

UNIVERSITY OF JOHANNESBURG



UNIVERSITY
OF
JOHANNESBURG

FINANCIAL POLICY FOR INCOME GENERATED BY MEANS OF NON-SUBSIDISED ACADEMIC PROGRAMMES, SOLICITED RESEARCH AND CONSULTATION

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RELATED DOCUMENTS

UJ Documents (e.g. Policies, Regulations, Guidelines, Contracts) <ul style="list-style-type: none">• UJ Vision, Mission and Values• UJ Academic Regulation	Other (e.g. laws, DoE and HEQC, directives, external guidelines) <ul style="list-style-type: none">• The Constitution of South Africa Act 108 of 1996
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<ul style="list-style-type: none"> • Strategy for Diversifying Income Resources • UJ Financial Policy and Procedure 	
<p>Divisions, Constituents and/or Individuals Affected by the Policy</p>	<ul style="list-style-type: none"> • Council and Human Resources Committee of Council • Members of the Executive Committee • Executive Director: Research and Innovation • Executive Deans • Heads of Departments University's management and support systems • Central Finance Division • Faculty Boards and Committees • Programme coordinators • Library and Information Centre • Protection Services
<p>Website Address</p>	<p>INTRANET</p>

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1. INTRODUCTION

This document outlines the University's policy on the distribution of income generated by means of non-subsidised academic programmes, solicited research and consultation.

The policy is applicable to all permanent, fixed-term contract or temporary employees of the University, whether full-time or part-time, on all campuses of the University.

2. NON-SUBSIDISED ACADEMIC PROGRAMMES

2.1 Definition

A non-subsidised academic programme, as referred to in paragraph 1.2.2 of the document, *Strategy for Diversifying Income Resources*, is any Senate-approved academic programme not subsidised by the State that is assessment based and leads to a qualification of the University of Johannesburg.

2.2 Financial control

2.2.1 Only such non-subsidised academic programmes as are approved by Senate in accordance with the Academic Regulations are authorised programmes of the University of Johannesburg.

2.2.2 Financial control of a non-subsidised programme takes place in accordance with approved UJ financial policy and procedure.

2.2.3 Prior to Senate approval of a non-subsidised academic programme, the Executive Director: Finance approves the budget of such programme prepared by the Programme Coordinator in accordance with guidelines provided by such Executive Director and submitted to him/her by the relevant Executive Dean.

2.2.4 Financial record-keeping occurs through the University's management and support systems. Budget control is the responsibility of the Programme Coordinator with oversight by the Head of the Department concerned and the central Finance Division of the University.

2.2.5 Upon completion of a programme the Programme Coordinator submits an income and expenditure statement to the Head of the Department concerned. He/she, in turn, submits it to the relevant Executive Dean who presents it to the Executive Director: Finance for final approval.

2.2.6 Every non-subsidised programme is subject to a periodic audit by the internal auditors of the University, planned in conjunction with the relevant Executive Dean and in terms of the University's ongoing auditing programme.

2.2.7 Expenditure related to non-subsidised programmes may not be recovered from subsidised programmes.

2.2.8 The financial risk of non-subsidised programmes is to be borne by the relevant Faculty. The University does not accept any financial risk in calculating the levy as suggested in 2.3.1 below.

2.3 Income distribution

2.3.1 A levy is payable to the University on the actual gross income generated by every presentation of a non-subsidised academic programme.

2.3.2 The amount of the levy (reckoned as a percentage of gross income) is determined annually by the Deputy Vice-Chancellor (Finance) in consultation with the Management Executive Committee. The levy covers the following:

2.3.2.1 The benefits enjoyed by the Faculty, and by the presenters of and students on the programme in respect of the following:

- (i) use of management and support systems;
- (ii) marketing costs (excluding advertising costs);
- (iii) venue bookings, use and maintenance;
- (iv) office occupation;
- (v) air-conditioning and the provision of water and electricity;
- (vi) use of the facilities of the Library and Information Centre, laboratories and information and communication technology;
- (vii) parking and protection services;
- (viii) qualification certification and graduation support;
- (ix) use of the name and brand of the University;
- (x) University level costs associated with student registration and administration.

2.3.2.2 The opportunity afforded to academic employees to earn additional remuneration by participation in such programmes that carry the quality guarantee and share in the reputation of the University of Johannesburg.

2.3.3 In exceptional cases the Deputy Vice-Chancellor (Finance) may reduce the levy in respect of a particular programme, if requested in writing to do so by the Head of the Department concerned (and supported by the relevant Executive Dean) and after consultation with the Management Executive Committee.

2.3.4 The gross income generated by the non-subsidised programme (less the levy and direct expenditure) is distributed by the relevant Executive Dean, in consultation with the programme coordinator and the Head of the Department concerned, and with reference to the approved programme budget, and limited to the funds available as follows:

2.3.4.1 Remuneration of academic employees (whether permanent, fixed-term contract or temporary) for programme design and

curriculum, administration, lecturing, research and assessment, and remuneration of administrative employees (whether permanent, fixed-term contract or temporary) for programme administration and support.

Remuneration is governed by an annually updated departmental and/or faculty policy approved by the relevant Dean's Committee/Faculty Management Committee, providing, among others, for market-related lecturing, programme coordination and assessment fees. Fees thus earned by employees may not exceed R200 000 annually (or such ceiling amount as is determined, from time to time, by the Human Resources Committee of Council). This amount will be annually adjusted with the normal annual salary increase of the University.

No earnings are transferable to a following year for distribution to the employee. Any profits remaining after remuneration disbursements are utilised as provided for in paragraph 2.3.4.2.

2.3.4.2 Any profits remaining after the disbursements referred to in 2.3.4.1 above are kept as reserve funds in the Faculty/Department and are distributed as follows:

- (i) faculty or department-specific operating expenses (e.g., advertising costs, printing, stationery, telephone, cell phone, photocopier and fax costs, travel and subsistence costs, refreshments and functions, gifts);
- (ii) funding of unrecoverable student fee debt;
- (iii) general academic development of the department and faculty concerned, including but not limited to the following:
 - a. research support and development (e.g. appointment of post-doctoral researchers, research assistants, seminars, honoraria, research visits, conference attendance, page costs of publications, publication of theses and dissertations, postgraduate bursaries);
 - b. use, maintenance and expansion of library holdings;
 - c. teaching and learning support (e.g. appointment of temporary lecturers, tutors, mentors, teaching assistants, honoraria);
 - d. the purchase of computers, equipment, furniture and such other assets as are required by the faculty or department concerned;
 - e. such other departmental and faculty needs as identified by the Dean's Committee/Faculty

Management Committee in accordance with approved strategic plans and budgets.

3. SOLICITED RESEARCH

3.1 Definition

Solicited research, as referred to in paragraph 1.2.1 of the document, *Strategy for Diversifying Income Resources*, is:

- (i) research undertaken by academic employees, postgraduate students or postdoctoral or research fellows of the University on behalf of the University,
- (ii) utilising the resources of the University,
- (iii) funded (wholly or in part) by one or more parties external to the University,
- (iv) on the basis of a successful application for such funds and a written agreement between such external party and either the individual employee, student or fellow or the University,
- (v) stipulating the amount of funding, the research being funded and the rights and obligations of the respective parties.

3.2 Approval process

3.2.1 The Executive Dean of the faculty concerned and the Executive Director: Research and Innovation must be informed of all applications for solicited research.

3.2.2 Applicants must ensure that they receive such expert advice and support from the Executive Director: Research and Innovation (and, where applicable, the Executive Director: Advancement) as is required for the application to have a high probability of success.

3.2.3 Applicants must immediately inform the Executive Dean concerned and the Executive Director: Research and Innovation of the outcome of the application for purposes of record-keeping.

3.2.4 The Executive Director: Research and Innovation must be consulted prior to the signing of the written agreement providing for the conditions under which the solicited research is funded. The purpose of such consultation is as follows:

- (i) advice in respect of the drafting of the agreement (if required);
- (ii) scrutiny of the agreement to ensure that the rights of the individual researcher and of the University are reasonably protected;
- (iii) assistance in negotiations with the external party for amendments of or revisions to the proposed agreement (if required).

3.2.5 The agreement is signed in accordance with the Delegation of Authority as approved by the Finance Committee of Council.

3.2.6 The original of the agreement, signed by all parties, must be lodged with the Executive Director: Research and Innovation for purposes of record-keeping and follow-up. A copy of the agreement is also lodged with the Executive Dean of the faculty concerned, and with the Registrar.

3.3 Financial control

3.3.1 In the case of research funding for academic employees, for postdoctoral fellows and for research fellows, it is the responsibility of the Executive Dean of the faculty concerned, acting in collaboration with the Executive Director: Research and Innovation and the Executive Director: Finance, to ensure that the funds are made available in accordance with the terms and conditions of the agreement, and utilised by the academic employees concerned in accordance with the terms and conditions of the agreement.

3.3.2 In the case of research funding for postgraduate students, it is the responsibility of the Executive Director: Research and Innovation, acting in collaboration with the Executive Dean of the faculty concerned and the Executive Director: Finance, to ensure that funds are made available in accordance with the terms and conditions of the agreement, and utilised by the students in accordance with the agreement.

3.3.3 Financial control of research funding takes place in accordance with generally prevailing University policies.

Financial record-keeping (for internal and external purposes) takes place in accordance with the University's management and support systems.

4. CONSULTATION

4.1 Definition

Consultation, as referred to in paragraph 1.2.3 of the document, *Strategy for Diversifying Income Resources*, is:

- (i) the application of acquired knowledge,
- (ii) by employees or students of the University on behalf of the University,
- (iii) utilising the resources of the University,
- (iv) in furtherance of the commercial interests of one or more external parties,
- (v) for the financial benefit of the University and such employees and students,
- (vi) on the basis of a contract between the University and such external party or parties.

4.2 Approval process

4.2.1 Before consultation is undertaken by an academic employee or student, application to undertake such consultation must be made to

the Dean's Committee/Faculty Management Committee of the faculty concerned. Full particulars of the proposed consultation, including a comprehensive budget, must be submitted, together with the application.

- 4.2.2 The Dean's Committee/Faculty Management Committee recommends or rejects the application on the basis of University criteria for the participation by employees and students in consultation activities as determined from time to time by the Deputy Vice-Chancellor (Human Resources) and on the basis of faculty-specific criteria.
- 4.2.3 Before consultation is undertaken by an employee who is not an academic employee within a faculty, application to undertake such consultation must be made to the employee's Executive-level line manager. The line manager recommends or rejects the application on the basis of University criteria for the participation by employees in consultation activities as determined from time to time by the Deputy Vice-Chancellor (Human Resources).
- 4.2.4 If an application to undertake consultation is approved (in accordance with 4.2.2 and 4.2.3 above), such consultation may only be undertaken in accordance with a written contract between the University and the external party or parties concerned
- 4.2.5 Such a contract must contain comprehensive details of the nature and scope of the work to be undertaken, the expenditure of University resources to be incurred in carrying out the consultation and the remuneration payable to the University for the professional services of the employee or student.
- 4.2.6 The Executive Director: Research and Innovation or the Registrar must be consulted prior to the signing of the contract. The purpose of the consultation is the following:
 - (i) advice in respect of the drafting of the contract (if required);
 - (ii) scrutiny of the terms of the contract to ensure that the rights of the University and of the individual employee or student are reasonably protected;
 - (iii) assistance with negotiations with external parties in respect of amendments to or revisions of the proposed contract (if required).
- 4.2.7 The contract must be signed by the Deputy Vice-Chancellor (Research, Innovation and Advancement) or, in his/her absence, the Deputy Vice-Chancellor (Academic).
- 4.2.8 The original of the contract, signed by both parties, must be lodged with the Registrar for purposes of record-keeping and follow-up. A copy of the contract must be lodged with the Executive Dean of the faculty concerned (in the case of academic employees and students) and with the responsible Executive-level line manager in the case of an employee other than a faculty-based academic employee.

4.3 Financial control

4.3.1 Financial control in respect of income and expenditure in fulfilment of the terms and conditions of the consultation contract takes place in accordance with generally prevailing University policies.

4.3.2 Financial record-keeping (for internal and external purposes) takes place in accordance with the University's management and support systems.

4.4 Income distribution

4.4.1 A levy is payable to the University on the actual gross income generated from every consultation.

4.4.2 The amount of the levy (as a percentage of the gross income) is determined annually by the Deputy Vice-Chancellor (Finance) in consultation with the Management Executive Committee. The levy covers the following:

4.4.2.1 The use of University resources in providing the consultation service, including the following: management and support systems, office space, air-conditioning, water and electricity, use of information and communication technology, use of Library and Information Service, parking and security service, laboratories.

4.4.2.2 The opportunity afforded to employees and students to earn additional income by offering professional services subject to the quality guarantee of the University.

4.4.3 The gross income generated by the consultation (less the levy) is distributed by the Executive Dean concerned (in the case of consultation by academic employees and students) or the Executive-level line manager concerned (in the case of consultation by non-faculty employees) and limited to the funds available as follows:

- (i) remuneration of employees or students: such remuneration is governed by an annually updated faculty policy, approved by the relevant Dean's Committee/Faculty Management Committee, and may not exceed a ceiling amount as determined from time to time by Council and as explained (with the necessary changes effected) in 2.2.4.1 above;
- (ii) faculty or division-specific operating expenses;
- (iii) general academic development of the department, faculty or division concerned, as explained (with the necessary changes effected) in 2.2.4.4 above.

Approved by Council on 22 November 2007