



Indian Institute of Forest Management

(An autonomous Institute under the Ministry of Environment and Forests, Government of India)

Nehru Nagar, Bhopal 462003

No. IIFM/ Consultancy Rules/2007 dated 05-03-2007

The IIFM Consultancy Rules, 2007

The consulting activities bring the faculty into direct contact with the real life problems, and provide opportunities to the faculty to use their knowledge to solve problems faced by the client organisations. The consultancy assignments are primarily considered as academic activities. Indian Institute of Forest Management, Bhopal (hereinafter referred to as IIFM) and its faculty consider opportunity of gaining insight into relevant practices as the primary goal of consultancy, and therefore, income generation to IIFM and the faculty from the consultancy activities is subservient to the knowledge accretion. The IIFM faculty members contribute for the forest and natural resource development, and the experience strengthens other IIFM activities through linkages with resource managers and other practitioners.

In exercise of the authority vested in the Board of Governors under the Memorandum of Association and in suppression of all the existing rules and regulations, the following consultancy rules are hereby framed to regulate and guide the consultation services provided by the IIFM faculty members:

1. **Title and commencement:**

These Rules may be called the ‘Indian Institute of Forest Management Consultancy Rules, 2007’ and these Rules shall come into force with the immediate effect. Its short title shall be the ‘IIFM Consultancy Rules, 2007’

2. **Definitions:**

In these Rules, unless the context requires otherwise,

- 2.1. The “Client Organisation” means an organisation providing consultancy assignment to a faculty member or a team thereof, as the case may be;
- 2.2. The “Consultancy” means all the activities as specified in these Rules yielding professional income to a faculty member, and a “foreign consultancy assignment” means such assignment performed outside India and granted by an overseas organisation;
- 2.3. A “Faculty Member,” for the purpose of these Rules, means “the faculty serving in the Institute (Professor, Associate and Assistant Professors and Lecturers) and excludes any visiting member of the faculty.” A faculty member serving in IIFM on deputation from any Central or State Government service shall also be included and governed by these Rules for the period of his/her deputation in IIFM.

<p>3. Scope of Consultancy</p>	
3.1.	<p>“Consultancy” or Consulting activities include remunerative assignments as well as all activities yielding professional income or pecuniary benefits to a faculty member or a team of faculty members, as the case may be, whether by way of consultancy or other remunerative assignments. Any project offered by a client organisation as consultancy before any correspondence by a faculty member on this account is made shall be considered as the consultancy assignment. Similarly, projects having explicit budget head of “Consultancy fee” to the IIFM faculty may also be considered as the consultancy assignment at the discretion of Director.</p>
3.2.	<p>The following activities shall not constitute consultancy:</p>
3.2.(a).	<p>Any research or training activity, not identified explicitly as the consultancy assignment, carried out by the faculty using external funding support from any organisation or agency in India or abroad;</p>
3.2.(b).	<p>Publications brought out through a commercial publisher, whose primary business is publishing, on a royalty basis</p>
3.2.(c).	<p>Any support for the purpose of faculty development activities;</p>
3.2.(d).	<p>Any literary, cultural and artistic activity; any activity earning award of public nature from public competitions, or reward payable in connection with administration of justice and any statutory provision (any act, rules or regulations); any duty attracting fee payable for the duty required to be performed under any special or local laws or by the order of Government; or any scientific or technological activity not connected with or competing with the IIFM activities or damaging to the IIFM interests; and</p>
3.2.(e).	<p>Any other general or specific activity judged as such by the Director.</p>
3.3.	<p>Seating fees and honoraria for occasional lectures/ talks shall not attract these rules. A total amount of Rs.5,000/- received by a member of faculty as compensation for membership of boards & committees, participation in teaching programmes, occasional lectures, publications in journals, magazines, newspapers or such other media, chapters in books and such other sundry activities will be exempted from the application of these Rules. The amount in excess of Rs.5,000/- (or pro-rata) will be treated as consulting fee.</p>
3.4.	<p>A faculty member participating in any activity involving any kind of payment for consultancy assignment or otherwise from external funding agency, another organization or agency must secure prior written approval of the Director.</p>
3.5.	<p>The consultancy opportunities shall be available to the faculty members and Director only. The Institute shall exercise caution in granting consulting permission to faculty with little or no research or consulting experience. However, the endeavour will be to include such individuals in group projects so that they may gain experience. For Director to become member of the consultancy team, approval of the chairman, BOG will be necessary.</p>
3.6.	<p>Faculty members will not solicit consultancy. The faculty member’s primary obligation is to the Institute, and the Director shall ensure that his/her engagement into consultancy assignment shall not jeopardise the Institute’s activities.</p>
3.7.	<p>A faculty member shall maintain conduct and dignity befitting a faculty member of IIFM in connection with all activities related to consultancy services provided by the Institute. Any transgression, financially or otherwise, will be viewed seriously.</p>

3.8.	During the consultancy assignment, the faculty member(s) shall make an endeavour to produce academic publication(s) and use of their results for teaching and training with prior approval and understanding of the client organisation.
4.	Permission to undertake consulting
4.1.	All consulting is done in the name of the Institute irrespective of the client's initial approach directly to an individual, to the Institute or through a public notice.
4.2.	The Director's prior permission in writing is required in each case for making correspondence with the client organisation, bid submission or accepting any consultancy offer. In cases of foreign sponsorship, prior approval of the Ministry of Environment and Forests (MoEF) will be obtained.
4.3.	Permission for engagement in the consultancy assignment(s) may be granted after due consideration to the importance and relevance to the work for IIFM, requisite expertise, experience, interests areas of specialization, capabilities, the member's performance in research, teaching and training as well as the IIFM-client relationship.
4.4.	Distribution of consulting work among the faculty members and the opportunity cost affecting the institutional tasks may be considered while granting permission for the consultancy assignments.
4.5.	Consulting arrangements of maintaining a faculty member as consultant to an organization on a retainer basis will be discouraged.
4.6.	Where the client approaches the Institute or availability of the consulting opportunity is known to the Institute, the Director may constitute a team of faculty member(s) to take up or bid for the consultancy assignment.
4.7.	In cases of unavoidable circumstances, the Director may reconstitute the consultancy team or change the team leader and the members of the consultancy team.
4.8.	If directly approached by clients, faculty member(s) shall not commit themselves orally or in writing until the Director's explicit permission has been obtained. The Director has the authority to refuse permission, even though the exercise of this authority may be rare.
4.9.	A faculty member can be a Director of a consulting firm... To avoid the possibility of conflict of interest that may arise between the institutional obligations and the objectives of the client organisation, any faculty member shall not be allowed to have any pecuniary interest, other than seating fee according to the rules of the Institute, directly or indirectly in the client organisation. He will be allowed to take a sitting fee when he attends meetings of the Board of Directors of the consulting firm. A faculty member shall not be allowed to take up consulting assignment wherever the member is a Director of the client organisation or has pecuniary interests.
4.10.	Permission for association with national or international firms or organisations may be granted only after due care and scrutiny ensuring that there is no <i>prima facie</i> case of any conflict of interest.
4.11.	The interested faculty members shall submit their proposals for the consultancy assignment in the format prescribed by the Director from time to time. The Director may prescribe different formats for different purposes.

5. Constituting the Consultancy Team
5.1. Whenever the client organisation communicates explicit written desire to engage an individual faculty member, the Director may designate that person as the team leader, who in turn, may propose a team of faculty members for approval.
5.2. In other cases, the Director may solicit interested faculty members to submit proposals along with justification for leading a faculty members' team.
5.3. Such proposals seeking the approval should be submitted with the consent of each team member stating capabilities and current academic workload in the prescribed format. The Director shall decide the team to bid/ submit proposal on behalf of the Institute.
5.4. The Director will monitor the progress of the consultancy assignments as deemed fit.
5.5. The team leader shall regularly submit to the Director a copy of the proposals, the report, correspondence with the client organisation and feedback of the client organisation. If maintenance of secrecy is required, the papers may be submitted in the sealed envelope. The feedback must also be communicated to all the team members
6. Permissible Consulting time
6.1. The maximum permissible time allowed to each member of the faculty for the consulting assignments is fifty-three (53) days per academic year without the provision of carrying forward to the next year including intervening vacations, holidays and paid leaves. The Director's judgement for assessment of days spent on the consultancy assignment shall be final.
6.2. The accounting year for this activity will be the academic year from the first of July to the end of June. The consulting time available to a faculty member being on the payroll for less than a year would be reduced on the pro-rata basis.
6.3. The consultancy day equivalence for the assignments without explicit mention of the number of days shall be calculated by dividing the amount and monetary value of the benefits by the applicable per diem consultancy rate.
7. Per diem consultancy rate
Uniform per diem consultancy rates shall be as decided by the IIFM Finance Committee from time to time.
8. Consultancy Promotion Cell
The Director may constitute a 'Consultancy Promotion Cell' consisting of the faculty members to disseminate information regarding availability of expertise to potential client organisations. The Director may also seek advice from the Cell on any consultancy related matter.
9. The Institute's assistance
9.1. The Consultancy team may offer opportunities to Research Associates to work on the project based on their expertise and interests. Research Associates may accept the offer to serve as the project personnel for the consultancy assignment at the rate defined by the Finance Committee, provided total days on such engagement does not exceed 30 days per year.
9.2. In case of requisite expertise not available in the Institute or other circumstances in the opinion of the Director warranting such an arrangement, the Director may allow contractual engagement of an external expert or Consultant on the basis of well-defined time bound 'Terms of Reference' as recommended by the Consultancy Team.

9.3.	The Director may allow engagement of full time project personnel on the consulting project as envisaged in the project activities and its budget. Such persons shall also be subject to Institute's rules as applicable to the project personnel of similar status on short-term contractual appointment. They must be appointed through standard procedures of IIFM and on the terms and remuneration approved by the Institute. In no case, such persons shall have any claim over regular employment in the Institute or data and output generated during their engagement during the assignment. Adequate financial provisions for supporting facilities including space, furniture, equipment, etc., must be made in the consulting proposal as a part of direct expenses.
9.4.	The Institute will, subject to its commitments, resources and convenience, provide assistance to the faculty members involved in consulting assignments. The major types of assistance will be in the form of research and secretarial assistance and materials.
9.5.	No fees, honoraria or any other pecuniary benefits will be paid for the purpose and the staff will be subject to the rules pertaining to the normal employment.
9.6.	A member of the research staff on the pay roll of the Institute shall not be used in consulting without the explicit permission of the Director. No fees will be paid to research staff, while assisting faculty on such a project.
9.7.	In the case of all staff assisting in the consulting work, the team leader is responsible to the Director for their proper conduct and quality of the output.
9.8.	Teaching, and project research take precedence over consulting in the use of the Institute's human, financial and physical facilities.

10. UN and Foreign Consultancies

- 10.1. The Director may (with the prior approval of the MoEF) permit any faculty member to undertake foreign consultancy assignments with agencies of the United Nations and other reputed agencies like Asian Development Bank, ESCAP, etc., outside India. Such assignments shall also be dealt with under the provisions specified above including the sharing arrangement for the consultancy fee irrespective of the nomenclature used for such payment. A copy of the written report(s) shall also be submitted to the Director.
- 10.2. *Per diem* compensation for boarding, lodging and incidentals not being part of compensation for efforts, will accrue in full to the faculty member concerned.
- 10.3. All direct and indirect expenses, if any, shall be borne by the client organisation.

11. Budget

- 11.1. The budgeting of consulting proposals will have four components:
 - (i) Consulting fees
 - (ii) Direct expenses
 - (iii) Institute's assistance (research, clerical, material, etc.), and
 - (iv) Institute's support (overheads)
- 11.2. As a norm, the faculty members shall furnish to the client the total consultancy fees and not the rate per day. The rate per faculty person-day will be determined as prescribed above in these rules. The Director may allow a consultancy team to make appropriate adjustment or waiver of a part of consultancy days in its accounting and consequently the consultancy fee in cases of challenging assignments, desirable relationship with certain organizations or overall

<p>contribution to the development of forest and natural resources.</p>	
11.3.	The form in which the cost is actually presented to the client may vary with each project.
11.4.	The Director may permit a higher rate in special cases or assignments with international or foreign agencies involving payment in foreign exchange (where fixing a uniform rate may not be possible). In granting such permission, the Director will keep in view the total earnings of the concerned faculty (including the Institute's share in the consulting fee) from this activity.
11.5.	On completion of the consultancy assignment and receipt of full payment for the consultancy, the professional fees shall be shared between the faculty member and the Institute in proportion of two-third and one-third, respectively, provided that in case of assignments where overhead is not separately indicated, the basis of sharing will be half and half. The distribution of professional fees would be as per Annexure B . Any savings in direct expenses and institutional assistance is not visualised, but such saving, if any, shall accrue to the Institute. Half of the Institute's share shall be used for granting incentives to the IIFM staff and officers of IIFM as deemed fit by the Director. A member of the consultancy team shall have the option to forego his/her share of honorarium, which shall then lapse and to be transferred to the IIFM staff and Officers Welfare Fund
11.6.	Direct expenses include the cost of research, secretarial and other staff employed full time on the project, travel fares and living expenses on tour, local travel, service tax at the prevailing rate on the total consultancy amount and other sundry items including furniture and equipment for staff full time on the project. TA and DA should be according to the rules of the Institute, unless the Director's permission is obtained for any deviation. In that case, an estimate of such expenses may be included in the budget.
11.7.	Institute assistance relates to the use of staff otherwise employed by the Institute, stationery, postage, telegrams, telephones, etc.
11.8.	Institute support is for other overheads for which a standard one third (33 1/3%) will be applied to the total professional fees plus other personnel costs including those on the external experts/ consultants.
11.9.	The charges for the use of research staff, secretarial and other personnel may be ascertained from the Finance Officer of the Institute.
11.10.	Computer charges for consulting work may be ascertained from the Officer-in-charge of the IIFM Computer Centre.
11.11.	For other items faculty will make a "best estimate" of the actual in consultation with the Finance Officer and Administrative Officer.
12.	Accounting and reporting system
12.1.	A copy of every proposal and its budget must be submitted to the Director in the prescribed format (Annexure A).
12.2.	A copy of the letter of agreement between the client and the faculty member should also be sent to the Director.
12.3.	All cheques should be made out in the name of the Institute. Direct recoverable expenses such as daily expenses may be settled directly with the client in accordance with the relevant agreement.

12.4.	Every team leader as well as the Finance Section must keep separate account of the consultancy project. The team leader and the Finance Officer shall carefully watch the expenditure in relation to the proposed budget.
12.5.	All documents relating to the project will clearly state the title of the project.
12.6.	The faculty member or team leader shall submit to the Director a full account of the project budget and expenditure on completion of the project.
12.7.	A copy of the consulting <u>report</u> must be submitted to the Director. A document listing the outcome of the project including the contributions made by each of the team member to be submitted to the Director and to be signed by each of the team member
12.8.	The concerned team leader will be responsible for recoveries.
12.9.	Wherever possible advances from the client should be requested to cover direct (travel fares and living expenses on tour, local travel, and other sundry items including furniture and equipment for staff full time on the project) and consulting staff expenses. Institute shall endeavor to obtain maximum percentage of consultancy amount as advance in installments. The quantum of installments shall be fixed through negotiations with the sponsor before signing of agreement.
12.10.	In order that certain categories of organizations are not deprived of the services of the faculty on a consulting basis due to a financial incapacity inherent in the structure of their organization and that certain members of the faculty are not deprived of the experience of consulting by virtue of their potential clientele being from such categories of organizations, the Director may in specific cases, waive in part or whole certain assistance and support charges which otherwise would be recovered by the Institute.
13.	Residuary matters, repeal and Saving
13.1.	Director's decision in all matters relating to consulting including the overhead charges or interpretation of these rules will be final.
13.2.	All rules corresponding to these Rules and in force immediately before these Rules coming into force are hereby repealed in respect of matters covered by those rules. All the ongoing consultancy projects at the time of issue of these rules shall continue to be governed by the pre-existing rules and regulations. All concluded consultancy projects shall be governed by the prevailing rules, regulations and guidelines. Provided that any order made or action taken under the rules so repealed shall be deemed to have been taken under the corresponding provisions of these Rules.
	Indemnity / Liability
13.3.	The liability, if any for IIFM arising out of or the connection with Consultancy Services shall be subject to a ceiling of the amount received by IIFM from the Party for the Consultancy.
13.4	Ownership of reports, software etc. will be with the client and for his exclusive use. If the client wants to share with other party, appropriate agreement to that effect has to be signed by the client with the Institute.

Annexure A



INDIAN INSTITUTE OF FOREST MANAGEMENT, BHOPAL

Consultancy Project Approval Form
(Fill in Quadruplicate)

Consultancy project number _____
(To be assigned by Chairperson -Consultancy Office)

1) Title of the project _____

1.1 Name of the organization _____

Address _____

Phone no. _____ Fax no. _____ e-mail _____

1.2 Contact person at the organization _____

2) Approximate duration of the project _____

2.1 Expected date of start _____ Expected date of Completion _____

3) If field project, location (s) to be visited _____

4) Budget:

4.1 Salary of project supporting staff

(Field Investigator /Project Assistant /Project Associate/
Data Entry Operator etc.)

4.2 Travel, Board & Lodging:
Self _____

Staff _____

4.3 Furniture, equipment etc. _____

4.3 Indirect charges (Stationary, Postage, Computer, Phone, Fax etc.) @
5% on (Professional fees+ Project supporting staff)

4.5 Professional fees @ _____ X number of days _____ = _____

4.6 Institute overhead 33.33% on (Professional fees+ Project supporting
staff)

4.7 Service tax on total consultancy amount (Presently, @ twelve point two four (12.24%) on **4.1 to 4.6** as above)

4.7 Total cost of the project*
(Total 4.1 to 4.7 as above)

5) Project team:

If more than one Institute's faculty is involved in this project, please mention each team member's number of day's involvement

Team member 1 _____, 2 _____,

3 _____, 4 _____, 5 _____,

6 _____, 7 _____, 8 _____

Please mention , before this assignment, out of fifty three consulting days, how many days have been spent in this financial year (April 1, 20____ - March 31, 20____) by each faculty involved in this project

Project leader name and signature

For office use only

**Recommended/Not recommended
approved**

Approved/Not

Chairperson-Consultancy

Director

Project number _____

Note for Accounts Department

After date of start of project, Accounts section will provide monthly income and expenditure report to the Chairperson-Consultancy and Project leader. If duration of project is more than three months then quarterly report should be sent.

Please note if project duration exceeds, accounts section will continue sending income and expenditure report to the Chairperson-Consultancy and Project leader till the project is over.

Distribution

1 st Copy	Director	2 nd Copy	Chairperson-Consultancy
3 rd Copy	Project leader	4 th Copy	Accounts

* The payment to be made in the name of the Institute directly as per clause 12.3 of
'IIFM Consultancy Rules'

Annexure B**INDIAN INSTITUTE OF FOREST MANAGEMENT, BHOPAL****Sub: Distribution of Professional fees.**

The distribution of professional fees will be calculated as per the following formula:

A.	Total amount received for the consultancy project	Rs. _____
B.	Overhead Charges on (Professional Fees + Man Power budgeted (Support Staff)) @ 33.33%	Rs. _____
C.	Indirect expenses (stationary, postage, telephone, Computer etc) @ 5% on (Professional Fees + Man Power budgeted (Support Staff)).	Rs. _____
D.	Direct Expenses (Actual) including provision for service tax on total consultancy amount (presently @ 12.24%) and cost of staff engaged, TA/DA, furniture and equipment-etc. for the consultancy project.	Rs. _____
E.	Excess expenditure A-(B+C+D)- Professional fees If E is negative, absolute value of E is to be deducted from the budgeted consultancy fees, otherwise to be ignored.	Rs. _____
F.	Professional Fee available for distribution Budgeted Professional fee – excess expenditure (Absolute value of E, if E<0; otherwise excess expenditure is 0)	Rs. _____
G.	Amount to be distributed (a)Faculty - 2/3 rd of F (b)IIFM Corpus – 1/6 th of F (c)Staff incentive – 1/6 th of F The distribution of professional fees G (a), to each faculty member shall be as per their proportionate number of days as mentioned in Annexure A.	Rs. _____ Rs. _____ Rs. _____

While writing consulting proposal, please use the above mentioned formula by making back calculations.