



# **MACHAKOS UNIVERSITY**

## **INCOME GENERATING POLICY**

**JANUARY 2019**



**APPROVAL**

**Policy Title:** Income Generating Policy

**Policy Contact:** Deputy Vice Chancellor (Research, Innovation and Linkages)

**Approval Authority:** The University Council

**Category:** Division of Research, Innovation and Linkages

**Reference No.:** MksU/MR/IGP/015

**Effective date:** Date of Signing

Approved by the University Council:

Sign:  Date: 19.02.2019

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**VICE-CHANCELLOR & SECRETARY TO THE COUNCIL**

Sign:  Date: 20.02.2019

**PROF. GIDEON BILLY HANJARI, PH.D.**  
**CHAIRMAN OF THE COUNCIL**

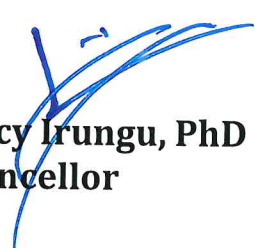


**FOREWORD**

This Income Generating Policy addresses Machakos University leaders and managers by providing them with best practices and innovative approaches to start or improve their income diversification strategies in their schools, departments and sections. It seeks to inform policy-makers and implementers of all university levels on what they can do to foster synergies for income diversification and generation to support Machakos University core functions, mandate, vision and mission.

Machakos University endeavours to achieve sustainably, industrial and socio-economic transformation of our communities. This aspiration requires prudent resource mobilization, generation and management which is the intent of this Policy. The Policy seeks to support Machakos University, especially on areas of income generation, utilization, sharing and management that are strategically beneficial to the institution, the neighboring communities and to the entire country. It provides a framework for steady flow of income generating activities/units to Machakos University, thus focusing on stability and certainty in support, not only of students, teaching, institutional research and innovation projects, but also that of every person in individual capacity.

Broadly, this policy is intended to facilitate consistent investment approach that cultivates perpetual long-term returns. This permits access to high quality investment vehicles and provides a broader set of investment possibilities while fostering intergenerational equity. The principle of intergenerational equity will ensure that future generations of students and schools receive at least the same level of support from Machakos University's endowment fund just as the current generation enjoys. It is therefore in my trust that this policy lays infrastructural support necessary for endowment fund best practices.

  
**Prof. Lucy Irungu, PhD**  
**Vice Chancellor**  
**&**  
**Professor of Entomology**



## ACKNOWLEDGEMENTS

I am grateful to the technical team that worked on this policy: Dr. Wycliffe Amukowa, Prof. Charles Ombuki, Dr. Sophia Njeru, Prof. Josephat Kiweu, Dr. Julius Nzeve, Mr. Victor Muithya, Mr. Richard Kimeu, Mr. Danson Mbindyo and Mr. Lawrence Matolo.

It is not possible for me to single out every person who made contributions to the development of this policy in various capacities. However, I would like to acknowledge such contributions for they made this policy significant to mission and vision of Machakos University and other stakeholders.

Thank you.



**Prof. Peter N. Mwita, PhD**

**Deputy Vice-Chancellor (Research, Innovation and Linkages)**



**LIST OF ABBREVIATIONS AND ACRONYMS**

1. **BRIT** - Board of Research, Innovation and Technology
2. **CEP**: Continuing Education
3. **DCV(APF)** - Deputy Vice Chancellor in charge of Administration, Planning and Finance
4. **DVC(ASA)** - Deputy Vice Chancellor in charge of Academic and Student Affairs
5. **DVC(RIL)** - Deputy Vice Chancellor in charge of Research, Innovation and Linkages
6. **IGA**- Income Generating Activity/Activities
7. **IGU**-Income Generating Unit
8. **MksU** - Machakos University
9. **MoU** - Memorandum of Understanding
10. **R&-D** Research and Development
11. **RIL** - Research, Innovation and Linkages
12. **VC** - Vice Chancellor

### OPERATIONAL DEFINITIONS

1. An Income Generating Unit (IGU): is any unit established for the sole purpose of generating income for the University.

i. Such a Unit may be engaged in one or more business activities.

ii. Such a Unit may be considered Income Generating when it provides a means to recoup all its costs, including personnel emoluments or a portion of it as shall be determined by the IGU Committee. iii. Such a Unit will be required to make surplus from delivery of a service or product over and above an organization's core function.

3. Direct Service Providers (DSP): Individual employees involved in the actual operations of an IGU.

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⚡ Such an employee may be a full-time or part-time basis but must have defined and direct responsibility and role in the operations of the IGU.

4. Indirect Service Providers (ISP): Individuals, sections, departments etc., who in one way or other has indirectly played part or supported the generation of income in the respective IGU/IGA.

⚡ Services and facilitation rendered by other organs and offices of the University including but not limited to the Office of the Vice Chancellor, Research Innovation and Linkages Division, Administration Planning and Finance Division, Academic and Student Affairs Division, Security, Library, Transport, Catering, Bookshop, Departments, and Schools which make the generation of the income possible.

5. Cost: A cost that can be directly or indirectly related to producing specific goods or performing a specific service. The expenditures incurred in the course of generating the income declared in an IGU.
  - Such costs will include payments for materials/consumables, raw materials for processing, electricity, telephone, advertising outlays, payment for office/production space, payment of salaries and wages for staff involved in production. For the purpose of this policy, the definition does not include part-time costs for academic programmes.
6. Surplus: A net amount after removing ALL the costs from the revenue generated. Such an amount will be determined after 20% deduction (towards contribution to the IGA Fund and development of facilities), and deduction of all the direct and indirect expenses.
7. Pay Supplement (PS): An amount paid out to both direct and indirect service providers in recognition of their roles and efforts in the generation of income for the University.
  - Such an amount will be based on the declaration of surpluses.

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## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background to the Policy

Financial sustainability and stability remains one of the biggest threats facing the universities and other higher education institutions and Machakos University is not an exception. One of the prudent mitigations is to diversify sources of income, hence income generation. Universities in developed countries have shown that significant funds can be generated through income generating units. This has been possible through the use of university Facilities and expertise to generate more funds. It is within this context that this Machakos University Income Generating Policy has been developed.

The purpose of this policy is to define the principles by which Machakos University shall effectively and efficiently generate and receive income from goods and services provided. The intention is to enhance the capacity of the University to plan and implement income-generating activities. Emphasis is on setting out a range of planning initiatives and accountability strategies that contribute to increasing the success of IGU projects, of Machakos University, without compromising the endeavour to provide scholarly education through training, research and innovation for industrial and social-economic transformation of our communities.

## **1.2 Objectives of the IGU Policy**

- 1) Maximise the current income sources that are sustainable in longterm
- 2) Identify new opportunities for generation of income, 3) Scale up production activities of Machakos University IGUs
- 4) Provide guidelines on establishment and Management of IGUs.
- 5) Ensure that business is conducted in accordance with high ethical standards, best practices in the industry and in conformity with Machakos University governing instruments
- 6) To provide guidelines in the sharing of IGUs proceeds. 7) To mobilize resources of the IGUs

## **1.3 Scope of the IGU Policy**

This IG Policy shall apply to all income generation units and activities in Machakos University, constituent colleges, its campuses and centres. The policy shall apply to both goods and services produced and supplied by the University.

## CHAPTER TWO

### POLICIES AND IMPLEMENTATION STRATEGIES

#### 2.1 Resource Mobilization

IGU funds shall be solicited from all sources including multilateral and bilateral sources, international and local sources both public and private. Solicitation of funding shall be encouraged and facilitated at individual, departmental, school, institute and inter-institutional levels. An agreement will be entered into between the University and the donors that will be facilitated by the Linkages Department of RIL.

The University shall maintain an IGA Fund with annual budgetary allocations; from which to provide seed money or initial start-up capital to support IGU development and growth of existing ones. IGU projects for University funding shall be selected on the basis of priority, business plan and viability. An agreement shall be entered between the University and the IGU concerned on the utilization of the seed money.

## **2.2 IGU Planning and Administration**

The Income Generating Units Committee (IGU Committee) that is under the Research, Innovation Linkages Division, shall be responsible for the coordination of all income generating activities in the University.

The Committee shall comprise of:

### **Membership**

- (1) Deputy Vice-Chancellor (Research, Innovation and Linkages) as Chairman
- (2) Three Deans or Directors of Faculties, Institutes, Schools, Campuses and Centres
- (3) Two Senate Representatives
- (4) Chief Finance Officer
- (5) Legal Officer
- (6) Director of University Enterprises
- (7) Registrar (Research, Innovation and Linkages) as Secretary

To be co-opted:

Such other members the committee may require from time to time.

## **2.3 Function of the IGU Committee**

The IGU Committee shall perform the following functions as mandated by the University Statutes:

- (1) to formulate operating and financial policies and guidelines for all income generating units in the University and present the said guidelines for approval by Senate and the Council;
- (2) To co-ordinate all IGUs in the University
- (3) To approve budgetary support to IGUs
- (4) To co-ordinate capacity building programmes to enhance IGA and production units in the University
- (5) To receive and review recommendations from Departments regarding the optimum utilization of production units based in Departments for training, research and production activities;
- (6) to receive quarterly reports from all IGU's and production units, and based upon these reports make recommendations regarding the operations of units; and
- (7) to deal with any other matters referred to it by Senate, the ViceChancellor or any other University Committee.

## **2.4 Role of Research, Innovation and Linkages**

The Research, Innovation and Linkages Division shall manage the development (through research and development, scaling up and socioeconomic impact studies) of innovations up to a level that they are ready for commercialization. The Division shall be the custodian of the IGU Policy and coordinate the activities of the IGU Committee. The IGU Committee shall serve as a link between the University and Income Generating Units. Decisions made by the IGU Committee shall be

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implemented through Research, Innovation and Linkages. The Deputy Vice Chancellor, RIL will oversee the implementation of the IGU Policy.

## CHAPTER THREE

### CATEGORIES, PROCESSES AND KEY TERMS

#### 3.1 Types of Income Generating Units

The activities which constitute income generating units that are being undertaken by MKSU may be classified among others as follows:

- i. Teaching i.e. courses and alternative degree programmes, centres or campuses initiated for the sole purpose of income generation.
- ii. Research and Innovation outcome IGUs i.e. commercialization of research outputs.
- iii. Non – Teaching activities such as Catering, Chemistry Products Centre, Food Products Centre, Farm and Tailoring.
- iv. Consultancies which are established at school, and institute level, purely to offer professional service at a fee.

##### 1. Teaching

One of the core functions of the University is to teach. Currently most universities in Kenya are running self-sponsored fee paying programmes apart from the regular government sponsored students. Thus with the

introduction of fee paying programmes, universities are not only fulfilling their core function of teaching but also generating income from these programmes that is geared towards supplementing the financial obligations of the University. All the fee paying programmes (degree, diploma and postgraduate) are considered income generating activities. The other categories of income generating programmes include short courses, seminars and workshops etc. In MKSU the Schools/Departments/Institutes that offer fee paying programmes include:

- i. School of Business and Economics
- ii. School of Pure and Applied Sciences
- iii. School of Education
- iv. School of Hospitality and Tourism
- v. School Humanities and Social Sciences
- vi. School of Engineering
- vii. School of Agriculture Sciences
- viii. School of Environment and Natural Resources Management
- ix. Others - short courses including TVET, seminars and workshops

The teaching IGUs, are controlled by the Academic Division of the University.

## **2. Research-outcome IGUs**



The research outcome IGUs mainly evolve from research carried out by the departments. The teaching income generating units utilize idle time of the facilities and manpower within the Schools and Institutes for the purpose of research which is geared towards products that finally generate money.

These include but are not limited to the following:

- i. Engineering Workshop
- ii. Horticulture
- iii. Biotechnology Centre
- iv. Analytical Services
- v. Food Technology Centre
- vi. Chemistry Products Centre
- vii. Software Development
- viii. Green/Renewable Energy

### **3. Non - Teaching IGUs**

The non-teaching income generating units provide essential service to the University Community and the larger community. University facilities and manpower are used to provide extra services within and outside the university for a fee. These include but are not limited to the following:

- i. Catering Unit
- ii. MksU Hospital/Health Unit or services
- iii. Repair and Maintenance Units
- iv. MksU Bookshop
- v. Farm - Crops and Livestock

- vi. Computer Assembly Unit
- vii. Souvenir shop
- viii. Creative production

Others IGUs include consultancy, research and development and technology Transfer.

#### **4. TVET**

This will involve all activities and courses offered under and through Directorate of TVET.

#### **5. Consultancy**

This is a task specific service. The services are provided by individual staff, research groups or university wide team. This would include short courses, seminars and workshops conducted by the University institutes or departments, drawings and designs by departments and schools, software development, material/product testing and product development.

All Colleges, Campuses, Schools, Schools and Institutes among others shall be expected under this policy to establish consultancy offices / units.

#### **6. Research, Development and Technology Transfer**

These are services geared towards product realization and development through research and development. The transfer of technologies

developed at the university to industry and end-users fall under this category. Other services include quality assurance etc.

### **3.2 ESTABLISHMENT OF AN IGU**

There shall be a general framework guiding the process of becoming an Income Generating Unit. Such a framework shall aim to standardize issues including: IGU initiation, Business Planning etc. Depending on the category of the income generating unit, the following procedure shall be followed:

#### **1. Non - Teaching IGUs**

- i. Any College/Campus/School/Department/Institute shall initiate an Income Generating Unit. The unit may originate from research, innovation and development (R & D) or teaching or from any other source such as University Management or Council.
- ii. A business plan shall be prepared by the relevant College/Campus/School/Department/Institute using the laid down guidelines (Schedule I) and forwarded to Deputy Vice Chancellor, Research, Innovation and Linkages (RIL) Division.
- iii. An IGU committee meeting shall be held to deliberate on the business plan and the decision shall be communicated to the relevant department/School/Institute, Campus/College.

- iv. Seed money shall be loaned to the relevant College/Campus/School/Department /Institute for starting up the Income Generating Unit /Activity on request.
- v. From the date of submission of the business plan to approval stage, it shall take a maximum of two months.
- vi. The procurement of the materials for the IGU shall be given priority by the Purchasing Department of the University and the same pursued by the approved IGU on approval by the Deputy Vice Chancellor (RIL).

## **2. Consultancy**

- i. Any individual member of staff, research group or multidisciplinary teams, among others may initiate consultancy through their Consultancy Office / Unit, so established for that purpose.
- ii. A consultancy form obtainable from Research, Innovation and Linkages Division shall be filled (see Annex III) which shall be processed within 2 working days.
- iii. The RIL Division where possible shall facilitate the conduct of consultancies as may be necessary. Such support may include transport, initial payment in cases where part or whole

consultancy fee has been paid and other necessary logistics as may be demanded by the nature of the consultancy.

- iv. The consultant or consulting group shall receive the consultancy fee/money within 14 working days after receipt from the client person or organization.
- v. The money shall be drawn from the IGU Account which will be managed by the Deputy Vice Chancellor (RIL).

An IGU that outgrows the existing potential to commercialize shall be required to opt for 3<sup>rd</sup> Party commercialization arrangements.

## **CHAPTER FOUR**

### **COMMERCIALIZATION**

#### **4.1 INTRODUCTION**

The Research Innovation and Linkages Division shall bear the responsibility of managing the commercialization of the University innovations. By mutual agreement RIL Division will license or arrange for licensing of production of a product arising from research or innovation as per the Intellectual Property (IP) Policy. MksU or any other agency will be licensed to commercialize University products and services through establishment of its own production facilities.

Whereas the University recognizes its role in the commercialization of its innovations, individual IGUs shall have the freedom to decide whether to commercialize their products and innovations on their own or give such responsibility to the University. However, IGUs wishing to commercialize on their own must confirm their capacity to do so. If the University is unable to commercialize a product or innovation, the University shall license other commercial agency for that purpose.

#### **4.2 METHODS OF COMMERCIALIZATION**

The University shall take essential actions necessary to achieve market entry and general market competitiveness of new innovative technologies, processes and products. An income generating unit may commercialize through:

## **1. Licensing**

Licensing shall involve entering into a licensing agreement with a licensee as per the IP policy, who will commercialize the product or through joint venture (forging strategic alliances with business community).

## **2. Franchising**

Franchising shall involve giving an authority to an individual or a company to sell MKSU products or services in a particular place.

## **3. Outright Sale**

Assignment and sale of exclusive rights to an investor at a one-time payment to the University.

### **4.3 MARKETING OF PRODUCTS AND SERVICES**

Before marketing, the products shall be branded (giving product names), standardized in terms of quality. The products shall be launched at strategic points including supermarkets. The products and services shall also be marketed through the annual ASK Shows and trade exhibitions.

Market for IGU products shall be both internal and external markets. Internal markets shall be managed by individual IGUs while external markets shall be managed by MKSU, individual IGUs or any other assigned agent through mutual agreement.

## **1. Internal market**

This is an already existing market for IGU products and services. The customers are mainly MksU staff and students, and the surrounding Community who buy the products within the University premises. The internal market shall be handled as follows:

- i. The internal market shall be the primary responsibility of the IGU concerned
- ii. Should IGUs decide to delegate their internal marketing responsibility to MksU or any other competent agency then the IGU may negotiate with MksU for the fee to be charged for the service.
- iii. MksU or any other agency may buy the products directly from the IGUs at wholesale price.

## **2. External market**

This is a market outside the University premises. The external marketing shall be as follows:

1. External marketing shall be the primary responsibility of MksU however those Units wishing to market on their own initiative may do so.
2. Marketing through MksU or any other competent agency shall be through mutual agreement.
3. MksU shall prepare a marketing plan for reaching out to the customers. The plan should have specific reference to the



products or services being marketed, their pricing, target markets, existing

and potential competitors, a marketing budget as well as a promotional mix. The marketing plan shall outline the following:

- i. Situational analysis – an overview of the situation of a business as it exists today to provide a good benchmark. It should start with a brief description of current product or service, the marketing advantages and challenges faced and threats posed by competitors
- ii. Target market– should describe the target markets as follows:
- iii. Goals – should outline the marketing goals for the coming year
- iv. Strategies and tactics – should outline comprehensive marketing strategies and tactics that will be used to execute the said strategies
- v. Budget breakdown – should provide a brief breakdown of the costs associated with each of the marketing strategies and tactics

The marketing costs shall be borne by the IGU/activity.

**CHAPTER FIVE****DISTRIBUTION OF REVENUE AND SURPLUS INCOME****5.1 Sharing of Revenue and Surplus**

The sharing of IGU revenue and surpluses shall take cognizance of the roles, contribution and interests of various organs of the University. The sharing shall recognize contributions at individual, departmental, school, campus and university level. In order to ensure all members of staff are catered for, a distribution formula will be adopted in determining how funds allocated to the unit can be utilized in paying the management and support staff.

**5.2 Sharing Ratio**

The sharing ratios shall be as follows:

**1. Teaching and non-teaching units**

- a. 20% to of gross income shall be kept to serve as contribution to the IGA Fund and development of facilities.
- b. Where applicable, direct and indirect costs shall be recovered before declaration of surplus.
- c. The surplus obtained after deduction of the costs shall be shared as follows:

- i. 35% of the surplus to Direct Service Providers.
  - ii. 65% of the surplus to the University for distribution as shown in Schedule IV annexed in this Policy Document.
- d. For CEP Programmes, Direct Service Providers shall be paid 5% of the surplus.

Note: For academic / teaching programmes, the 35% to Direct Service Providers shall include payments for part-time teaching, which is a direct cost to the generation of the income under distribution.

## **2. Consultancy**

- a. Employee Initiated: The 35% to the University shall be distributed as shown in Schedule IV annexed in this Policy Document
  - b. The University - 35%
  - c. The consultant / Consultancy Team and associated expenses - 65%.
- ii. Department / School/School/Campus/College Initiated:
- a. Consultant / Consultancy Team – 40%
  - b. The Department Consultancy Unit – 20%
  - c. School/College/Campus/School/ – 5%
  - d. University - 35%

- e. The 35% share to the University shall be distributed as shown in Schedule IV annexed in this Policy Document.
- iii. University Initiated:
- a. The University - 45%: The 45% share to the University shall be distributed as shown in Schedule IV annexed in this Policy Document.
  - b. The Consultant / Consultancy Team - 50%
  - c. Departmental Consultancy Unit – 3%
  - d. School/Campus/College – 2%

### **3. Research & Development and Technology Transfer**

When distributing the net income generated Research & Development and Technology Transfer, reference may be made to applicable sections of the Intellectual Property Rights Policy.

#### **5.3 Approval for Distribution and Disbursement**

The following criteria shall be used in the approval for distribution and disbursement:

1. The IGU / IGA prepares Statement of Accounts and Disbursement Schedule in liaison with the IGU Accountant and submits to Deputy Vice Chancellor, Research, Innovation and Linkages.
2. The Deputy Vice Chancellor (RIL) scrutinizes the statement and submits them to Vice Chancellor.

3. The Vice Chancellor in consultation with the Internal Audit Office approves the Statement of Accounts and Disbursement Schedule, and submits to Deputy Vice Chancellor, Administration Planning and Finance (APF) for onward submission to the Finance Office for disbursement / payment.

## CHAPTER SIX

### POLICY IMPLEMENTATION

#### 6.1 Implementation Date

This policy shall become effective from the date of signing by the Chairman of University Council. This policy shall apply to any new agreement between the University and the IGU Unit or individuals concerning the development, legal protection or commercialization of an Income Generating Unit/Activity entered into after the date on which Council adopts this policy.

If an existing agreement is renewed, revised or amended after the date which the University adopts this policy, reasonable attempts shall be made to conform such agreement to the requirements of this policy as of the date on which it is renewed, revised or amended.

Pre-existing agreements that are not revised by the time the policy comes into force shall continue to apply as it was before the policy became effective, until expiry of the same. Implementation of the Policy shall commence upon approval by the University Council. The University shall notify all persons who are affected by this policy of its terms as soon as efficiently possible after its adoption by the University Council and at regular intervals.

#### 6.1 Governing Rules and Regulations

This Policy shall be interpreted in a manner consistent with other University Policies, all applicable Kenyan and Local Statutes and Laws and implementing Regulations which include Kenyan Laws, conflict of interest policies, as well as laws pertaining to conflict of interest, equity and freedom of information requests.

## **6.2 Exemption, Review and Amendments**

This Policy will be reviewed every three (3) years. Exemptions and amendments of this policy may be initiated by the IGU department or any interested party through the Vice Chancellor. The Deputy Vice Chancellor, Research, Innovation and Linkages Division shall thereafter notify the IGU Committee the proposed exemptions or amendments for deliberation, consideration and ratification. The IGU Committee shall recommend review of the policy through a Taskforce that shall be appointed to undertake the review.

Upon advice from IGU Committee the Vice Chancellor shall recommend amendments to this Policy for approval by Senate then for final approval by the Council. Such amendments should not be inconsistent with the existing aims and objectives of the University and this Policy.

## **6.3 Termination of IGU/IGA Operations**

The University may terminate the operations of an IGU/IGA in any of the following events:

1. If it experiences losses/deficits for four (4) quarters consecutively with no clear sign of recovery.
2. If found to engage in business activities and practices contrary to the objectives of the University on income generation. Such will include but not limited to consistently supplying sub-standard products to customers, under/over-pricing, hiding certain expenditures or exaggerating the same.

#### **6.4 Dispute Resolution**

In the event an IGU Unit has a grievance about the handling or the interpretation of this policy, the Unit shall apply for dispute resolutions to the IGU Committee. In the event the party is not satisfied with the outcome of the resolution, he/she shall have a right of appeal to the Vice Chancellor who shall appoint a five-person panel to deliberate on the dispute. Such panel shall exclude members of the IGU Unit.

If the Unit is still aggrieved, it shall have a right of appeal to the University Council through its chairman. In case these measures fail to resolve the dispute, the relevant Kenyan laws shall apply.

#### **6.5 REVISION**

This Policy shall be reviewed from time to time to incorporate emerging issues but not later than two years.



## **CHAPTER SEVEN**

### **GENERAL GUIDELINESS**

#### **7.1 SCHEDULE I: Guidelines for preparing Business Plans**

In order to approve any IGU a business plan must be in place. The Business Plan shall define activities and operations focused on defined performance outcomes.

The plan must comprise of the following parts:

1. Cover Page
2. Table of Contents
3. Executive Summary
4. Business Description
5. Market and Marketing Strategy
6. Production details – requirements and costs, forecasts (production versus sales), financial start up and operational cost
7. Human resource including the responsibilities and pay
8. Business risks and how they will be tackled
9. Action Plan

#### **7.2. SCHEDULE II: Guidelines for Technical Reports**

Each Income Generating Unit shall submit monthly and quarterly reports and accounts to Research, Innovation and Linkages Division both in soft and hard

copy. The reports shall be submitted to the Income generating Units Committee for discussion and approval.

### 7.3 SCHEDULE III: Consultancy Form

Project

Title:.....  
..... Client

:.....

..

Client contact

détails :.....

Contact Person :.....

Position :.....

Postal

address.....

Telephone:.....

Email:.....

Nature of consultancy (Details).....

.....

.....

.....

Expected output /

product:.....

.....

.

Project Leader:..... Professional

Team Members:.....

.....

.....

Starting

Date:.....

Expected date of

completion.....

Estimated Cost (Kshs):.....

Amount of fee for the Consultancy (Kshs).....

Details of

expenditure:.....

.....

.....

.....

.....

Estimated total expenditure (Kshs):.....

Estimated net surplus (Kshs):..... Signature of

Consultant.....Date:.....

Signature of Deputy Vice Chancellor (RIL).....Date:.....

Signature of Vice Chancellor.....Date: .....

#### 7.4 SCHEDULE IV: Sharing Ratios

Unit	Resource/cost element	Teaching/Non-Teaching (balance after 20% deduction)	Consultancies		
			Employee sourced	Department sourced	University initiated
Direct Service Providers	Direct Service Providers	35%	65%	40%	50%
Department	Consumables	10%	5%	25%	3%
	Telecommunication				
	Transport				
	Management & other support services				
	Marketing/Advertising				
	Equipment and furniture				
College/Campus School/School /Institute	Consumables	5%	3%	5%	2%
	Telecommunication				
	Transport				
	Management & other support services				
	Equipment and Furniture				
Library	Consumables				

	Management & other support services	1%	1%	1%	1%
Vice Chancellor's Office	Management & other support services	1%	1%	1%	1%
Central Administration	Management & other support services	31%	8%	11%	10%
	Meetings				
	Public Relations & Alumni Affairs				
	Physical Space, Safety & Insurance				
	Rates and Ground rate				
	Records, Certification and Equipment				
	Utilities (incl. telecommunication)				
	University wide Admin responsibilities				
	University wide service providers				
RIL Division	Management & other support services	3%	3%	3%	3%
	Meetings				
	Utilities				
	Transport				
Colleges/ Campuses	Management & other support services	2%	2%	2%	2%
	Meetings				
	Utilities				
	Transport				
Academic Division	Management & other support services	2%	2%	2%	2%
	Meetings				
	Utilities				
	Transport				

Administration Division	Management & other support services	2%	2%	2%	2%
	Meetings				
	Utilities				
	Transport				
Development Fund	Physical development	3%	3%	3%	19%
	Staff training & development				
	Research grants				
	Research and Development				
Staff Welfare	Staff health support fund	2.5%	2.5%	2.5%	2.5%
	Staff Education Support Fund				
Student Welfare	Student Welfare	2.5%	2.5%	2.5%	2.5%
Total		100%	100%	100%	100%

#### 7.4 SCHEDULE V: IGU Fund Application Form

1. IGU Project Title		
2. Personal Details of the Project Coordinator		
Name in full		
(Family/Last name)	(First name)	(Middle name)
Department	Position in the University	
School	Highest Qualification	

Cell Phone No.		Email Address	
Summary of Funds requested (Kshs			
Item		Total Cost	
i) Equipment to be purchased			
ii) Cost of using existing facilities			
iii) Consumables (e.g. materials, chemicals etc)			
iv) Labour costs			
v) Marketing costs			
vi) Other costs (specify)			
Grand Total			
5. Project Site/s			
6. Project Collaborators			
Name	Affiliation e.g. Department or Institution and Mailing Address	Role in the Project	Area of Expertise
Total No. of Collaborators including the Project Coordinator			

7. Summary (Outline your IGU project in not more than 200 words)

8. Target Market (Describe the target market)

7.1 Summary of proposed business plan

Name of Project / Enterprise	Financial requirements (Kshs)	Projected Profitability (returns)			
		Year 1	Year 2	Year 3	Year 4
Grand Total					

10. Plan of Activities and Methods (Describe the plan of activities in a time frame for this project)

7.2 Endorsement by IGU project collaborators

I/We here endorse the IGU project and will carry out the activities as detailed in the business plan proposal.

Name	Signature
1. ....	.....
2. ....	.....
3.....	.....
4.....	.....

7.3 Declaration by Project Coordinator

I.....accept to carry out the IGU activities detailed in the business plan proposal.

Signature..... Date.....

FOR OFFICIAL USE

7.4 Recommendation from the Deputy Vice Chancellor RIL

8 Approved for funding  Yes  
 No

9 If Yes: i) Amounts Kshs.....

9.1 Project Time Frame .....

10 Other recommendations.....  
.....  
.....

Name:.....Signature.....

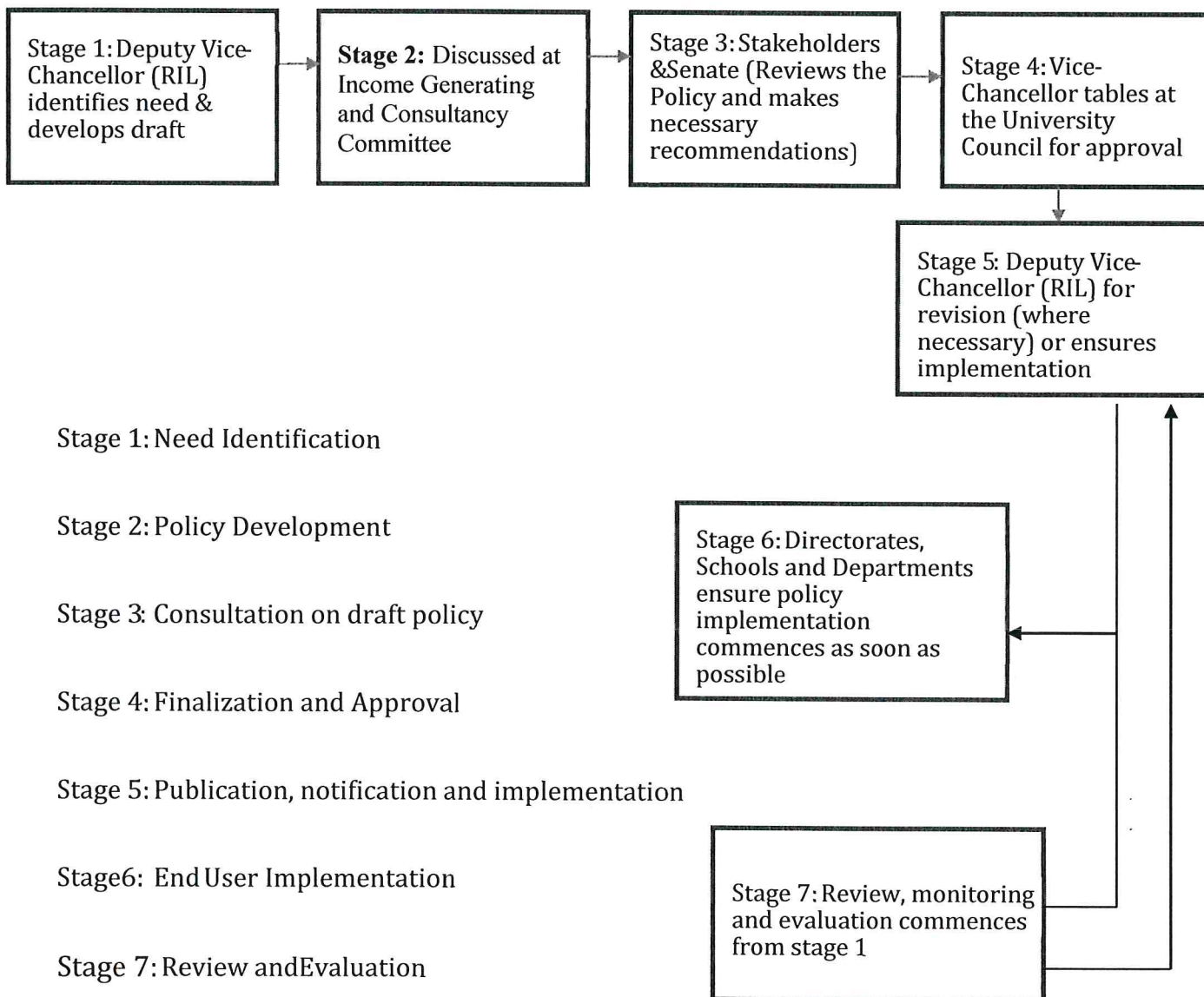
DATE.....





**MACHAKOS UNIVERSITY**

**INCOME GENERATING AND CONSULTANCY POLICY PROCESS MAP**



Stage 1: Need Identification

Stage 2: Policy Development

Stage 3: Consultation on draft policy

Stage 4: Finalization and Approval

Stage 5: Publication, notification and implementation

Stage 6: End User Implementation

Stage 7: Review and Evaluation

