

Canada Research Chairs (CRC)

www.chairs-chaires.gc.ca

Canada Research Chairs Program

- Strategy to make Canada one of the world's top countries in research and development.
- The program invests \$300 million per year to attract and retain some of the world's most accomplished and promising minds.

How are Chairs Awarded?

- The University both nominates Canada Research Chairs and administers their funds.
- The University receives an allocation of Chairs it can hold. For each Chair, a university nominates a researcher whose work complements its strategic research plan and who meets the program's high standards.
- Three members of a College of Reviewers, composed of experts from around the world, assess each nomination and recommend whether to support it.

Types of Chairs

There are two types of Canada Research Chairs:

- Tier 1 Chairs
- Tier 2 Chairs

Tier 1 Chairs

- Tenable for seven years and renewable
- Awarded to outstanding researchers who are acknowledged by their peers as world leaders in their fields.
- For each Tier 1 Chair, the University receives \$200,000 annually for seven years

Tier 2 Chairs

- Tenable for five years and renewable once
- Awarded to emerging researchers, acknowledged by their peers as having the potential to lead in their field.
- For each Tier 2 Chair, the University receives \$100,000 annually for five years.

Infrastructure Support from CFI

- Chairholders are also eligible for infrastructure support from the Canada Foundation for Innovation to help acquire state-of-the-art equipment essential to their work or stated project.
- The CFI Award is not renewable and the Chairholder must justify the request.

Administration of the Chair

- Accepting the Chair
- Financial Administration
- Communication Guidelines
- Renewing or Terminating a Chair

Accepting the Chair

- Notice of Award
- Start Date
- Period of Tenure
- Holding other Chairs/Awards
- Non-Canadian Chairholders

Notice of Award

The Secretariat sends all notices concerning decisions about awards to the Professor and to the university president, principal or rector. For its part, the university must confirm in writing, with appropriate signatures:

- acceptance of the award as set out in the *Notice of Award and Acceptance*;
- the start date of each chairholder's appointment; and
- acceptance of these administrative regulations.

Provided there are no other conditions attached to the award, when the Secretariat receives these confirmations, it will begin payments on, or shortly after, the effective date of the appointment.

Start date

- The chairholder must take up appointment within 12 months of the university receiving the *Notice of Award and Acceptance*.
- The effective start date of new Chairs may be no earlier than the first day of the month in which notification of the award occurred.
- The program provides no retroactive funding.

Period of Tenure

- Should a chairholder leave or be unable to perform his or her duties before the award expires, the university must notify the Secretariat.
- Similarly, if there is a change in a chairholder's employment status (for example, from full professor to professor emeritus, from full-time to part-time, or due to retirement, dismissal or resignation) the university must notify the Secretariat immediately.

Holding other Chairs/Awards

- Subject to certain conditions, NSERC-affiliated chairholders may hold a Canada Research Chair concurrently with an Industrial Research Chair or Steacie Fellowship.
- CIHR-affiliated Canada Research Chair holders may **not** concurrently hold a CIHR salary award or another federally funded salary award.
- SSHRC-affiliated Canada Research Chairs may **not** concurrently hold a SSHRC Partnered Chair.
- A Killam Research Fellowship may also be held concurrently with a Canada Research Chair.

Financial Administration

- Roles and Responsibilities
- Administration at the University
- Method of Payment
- Eligible Expenses / Ineligible Expenses
- Eligibility of Research Personnel
- Financial Monitoring
- Reporting Requirements

Roles and Responsibilities

- Canada Research Chairs awards are administered by the University.
- The grantee, normally the university's president/principal authorizes expenditures from the accounts in accordance with program guidelines.
- The grantee may delegate the authorization of expenditures to a small number of individuals.

Administration at the University

- All funds received at the University with a contractual obligation must be held in a separate *“Fund”*
- A *“Fund”* permits the recording of payment and expenditures in accordance with the contract and ensures transparency of these funds
- Only approved expenses are posted to the *“Fund”* *
- Potential Pitfalls – Overspend due to research leaves; ensuring all contracts are committed accurately in HRIS for salaries and benefits *

Breakdown of CRC Support

Tier I

- \$200,000 – for 7 years
- Renewable
- \$142,856 – Chair Salary Support
- \$34,300 – Cluster Support
- \$22,844 – University Wide Cost

Tier II

- \$100,000 – for 5 years
- Renewable once
- \$71,428 – Chair Salary Support
- \$17,150 – Cluster Support
- \$11,422 – University Wide Cost

University Support (Institutional)

- Salary/benefits top up
- Cluster support – approved by Dean and VP Research; funding is based on project
- Research Allowance - \$10,000 funded centrally placed in Principal Investigator's CFC

Administration Old vs. New Budget Model

Old Budget Model (Pre 2008)

- Salary recovery from fund into fund centre via journal entry
- University Wide Cost left in the fund for Central Finance to post against
- CRC Cluster Support Funding left in fund for Chair to use
- University's Cluster Support in CFC

New Budget Model (Post 2008)

- 100% recoverable from fund to fund centre
- **All expenses charged to fund centre only**
- Reduces overspend and expenses posted in error being reported back to agency
- Allows for timely reporting to agency

Example Old vs New Budget Model

Old Cost Centre Plan - Tier II

	2007 Budget
Internal Recoveries	71,428
Total Revenue	(71,428)
Expense	
Faculty Salaries	94,154
Benefits - Appointed	20,949
Supplies & Other Operating Expenses	37,850
Total Expense	152,953
Net Expense/(Revenue) Budget	81,525

New Cost Centre Plan - Tier II

	2011 Budget
Internal Recoveries	100,000
Total Revenue	(100,000)
Expense	
Faculty Salaries	94,154
Benefits - Appointed	20,949
Supplies & Other Operating Expenses	55,000
Total Expense	170,103
Net Expense/(Revenue) Budget	70,103

The difference of \$11,422 in the cost centre plan is due to overhead being charged to our base budget each year under the New Budget Model.

Fund Centre Report – May 1 (Year 1)

Commitment Items	Original Budget	Revised Budget	Commitments	Actuals	Commitments + Actuals	Revenue Variance/ Funds Available
REVENUE-S	-100,000	0.00	0.00	0.00	0.00	-100,000
EXPENSE-S	170,103	0.00	0.00	0.00	0.00	175,103
CARRYFWD	0.00	0.00	0.00	0.00	0.00	0.00
COMPENS-S	115,103	0.00	0.00	0.00	0.00	115,103
SUPPL-S	55,000	0.00	0.00	0.00	0.00	55,000
Net	70,103	0.00	0.00	0.00	0.00	70,103

Fund Centre Report – April 30 (Year 1)

Commitment Items	Original Budget	Revised Budget	Commitments	Actuals	Commitments + Actuals	Revenue Variance/ Funds Available
REVENUE-S	-100,000	0.00	0.00	-100,000	-100,000	0.00
EXPENSE-S	170,103	0.00	0.00	165,103	165,103	5,000
CARRYFWD		0.00	0.00	0.00	0.00	0.00
COMPENS-S	115,103	0.00	0.00	115,103	115,103	0.00
SUPPL-S	55,000	0.00	0.00	50,000	50,000	5,000
Net	70,103	0.00	0.00	0.00	0.00	5,000

Fund Centre Report – May 1 (Year 2)

Commitment Items	Original Budget	Revised Budget	Commitments	Actuals	Commitments + Actuals	Revenue Variance/ Funds Available
REVENUE-S	-100,000	-100,000	0.00	0.00	0.00	-100,000
EXPENSE-S	170,103	175,103	0.00	0.00	0.00	175,103
CARRYFWD	0.00	5,000	0.00	0.00	0.00	5,000
COMPENS-S	115,103	0.00	0.00	0.00	0.00	115,103
SUPPL-S	55,000	0.00	0.00	0.00	0.00	55,000
Net	70,103	75,103	0.00	0.00	0.00	75,103

Fund Centre Report as per May 31 (Year 2) after Payroll Run

Commitment Items	Original Budget	Revised Budget	Commitments	Actuals	Commitments + Actuals	Revenue Variance/ Funds Available
REVENUE-S	-100,000	-100,000	0.00	-81,196.50	-81,196.50	-18,803.50
EXPENSE-S	170,103	175,103	105,511.08	9,591.92	115,103	60,000
CARRYFWD		5,000	0.00	0.00	0.00	5,000
COMPENS-S	115,103	0.00	105,511.08	9,591.92	115,103	0.00
SUPPL-S	55,000	0.00	0.00	0.00	0.00	55,000
Net	70,103	75,103	105,511.08	0.00	0.00	41,196.50

Administration of a Leave @ 82.5%

Fund Centre Report as per May 31

Commitment Items	Original Budget	Revised Budget	Commitments	Actuals	Commitments + Actuals	Revenue Variance/ Funds Available
REVENUE-S	-100,000	-100,000	0.00	-81,196.50	-81,196.50	-18,803.50
EXPENSE-S	170,103	175,103	7,913.33	7,913.33	15,826.67	159,276.33
CARRYFWD		5,000	0.00	0.00	0.00	5,000
COMPENS-S	115,103	0.00	7,913.33	7,913.33	15,826.67	99,276.33
SUPPL-S	55,000	0.00	0.00	0.00	0.00	55,000
Net	70,103	75,103	105,511.08	0.00	0.00	140,472.83

The Researcher went on leave for 12 months as of July 1, 2010 – June 30, 2011. For fiscal 2012 in HRIS the salary reserve ends in June as a result the overall available to spend is a lot higher. A manual reserve should be processed for 10/12 at 100% in order to avoid any shortfalls.

As a result of the leave the department will have 17.5% of the researchers salary in the fund centre to help pay for any Stipends that will be needed.

These are potential pitfalls that may lead a department to be overspent at the end of the fiscal year.

How to Address Overspend

- Contracts in HRIS are correct and up to date
- Cluster spending – grad students are paid in accordance with the cluster application

Method of Payment

- The Research Services Office at UofT administers the Canada Research Chair funds.
- The University must maintain an individual account a “*Fund*” for each Canada Research Chair award.
 - This account must clearly record all payments made into the account and all payments, by category, made from the account. Payment of expenditures from the award may only begin on or after the Chair start date.
- The Secretariat will make quarterly payments, through SSHRC's finance division, on behalf of the granting agency designated on the chairholder's nomination form. Installments for future fiscal years will be subject to availability of funds.

Eligibility of Research Personnel

- With the exception for the chairholder, everyone employed with Chair funds must be:
 - a citizen or permanent resident of Canada, or
 - must hold a valid Canadian employment visa or
 - work permit issued by the federal government.
 - The exception is if the chairholder demonstrates that the research requires hiring someone from outside Canada. In such cases, the chairholder must follow the regulations of Human Resources and Skills Development Canada.
- As the employer, the university is responsible for ensuring that these conditions are met.

Financial Monitoring

- Officers of the granting agencies' finance divisions and the Secretariat will periodically visit universities to update information on the administration of Canada Research Chairs grants and to review sample Chair accounts.
- These visits ensure that universities are following appropriate and sound financial practices, and that they are making expenditures in accordance with the granting agency regulations and requirements.
- CRC's may be subject to an audit – proper records of revenue and expenditures including invoices, receipts, vouchers etc. for seven years after the termination of the award must be kept.

Reporting Requirements for Universities

- Universities must submit an annual report on the deployment and management of their Canada Research Chairs and the progress made in meeting the objectives of the Strategic Research Plan. This report should cover the period from April 1 to March 31 every year. The electronic submission of the annual report is due on June 30 every year. Failure to submit this report will result in the suspension of payments until the report has been received.
- As well, universities must submit an annual financial report for each chairholder, using the standard granting agency *Statement of Account* (Form 300), that details how the award funds were spent. The statement of account, signed by the university president, principal, rector or authorized delegate, is due at SSHRC's finance division by June 30 every year. This statement of account must indicate all outstanding commitments.

Reporting Requirements for Chairholders

- Chairholders are required to complete an electronic annual report, unless they have been in the position for less than 12 months. This report should cover the period from April 1 to March 31 every year. Universities must submit the chairholders' annual reports along with their own institutional annual report by June 30 every year.
 - Note: While universities can access a chairholder's annual report, only the chairholder can make changes. Chairholders are asked to notify their university when they have completed the report.
- If the Chair is to be renewed at the end of its five- or seven-year term, a performance report must accompany the nomination. If the Chair is not to be renewed, the chairholder must submit a final activity report within six months after the termination of the award.

Renewing or Terminating a Chair

- Renewing a Chair
- Early termination of a Chair award
- Phase-out period
- Residual funds

Renewing a Chair

- The program places no limit on the number of times the university may reappoint an incumbent to a Tier 1 Chair.
- For Tier 2 Chairs, the program permits only one five-year reappointment.
 - Note: If a researcher resigns from a Tier 2 Chair position at one university and accepts a Tier 2 Chair at another university, he or she cannot be nominated for a third term, regardless of the number of years in the initial term.
- Applying to renew a Chair involves most of the same procedures and documentation as the original nomination.
- If a Chair is not renewed, the university can submit a nomination for a new nominee.

Early termination of a Chair award

- The chairholder, the university and, in cases of non-compliance, the granting agency, may terminate a Chair award early.
- When a Chair is terminated, the university must promptly notify the Secretariat which will advise the appropriate granting agency's finance division.
- In cases of termination, the university must submit the following documents by post to the Secretariat:
 - a letter stating the date and reason for termination;
 - a detailed list of outstanding commitments made by the chairholder prior to termination, including employment contracts/agreements for research personnel - Form 303
 - a statement of account - Form 300
- In all cases of early termination, the university may replace the person leaving the Chair. A new nomination for a full term of either 5 or 7 years needs to be submitted to the Secretariat for peer review according to the normal evaluation criteria.

In cases of termination, the chairholder must submit by post to the Secretariat:

 - a final activity report
 - an exit survey
- Following the date of termination, the university can submit a nomination for a new nominee.

Phase-Out Period

- The program permits a phase-out period of not more than six months for the payment of outstanding commitments from the funds remaining in the Chair's account.
- In the event of a chairholder's death, this period may be extended to 12 months. At the end of the phase-out period, the university must submit a final *Statement of Account* (Form 300).

Residual funds

- Funds remaining at the end of the award **must** be returned to SSHRC's finance division for refund to the federal government's *Consolidated Revenue Fund* which will credit them to the appropriate granting agency.
- The university may not transfer residual funds into its *General Research Fund*.

University Policy Overrides CRC

- Institutional Policy supersedes CRC Guidelines in areas where the University Policy is more stringent.
- As an example:
 - Ethics and protocol - The university must release research funds only after verifying that researchers have obtained the required certifications. Research involving human beings or animals, biohazards, radioactive materials or other hazardous substances, possible environmental impact, field work, or field or marine stations all require certification.

Appendices

Non-Canadian Chairholders

- It is recommended that foreign researchers who have been named as chairholders apply for a temporary work permit through a Citizenship and Immigration Canada visa office.
- When applying for a work permit, a letter of confirmation—which may be obtained through the Secretariat—and a letter of offer from the university should be sent as supporting documents.
- For additional information about hiring foreign academics and general information on taxes, social insurance number applications, spousal employment, etc., please consult the Human Resources and Skills Development Canada website.
- Visit the Canada Border Services Agency for Canadian border information and services, such as accounting for personal effects.

Eligible Expenses

- This list of examples is not exhaustive. If a university is unsure whether an expenditure is eligible, please contact the Secretariat.
- the incumbent's salary and non-discretionary benefits (including bonuses or merit increases);
- the salaries and non-discretionary benefits of members of the incumbent's team (students at all levels, postdoctoral fellows, research associates, technicians, clerks, secretaries, research assistants);
- the costs of a teaching replacement for the chairholder only, including compensation to a department for one of its faculty members to teach one or more of the chairholder's courses;
- the cost of travel, workshops, computing, expendables, publications, materials and supplies for the chairholder or members of the research team;
- travel and accommodation expenses for speakers invited to research conferences and workshops;
- fees for memberships in scholarly associations related to the chairholder's field of research;
- the cost of professional and technical services;
- recruitment costs, which may be recovered retroactively, but only for funded chairholders;
- relocation expenses, which can be recovered retroactively, but only for funded chairholders;
- relocation expenses, including travel costs up to the value of economy airfare for the chairholder and immediate family, and the cost of transporting the family's household effects;
- the cost of outfitting research and office space for the incumbent and his/her team;
- costs associated with the use of computers, modems, software, and any other computer-related materials necessary to the conduct of the research;
- monthly charges for use of the Internet from the institution or from the home for research purposes only;
- costs associated with the use of cellular telephones if, and only if, such use is essential for collecting data;
- the cost of one return trip between the chairholder's home institution and the sabbatical location;
- the cost to transport research equipment and material from the chairholder's home institution to the sabbatical location;
- the cost of acquiring, operating and maintaining research equipment and other resources required for research (not including costs covered by funds received concurrently from CFI);
- administrative costs related to the Chair (for proposal writing, technology transfer, libraries, research services, financial management, human resources); and
- hospitality costs (non-alcoholic refreshments and meals) for networking purposes and other research-related activities.

Ineligible Expenses

- a research time stipend for a member of the Chair's research team;
- the salary of a faculty member other than the chairholder or of anyone who is not a member of the research team;
- costs associated with the relocation of the chairholder and family other than those for travel and the transportation of household effects;
- insurance premiums on equipment and research vehicles;
- cost of technical services or supplies from a company owned by a faculty member who is eligible to apply for funding from any one of the three federal granting agencies;
- death benefits, and any other discretionary benefit;
- discretionary severance and separation packages;
- passport and immigration fees;
- Internet installation charges;
- monthly charges for telephone rental or connection or for PDAs;
- cost of connection or installation of telephone or other lines;
- costs associated with answering services and rental or purchase of cellular telephones or PDAs;
- costs associated with purchase of library books and of computer or other information services that are provided to all members of an institution;
- accommodation and meals while the chairholder is on sabbatical leave;
- the travel costs of a chairholder's family or research team member from the home institution to the sabbatical location;
- cost of a teaching replacement while the chairholder is on leave;
- patenting expenses;
- costs associated with regulatory compliance, including ethical review, biohazard or radiation safety, environmental assessments, or provincial or municipal regulations and bylaws.

Responsibilities

Responsibility of the Professor

- Ensure timely reporting of deliverables
- Copy of Notice of Award should be sent to Business Officer and Budget, Planning and Finance
- Consult with Business Officer prior to:
 - Entering into any contractual obligations (ensure sufficient funds are available)
 - All expenses being committed are in accordance with Sponsor and Institutional policies and guidelines

Responsibility of the Business Officer

- Monitor expenses
- Eligibility of Research Personnel
- Ensure proper records of expenditures (subject to audit)
- Coordinate reporting with Research Accountant
- Address overspend:
 - Ensure contracts in HRIS are correct and up to date
 - Monitor cluster spending
 - grad students are paid in accordance with the cluster application

Responsibility of the Research Accountant

- Collect Payment
- Setup and release annual budget
- Prepare and submit Statement of Account (Form 300) annually.

Responsibility of the Financial Officer

- Journal entry to recovery salary and benefits from fund to fund centre
- Update base budget to include institutional support such as:
 - Chair Salary and Benefit top up
 - Cluster Support