Understanding our "Bread and Butter" Agencies
Overview

Presenters:
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Brenda Lam, Training and Support Officer, RFMS

1. Introduction to the Tri-agencies
2. Strategies for applying
3. Post-award management
4. Key differences Tri-agencies and Fonds de recherche du Québec
INTRODUCTION TO THE TRI-AGENCIES
Tri-agencies: Brief History

1916 • National Research Council established which supports natural sciences and engineering research

1936 • Medical Research Division of NRC established

1957 • Canada Council for the Arts established which supports social sciences and humanities research

1969 • Medical Research Council Act establishes government agency to support biomedical research

1978 • Social Sciences and Humanities Research Council Act & Natural Science and Engineering Research Council Act takes effect

2000 • CIHR Act took effect transforming the Medical Research Council to the Canadian Institutes of Health Research with a mandate to support all research and knowledge translation activities aimed at improving health
Who does what?

- All research primarily intended to improve health
- Budget (2013-14) $981.3M

- All research intended to add to our understanding and knowledge of individuals, groups and societies
- 2013-14 Budget $353.3M

- All research intended, primarily, to advance knowledge in the natural sciences or in engineering.
- 2013-14 Budget $1049.8M

Questions about eligibility of subject matter? Contact OSR Grants Officer

Psychology

Health-related SSH research
Tri-agencies

- Each tri-agency budget also includes allocations to:
  - Administration costs of the agency
  - Scholarships, Fellowships and Awards
  - Canada Research Chairs
  - Networks of Centres of Excellence (NCE)
    - NCEs also run their own funding programs
    - List of Funded NCEs
  - College and Community Innovation Program
  - Canada Excellence Research Chairs
  - Business-Led Networks of Centres of Excellence
  - Centres of Excellence for Commercialization and Research
  - Automotive Partnership Canada
Tri-agencies & Government of Canada

All shared policies and programs must be approved by Minister of Industry and Ministry of Health.

Since 2008, the Minister of State (science and technology) also oversees NSERC, SSHRC and other science/R&D agencies.
Who are the Tri-agencies mandated to serve?

- Postsecondary Institutions
- Canadians
- Academic researchers
- Prime Minister of Canada

Tri-agencies are mandated to support research excellence in areas of importance to Canadians.
Mandate of the Tri-agencies

Stewards of public funds

- Deliver Programs
- Support Research Excellence
- Foster collaboration
- Demonstrate Benefit to Canadians
WITH THIS IN MIND...

STRATEGIES FOR APPLYING
Considerations

Readability
- Ensure proposal is presented clearly
- Assume a multi-disciplinary committee

Outcomes
- Make links to benefit for Canadians
- Highlight impacts and outcomes from previous research funding

Value added
- Justify overall project costs
- Align research costs with objectives and expected outcomes

Training
- Highlight training opportunities including acquired skills and opportunities for professional development for research trainees

Outreach
- Plan to bring research outcomes to the appropriate audiences (academic, public, and/or private sectors, as required)
### Types of Grant Funding

<table>
<thead>
<tr>
<th>Standard Grants</th>
<th>Partnerships</th>
<th>Outreach</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Investigator-initiated</td>
<td>• Responding to particular issues/problems often from non-academic sectors</td>
<td>• Bringing research to knowledge users</td>
</tr>
<tr>
<td>• Supports ongoing programs of research</td>
<td>• Intellectual direction shared</td>
<td>• Short-term objectives</td>
</tr>
<tr>
<td>• Long term objectives</td>
<td>• Strategic or thematic objectives</td>
<td>• Commercialization, Knowledge Translation, Knowledge Mobilization</td>
</tr>
<tr>
<td>• Open to all disciplines</td>
<td>• Short-term objectives with goal of longer-term collaboration(s)</td>
<td></td>
</tr>
<tr>
<td>• (ex., Discovery Grants, Operating Grants, Insight Grants)</td>
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<td></td>
</tr>
</tbody>
</table>

For more information on grant funding programs, see [OSR’s Table of Agency Programs](#)
Application Process – McGill

1. Notice circulated via funding listserv with OSR Deadlines
2. If applicable, Notification of Intent submitted to agency
3. Applicant prepares application
4. OSR deadline for full review (usually 10 business days before agency deadline)
5. OSR deadline for submission (usually day before agency deadline)
6. Applicant transmits application to OSR via agency online system
7. OSR submits application to agency via online system
Results

- Results communicated to OSR who informs PIs
- Official decision letter and committee comments sent approx. a month later
- SSHRC and NSERC results remain CONFIDENTIAL until the public announcement is made & results posted on their website
  - PI can inform their team, but no official posting, press release/announcement can be made

- Results posted directly on the CIHR website
- Applicants are informed directly
- No embargo on results; public announcements can be made as soon as it is posted online
POST-AWARD MANAGEMENT
GOVERNING TERMS AND CONDITIONS
TRI-AGENCY FUNDS
Understanding Tri-agency policies

Tri-agency policies and procedures

Policy on Transfer Payments

Travel Directive

Access to Information Act & Privacy Act

Directive on the Management of Expenditures on Travel, Hospitality and Conferences

Financial Administration Act
Key Tri-agency policies and procedures

Agreement on the Administration of Agency Grants and Awards by Research Institutions

Tri-agency Framework: Responsible Conduct of Research

Tri-agency Financial Administration Guide (TAFAG)
Agreement on the Administration of Agency Grants and Awards by Research Institutions

- Agreement sets out the general terms and conditions governing the administration of Grants and Awards by institutions
- Institutions must become signatories to the Agreement in order to be eligible to receive Tri-agency funding
  - Research Hospitals are only signatories to the Agreement with CIHR. Therefore, they are not eligible to apply for or manage funds from SSHRC or NSERC.
- Took effect January 1, 2013 (expires March 31, 2018)
  - Replaced *Memorandum of Understanding: Roles and Responsibilities in the Management of Federal Grants and Awards* which was signed by institutions in 2007
Tri-agency Framework: Responsible Conduct Of Research (RCR)

• Overarching policy framework that ensures institutions develop mechanisms to comply with all applicable Agency requirements and legislation for the conduct of research, including, but not limited to:
  • 2nd edition of Tri-Council Policy Statement: Ethical Conduct of Research Involving Humans (TCPS 2);
  • Canadian Council on Animal Care Policies and Guidelines;
  • Agency policies related to the Canadian Environmental Assessment Act;
  • Licenses for research in the field;
  • Laboratory Biosafety Guidelines;
  • Controlled Goods Program;
  • Canadian Nuclear Safety Commission (CNSC) Regulations; and
  • Canada's Food and Drugs Act.
RCR: Breaches of Agency Policy

- Examples of breaches of agency policy covered under the Framework include:
  - Research integrity
  - Misrepresentation in an Agency Application or Related Document
  - Mismanagement of Grants or Award Funds
  - Breaches of Agency Policies or Requirements for Certain Types of Research (e.g., research involving animal subjects, human subjects, as well as environmental health and safety)

- Following a determination of a serious breach, agencies will publicly disclose*:
  1. the name of the researcher
  2. the nature of the breach
  3. the name of the institution where the researcher was employed at the time of the breach
  4. the name of the institution where the researcher is currently employed.

*applies to all applications submitted after December 2011
Tri-agency Financial Administration Guide (TAFAG)

• Provides a central document that details key requirements
• Reiterates government transfer payment policies and requirements
• Applies to all grant funding received from the agencies, including any subawards of tri-agency funding from other institutions
TAFAG: Frequently Asked Questions
When is approval from the agency required?

- Changes to the award parameters (extensions beyond the no-cost extension, deferrals, changes to the research team, etc.).
- Significant changes to the project.
- If the type of expense is not listed as eligible or ineligible in the TAFAG.
  - Expenses listed as ineligible in the TAFAG are rarely negotiable.
What are some examples of ineligible expenses?

• Indirect costs
• Infrastructure or supplies normally provided by the institution
  • Space, renovations
  • Insurance for equipment, facilities
  • Land lines, voice mail
  • Office accessories for laboratory employees, researchers and students (paper clips, pens, file folders, writing pads, ring binders, day planners, wastebaskets)
• Hospitality
  • Alcoholic beverages
  • Entertainment
  • Gifts
  • Costs associated with regular interactions with colleagues
What does it mean when the TAFAG says an expense is eligible “with adequate justification”?

• Prior approval from the agency is not required. However, the institution must have documentation on file from the PI that explains how this expense supports the research objectives.

• All funds must be used effectively and economically, and the expenses must be essential for the research for which the funds were awarded (see General Principles).
How do I assess if an expense is eligible?

• As a best practice, all costs incurred should meet the following criteria:
  - ALLOWABLE by the agency regulations
  - ALLOCABLE, that is, the project which paid the expense must benefit from it.
  - REASONABLE, that is, the cost reflects what a "prudent person" might pay.
  - CONSISTENT, that is, must be handled consistently across the University.
Can changes be made to the project plans?

- Yes, provided that the research activities continue to support the broad objectives for which the proposal was awarded funding, PI has authority to determine the intellectual direction of the research.

Can expenses be reallocated?

- Yes, provided the expense is eligible according to agency guidelines and is related to the research objectives, grant holders have full authority to determine how the funds are spent in support of the project’s objectives.

(see Deviations from Proposed Activities and/or Budget)
What happens if unspent funds remain in the account at the end of the year?

- All unspent funds can be carried forward from one year to the next until the end of the term of the grant, including any extension period.
“This expense was included in the proposal which was accepted without budget reduction by the peer-review committee. Therefore, it is eligible and should be allowed.”

- When recommending a proposal for funding, Tri-agency peer-review committees evaluate the feasibility and appropriateness of the amount requested in relation to the activities proposed. They do not pronounce themselves on the eligibility of expenses contained in a proposal budget. All expenses must still conform to the TAFAG.
“With previous grants, this expense was reimbursed without issue. I don’t understand why this expense is now not allowable.”

• With increasing scrutiny of public funds, the Tri-agencies have had to develop more comprehensive rules that ensure the effective use of grant funding. Although certain expenses may have been permitted in the past, institutions and grant holders, as recipients of tri-agency funds, are bound to comply with the current guidelines of the agency.
Who can be paid using tri-agency grant funds?

• Any research personnel whose status does not make them eligible to apply for grant funding from the agency can be paid using grant funds.
  • Research personnel who hold any academic appointment which makes the individual eligible to apply for grant (even if they do not hold any grants) cannot be paid using Tri-agency grant funds, even if the tasks to be undertaken are not related to their academic appointment.
What happens when a grant holder resigns from McGill?

• If the grant holder will be moving to another Canadian institution, the grant can be **moved to the new institution** (authorization from the agency is required).
  - Equipment purchased using the grant funds may be transferred with institutional approval
• If the grant holder resigns from McGill and leaves Canada, and no co-investigator will be taking over the grant, the grant will need to be **terminated**.
  - Grant would be terminated as of the end date of the PI’s appointment with the Canadian institution
  - Tri-agencies will honour ongoing commitments of salaries encumbered prior to the end date of the grant.
    - For example: *PI resigns from McGill as of June 30th.*
      - *PI will no longer be eligible to incur new expenses as of that date. However, the agency may authorize that a commitment (usually student salaries) made prior to June 30 to continue to be paid (up to 6 months following the PI’s resignation).*
• If the PI continues to hold an academic appointment with McGill, they may be eligible to continue to hold the grant (SSHRC and CIHR only)

Contact Awards OSR as soon as you know that a PI has resigned.
What happens when a grant holder takes a research leave?

- Tri-agencies allow grant holders to take a leave of any kind of up to one year and continue to hold grants. Notification of the agency is not required (see Sabbathical/Research Leave).
- While on research leave, grant holder can continue to incur direct research costs eligible according to TAFAG.
- Ineligible costs include:
  - Transport of research personnel for supervisory or academic purposes
  - Travel to home institution for supervisory purposes
  - Living expenses
What happens when a grant holder takes a maternity/parental leave?

• Grant holders who take a maternity leave can continue to access their grant funds during their maternity/parental leave.
• They may opt to delegate signing authority to another member of the research team. However, the PI remains the grant holder from the perspective of the Tri-agencies and is ultimately responsible for the conduct of the project and the use of funds.
• If they expect delays in the research plans, they can elect to request a deferral of instalment.
• For more information, see [Maternity, Parental, Medical or Family Medical Leave for Grantees](#)
• Note NSERC & CIHR offer [parental leave supplements](#) for students and postdoctoral fellows paid from research grants.
What options are available to grant holders who do not need their next instalment just yet?

- Grant holders can request a deferral of the next instalment, which will push all future instalments ahead one fiscal year and allow the grant holder more time to spend the residual balances from previous years. End date and automatic no-cost extension are also extended accordingly.
- Grant holders can defer up to two years over the grant period.
- Deferring instalments/annual commitments does not adversely affect the review of the grantee's next application.
Can a new research team member be added to a grant after it has been awarded?

• Yes, grant holders can add or remove members of their research team at any time over the course of the project.
  • SSHRC & NSERC: contact Program Officer responsible for the funding opportunity to confirm the requirements.
  • CIHR: see [Replacement, Addition, Removal or Promotion of Principal Applicants and Co Applicants (Existing Grants)](#) for requirements.
How can research funding be issued to research team members located outside McGill?

- TAFAG allows **subawards of research funds** from a Primary Institution (McGill) to a Secondary Institution (subrecipient institution)
  - Eligible team members:
    - NSERC and SSHRC: permitted to co-investigators at the Secondary Institution
    - CIHR: permitted to collaborators, research personnel and co-principal investigators at the Secondary Institution.
  - Eligible secondary institutions:
    - NSERC: subawards permitted only to eligible Canadian institutions (see NSERC’s website). Issued by RFMS.
    - SSHRC and CIHR:
      - Any eligible Canadian institution (see list for particular agency: SSHRC, CIHR). Issued by RFMS.
      - Subawards to **ineligible organizations** (non-Canadian postsecondary institutions, NGOs, hospitals, etc.) are permitted provided that a subaward agreement is signed which flows down the agency’s requirements. Issued by Awards OSR.
Who can authorize or initiate expenditures on Tri-agency grants?

• The PI authorizes expenditures. No one may initiate or authorize expenditures from a grant account without the PI's delegated authority.
  • PI must delegate temporary signing authority to Chair in order for Chair to sign on PI’s behalf. Even though the Chair is PI’s supervisor, it does not mean that the Chair has automatic authority to sign on behalf of PI.
• For reimbursement of claims charged to a Tri-Agency grant the following applies:

<table>
<thead>
<tr>
<th>Claimant</th>
<th>Signature Required By</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student</td>
<td>Principal Investigator</td>
</tr>
<tr>
<td>Visiting Researcher</td>
<td>Principal Investigator + Chair</td>
</tr>
<tr>
<td>Principal Investigator</td>
<td>Chair</td>
</tr>
<tr>
<td>Principal Investigator’s Delegate</td>
<td>Chair</td>
</tr>
</tbody>
</table>

See [Roles and Responsibilities](#)
Navigating the TAFAG

Still have questions about the TAFAG?

- Contact the RFMS Helpdesk who will look into the request and contact the sponsor, if required.
TRI-AGENCY
FINANCIAL REPORTING
Roles & Responsibilities

**Agencies**
- Timely release of approved grant funding
- Fund payment info
- Clear, concise requirements for use of funds
- Timely response to inquiries
- Consultation on program changes
- Monitoring reviews of financial management of funds

**Institutions**
- Infrastructure support
- Effective administration policies, systems & controls
- Ongoing oversight of grant fund use
- Administrative and financial support to grant holders
- Liaison with granting Agencies
- Monitoring eligibility status of grant holders
- Annual reporting to granting Agencies (Form 300)

**Grant Holders**
- Day-to-day management of grant funds
- Compliance with Agencies’ policies and guidelines
- Timely notification of changes in eligibility status
- Provision of required annual reports
- Recognition of Agencies funding support
- Responsible for authorizing **ALL** expenditures from his/her account
Financial Year-End Cycle

Jan-Feb
- List grants for which financial statements are required as at March 31
- Check grants for ineligible expenses and abnormalities in account codes and make corrections
- Notify PI of terminating grants to clear outstanding travel advances, encumbrances and balances by March 31
- Send reminders to sub-awardees for their statements, which will be consolidated with the main fund at McGill

Mar
- Follow-up on emails for ineligible expenses and ensure they are removed for year-end
- Send reminders to PIs with terminating funds to clear outstanding travel advances, encumbrances and unspent balances
- Keep an eye out for terminating funds when approving payroll, student award payments, expense reports, travel advances

Apr-Jun
- Completion of financial statements, due by June 30
- Obtain authorized signatures (RFMS Authorized Signatory + Principal Investigator)
- Submission of financial statements to Tri-Agency via upload to Financial Data Submission and Reconciliation (FDSR) System

Jul-Dec
- Review of Year-End
- Post-mortem – what worked and what did not work
- Annual improvements for following year on system, reports and processes
### Financial Statement Form 300

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**Funds Available for Current Year**
- Balance of grant or slice of previous year: $0
- Current year grant: $0
- Reserve (except for agency): a) transfer balance: $0
- Total funds available for current year: $0

**Expenditures Incurred for Current Year**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Salaries to students (including benefits)</td>
<td>3 5 5</td>
</tr>
<tr>
<td>2. Wages</td>
<td>5 5</td>
</tr>
<tr>
<td>3. Grants</td>
<td>4 6</td>
</tr>
<tr>
<td>4. Salaries to non-students (including benefits)</td>
<td>3 5 5</td>
</tr>
<tr>
<td>5. Postdoctoral students</td>
<td>0 0</td>
</tr>
<tr>
<td>6. Office</td>
<td>4 6</td>
</tr>
<tr>
<td>7. Professional and associated expenses</td>
<td>4 5 6</td>
</tr>
<tr>
<td>8. Equipment (including поверенное столо)</td>
<td>4 5 6</td>
</tr>
<tr>
<td>9. Miscellaneous and other special items</td>
<td>4 5 6</td>
</tr>
<tr>
<td>10. Administration expenses</td>
<td>4 5 6</td>
</tr>
<tr>
<td>11. Research (universities)</td>
<td>4 5 6</td>
</tr>
<tr>
<td>12. University fees</td>
<td>4 5 6</td>
</tr>
<tr>
<td>13. Other expenses</td>
<td>4 5 6</td>
</tr>
<tr>
<td>14. Travel</td>
<td>4 5 6</td>
</tr>
</tbody>
</table>

Total expenditures incurred for current year: $0

**Unspent Balance**

- Unspent balances at close of year: $0

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**F300**

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http://www.nserc-crsng.gc.ca/onlineservices-servicesenligne/pdf/F300_e.pdf
Some Statistics

2012-2013 Year-End Financial Statements

99 of 702 were inter-institutional grants*  
114 of 1136 were inter-institutional grants*  
3,051 Tri-Agency Funds & FRQNT-SC Funds  
467 CIHR, NSERC, SSHRC & FRQNT-SC Inter-Institutional Advances**  
9 Financial Administrators

*Inter-institutional grants = McGill University is the sub-awardee  
**Inter-institutional advances = McGill University is the host institution (i.e. main fund is at McGill)  
FA = Financial Administrator
**Supporting Evidence Requirements**

*ALL expenditures must be authorized by the grant holder or delegate*

*Authorization must be kept on file at all times*

<table>
<thead>
<tr>
<th>Category of Expense</th>
<th>Supporting Evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation-Related Expenses</td>
<td>Name, position, salary/stipend, duration, details of benefits, grant holder’s authorization for both POPS payments and Minerva appointment forms</td>
</tr>
<tr>
<td>Travel &amp; Subsistence Expenses</td>
<td>Purpose, dates &amp; destinations, prospectus/program, expense details, vehicle usage details, original receipts, original airline ticket &amp; boarding passes (if available)/other evidence, separate claim per claimant, traveler’s affiliation to grant holder’s research project, signatures of claimant &amp; grant holder/delegate, signature of chair for grant holder’s claim</td>
</tr>
<tr>
<td>Sabbatical &amp; Leave Periods</td>
<td></td>
</tr>
<tr>
<td>Equipment &amp; Supplies</td>
<td>Original invoices, contracts, receipts, justification for supplies purchased to demonstrate their relation to the research project, written justification for smartphone acquisitions/use, documentation describing internal acquisitions/service costs, method of calculating allocation of shared acquisition/service</td>
</tr>
<tr>
<td>Computers &amp; Electronic Communications</td>
<td></td>
</tr>
<tr>
<td>Dissemination of Research Results Services</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Expenses</td>
<td></td>
</tr>
<tr>
<td>Hospitality Expenses</td>
<td>Purpose of event, dates, number of participants</td>
</tr>
</tbody>
</table>
Tools

- **TAFAG Summary of Changes** (7-page document)
  - Published and distributed in April 2013
  - Highlights the changes for the following TAFAG sections **only**:
    - Use of Grant Funds
    - Reporting and Supporting Evidence

- **Expense Eligibility Grid** (living document)
  - Go to Research Administration Toolbox ➔ Cheat Sheets
  - Last revision made in July 2013
  - This is a reference tool; the TAFAG always supersedes

- **Crystal Report for Ineligible Expenses** (under construction)
  - Tool for identifying ineligible expenses posted to Tri-Agency grants that need to be transferred out
  - For example: Telecom charges, gifts
FONDS DE RECHERCHE DU QUÉBEC (FRQ)
FRQ – Brief history

• July 11, 2011: Bill 130 came into effect to restructure the three funding agencies under the leadership of the Chief Scientific Officer

• New names of the agency became:
  • Fonds de recherche du Québec – Nature et technologies
  • Fonds de recherche du Québec – Santé
  • Fonds de recherche du Québec – Société et culture
FRQ – Structure

Ministre de l'Enseignement supérieur, de la Recherche, de la Science et de la Technologie

Chief Scientist

FRQNT
FRQSC
FRQS
Key differences from Tri-agencies

- **Eligibility requirements**
  - Grant holders must be Canadian citizens or permanent residents to hold funds
    - Researchers can apply and hold grant funds in the first year with the understanding that residency must be obtained to continue to hold the grant
    - Contact Grants and Foundations, OSR for more details.

- **Leaves**
  - Leaves of all kind must be reported to the agency (contact Awards OSR for more details)
    - Does not necessarily affect the grant, but the agency wants to know how the project is continuing during the leave

- **Carryover:**
  - FRQSC only: Carry forward of unspent funds exceeding 25% of the amount awarded in last budget year requires FRQSC prior approval. Request for carryover must be submitted prior to the start of the extension year (*may change in the future*)
Key differences from Tri-agencies (continued)

- **Agency Guidelines:** In cases of disagreement between agency guidelines, the following hierarchy applies:
  1. Program literature
  2. Agency guide d’utilisation des subventions (FRQ-SC, FRQ-NT, FRQ-S)
  3. FRQ Common Rules.

  *Note that English versions are not updated regularly; therefore, you should always consult the French guidelines for the most up to date information.*

- **Request for instalment [“Demande de versement”]**
  - Although the researchers are awarded multi-year grants, the FRQ only confirms the funding for the particular fiscal year.
  - Future instalments are conditional on funding and the PI completing the request for instalment process
Request for Instalment

March
Agency sends out an automated message to grant holders informing them to request the next instalment.

March/April
PI must go into their electronic account and complete the request for instalment form.

April
Completed form is transmitted to OSR for review and approval. OSR approves the request on behalf of McGill.

April/May
Agency confirms the instalments for the next fiscal year (mid-April). Sends out another automated email to PI.

May
PI must go into the system again and “accept” the instalment by the agency deadline to receive the funds.
Thank you!

Questions?