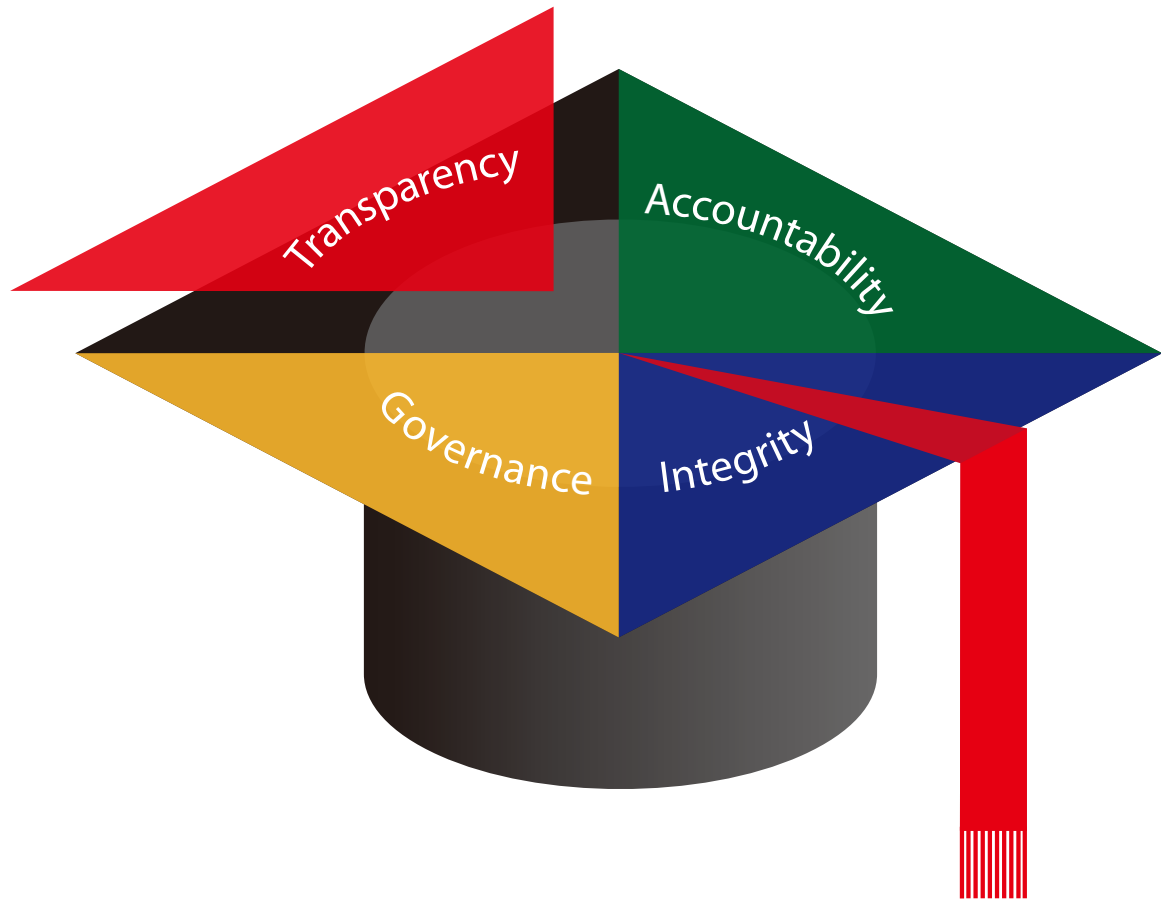


Partner for *Excellence*



Administration of Outside Practice



Partner for
Excellence



*Administration of
Outside Practice*

Introduction

The tertiary education institutions (TEIs) are statutorily autonomous corporations with substantial freedom in the control of curricula and academic standards, the selection of staff and students, initiation and acceptance of research, and the internal allocation of resources. Nevertheless, because the TEIs are also entrusted with significant public and private resources, and in view of their pivotal role in the development of higher education in Hong Kong, the Government and the community at large expect that TEIs are providing the highest possible standards of education in the most cost-effective way and managing their affairs in an accountable and transparent manner.

In early 2011, the Independent Commission Against Corruption (ICAC) joined hands with all the 11 TEIs to set up a Working Group to address public concerns on a number of issues pertaining to the governance of TEIs, including administration of donations, technology transfer and commercialization, procurement, outside practice and financial reporting. The Working Group agreed to conduct reviews by the ICAC Corruption Prevention Department (CPD) on these five identified areas with a view to further strengthening institutional governance and corruption prevention safeguards in TEIs' procedures and guidelines. Based on the findings of the reviews, the Working Group has produced this Corruption Prevention Guide (the Guide), comprising a set of five modules which consolidate the good practices and corruption prevention measures being in force by individual local and overseas institutions. The Guide is designed as reference for TEIs for the purpose of corruption prevention and is not mandatory in nature. TEIs are encouraged to suitably adapt and adopt the good practices and corruption prevention safeguards recommended in the Guide with regard to their unique character, cultural heritage, size, organizational structure and resource capability.

We hope TEIs will find the Guide useful, informative and stimulating. CPD stands ready to provide free, confidential and tailor-made corruption prevention services to help TEIs implement the recommended measures in the Guide. CPD could be contacted by telephone at 2826 3198, by fax at 2521 8479, or by email at cpd@icac.org.hk.

Working Group on Tertiary Education Institutions Governance
December 2011

DISCLAIMER

The recommendations as contained in this Guide including the sample forms or documents are for general guidance only. The sample forms and documents should be modified and adapted as appropriate to suit individual organizations' operational needs before use. The ICAC will not accept any liability, legal or otherwise, for loss occasioned to any person acting or refraining from action as a result of any material including the sample forms or documents in the Guide.

Throughout this Guide, the male pronoun is used to cover references to both the male and female. No gender preference is intended.

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CHAPTER 1

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Background

As part of their mission in contributing their expertise and knowledge for the benefit of the community-at-large, TEIs welcome their full-time staff members, both academic and non-academic staff, to participate in sponsored research, consultancy, professional practices, and other outside activities that are not directly initiated by TEIs or arising out of their contract of employment. Such activities are commonly known as “outside practice” which are work conducted locally or overseas with or without remuneration, undertaken for a third party for the benefit of the TEIs and the community.

While TEI staff members’ outside practice can make a positive contribution to the community, it may take up an undue amount of their time and effort, adversely affect the performance of their normal duties, impair the operation or reputation of the TEIs, or possibly induce conflict of interest if it is not properly managed and monitored. This Module aims to help TEIs recognize the risks of malpractice associated with outside practice and, by adopting the recommended good practices, take positive steps to prevent maladministration so as to safeguard the goodwill of TEIs. The **Module on Financial Reporting** of the Guide further suggests preventive measures against abuse in the administration of outside practice from the financial reporting perspective to complement TEIs’ internal control mechanism.

CHAPTER 2

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Defining Outside Practice

2.1 Introduction

Often-times, TEI staff may excuse themselves for not seeking proper approval for outside practice wanting of a clear definition on outside practice and the related procedural guidelines on application. It is therefore important for TEIs to clearly define the scope of outside practice consistent with their mission objective and set out the relevant regulations for staff compliance.

2.2 Criteria for Outside Practice

Outside practice is staff members' own personal activities, who assume personal liability, if any, in such activities. To facilitate the classification of these activities in a consistent manner, TEIs are recommended to lay down some principal criteria for outside practice, such as the work should:

- match with the TEI's mission objective to contribute to the TEI or other sectors of the community;
- focus more on high level work using the talents, expertise and professional experience than the general skills of the staff member;
- contribute to the effectiveness of the academic staff's teaching and/or research;
- enhance staff members' expertise or professional knowledge;
- require specialized skills which are not readily available outside the TEI;
- commensurate with the position and professional expertise of the staff member(s) concerned;
or
- not compete with firms or members of professions outside the TEI.

2.3 Common Examples of Outside Practice

Outside practice can be undertaken by both academic and non-academic staff in Hong Kong or elsewhere (e.g. in Mainland China). Some common examples of outside practice are listed below but they are by no means exhaustive.

2.3.1 Consultancy Services

Consultancy services refer to the provision of services by a staff member (usually academic staff) to external parties (e.g. government, public bodies, private companies) which require the use of professional, academic or technical knowledge and skills. Such services are usually conducted for pecuniary reward (e.g. in the form of consultancy fees) and provided for the purpose of developing or researching new technologies, products, skills, business solutions, methods or knowledge. Consultancy can either be taken up by TEIs through a central unit (**Chapter 3.2.1**) or by the staff member direct. Usually, there will be a contractual agreement between the client and the TEI/staff member, setting out the project scope and consultancy fee.

2.3.2 Outside Teaching

This refers to teaching activities on top of a staff member's regular teaching duties at the TEI. Outside teaching can be conducted on either an ad hoc or regularly scheduled basis, and commonly includes:

- teaching of courses or programmes outside a staff member's regular teaching schedule such as self-funded courses¹ organized by the TEI; and
- dissemination and demonstration of professional, academic and technical knowledge or skills in the form of lectures, seminars or workshops for other local or overseas educational or professional institutes.

2.3.3 Private Clinical Practice

For those TEIs having Faculty/School of Medicine/Chinese Medicine, private clinical practice (i.e. consultation or treatment for patients) are normally organized on a faculty/school basis and limited to staff members of the faculty/school with the relevant qualifications (e.g. registered medical practitioners).

2.3.4 Other Professional Practices

Other professional practices include the provision of services to clients (e.g. individuals or companies) by staff with the required qualifications in certain professional fields like accounting, engineering and legal (e.g. expert advice given in legal proceedings). However, occasional professional advice given at radio and television broadcasting and casual journalism are usually not classified as professional practices.

2.3.5 Other Examples

Other examples of outside practice include, but not limited to, the following activities:

- Serving as external examiners for other educational organizations;
- Editing professional journals or papers;
- Authorship of books or other publications;
- Engaging in public office (e.g. District Council, Legislative Council); and
- Serving on the board of directors of a private or listed company.

¹ These courses are operated by TEIs without the subsidy from the University Grants Committee and supported by their own sources of funding (e.g. course fees from students).

CHAPTER 3

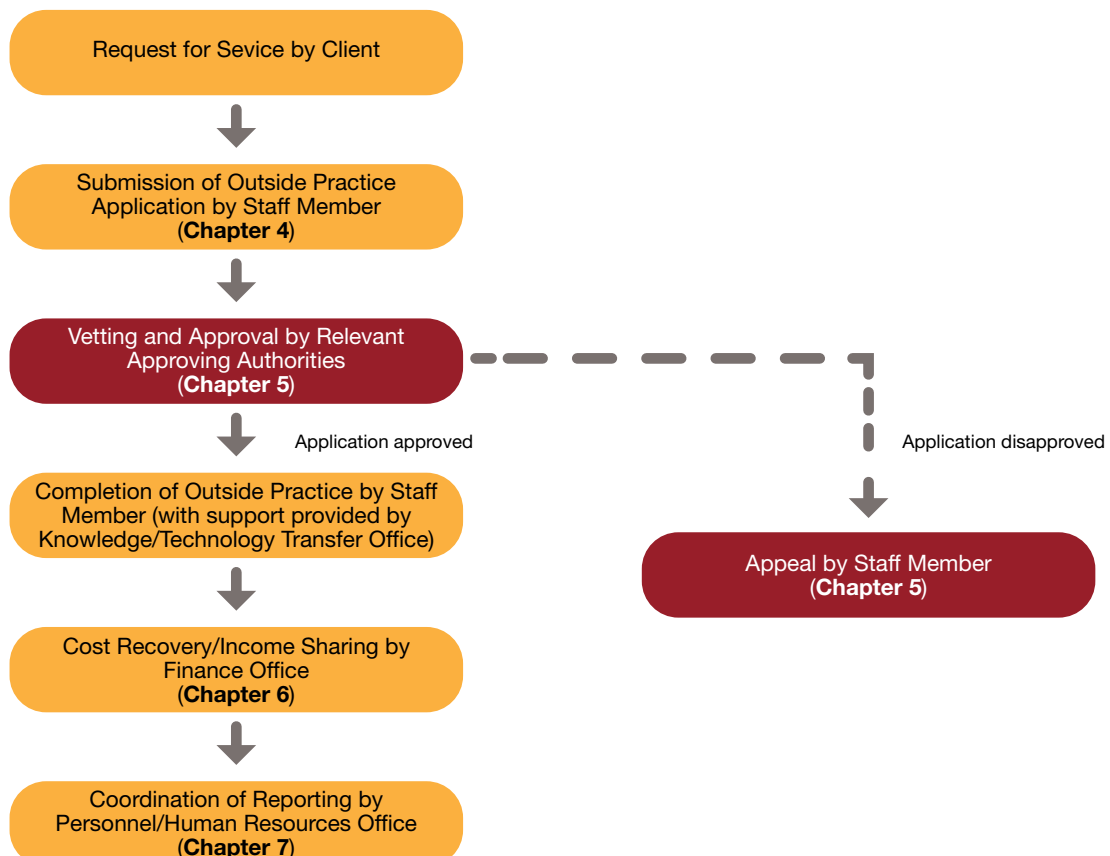
Incorporating Corruption Prevention in Internal Control Mechanism

3.1 Introduction

A well-structured administrative framework for outside practice would not only enhance the effective management of staff members' outside activities, but also facilitate TEIs' internal control and detection of corrupt or fraudulent practices. TEIs should set up their own administrative framework with sufficient safeguards against abuse and malpractice. This Chapter recommends a host of corruption resistant measures to help TEIs strengthen their internal control mechanism for the administration of outside practice.

3.2 Setting out the Administrative Framework

It is imperative for TEIs to set out the administrative framework for outside practice to ensure consistency in practice and avoid any ambiguity or misunderstanding. The following diagram illustrates a typical workflow of processing an application for outside practice:



3.2.1 Key Stakeholders and Central Units

Apart from the applicants undertaking the outside practice, many other stakeholders are involved in the process. A brief account of the roles and responsibilities of the key stakeholders is given below:

- **Clients (e.g. government, public bodies, private companies)** – initiate the requests for staff members' outside practice.
- **Governing body (e.g. Council)** – endorses the TEI's policy on outside practice and considers special cases of application (e.g. outside practice undertaken by the President).
- **Senior management (including President and Vice Presidents)** – oversees staff members' involvement in outside practice and approves outside practice applications from Deans of Faculties/Heads of Departments.
- **Deans of Faculties/Heads of Departments** – approve outside practice applications from subordinates and monitor their work performance.
- **Designated Programme Coordinator** – coordinates the allocation of teaching duties for the self-funded courses organized by TEIs to eligible staff members (e.g. Professors of the relevant academic discipline).
- **Personnel/Human Resources Office** – coordinates the submission of outside practice applications to the senior management for approval and prepares summary/statistical reports for consideration by the senior management.
- **Finance Office** – assists staff members in handling all the finance and accounting matters (e.g. issuing invoices to and collecting payment from clients, preparing financial statements).
- **Knowledge/Technology Transfer Office** – provides support to staff members in conducting consultancy projects (e.g. preparing contractual agreements with clients, coordinating the use of the TEI's resources).

To enhance checks and balances, it is recommended that these central units should be deployed to coordinate outside practice (e.g. the Finance Office to oversee the payment of fees from clients and the Knowledge/Technology Transfer Office to monitor the use of the TEI's resources).

3.3 Promulgating Procedural Guidelines

To implement the policy endorsed by the governing body, it is essential for TEIs to issue clear guidelines on outside practice, in the form of a specific staff policy or a section incorporated in the staff handbook, covering the following key areas:

3.3.1 Regulations for Outside Practice

It is important for TEIs to stipulate that they have the absolute right to approve or disapprove staff's outside practice. To avoid ambiguity and undue discretion by staff members, TEIs should spell out clearly the following regulations for outside practice:

- The types of outside activities (**Chapter 2**) governed by the guidelines;
- The application, approval and reporting procedures for outside activities (**Chapters 4, 5 & 7**) and the activities which are exempted (e.g. activities deemed approved²);
- The maximum permissible time for a staff member to spend on outside practice (e.g. on average one day per week and 52 days per year) and the way to count the time spent (e.g. lay down in the guidelines whether the preparation time and the traveling time for outside practice should be counted);
- The proper use of resources (e.g. under what circumstances, terms and conditions should the use of the TEI's resources be allowed) and the procedures to recover the cost of the resources used (**Chapter 6**);
- The income sharing mechanism (**Chapter 6**), if applicable;
- The outside practice should not cause or result in any actual or perceived conflict of interest³. As it is not possible to anticipate all conflict of interest situations, staff should be reminded that it is their responsibilities to declare when such conflict arises (**Appendix 1**); and
- For TEIs allowing their staff members to undertake private clinical practice, some more specific regulations, such as the followings, should be laid down:
 - The professional qualifications required for undertaking the private clinical practice (e.g. staff qualified as medical practitioners);
 - The need to seek approval if the private clinical practice is not taken place in the TEI's teaching hospitals/clinics for operational reasons; and
 - The standard rates for charging the patients (**Chapter 6.4.1**).

3.3.2 Approving Authorities

To strengthen accountability and ensure consistency in practice, TEIs should lay down the schedule of authorities for approving outside practice for the various types of outside activities and stipulate them clearly in the guidelines. A typical example is provided below:

² Subject to operational needs and for the sake of administrative convenience, TEIs may grant blanket approval to certain types of outside activities.

³ A conflict of interest situation arises when the "private interests" of a staff member compete or conflict with the interests of the TEI or his official duties. "Private interests" include any financial or other personal interests of the staff member concerned, his family members or other relations, his personal friends, the clubs and associations to which he belongs, any other groups of people with whom he has personal or social ties, or any person to whom he owes a favour or is obligated in any way.

Application From	Approving Authority
President	Council
Vice Presidents	President
Deans of Faculties	Vice President (Academic)
Heads of Administrative Offices	Vice President (Administration)
Heads of Academic Departments	Relevant Deans of Faculties
Academic Staff (e.g. Professors, Associate Professors)	Relevant Heads of Academic Departments
Non-academic Staff (e.g. administrative and support staff)	Relevant Heads of Administrative Offices

To enhance objectivity and accountability, TEIs may form a panel/committee to consider and approve the applications, based on operational needs (e.g. consultancy project involving a team of staff members from different departments/faculties) and risk factors (e.g. outside practice involving huge amount of income or TEIs' resources). If a panel/committee is used, TEIs should clearly define the:

- terms of reference of the panel/committee;
- appointment of Chairman (e.g. by the senior management); and
- composition of membership, including the number and mix of members (e.g. from different departments/faculties).

3.3.3 Renewal Policy

To ensure timely monitoring of staff members' outside activities, TEIs should specify the validity period of each outside practice application (e.g. on project basis) and set out:

- the renewal policy for outside activities which span over one year (e.g. whether a renewal or a fresh application is required); and
- the need for re-submission of an application if there is any change in the essential particulars of the outside activities (e.g. change of project period and nature of the activities).

3.4 Periodic Reviews

To ensure the guidelines can cope with the development of TEIs and the changing trends of society, they should be subject to periodic reviews (say, biannually) by the Personnel/Human Resources Office (**Chapter 3.2.1**) and any subsequent updating of the regulations should be endorsed by the governing body.

3.5 Reinforcing Staff Awareness

As the proper administration of outside practice relies on staff's understanding and compliance with the relevant guidelines, TEIs should adopt the following measures to enhance their awareness:

- Arrange briefing for the newly recruited staff, if resources permit, or provide a set of the outside practice guidelines to them on appointment;
- Circulate the outside practice guidelines to the serving staff regularly (e.g. half-yearly); and
- Conduct training for staff on a need basis (e.g. academic staff who are frequently engaged in outside practice, administrative staff who are responsible for handling outside practice applications, or supervisors who are responsible for approving the applications or monitoring the outside practice).

Processing Applications

4.1 Introduction

It is essential for TEIs to require staff to seek approval from the relevant authorities before taking up outside practice, except for those outside activities deemed approved (**Chapter 3.3.1**). A clear and simple application procedure saves administrative effort and at the same time facilitates supervisory checks and monitoring on outside activities. This Chapter aims to recommend the corruption prevention measures for TEIs in processing the applications for outside practice from staff members.

4.2 Submission of Application

To avoid inconsistent practices, it is important for TEIs to standardize the means of application so that applicants from any department/faculty could follow the same set of application procedures. All staff members should be required to submit an application, either in conventional paper form or in electronic form for online submission, to the relevant approving authorities (**Chapter 3.3.2**), providing their personal particulars, a general description of the outside activity and the following details:

- The reason for undertaking the outside activity;
- The number of hours and days to be spent on the outside activity;
- The expected dates of commencement and completion if the outside activity spans over a period of time (e.g. a consultancy project);
- The amount of fee to be received from the client, especially if the TEI has adopted any income sharing policy (**Chapter 6**);
- A project proposal if the outside practice is a project-type activity (e.g. a consultancy project), highlighting:
 - > the project nature and expected deliverables;
 - > the manpower deployment plan (e.g. whether other staff members or students are involved in the project);
 - > the use of the TEI's resources (e.g. laboratory equipment), if any; and

- the ownership of the intellectual property right of the invention developed by the project (e.g. new technology), if any;
- Any supporting documents of the outside activity (e.g. invitation letters from clients); and
- An undertaking signed by the applicant (**Appendix 2**) that:
 - his normal duties will not be disrupted or adversely affected when conducting the outside activity;
 - he will act as an individual in his own capacity and no liability whatsoever arising out of or in connection with the outside activity will be attached to the TEI in any circumstances; and
 - he fully understands the TEI's guidelines on outside practice and the information provided in the application is true and correct.

If more than one staff member is involved in an outside activity (e.g. consultancy project involving a team of staff members from the same or different departments), each of them should be required to submit an application on his own. If the approving authority (e.g. Head of Department) is also part of the team, the applications from his subordinates should be approved by the next higher level of authority.

To facilitate monitoring and allow sufficient time to vet and process the application, TEIs should require all applications be submitted before the commencement of the outside practice. Late applications should normally not be considered. Retrospective approval should be sparingly granted on exceptional circumstances with full justifications provided by the applicant and considered by a supervisor higher than the original approving authority to enhance checks and balances.

4.3 Engagement in Public Office

Given the unique nature and heavy time commitment of this type of outside activity (**Chapter 2.3.5**), TEIs should take into account the followings in processing staff members' applications:

- Whether there is a need for the staff member concerned to apply for no-pay leave if the time limit for outside practice (**Chapter 3.3.1**) is exceeded; and
- Whether the staff member concerned is required to contribute to the TEI his income arising from the public office (e.g. salary or allowance) and the relevant income sharing arrangement (**Chapter 6.3**).

Establishing the Approval Procedures

5.1 Introduction

Staff's applications for outside practice are all subject to approval by the relevant approving authorities who are supervisors coming from different departments/faculties (**Chapter 3.3.2**). In the absence of a set of pre-determined approval criteria, there could be loopholes for manipulation and favouritism as different staff members may exercise undue discretion in the process. This Chapter recommends the good practices to help TEIs minimize the risk of abuse in approving staff members' outside practice applications.

5.2 Approval Criteria

To avoid any actual or perceived favouritism in the approval process, TEIs should specify the broad approval criteria for compliance by the approving authorities, taking into account the following factors:

- The activity under application should fall within the principal criteria for outside practice (**Chapter 2.2**);
- The outside practice should not impair the staff members' work performance or distract their attention from their normal duties;
- The outside practice should not adversely affect the TEI's reputation;
- The accumulated time to be spent on outside practice by a staff member within the same year should not exceed the time limit set by the TEI;
- The staff member concerned should have no previous records of breaching the TEI's regulations on outside practice (**Chapter 3.3.1**); and
- The outside practice should not cause or result in any actual or perceived conflict of interest.

5.3 Appeal System

To assist in revealing any malpractice in the approval process, TEIs should establish an appeal system for rejected applications and provide appeal channels for all staff. Records of all applications, including those rejected cases, should also be properly documented to facilitate the retrieval of cases for review when there is an appeal lodged by a staff member whose application was not approved.

To prevent favouritism and ensure consistency, TEIs should assign an independent staff member, who is not involved in processing the initial application, to handle the appeal case and require him to take into consideration:

- the details of the outside practice under application and the supporting documents provided;
- the reasons for rejecting the initial application;
- any further or supplementary information provided by the applicant in support of his appeal;
and
- any precedent (e.g. similar application with approval granted).

Cost Recovery and Income Sharing

6.1 Introduction

Staff members may use TEIs' resources during the course of outside practice (e.g. using laboratory equipment for research and consultancy projects). To ensure the use of these public resources is properly accounted for, TEIs should establish a mechanism to determine the cost incurred and to charge the staff members concerned. This Chapter aims to provide safeguards against possible malpractices by staff when using TEIs' resources for the purpose of outside practice (e.g. hiring of campus venues and equipment, use of manpower such as other staff members and students).

6.2 Cost Recovery System

To ensure fairness and transparency, TEIs should clearly set out the cost recovery mechanism for those outside activities where TEIs' resources are used. This could be done by requiring the staff concerned to reimburse all cost incurred during an outside activity (e.g. consultancy project), covering both the direct and indirect cost.

6.2.1 Direct Cost

Direct cost refers to the identifiable use of TEIs' resources and any item requiring a disbursement or charging by the TEIs. To ensure consistency, TEIs should specify the cost of the items (e.g. by developing a schedule of rates). Common examples of direct cost include, but not limited to, the use of the following items:

- Specialized equipment (e.g. laboratory equipment used for research projects);
- Laboratory materials and consumables; and
- Campus premises (e.g. rental of venues such as seminar rooms and conference halls).

To avoid allegation of impropriety and ensure the use of public-funded resources is properly accounted for, TEIs should also lay down the policy that priority would be given to normal programmes/activities (e.g. courses funded by the University Grants Committee, student activities) when there is a competing request for using the resources for the purpose of staff members' outside practice. To facilitate this priority arrangement, TEIs should require the staff concerned to specify the purpose of using the resources when making such a request (e.g. booking of venue) so that the administrative staff could accord proper priority to the request.

6.2.2 Indirect Cost

As some TEIs' resources (e.g. overhead cost, use of TEIs' administrative and accounting services) cannot be easily quantified and the cost incurred is not always countable, TEIs may classify them as indirect cost and develop a mechanism to offset the cost. It is recommended that TEIs should charge a percentage of fee from the income received by the staff member concerned for the outside practice. In doing so, the following factors may be taken into consideration:

- Whether a fixed percentage is applicable to all types of outside activities and clients (e.g. government, private companies);
- If a range of percentage is used for different outside activities, specify, in the form of a pre-determined schedule, the respective percentage to be charged; and
- If waiver of the above charges is allowed, lay down the procedures for the application of such waiver and the approval criteria (e.g. outside activities conducted for non-profit-making or charitable purposes).

6.3 Income Sharing System

Aside from the cost recovery approach, sharing of the income received from outside practice by staff is another means for TEIs to offset the cost involved and associated risks in relation to their outside activities. In determining an income sharing policy, the following items should be laid down:

- The types of outside activities which are subject to income sharing;
- Whether a fixed percentage or a staggering of percentages for different income thresholds is to be charged;
- The special arrangements for private clinical practice and engagement in public offices, if applicable, in view of the unique nature of these two types of outside activities (e.g. whether the staff concerned are required to share their income with the TEI and the specific percentage of income to be charged); and
- The mechanism to review the percentage periodically, keeping it in line with the trend and level of income received by staff.

In case "non-cash" income is received by staff (e.g. share option of a company), TEIs should set out the policy and procedures on how to determine the value of such income for the purpose of income sharing.

6.4 Billing Arrangement

6.4.1 Private Clinical Practice

In view of the substantial income arising from private clinical practice (**Chapter 2.3.3**) and to avoid understatement of such income by staff, TEIs should put in place the following measures to guard against malpractice:

- Centralize the collection of fees from patients (e.g. receipt of fees through the Finance Office (**Chapter 3.2.1**) of the teaching hospital/clinic) to avoid misappropriation of patients' fees by individual staff members;
- Follow a standard schedule of fees for charging the patients (e.g. the consultation fees set out by the Hospital Authority) to avoid any allegation of favouritism in fee charging to individual patients by staff members;
- Issue official receipts to patients by the TEI or the teaching hospital/clinic;
- Publicize the billing arrangement, the fee payment methods and the standard schedule of fees to enhance transparency; and
- Lay down the criteria and procedures for granting a waiver if waiver of the patients' fees is allowed.

6.4.2 Other Outside Practice

For outside practice undertaken by staff through TEIs' central units (e.g. consultancy projects supported by the Knowledge/Technology Transfer Office (**Chapter 3.2.1**)), the Finance Office should be tasked to collect fees from clients and handle all finance and accounting matters.

6.5 Handling Donations Received during Outside Practice

If any forms of donations from clients or other outside parties are received during the course of outside practice, TEIs should require the staff concerned to follow the safeguards as recommended in the ***Module on Administration of Donations*** of the Guide to ensure proper handling of donations.

CHAPTER 7

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Reporting and Monitoring

7.1 Introduction

Proper and accurate reporting assists TEIs in the monitoring of staff's outside activities and the detection of fraud or corruption. If the reporting procedures are not followed consistently across all departments/faculties, the senior management would not have a complete picture of the outside practice undertaken by all staff, making it difficult to monitor and increasing the risk of abuse. This Chapter aims to provide safeguards against malpractice to help TEIs strengthen their reporting procedures and also monitor staff compliance with relevant regulations on outside practice.

7.2 Reporting Requirements

To ensure timely reporting of outside activities, TEIs should lay down the following reporting requirements:

- Specify the need for reporting as soon as the outside activity is completed (e.g. within two weeks);
- If periodic reporting (e.g. half-yearly) is required (e.g. for outside activities which span over a long period of time), specify the deadline for each reporting period;
- Require staff to report on the actual time spent on outside activities (by reporting the actual project period and the amount of time used) to facilitate checking by supervisors against the estimated time provided in their outside practice applications; and
- Require staff members from different departments/faculties to follow the same reporting procedures:
 - As the sizes and organizational structures of the departments/faculties are different, TEIs should set the authorities to whom staff members are required to report (e.g. immediate supervisors) to ensure consistency; and
 - Reports submitted by staff members from various departments/faculties should be sent to the central unit (e.g. Personnel/Human Resources Office (**Chapter 3.2.1**)) for preparation of summary/statistical reports to the senior management.

7.3 Supervisory Checks

It is important for TEIs to specify the roles of supervisors in the administration of outside practice. To detect and deter possible malpractice in the reporting procedures (e.g. non-reporting of outside activities, circumventing the reporting requirements), TEIs should require the supervisors to conduct regular checks on subordinates' reports on outside practice, including verification of their project/activity reports and payment records from clients on a need basis. Supervisors should also conduct mid-year review of the work performance of the staff concerned to check if their normal duties are affected. As an additional safeguard, the central units should conduct random checks on the reports submitted to ensure that the rules and regulations on outside practice are always complied with.

7.4 Management Reports

To enhance monitoring and facilitate early detection of potential problems associated with staff's outside practice, management reports should be prepared by the central units for submission to the senior management. Such management reports should include, but not limited to, the following key items:

- Statistical summary on the number of outside activities undertaken by staff members with breakdown by:
 - > departments/faculties; and
 - > nature of activities;
- Exceptional cases such as those:
 - > exceeding the time limit by individual staff members (e.g. listing out the names of the staff concerned); and
 - > requiring retrospective approvals and their justifications; and
- Common problems found in non-compliance cases noted (e.g. late submission of reports).

7.5 Compliance Checks

To maintain checks and balances, TEIs should subject the administration of outside practice (including the operational procedures and the financial arrangement) to independent review, say, internal audit and submit the audit results to the appropriate authority (e.g. reporting the irregularities noted to the governing body) for deliberation and endorsement.

7.6 Disciplinary Actions

The overall effectiveness of the administration of outside practice would be undermined if there is no proper disciplinary action against staff members' perpetual non-compliance with the laid down requirements. TEIs should follow their established disciplinary policy and procedures, and take appropriate action against a specific act of misconduct by staff, having regard to the seriousness of the non-compliance or misconduct. To enhance objectivity in handling these cases, consideration may be given to setting up a panel, comprising staff members from different departments/faculties/

offices, to recommend to the senior management any disciplinary actions to be taken. If there is any suspected criminality in the case, a report should be made to the appropriate law enforcement agency without delay.

APPENDIX 1

Sample Form for Declaration of Conflict of Interest

Part A – Declaration *(To be completed by Declaring Staff)*

To : (Approving Authority) via (Supervisor of the Declaring Staff)

I would like to report the following actual/potential* conflict of interest situation arising during the discharge of my official duties:-

Persons/companies with whom/which I have official dealings
My relationship with the persons/companies (e.g. relative)
Relationship of the persons/companies with our organization (e.g. supplier)
Brief description of my duties which involved the persons/companies (e.g. handling of tender exercise)

(Date)

(Name of Declaring Staff)
(Title / Department)

Part B – Acknowledgement *(To be completed by Approving Authority)*

To : (Declaring Staff) via (Supervisor of the Declaring Staff)

Acknowledgement of Declaration

The information contained in your declaration form of _____ (Date) _____ is noted. It has been decided that:-

- You should refrain from performing or getting involved in performing the work, as described in Part A, which may give rise to a conflict.
- You may continue to handle the work as described in Part A, provided that there is no change in the information declared above, and you must uphold the [name of TEI]'s interest without being influenced by your private interest.
- Others (please specify) : _____

(Date)

(Name of Approving Authority)
(Title / Department)

* Please delete as appropriate.

Sample Undertaking Form for Applicants of Outside Practice

To : (Approving Authority)

I fully understand the institution's guidelines governing outside practice and undertake to:

- ensure my normal duties will not be disrupted or adversely affected when conducting the activity under this application;
- act as an individual in my own capacity when conducting this activity, and that no liability whatsoever arising out of or in connection with this activity will be attached to the institution in any circumstances;
- indemnify and pay the institution any loss and damage whatsoever and howsoever arising as a result of, or in the course of, or arising out of this activity;
- reimburse the institution properly for all costs incurred in the use of equipment and facilities, if any, for the purpose of this activity; and
- ensure the information provided in this application is true and correct to the best of my knowledge.

Name: _____

Signature: _____

Title: _____

Date: _____

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