

Consulting Management Committee  
January 14, 2011

**Attendees**

Members: M. Aindow (Co-chair), A. Deblas, J., A. Rosman and T. Van Hoof

Staff: N. Bull, E. Passan, R. Rubin, and S. Wetstone

The meeting was convened at 1:00 PM:

1. The minutes of the December 10, 2010 meeting were approved.
2. Draft Audit Report:
  - a. The auditors were thorough. In general, there is one area of material concern – are faculty competing for work the University should want to do itself? The following are examples of competition: The University offers educational courses for business executives and a faculty member wants to offer similar courses as a private citizen; a faculty member owns a private entity that applies for research grants that the faculty member might have brought to the University, and a faculty member wants to provide clinical service to an entity rather than have the University provide such a service.

The auditors want more review of such situations. This is a repeat recommendation by the auditors. While management agrees that more oversight is necessary, the question arises whether generic rules can be developed or if each situation should be considered on a case-by-case basis?

In addition, some department heads are uneasy with their determining if the consulting activity is in competition with what the University currently wants to do itself or should want to do itself? Is it in competition if the school has no plans to engage in this activity?

It would be beneficial if there were 2 or 3 questions to determine if consulting activity represents competition? For example, “does the department already perform similar work as is being described in the consulting activity” and “is the department currently contemplating performing similar work as is being described in the consulting activity?” Unfortunately, department heads may not be able to answer such questions for school and institution level activities and intentions.

The auditors primarily appear to be concerned with a small number of faculty who own businesses and consult. One solution would be to develop a system of review that would be employed only for such identified parties. Management’s response to the latest audit (see below) is to convene advisory committees on the Storrs and UCHC campuses that would assist in determining if a situation is in competition with the University. Such committees may include representatives from the Tech Transfer/Commercialization, Office of Sponsored Programs and Research, and the AG’s office among others. While such review may add bureaucracy to the decision making system and thereby slow it down, it also could be expedited through email meetings and a commitment by those involved to provide timely input.

N. Bull will look up past cases that auditors found to look at specific concerns. The CMC will then come up with a list of questions for department heads/deans to use.

- b. Noncompliance with Consulting Policy (Item #3): Some faculty have not submitted consulting requests but may be consulting. If true, they would not be in compliance. Management has agreed to

develop a system to investigate and act in such reported cases. The faculty in general will be reminded that they have to submit consulting requests.

3. Form Attestations: The current request form was reviewed to determine if the attestations made are correct, complete, or are being made by the correct level of approver.

The proposed on-line approval system will require users to indicate their agreement with the major areas to be attested. It was suggested these attestation be presented in more complete form since they were somewhat abbreviated in order to allow the paper request for to fit on two pages.

Some department heads are uncomfortable with making attestations concerning whether a faculty member is competing with the University (see item 2 above.) The suggestion was made to indicate the department head is making this attestation to the best of his/her knowledge, and that the requestor make a similar attestation concerning competing with the University. Both are currently on the request form.

A suggestion was made that the requestor acknowledges the consequences of non-compliance. Several members of the CMC felt that various certifications should be done by the requestor and not the department head. On the other hand, high level officials, including those in the Governor's Office, OPM, and the Legislature (and the media), might expect department heads to demonstrate a full understanding of the job expectations and performance of each faculty member, and be willing to make tough administrative decision regarding the approval of consulting activities. By the end of the discussion there was general agreement that there needed to be shared responsibility regarding the attestations. A draft of revisions to the attestations to be made on the consulting form will be developed and presented to the CMC.

4. Royalties

There has been a standing practice for decades that book royalties are not considered compensation and therefore activities generating them are exempt from the consulting approval process. A faculty member has developed an on-line course and will derive royalties from it and has raised the questions whether this too is exempt from the consulting system.

Despite our efforts to date, no one has been able to identify the policy that exempts royalties from the consulting approval process. There is a State statute (R. Rubin agreed to find and distribute it) that says that any material developed by a faculty member that may be copyrighted is owned by that faculty member.

If the nature of payment (i.e. royalties) makes an activity exempt from the consulting approval process, we may well need a Board approved policy to codify that. Such a policy would have to specifically define what a royalty is. Once in place, the royalty exemption could extend to not only book royalties but to a larger body of works (as defined by the policy.)

This will be discussed at next meeting. Rachel will develop a draft policy for consideration.

The committee adjourned at 2:10 PM.

Next meeting to be held on Friday, February 11, 2011 at 1:00 PM

Respectfully submitted by:  
E. Passan