



Mid-West University School of Management (MUSOM)

Consultancy Policy and Procedures 2023

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Section A- Consultancy Policy

This policy should be read in conjunction with the collaboration for the knowledge exchange and significance of knowledge sharing with the focus on research & impact strategy to research and collaboration issues presented in the Ten-Year Strategic Plan and Policy of Mid-West University School of Management (MUSOM).

1. Policy Statement

- 1.1 This policy document sets out clear guidelines within which the consultancy services can be taken by MUSOM faculty members and staff, how MUSOM will support and reward staff that engage in Consultancy, and how this service will be developed and managed by the Department for Consultancy Services.
- 1.2 The MUSOM recognizes Consultancy services and activities as an important outlet for the dissemination of its knowledge, research outcomes, and expertise and encourages its faculty members and staff to seek opportunities to apply MUSOM's resources and expertise for the advancement of Karnali and the national economic development.
- 1.3 Any projects; consultancy or research involving human participants, and personal identifying data are covered by applicable MUSOM Research and Consultancy Policies and also, where appropriate, by regulations. Policies, procedures, and further information on approval processes and governance requirements can be found at <https://>
- 1.4 It is envisaged that MUSOM will be benefited from Consultancy Services and Activities in a number of ways including;
 - 1.4.1 Improved teaching through exposure to the latest business and societal trends
 - 1.4.2 Improved research impact through the direct application of research and also enhancement of research strategy informed by trends in the economy and wider society;
 - 1.4.3 Development of the economic and social context in which MUSOM conducts its business;
 - 1.4.4 The generation of income revenue, which is used to enhance MUSOM's ability to innovate and generate further economic impact.
- 1.5 Faculty members and staff note that they only are covered by MUSOM's professional indemnity insurance cover if they are carrying out Consultancy projects in line with MUSOM's Consultancy Policy.

2. Definitions

Certain terms are used in this document with specific meanings.

- 2.1 MUSOM means Mid-West University School of Management
- 2.2 Consultancy is professional work carried out on behalf of a third party utilizing the knowledge and expertise of members of MUSOM faculty members and staff, in case, the equipment and facilities of the MUSOM
- 2.3 Consultant means a faculty member or staff engaged in the provision of Consultancy.
- 2.4 Overhead is the overhead levied by the Accountant Section at MUSOM to cover professional services for the administration of claims, invoicing and distribution of income from Consultancy projects as per B4.4.
- 2.5 Department of Consultancy Service is the Department of the MUSOM that manages the exploitation of the MUSOM's knowledge and technology base through Consultancy services and activities.

3. Types of Consultancy

Consultancy is to use the specialist knowledge and skills of faculty members and staff. Consultancy activities will benefit individual faculty, staff, school and the university.



3.1 Professional service; it is a consultancy service when a faculty member and staff of the school provides professional expertise and services to the third party.

3.1.1 Where academic staff is commissioned as an expert to comment and provide suggestions on research projects, and teaching learning and are being paid a fee for their expertise.

3.2 Technical/facilities oriented consultancy; where the third party client is given access to specialist infrastructure.

3.3 Private consultancy; where a faculty member and staff of the school undertakes work in a personal capacity completely independent of the school. The school should be considered as your principal employer. You must not without written consent of your head of the school undertake any employment which might interfere with the performance of your duties or conflict with the interest of the school and university (Section B7.1). Discloser relating to secondary income must be advised to office of director, MUSOM.

4. Eligibility

Subject to the approval of the relevancy in accordance with the MUSOM Consultancy:

4.1. Academic faculty and staff employed to manage and run school research and facilities are eligible to undertake Consultancy projects on behalf of the school whether they are contract, temporary or permanent members.

4.2 Professional service staff and technical staff may undertake consultancy projects only when part of an academic led team and subject to Section A6.

4.3 PhD researchers may undertake consultancy projects giving them individual experience of working as a consultant on a challenging business issue, and the opportunity to apply their knowledge and skills in the real world. PhD researchers can work alongside their supervisor. Conditions are subject to Section A6.

4.4 MUSOM Professors are eligible to undertake consultancy projects on behalf of the school. For projects under 300000, a professor can lead a project but also have at least one other academic faculty member and staff, as well as students on the project team. The academic faculty and staff members are responsible for logging the project on the online consultancy approval system.

5. Activity Covered by this Consultancy Policy

5.1 Consultancy projects are defined as distinct activities that are part of research and academic programs. This policy does cover activity with the purpose of undertaking research and training:

- 5.1.1 Research projects;
- 5.1.2 Teaching Quality Assessment;
- 5.1.3 Proposals and grants proposals,
- 5.1.4 Business proposal and projects
- 5.1.5 FDP training, and staff training
- 5.1.6 Technical and other facilities
- 5.1.7 Emerging areas and projects

5.2 In general this policy does not apply to daily activities of the school. The Department of Research, Innovation and Enterprise and Department of Consultancy Service can advise on how any particular activity relates to this policy.

6. Time Spent on Consultancy

The maximum allowable number of days for Consultancy activity is 30 days per fiscal year, at the discretion and subject to the approval of the director, with the exception of circumstances noted in Section A6. 2, 6.3. and 6.4.



6.2 In the circumstances where Consultancy activity is likely to exceed 30 days and the activity can be shown to be strategic for the school and with the agreement of the director of the school, permission will be granted for the extra day's consultancy activity.

6.3 Technical staff, and service staff are permitted only permitted to undertake consultancy activity up to a maximum of 15 days per annum, subject to approval of the director.

6.4 In all circumstances where the number of consultancy days exceed that specified in Section A6. 1, income in excess of that earned within the 30-day limit will, after deduction for the overheads for the school, be retained by the school as in Section B5 of the School Procedures for the more information.

7.Key Responsibilities

7.1 The Director is responsible for ensuring that the implementation and operation of the school consultancy policy is in line with the current research and innovation strategy.

7.2 Director of the school with suggestions from head of research, has right to prioritize set objectives of consultancy activity. Within the area of operational responsibility, research head and consultancy service head should consider consultancy activity as part of their research and strategies.

7.3 Consultancy contracts require formal approval from the director and cases where research facilities are to be used. The director and research head should be aware of the time spent by members on consultancy work. Any member undertaking consultancy activity must first have the approval of their director.

7.4 It is the responsibility of each member to finalize themselves with the consultancy policy and procedures and ensure they comply with its processes and procedures.

7.5 External consultancy partnership should be drawn up in cooperation with office of the director.



Section B- Consultancy Procedures

1. Approval Process

The authorization required for a Consultancy activity and the procedures to be followed are as follows:

- 1.1 When a consultancy opportunity is identified, the consultant member should discuss the potential benefits, requirements, and opportunities with the director. The project should be approved by the director.
- 1.2 If facilities of the research incubation are to be used, the approval of the concerned head is required.
- 1.3 Projects involving human participants, personal identifying data are covered by applicable university or school research policies and also, where appropriate, by regulations. School polices can be found at.....
- 1.4 Potential for research impact should be discussed with the relevant research head and evidences required to support research impact should be considered.
- 1.5 The consultant should ask the client for a clear statement of requirements.
- 1.6 The consultant should discuss statement of requirements with faculty and technical staff to receive an appropriate costs and contracting for the projects.
- 1.7 The details of the consultancy project should be entered fully on a consultancy approval through..... The form will be reviewed by the research department and either (a)sent back or revise and resubmit or b) sent directly via share point to the director.
- 1.8 On approval, faculty and staff named on the consultancy approval form for the activities will be notified of the approval by the director and head who will then draw up a consultancy service agreement with the client on behalf of MUSOM. Once the client agrees and signs the document, the head, and faculty members will also sign on behalf of MUSOM and the projects can commence. In some instances, clients may not want to accept MUSOM's consultancy services agreement preferring their own contract, or purchase letter of offer. In this case, faculty members and staff advise and approve, if appropriate, the acceptability of the client's contract, and purchase letter of offer.
- 1.9 Faculty members and staff should not undertake consultancy activities prior to the consultancy approval form being completed and approved by the director, and consultancy services agreement is signed off. Failure to follow this procedure is covered by the terms of clause B7.1 of these procedures.
- 1.10 It is the responsibility of each faculty member and staff to monitor the number of days being committed to consultancy activity in any year li line with the maximum number of days and to advise the head of school on the total as and when requested.

2. Complaints/Appeals Process

- 2.1 Consultancy activity is valued as an important activity within the school and approval by the director will not unreasonably be withheld. However, in considering the merits and implications on the school/department, the director may withhold consent.
- 2.2 In such instances, if a member/staff feels they have been unfairly prevented from undertaking a consultancy opportunity, they may refer the matter to their director who will attempt to resolve the matter.



3. Contractual Arrangements

- 3.1 Faculty members and staff considering entering into contractual arrangements for the supply of consultancy services must discuss the drawing up of any agreements or contracts with the school before entering into commitments. Faculty members and staff should not enter into any contractual arrangements or agreements themselves. This is a requirement of these procedures and is in the professional interests of the faculty members and staff. Consultancy services agreements or contracts will be between School and the client. The standard consultancy services agreements supplied by the school should be used in all practical circumstances where possible.
- 3.2 The advice and support from faculty members and staff will enable faculty members and staff to offer professional terms and conditions in advance to third parties to ensure the successful delivery of projects, enhancing their own and the school's reputation. Contractual problems, disputes or disagreements are the best avoided by clear terms and conditions setting out the financial arrangements and service delivery commitments.

4. Project Costing/Pricing

- 4.1 Department of Research, Innovation and Enterprise is to provide advice on the pricing of projects and will help the consultant to ensure that this takes account of the prevailing market and competitive.
- 4.2 Consultancy projects must be accurately costed to ensure faculty members and staff and equipment overheads are appropriately covered. If the consultancy project involves the use of equipment/facilities, these must be charged at the full economic costing rate.
- 4.3 Where elements of the project work cannot be delivered by university staff and external sub-contracts need to be brought into the project, then the procurement of the sub-contractor must be done in compliance with the School procurement guidelines. All subcontractor procurement and payments should be managed by the consultant's office of the director and in line with the school's procurement procedures.
- 4.4 Consultancy project pricing should be quoted to include 20% for the school to which the academic belongs, and a 20% overhead to be split between the school's finance section (to cover professional services for the accounts and invoicing management, payment receipts, and distribution of the faculty members and staff services) and school for further investment in research activities.
- 4.5 Overheads are not normally applied to expenses, including consumables, materials, and travel or external facilities and equipment when they are considered extensive in nature or disproportionate to the academic consultancy fee involved in the project.
- 4.6 Consultancy work is currently subject to VAT, which must be added at the current rate.

5. Distribution of Income

5.1 Faculty members and staff either receive their consultancy fee as personal income payroll, have it retained within the school to fund expenses related to their employment, for example, conference attendance, school travel, academic-related equipment or a combination of both. The choice of payment method should be indicated on the consultancy approval form on SharePoint.

5.2 Personal Income

5.2.1 When taken as personal income the payment is subject to income tax, and employment and employees' National Insurance contributions. Note, an additional employer's National Insurance contribution amount will be deducted prior to payroll processing as the standard employer's contribution is based on the employee's salary before these additional earnings are taken into account.



5.3 Retained Income

5.3.1 When taken as retained income, faculty members and staff will have their funds transferred directly to the consultancy income code (S code) or a combination of both these options if desired. Each faculty and staff's DFO will administer these funds which are ring-fenced for academic use only, on employment-related expenses.

5.3.2 In the case of internal consultancy i.e. Consultancy undertaken by a faculty member/staff where a school is the client, income may only be treated as retained amounts against employment related expenses (as described above) and not as personal payments.

5.4 Administration of Retained Funds

5.4.1 School faculty and staff will administer these funds which are ring-fenced for academic use only, on employment related expenses. Unspent consultancy monies do not become part of faculty general core income. The school will continue to receive the normal 20% overhead on all consultancy.

5.4.2 Academic with consultancy funds which have not been spent within 12 months will be given the option to divert monies to either (a) their salary (liable for tax and NIC), (b) the school, (c) their department of research or (d) the school student fund managed by the Development and Alumni Relations Office.

5.4.3 Expenditure against amounts must use the established university purchasing and approvals procedures. As tax and National Insurance have not been paid, these amounts may never be used for personal expenditure.

5.5 Retained funds may be donated by the consultant to the school for the advancement of activities relating to the Ten Year Strategic Plan. For example, income that is being held within a code may be surrendered to be used for staff costs or other recurrent costs, such as a research assistant's salary or the purchase of equipment for academic purpose. Approval is required from office of director and head of the benefiting school.

6. Turnaround times/services levels

The following turnaround times are expected during the lifetime of each consultancy project:

- 6.1 Approvals of projects by the director on SharePoint 4 working days;
- 6.2 Cost center set up within 5 working days of approval on SharePoint;
- 6.3 Invoicing of completed projects once notified on SharePoint within 4 working days;
- 6.4 Processing of claims to funders once notified on SharePoint and receipt of all documentation within 6 working days;
- 6.5 Distribution of funds to faculty members and staff within 2 months of receipt of all client.

7. Compliance

7.1 Failure to comply with the Policy and Procedures will constitute a disciplinary offence under the school's Statutes and Ordinances.



8. Equality Statement

The school is committed to equality of opportunity and the consultancy policy provides the opportunity for each faculty member and staff to undertake consultancy projects (subject to eligibility criteria).

The Equality Screening is complete and will be reviewed as the part of consultancy policy review process.

9. Contact Details

For more information to Consultancy activity, please contact:

Department of Research, Innovation, and Enterprise