

POLICY 7.2 – Consulting Fees Paid for Services of a Researcher

Policy Category: Research

Effective Date: August 1, 2003

Supersedes: May 26, 1988

PREAMBLE

Funds directed to the University that have been generated from outside activities such as consulting or sitting on professional peer review committees will be acceptable to the University under the following alternatives.

PROCEDURES

1.00 Alternative 1

1.01 **Option A**

The external organization pays the researcher directly. The researcher subsequently donates the money to The University of Western Ontario and receives an equivalent donation receipt. To qualify for a donation receipt, the transaction must be at arm's length and the use of the money may not be under the control of the donor(s).

1.02 **Option B**

The external organization pays the researcher directly. The researcher retains the funds and in turn applies for a University Research Grant equivalent to the external earnings. The effect of this is to maintain the researcher's earnings at their normal rate and allow an equivalent amount of the additional funds to be spent on research. This route is contingent upon the grant application being accepted by the appropriate research grant review committee. The University of Western Ontario assumes no tax liability if the grant is deemed unacceptable by the tax department. More information on the University Research Grant program may be obtained from the Research Development Services.

2.00 Alternative 2

The external organization pays the funds directly to The University of Western Ontario. The University considers these funds a salary or release time reimbursement. These funds are credited to the department account from which the researcher's salary is normally paid. The funds remain in the operating account for the use of the Chair or Dean.

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3.00 Alternative 3

The external organization purchase the services of the researcher through the establishment of a contract or purchase order with the University. A research account will be established in the name of the researcher. The approval sequence for this method shall be: (a) the Department Chair (in Faculties with departmental structure); (b) the Dean; and (c) the Research Development Services. Overhead will be applied at the current University rates.