

## USE OF EXTERNAL RESEARCH AND CONSULTANCY FUNDING POLICY

<b>Section</b>	Research
<b>Contact</b>	Office of AVC Research
<b>Last Review</b>	June 2006
<b>Next Review</b>	June 2007
<b>Approval</b>	VCEC 06/06/120

### Purpose:

To ensure appropriate use of funds from external research and consultancy contracts, including exhibitions and the like;

To manage risk associated with liability resulting from unspent research and consultancy income;

To ensure that academic staff undertaking research or consulting contracts receive appropriate workload relief from normal duties and/or recognition for additional duties.

### Policy:

#### Financial Administration

All research and consultancy contracts must be administered through 50000 series accounts, or those nominated by the Assistant Vice-Chancellor (Research);

Research and consultancy accounts can only be opened by those authorised under the provisions of the Massey University Policy on Research and Consultancy Contracts *and* provided that permission has been granted under the provisions of the Massey University Policy on Research and Consultancy Activity Proposals;

It is the responsibility of the principle investigator or consultancy holder to ensure that funding is spent in accordance with the contract. All expenditure will be authorised in accordance with the financial delegations for the Academic Unit;

Where contracts involve use of Massey capital research equipment (e.g. NMR, electron microscopes), this must be paid from the research and consultancy account at the appropriate usage rate or rates for the equipment set at the time the contract was signed. The depreciation component of the usage rate will be remitted to the University central administration and allocated according to the University's capital budgeting process.

#### Closure of Research Accounts

Research and consultancy project accounts will be closed three months after the end of the contract. Surpluses, inclusive of unspent monies, may be used to meet academic units' budgeted contribution targets. Conversely, deficits in research and consultancy project accounts could impact on the ability of an academic unit's ability to meet budgeted contribution targets and will need to be recovered by the academic unit concerned.

Surpluses and deficits will be transferred to academic units' nominated general research and consultancy accounts in the project ledger after the closure of research and consultancy project accounts. The general research and consultancy account must be maintained in a positive balance (surpluses exceeding deficits) at all times.

#### Management of Professional Staff Time

Staff workloads must be taken into account by Heads of Academic Units and staff prior to the approval of Research and Consultancy Activity Proposals. Details of any workload relief provisions, buy-outs or provision for reimbursements for extra duties (i.e. overload compensation) must be documented and lodged in the Academic Unit's Research and Consultancy Activity Register.

*Vote RS&T Contracts and Workload Release Requirement*

Research and Consultancy Activity Proposals involving professional time reimbursements directly from Vote Research, Science and Technology contracts (i.e Health Research Council, the Foundation for Research, Science and Technology and the Royal Society of New Zealand) for full time, permanent academic staff, *must* include provisions for release from normal duties (or a proportion thereof) sufficient to fulfil the terms of the contract.

*Buy-out of Professional Time*

Where staff are engaged in activities where professional time is reimbursed by external sponsors, and workload release from normal duties has been approved, consideration must be given to maintaining these duties or services by appointing a suitably qualified replacement. Where a replacement cannot be readily found (e.g. because of a lack of suitably qualified personnel), and services will be consequently reduced in one or more areas as a result of workload release, the Head of Academic Unit, in consultation with the staff member concerned, may elect to use professional time reimbursements to compensate in other areas relevant to the Academic Unit (e.g. improving services through staff development).

*Overload Compensation*

Staff members can apply to be compensated for external research and consulting work on an "overload compensation" basis provided that:

▪	The work is clearly separate from, and in addition to, and does not impact on the normal full workload for the staff member;
▪	Total time commitment for externally sponsored work (including any private research and consultancy) does not exceed 350 hours (i.e. 20% of working time) during the course of any one University financial year, or where income to the staff member does not exceed 20% of their base salary or equivalent (whichever occurs first);
▪	The work is not funded directly from Vote Research, Science and Technology or Tertiary Education Commission sources or any other sources as may be specified by the Assistant Vice-Chancellor (Research);
▪	The work is fully costed and fully funded according to the Massey University Policy on Costing and Indirect Cost Recovery for Externally Funded Research and Commercial Contracting;
▪	The proposed arrangements for compensation meet all Human Resources Section requirements;
▪	The overload compensation provisions are formally approved by the Head of Academic Unit and the relevant Pro Vice-Chancellor (or Assistant Vice-Chancellor where relevant) prior to the signing of the contract and a record of the approval is lodged in the Academic Unit's Research and Consultancy Activity Register.

Staff compensation will be paid at a level which is calculated as total revenue, less University and departmental overheads, expenses and personal income tax.

Where the 350 hour limit is exceeded (as a result of one large project or a combination of university and/or private research and consultancies), Heads of Academic Units will normally invoke workload release or buy out provisions for the remaining hours. In these instances, staff would be provided with workload relief. The Academic Unit would retain the staff compensation component.



Note: Where staff members are concurrently working on externally sponsored projects on an unfunded or partially funded basis (i.e. the sponsor is not meeting the full costs of the research or consultancy) overload compensation be approved only in exceptional circumstances.

**Audience:**

All staff

**Related Procedures:**

- [Research Practice \(Responsible Research Conduct\) Policy](#)
- [Costing and Indirect Cost Recovery for Externally Funded Research and Commercial Contracting Policy](#)
- [Research and Consultancy Contracts Policy](#)
- [Research and Consultancy Activity Proposals Policy](#)
- [Intellectual Property Policy](#)

**Document Management Control:**

Prepared by: Director, Research Strategy and Policy  
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Authorised by: VCEC 06/06/120  
Date Issued: 21 June 2006  
Review Date: 30 June 2007