grant Scheme. They are allocated 'R' codes in CSU's financial system. Because such additional income is of increasing importance to CSU and is subject to stringent audit, the distinction between non-research consulting and research activities must be justified.

6.3.3.2 The Centre for Research and Graduate Training will, on submission of the initial proposal, consult with the Division of Financial Services and determine the appropriate code in CSU's accounting system.

6.4 Disbursement of Income

6.4.1 The first deduction, after Goods and Services Tax, from gross income attracted from CSU outside professional activities will be the CSU overhead.

6.4.2 Income attracted from CSU outside professional activities (including payments or royalties attracted from licensing, joint venture, publishing, application of professional advice and other commercial arrangements), after deduction of CSU overhead and other costs, may be disbursed on the basis of particular formulae approved by the Vice-Chancellor from time to time.

6.4.3 The Faculty, School, Centre or Division portion of such funds shall be disbursed at the discretion of the relevant Dean, Centre Director or Executive Director.

6.4.4 As part of the policy of CSU to encourage academic staff to be involved in outside professional activities, the Vice-Chancellor shall permit employees on a predetermined basis to receive a share of the profit generated from their direct involvement in such activities. Only the Vice-Chancellor has the authority to approve such payments. Payments to employees will be made through the salary system, with appropriate deductions for income tax.

6.4.5 Until further notice or decision of the Vice-Chancellor acting with the advice of the Intellectual Property and Outside Professional Activities Committee (CSU Intellectual Property Policy), the residual income (i.e. gross income less 10% University overhead, and expenses of the project, including salary costs for those directly working on the project) shall be shared on the following basis:

50% to the appropriate employee/s;
25% to the appropriate School, Centre or Division;
25% to CSU accounts nominated by the Vice-Chancellor.

Where mutually agreed, the Vice-Chancellor may vary this distribution.

- 6.4.6 Where more than one employee or Originator are involved, the distribution between the employees will be a matter for the employees to determine. Where there is a failure to agree, then the distribution shall be determined by the Intellectual Property and Outside Professional Activities Committee.
- 6.4.7 Where teaching materials are published by CSU, no royalty is payable to Originators for material supplied or sold to CSU students or to students of CSU partners with whom formal partnership agreements are in place. However, for other markets, disbursement of royalty income to CSU and the Originator shall be agreed from time to time on the basis of individual contracts and approved by the Vice-Chancellor (CSU Intellectual Property Policy).
- 6.4.8 Before any income is disbursed, the Project Manager shall submit as part of his/her final report a financial statement that outlines the income and expenditure of the project against the initial budget. It is the excess of income over deductions declared in this report that will be distributed.

Table of amendments

Version number	Date	Short description of amendment