Consultancy Procedure

Section 1 - Purpose and Scope

(1) The University of Queensland (UQ or the University) is committed to facilitating its staff to partner with industry, government and other organisations to enable their specialised skills to be used to the benefit of our society. This may be achieved through UQ staff engaging in consultancy.

(2) This Procedure must be read in conjunction with the Consultancy, Secondary Employment and Internal Work Policy and the Research and Consultancy Costing and Pricing Procedure and outlines UQ's requirements for consultancy including:

a. the types of consultancy;
b. approval and management of personal payments from consultancy activities; and
c. use of consultancy accounts.

(3) All actual, perceived, and potential conflicts of interest must be disclosed and managed in accordance with the Conflict of Interest Policy, the Conflict of Interest for Members of Staff Procedure and the Disclosure of Interests Relating to Commercialisation Procedure (supporting procedures).

(4) This Procedure applies to University staff and Title Holders unless stated otherwise.

Section 2 - Process and Key Controls

(5) Consultancy must be approved by a Level 4 Authorised Officer (or above) in accordance with the Human Resources Sub-delegations Schedules prior to contract signature and commencement of work.

(6) Individual financial consultancy project accounts are required to be established where the income and expenditure relating to a consultancy needs to be separately identified and managed.

(7) Any consultancy activities that do not meet the criteria for an individual project may be recorded within the individual staff member's consultancy account using the appropriate fund code.

(8) The staff conducting the work and those approving must ensure compliance with relevant University policies, procedures and tools. Consultancy funding is to be used in accordance with the contract conditions and all University policies and procedures.

(9) Consultancy costs, margin and surplus must be managed in accordance with the table in the Appendix (section 7) and in accordance with the Research and Consultancy Costing and Pricing Procedure.

Section 3 - Key Requirements

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Part A - Consultancy Types

(10) Three different types of consultancy are distinguished in this part:

a. Standard Consultancy
    i. Type 1
    ii. Type 2
b. Teaching Consultancy
    i. Type A
    ii. Type B
c. Academic Consultancy.

Standard Consultancy

(11) Standard Consultancy includes, without limitation, professional services, expert opinion, advice, analysis, product testing, general testing services and process development.

(12) Two distinct types of standard consultancy are applied to academic staff, based on the operating model of the organisational unit:

Type 1

(13) Type 1 is based on the operating model and strategic requirements of the organisational unit rather than the monetary value of the consultancy work. The primary purpose of Type 1 is to support the budget of the organisational unit. Type 1 is currently limited to the Sustainable Minerals Institute, Institute for Social Science Research, and UQ Collaborative Research Platforms.

Type 2

(14) Type 2 is a contract or engagement that is strategically important, usually collaborative, and may have reporting requirements. The purpose of Type 2 is to develop external partnerships and/or receive discretionary research funds. All expert witness work, regardless of the value, is considered Type 2. The Research Office is responsible for providing advice and support for Type 2 consultancies, with the exception of contracts or engagements with companies that are commercialising or intend to commercialise UQ intellectual property. Such exceptions will be managed by the appropriate University Commercialisation Company. Type 2 consultancy may be eligible for Consultancy Performance Payments (CPP; see the ‘Personal Payments from Consultancy Activities’ provisions below).

(15) All professional staff consultancy work, regardless of the value, is treated as Standard Consultancy Type 2.

Teaching Consultancy

(16) Teaching Consultancy involves the delivery of programs, courses and professional development to non-enrolled students. Two types of Teaching Consultancy are recognised.

Type A

(17) Type A is work of strategic importance to the organisational unit and is key to supporting its budget and core business. Type A typically utilises staff resources from other operational units and is work conducted outside workload. Type A is currently limited to the UQ Business School - Executive Education, Global Engagement - International Development, and UQ College customised programs.

(18) Global Engagement - International Development (ID) activities covered by Type A include all ID programs and

activities, including design and delivery of customised training and capacity development projects; provision of technical and expert advisory services and contributions to the delivery and management of development projects. Operational units providing staff for International Development work are paid for the inputs provided. Payment rates are determined by the funder/client contract and agreed in advance of engagement.

(19) Type A may be eligible for Teaching Consultancy Payments (TCP). Please note payment for ID work is made directly to School/organisational unit providing the inputs – no payment to individuals is made by ID.

Type B

(20) Type B is primarily to generate income for an organisational unit and to generate connections with industry and/or future students. Type B is work conducted within workload. Examples include CPD teaching and contract teaching to students from other universities.

Academic Consultancy

(21) Academic Consultancy work profiles the University through academic engagement and provides a service to the discipline. Academic Consultancy involves services supplied for the dissemination of knowledge through, for example, the Australian Research Council (ARC) or other educational institution review and advisory panels. Academic Consultancy includes services such as honorariums; speaker fees; thesis reviews; grant reviews; journal editorships; allowances or stipends received while on Special Studies Program (SSP) from a host institution; reimbursement of travel costs; and participation on grant award and academic review panels. Academic Consultancies do not involve research nor any services encompassed in the 'Standard Consultancy' provisions.

(22) Academic Consultancy work above the threshold value per transaction ($1,000) is within the scope of this Procedure and should normally be transacted through the University's financial systems. With prior approval, the payment from a government department or organisation may be made directly to the academic via the payroll of the organisation, provided that the work falls under the definition of Academic Consultancy, and the organisation will not make payment directly to the University.

(23) Staff can earn the proceeds of any Academic Consultancy work below the threshold value in their private capacity. Academic prizes of all values may also be received in their private capacity.

(24) Receipt of funds above $1,000 into the University may be accomplished by:

a. Requesting the Finance Professional Services Transactional team to send a UQ invoice to the organisation intending to pay the staff member on the basis of a purchase order from the organisation, or a contract or agreement.
b. Complying with the requirements of the Receipting and Banking Procedure for all types of receipts.

(25) The following should not be accepted for academic consultancy funds over $1,000:

a. Cash payments;
b. Cheques payable to individual staff members;
c. Payments into private bank accounts; and
d. The issue of non-UniFi generated invoices.

(26) Book royalties are specifically excluded from the definition of Academic Consultancy in accordance with the Intellectual Property Policy. Royalties may be received by staff members in their private capacity.

Part B - Personal Payments from Consultancy Activities

(27) The University recognises the value of consultancy work and seeks to encourage staff to undertake consultancy projects of strategic value to the University. Payments to academic staff in their personal capacity ('personal payments') from Standard Consultancy Type 2, Teaching Consultancy Type A or Academic Consultancy activities are available under specific conditions in accordance with this Procedure.

(28) An Academic Staff member can access a Standard Consultancy Type 2 Consultancy Performance Payment (CPP) up to an approved annual limit and Teaching Consultancy Payments (TCP) if:

a. An annual proposal for the ability to access a CPP or TCP has been endorsed by the appropriate Level 4 Authorised Officer in accordance with the Human Resources Sub-delegations Schedules, including the setting of the annual limit for the personal payment, after review of the staff member's existing remuneration package and recent academic performance; and
b. The CPP or TCP plan has been approved by the appropriate Level 3 Authorised Officer in accordance with the Human Resources Sub-delegations Schedules and processed through the University payroll system.

(29) CPP will be paid annually and is subject to there being sufficient consultancy funds earned and available in the individual's consultancy account under the applicable fund code, and the satisfactory performance of the individual staff member up to the time of payment.

(30) TCP will be paid at the satisfactory completion of each individual teaching consultancy activity.

(31) Academic Consultancy Personal Payments may be accessed on a transactional basis related to external income received, on written approval by appropriate Level 5 Authorised Officer or above.

(32) Local areas are required to establish a set of standard rates applicable to all Teaching Consultancy Type A personal payments, which must be approved by the Level 3 Authorised Officer. Considerations in establishing these rates should include:

a. market demand for the service;
b. Proportionate allocation of consultancy income split between TCP and the organisational unit;
c. the complexity of work;
d. staff member's experience and/or academic level; and
e. repeat work (consider a reducing sliding scale for multiple deliverables of the same output).

Part C - Use of University Consultancy Accounts

(33) Consultancy Project surpluses are managed through the use of consultancy accounts which are a sub-set of the Academic Consultancy & Award (ACA) Accounts within the financial system.

(34) Requirements for the use of ACA accounts are as follows:

a. Consultancy funds generated at UQ are University-owned and cannot be transferred to other institutions when staff members leave the employment of the University.
b. Consultancy accounts are subject to a maximum threshold balance accumulation of $200,000, unless approved by the Provost with an appropriate and achievable spend down plan in place in MyBalance.
c. Project surpluses are allocated to consultancy accounts of staff members who were involved in the consultancy project. Where a number of staff members contribute to a consultancy project, the project leader will determine the distribution of the surplus and will take into account local area guidelines in this regard.
d. Unless otherwise agreed by the project leader, staff members who are recruited specifically to undertake

consultancy work and whose salary is paid by that consultancy project, are not eligible for participation in the distribution of a surplus.

e. Funds from consultancy accounts must be used for valid UQ business purposes, in compliance with requirements of all UQ policies and procedures, and with the primary objective of supporting research, teaching and academic-related service activities.
f. Revenue earned by staff members as a result of secondary employment cannot be transferred to University consultancy accounts, as these earnings are taxable and must be included as income in their personal tax returns.
g. The University wishes to encourage staff retiring from service to consider endowing unused consultancy funds to support the establishment of a new named endowment fund, or to add to an established endowment fund, to support areas of importance to both the staff member and organisational unit. Endowment of consultancy funds will be subject to the naming rules and recommended minimum gifts detailed in the Naming Policy and Naming Procedure, and must be approved by the appropriate Level 3 Authorised Officer.

(35) Professional staff are not eligible to retain consultancy surpluses in consultancy accounts. Any consultancy income earned by professional staff is billed by the University and retained in the operating funds of the organisational unit. Professional staff performing significant consultancy to the benefit of the University may be eligible for additional recognition or reward in accordance with provisions contained in the UQ Enterprise Agreement and in any other applicable UQ policy or procedures.

Part D - Transitional Arrangements

(36) At the implementation of this Procedure, all Standard Consultancy existing agreements and contracts with external parties signed prior to 27 November 2023 may continue under the existing arrangements until completion of the existing contracts.

Section 4 - Roles, Responsibilities and Accountabilities

Provost

(37) Provost approval is required for:

a. An ACA account balance over $200,000; approval is subject to an appropriate spend down plan.
b. The classification of units or programs as Standard Consultancy Type 1 and Teaching Consultancy Type A.

Level 3 Authorised Officer

(38) The Level 3 Authorised Officer in accordance with the Human Resources Sub-delegations Schedules has responsibility for the approval of CPP and TCP proposals, and the endowment of consultancy funds.

Level 4 Authorised Officer

(39) The Level 4 Authorised Officer in accordance with Human Resources Sub-delegations Schedules has responsibility within their relevant organisational unit to do the following:

a. Monitor management of potential, perceived or existing conflicts of interest in accordance with the Conflict of Interest Policy;
b. Approve standard and teaching consultancy in accordance with all relevant principles and conditions of the Consultancy, Secondary Employment and Internal Work Policy and Research and Consultancy Costing and

Pricing Procedure. Considerations in granting approval by the Level 4 Authorised Officer for academic staff must include:

i. Strategic alignment of the nature of the work to the organisational unit's objectives;
ii. Impact of the work on academic workloads and the delivery of core activities in the organisational unit;
iii. Nature of the work and benefits to the University and the individual's professional development; and
iv. Pricing in accordance with the Research and Consultancy Costing and Pricing Procedure;

c. Approve, if appropriate, surplus requests (see section 7 – Appendix);
d. Agree, if appropriate, margin recovery (see section 7 – Appendix);
e. Monitor ACA accounts to ensure maximum threshold balance accumulation of $200,000 is not exceeded without authorisation from the Provost;
f. Endorse CPP and TCP proposals; and
g. Approve payments for academic consultancy work.

Staff Member who is the Consultant

(40) The staff member conducting the consultancy work is responsible for:

a. Declaring and managing potential, perceived or existing conflicts of interest in accordance with the Conflict of Interest Policy;
b. Ensuring work relating to consultancy activities does not adversely impact on primary work duties;
c. Considering and complying with any regulations and ethical guidelines applicable to the nature and conduct of that work;
d. The management of all project income and expenditure;
e. Budget preparation and identification of all expenses that relate to the consultancy work in line with the UQ Research and Consultancy Costing and Pricing Procedure;
f. Application and submission of consultancy work;
g. Delivery and reporting requirements of the project.

Finance and Business Services

(41) Finance and Business Services are responsible for credit risk assessment, billing approval, collections and debt management relating to consultancy revenue.

(42) Contract and Grants Accounting (CGA) are responsible for financial project account and consultancy account establishment, maintenance and close; and external financial reporting (if applicable).

(43) Finance and Business Services are responsible for initiating the recording and billing of consultancy revenue.

Research Office

(44) The Research Office administers Standard Consultancy Type 2 contracts and is responsible for providing advice and support in the pricing and development of those consultancy agreements, with the exception of those consultancies defined in clause 45 below. Business development and similar staff within the specific organisational units are responsible for advice and support with all other types of consultancy contracts.

University Commercialisation Company

(45) The University commercialisation company administers Standard Consultancy contracts where the contractor is commercialising, or intends to commercialise UQ IP. It is responsible for providing advice and support in the processing, approval, pricing and project management of those consultancy contracts. The University

commercialisation company is also responsible for managing the consultancy activity so it remains consistent with any IP rights granted, or to be granted, through commercialisation, and any management plan that may be in place for financial conflicts of interest.

Section 5 - Monitoring, Review and Assurance

(46) This Procedure will be reviewed on a triennial basis by the joint procedure owners, Provost and Deputy Vice-Chancellor (Research and Innovation), to ensure its ongoing relevance and effectiveness.

Section 6 - Recording and Reporting

(47) The Integrity Unit will manage reporting processes for conflicts of interest that are identified as a result of staff undertaking consultancy work, in accordance with the Conflict of Interest Policy.

(48) Final contracts should be stored in TRIM.

(49) Personal payments are made through the University payroll system.

Section 7 - Appendix

Related Documents

(50) The treatment of costs, margin and surplus for the different types of consultancy is linked.

(51) A diagram of Type 2 Standard Consultancy treatment is linked. In the diagram:

a. CPP means Consultancy Personal Payment.
b. OU refers to Operational Unit.

Definitions

Term	Definition
Margin	The percentage of funds that may be recovered by the operating unit. The decision to recover margin may be made by the operating unit on an individual contract basis.
Mark-up	The amount above direct and indirect costs that a commercial contract may be able to attract based on market forces.
Personal payment	Includes CPP, TCP and academic consultancy payments. Payments will be made to the bank account of the staff member and is processed through the University payroll system. A personal payment is subject to satisfactory performance for the specific project and funds availability. To access a personal payment the approvals in accordance with this Procedure must be met.
Staff	Continuing, fixed-term and research (contingent funded) appointments contracted to UQ.
Surplus	Constitutes funds left over after all direct, indirect costs and operating unit margin, where relevant, have been recovered. It includes mark-up and academic salary.
Title Holders	Including, but not limited to, visiting academics, academic title holders, industry fellows, emeritus professors, adjunct and honorary title holders, and conjoint appointments.
University commercialisation company	a. JKTech Pty Ltd; or b. UniQuest Pty Ltd.

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