

# **Canada Foundation for Innovation**

## **Policy and Program Guide**

**October 1999**

# Table of Contents

<b>Section 1 Mandate</b> .....	<b>4</b>
<b>Section 2 Eligibility</b> .....	<b>6</b>
2.1 Eligible Recipients .....	6
2.2 Eligible Infrastructure Projects .....	6
2.3 Eligible Costs.....	7
2.3.1 Examples of Eligible Costs.....	7
2.3.2 Examples of Non-Eligible Costs .....	8
2.4 Eligible Partners .....	8
2.5 Eligible Partner Contributions .....	9
<b>Section 3 Programs</b> .....	<b>10</b>
3.1 Program Overview .....	10
3.2 Application Process .....	10
3.3 Assessment Criteria.....	12
3.4 Assessment Process .....	12
3.5 Funds.....	16
3.5.1 Innovation Fund .....	16
3.5.2 New Opportunities Fund .....	20
3.5.3 University Research Development Fund .....	25
3.5.4 College Research Development Fund.....	29
<b>Section 4 Policies and Guidelines for Using and Administering Funds</b> ....	<b>34</b>
4.1 Funding Ratio .....	34
4.2 Agreement with Eligible Recipients .....	34
4.3 Ownership and Location of Infrastructure .....	36
4.4 Conflict of Interest.....	37
4.5 Rights to Intellectual Property.....	37
4.6 Special Requirements for Certain Types of Research Facilities and Infrastructure Projects.....	37
4.7 Notification of Decision and Award Agreement.....	38
4.8 Account Administration, Monitoring, and Audit .....	38
4.9 Payment Schedule .....	40
4.10 Changes to the Infrastructure Project and to Eligible Costs.....	41
4.11 Reporting Requirements .....	43
4.11.1 Completing financial reports.....	43
4.11.2 Project reports and institutional reports .....	44
4.12 Termination Procedures .....	44
<b>Appendix 1 Guidelines for Accepting Eligible Institutions</b> .....	<b>45</b>
<b>Appendix 2 Guidelines for Certain Types of Projects</b> .....	<b>51</b>
2.1 Campus Networks .....	51
2.2 Construction of New Buildings and Major Building Renovations .....	52

2.3	Genomics Infrastructure .....	53
2.4	High Performance Computing .....	53
2.5	Medical Imaging .....	54
2.6	Research Databases .....	54
2.7	Digital Libraries .....	56
<b>Appendix 3</b>	<b>Guidelines for Assessing the Value of In-Kind Contributions .....</b>	<b>58</b>
<b>Appendix 4</b>	<b>Summary of Institutional Research Plan .....</b>	<b>60</b>
<b>Appendix 5</b>	<b>Institutional Agreement with Eligible Institutions .....</b>	<b>61</b>
<b>Appendix 6</b>	<b>Special Requirements for Certain Types of Research Facilities and Infrastructure Projects.....</b>	<b>64</b>
<b>Appendix 7</b>	<b>Financial Report and Request for Next Instalments.....</b>	<b>66</b>

# Section 1

# Mandate

## What is the CFI's mandate?

The mandate of the Canada Foundation for Innovation (CFI) is to increase the capability of Canadian universities, colleges, hospitals, and other eligible institutions to carry out world-class scientific research and technology development. To carry out this mandate, the CFI promotes innovation by investing in research infrastructure, jointly with funding partners.

The CFI is an independent corporation established by the Government of Canada to strengthen Canadian capability for research. The CFI is achieving this objective by investing funds over a **five- to ten-year period** in the development of research infrastructure in Canadian universities, colleges, hospitals, and eligible not-for-profit organizations.

The amount that the CFI will invest in research infrastructure is **\$1 billion** (plus accruing interest), minus administrative expenses.

## How are the CFI's activities guided?

The CFI's activities are guided by a 1997 Act of Parliament—the ***Budget Implementation Act***—and by a funding agreement with the Government of Canada. The CFI's Board of Directors is responsible for designing programs and setting policies to achieve the Foundation's objectives.

## What is "research?"

The *Budget Implementation Act* defines **research** as the "attempt to discover new facts, knowledge, and information, to develop new interpretations of facts, knowledge or information, or to discover new means of applying existing knowledge, relating to (a) a science (b) health (c) engineering or (d) the environment."

## Innovation as a process

For the CFI, innovation is a process that begins with the creation of knowledge in research, and continues through its applications—for the benefit of Canadian society.

The CFI's policies and programs support the strategic development of research at Canadian institutions. The policies and programs have been designed to:

- build capacity for innovation;
- strengthen research training of Canadians for research and other careers;
- attract and retain able research workers in Canada;
- promote networking and collaboration among researchers; and
- ensure the optimal use of Canadian research infrastructure by promoting sharing within and among institutions.

In turn, this will contribute to economic growth and job creation as well as to improvements in health, environment, and quality of life.

### **What is "research training?"**

The CFI considers this to be the training, through research, of highly qualified personnel including:

- technicians;
- technologists;
- undergraduate students;
- graduate students;
- postdoctoral fellows; and
- other trainees, etc.

It is **not** only considered to be the training of future researchers.

### **What kind of projects does the CFI support?**

The CFI supports infrastructure projects that meet its criteria for eligibility and assessment. It does this regardless of the disciplines or areas of interest of the researchers who will use the proposed infrastructure.



## **Section 2            Eligibility**

### **2.1    Eligible Recipients**

Universities, colleges, and hospitals that have demonstrated their capability to support and conduct research may be eligible for CFI funding. Colleges and not-for-profit organizations that are federated or associated with universities will be regarded as integral parts of their parent institutions.

Not-for-profit organizations that have demonstrated their capability to support and conduct research may be eligible, as long as they are not agencies of governments or of for-profit corporations. The Networks of Centres of Excellence sponsored by the federal government, and similar organizations sponsored by provincial governments, are not eligible recipients. However, their projects may be considered if they are submitted to the Foundation by one or more of the participating universities.

Eligible recipients will have the ownership of infrastructure purchased or developed with CFI funding.

Any institution that is not sure if it is eligible should consult the detailed eligibility conditions (Appendix 1) and contact the CFI to request a ruling on its eligibility. Applications from an institution will be accepted only when eligibility has been established.

### **2.2    Eligible Infrastructure Projects**

An eligible infrastructure project is a project for the modernization, acquisition or development of research infrastructure. When completed, such a project represents a new capital asset and provides a new or improved research capability, research tool, or research facility. Institutions should not submit multiple applications to the CFI for the same infrastructure. The CFI will not usually expect to see a separate request for each item of equipment or infrastructure. Rather, if appropriate, each project should include several items linked in a cohesive package and related to institutional priorities and plans.

Infrastructure is defined as equipment, specimens, scientific collections, computer software, information databases, communication linkages, and other intangible properties, used or to be used primarily for carrying on research, including housing and installations essential for the use and servicing of those things.





## 2.3 Eligible Costs

Eligible costs include all goods and services required to bring the new infrastructure into service, and warranties that are included in the purchase price. They do not, however, include any part of the ongoing costs of operating a facility.

Eligible costs include incremental costs associated with establishing the infrastructure as a turn-key project. Details of eligible and non-eligible costs are found in the following subsections, 2.3.1 and 2.3.2. Appendix 2.6 provides guidelines on the eligibility of the costs of developing databases.

When a particular cost item is not clearly defined as either eligible or ineligible, the CFI will decide the eligibility on a case-by-case basis.

### 2.3.1 Examples of Eligible Costs

- The **capital costs** of acquiring, developing, modernizing or leasing research infrastructure are eligible. In the case of leasing, the application will have to show that leasing is at least as cost-effective as purchasing and to justify the proposed term of the lease. As in the case of purchasing, the ongoing operating costs are not eligible.

Other eligible costs may include the cost to:

- retain professional and technical personnel, consultants, and contractors directly involved in the design, engineering, manufacturing, or construction of the infrastructure project;
- travel to a manufacturer, dealer, or supplier to select the research infrastructure or other material;
- ship or transport the research infrastructure, including brokerage fees, excise taxes, and duties;
- purchase an extended warranty, service contract (for a maximum period of three years);
- modernize or construct research space essential for using the infrastructure effectively. In the case of an option to either upgrade or modernize an existing building, or to construct or assemble a new building, the most cost-effective option must be included in the eligible costs;
- train the institution's staff to operate and use the research infrastructure.

For infrastructure that is used for research and other purposes the total amounts must be prorated to include only the research portion of the infrastructure project and exclude, for example, the non-eligible components of an infrastructure project for teaching and clinical care.

### **2.3.2 Examples of Non-Eligible Costs**

- the cost to purchase or lease real property (note that donations of real property may, however, constitute an eligible partner contribution, as explained in Section 2.5);
- operating costs related to the general maintenance and overhead cost for the research infrastructure and the building or other facility in which the research infrastructure is situated;
- teaching and clinical/patient care space and associated costs;
- office space for administrative staff, graduate or undergraduate students and faculty;
- the cost to conduct research;
- graduate student stipends;
- conference travel;
- administrative expenses not specifically listed as eligible costs;
- office supplies;
- acquisition of the high speed, broad band network across Canada;
- the cost to construct or modernize libraries, or to maintain library collections.

## **2.4 Eligible Partners**

The CFI will provide funding for up to 40% of the eligible costs of the projects it supports. The balance of the project's costs must come from other sources. The CFI considers any of the following possible sources (Canadian or foreign) as acceptable:

- institutional funds, trust funds or foundations;

- departments and agencies of the federal government, excluding the Medical Research Council, the Natural Sciences and Engineering Research Council, the Social Sciences and Humanities Research Council and the Networks of Centres of Excellence;
- departments and agencies of provincial and municipal governments;
- corporations;
- voluntary organizations;
- individuals.

## 2.5 Eligible Partner Contributions

The definition of an eligible cost applies to funding by partners as well as by the CFI, i.e. only contributions to the eligible costs of projects can be counted as matching funding<sup>1</sup>. Partners may contribute to projects for purposes other than those included in the definition of eligible infrastructure. However, these contributions will not be counted as part of the funding of infrastructure when the sharing formula is applied.

The CFI will recognize, at fair value, in-kind contributions from partners that are essential components of the infrastructure project. As a rule, in-kind contributions of real property (i.e., land and buildings) will not be recognized if they have already been transferred to the recipient institution at the time the application process is initiated.

All matching funding must be secured or a persuasive plan provided for securing the funds within six months of the CFI decision.

Persuasive plans for securing funds include:

- application to a provincial matching program, or
- documented commitments from partners (include letters of commitment)

An application to agencies that review and decide on funding independently of CFI decisions is not considered a persuasive plan.

Information on the valuation of in-kind contributions is found in Appendix 3.

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<sup>1</sup> There is one exception: the costs of acquiring or purchasing real property are not eligible for CFI funding. However, partner donations of real property may constitute eligible matching funding.



## Section 3 Programs

### 3.1 Program Overview

The CFI's emphasis on strategic development of transformative research at Canadian institutions is designed to enable eligible organizations to launch new research programs. It is also intended to strengthen existing innovative programs by enabling organizations to acquire or renew infrastructure. It also challenges institutions to develop research plans and strategies, to collaborate with each other, and to seek partner support.

The CFI has **four** funds to support strategic development in Canadian research institutions:

- Innovation Fund
- New Opportunities Fund
- University Research Development Fund
- College Research Development Fund

Application deadline dates for each fund are shown below.

#### Funds and deadlines

Fund	Deadline for Intent to Apply*	Application deadline
<b>Innovation Fund</b> ( two competitions)	Dec. 10, 1999 Dec., 2000	Feb. 1, 2000 Jan., 2001
<b>New Opportunities Fund</b>	NA	Accepted at any time. See review schedule in Section 3.5.2 of this guide.
<b>University Research Development Fund</b>	NA	Accepted at any time. See review schedule in Section 3.5.3 of this guide.
<b>College Research Development Fund</b>	February 11, 2000	March 3, 2000

\* To apply to the Innovation Fund and the College Research Development Fund, applicants **must** submit an Intent to Apply.

### 3.2 Application Process



## Who can apply?

Only institutions can submit applications to the CFI. Individual researchers are **not** eligible.

## How do they apply?

Institutions must submit a two- to five-page summary of the institutional research plan with their first application.

They must apply using a **CFI Application Form**, which consists of **Instructions** and the following **five modules**:

- Project Description and Assessment against CFI Criteria
- Financial Information
- CV
- Suggestions of Reviewers
- Supplemental information for projects with budget requests over \$4 million CFI contribution ( \$10 million total cost) and proposals in the High Performance Computing and Campus Network areas.

## Institutional Research Plans

### Submitting the plan

Applicants must submit the institutional research plan summary only **once**, using the form *Summary of Institutional Research Plan (Appendix 4)*. The plan summary will outline the institution's major thrusts for research and research training. The summary must focus on those areas for which the institution intends to seek CFI support.

Since most institutions will have rolling plans, the CFI will accept revised summaries once a year throughout the CFI's life. The plans will be made available to assessment committees.

### What if institutions are affiliated?

When a university and **one or more** hospitals or research institutes are affiliated or linked, sharing human and material resources as well as programs, the CFI expects concerted planning. Institutions linked with one or more other organizations in this way must provide evidence of concerted planning in the

summary of their plan. If concerted planning and co-ordination **do not** appear to be sufficient, the CFI will advise institutions of its concerns.

### **3.3 Assessment Criteria**

The CFI evaluates all proposals using the following **three** criteria that reflect its mandate:

#### **A. Quality of research and need for infrastructure**

- Quality, significance, originality and innovative potential of the research.
- Research contribution and/or potential of the principal investigators.
- Effectiveness and efficiency of the proposed infrastructure, in view of the research activity planned.
- Effective management, operation and maintenance of the infrastructure on an ongoing basis.

#### **B. Contribution to strengthening the capacity for innovation**

- Importance of the infrastructure to the institutional capacity for innovation.
- Contribution to building the regional or national capacity for innovation.
- Contribution to attracting and retaining highly qualified personnel.
- Contribution to training highly qualified personnel.
- Support for linkages among disciplines, institutions, sectors.

#### **C. The potential benefits of the research to Canada**

- Contributions to the Foundation's goals of job creation and economic growth.
- Improvement of the environment, health and quality of life through innovation.

An infrastructure project **must** satisfy **all three** criteria to a degree appropriate to the size and complexity of the project in order to be funded.

### **3.4 Assessment Process**

#### **Governing Principles for Assessment Committees**

All Multidisciplinary Assessment Committees (MAC) are composed of members with broad expertise in research, research management, and the use of research results.



## **What does the CFI consider when it selects MAC members?**

Quality and experience are the CFI's prime considerations when it selects committee members. In addition, the CFI strives to achieve a reasonable balance in terms of language, gender, region, sector of the economy, discipline, and type of institution.

## **What standards and guidelines do committee members have to follow?**

Committee members are expected to maintain the highest standards of ethics in fulfilling their role. They are appointed as individuals. They are not advocates or representatives of their discipline, or delegates of any organization.

The CFI has adopted a Statement on Ethics that all committee members must adhere to. Members must also sign a Confidentiality and Non-disclosure Declaration in which they agree not to discuss their deliberations with institutions and researchers.

## **Contacting committee members**

The CFI expects that members of the research community will **not** contact committee members to get information on committee deliberations.

Committee members are instructed not to enter into discussions of any kind—related to the review process or specific projects—with other members of the research community.

Members will not receive additional information or representations relating to projects except when the CFI provides them directly. Members must refer all inquiries, or other material directed to them personally, to CFI staff for response.

## **Committee terms of reference**

Within the overall framework and budget that the CFI provides, the MACs will recommend to CFI management a certain group of projects—the ones that will represent the most effective investment in infrastructure in Canada in a competition.

The membership of the committees is available on the CFI's Web site at: [www.innovation.ca](http://www.innovation.ca)

## Assessing applications

The CFI intends to assess all applications without imposing an undue workload on an already overworked research community. As a result, the depth of the review varies with the size of the requested investment and the complexity of the proposal.

All committee members read all proposals before each committee meeting. Committee members are then assigned a number of proposals for in-depth review. Two or three committee members (with at least one member within, and one outside the general area of the application) review and rate each proposal using the **ProGrid** decision-assist tool.

### What is ProGrid?

When precise numerical information is not available, ProGrid is a methodology used to measure the value of intangible assets. ProGrid is customized to the CFI's needs and based on its mandate and assessment criteria. It constructs a logic methodology around these elements that is designed to enhance the decision process.

ProGrid is a combined application/evaluation decision-assist tool that helps:

- to assess the project against each of the CFI criteria in a structured way;
- applicants to decide whether the project should be further pursued;
- institutions screen projects against their plans and priorities; and
- the CFI's reviewers and committees to structure their assessment.

### How is ProGrid applied?

The application of the ProGrid methodology requires applicants to identify the strengths and possible weaknesses of their proposals against **six** factors derived from the CFI's assessment criteria.

For each factor, the applicant selects the one statement that best reflects the proposal. A successful proposal must meet each of the three criteria. The relative importance of the criteria will vary with the complexity and nature of the project.

ProGrid helps reviewers and committees to assess proposals in a structured way. It does not override the collective wisdom of experts. It actually helps to identify those aspects of a proposal that may require more extensive committee discussion.

Experience with the methodology has shown that the structured self-assessment process results in better proposals and a more consistent process for all applications.

### **How do committees make recommendations?**

Committee members provide staff with their ratings before the meeting. Members will also compile and integrate the evaluations from other sources, where available.

The sources of expert advice may include:

- external reviewers who will be asked to provide their expert opinion on the CFI criteria including the suitability, budget, and management of the proposed infrastructure;
- task forces that will review a number of infrastructure projects of a particular nature such as genomics and campus networks; and
- face-to-face meetings or conference calls that will be held for some proposals, especially those with a total project cost over \$10 million.

Experts consulted will include (as appropriate):

- researchers from various sectors;
- university and business administrators;
- research procurement officers; and
- potential users of the research results.

At the committee's meeting:

- all proposals are considered;
- significant discrepancies between reviewers assessments are discussed; and
- questions or concerns about the expert reviews and reports are also discussed.

For each proposal, a committee will reach a consensus on whether or not the project meets the CFI criteria.

As part of its recommendations, a committee will indicate any conditions of funding. In the case of partial funding, a committee will indicate which part(s) of the project it is not recommending for funding. The committees will also provide comments on projects that were not selected.

If there is more than one committee for a competition, the committee chairs will meet with CFI staff to:

- review each committee's recommendations; and

- assess and ensure that the recommendations are consistent among the committees.

The CFI management reviews the committee advice and makes recommendations to the CFI Board of Directors for a final decision.

## **3.5 Funds**

The following sections contain detailed information about the CFI's **four** funds.

### **3.5.1 Innovation Fund**

#### **1. Overview**

The **Innovation Fund** enables institutions, alone or in groups, to strengthen their research infrastructure in areas identified in their institutional research plans ( see Section 3.2). Infrastructure projects in all disciplines, including **social sciences** and **humanities**, are eligible and can be funded provided they meet CFI criteria.

The CFI defines **research** as the "attempt to discover new facts, knowledge, and information, to develop new interpretations of facts, knowledge or information, or to discover new means of applying existing knowledge, relating to (a) a science, (b) health, (c) engineering, or (d) the environment."

#### **Projects that support innovative research**

The CFI invests in projects that reinforce and support excellent research, and that will help create excellence—especially where there is already evidence of real potential and need to do so.

Institutions can get support for infrastructure that will enable researchers to work on groundbreaking topics that are currently beyond their means. The proposed infrastructure should support innovative research that is linked to new ideas and concepts, or to different ways of performing research. This type of research may require interdisciplinary approaches and contributions from individuals from a **variety** of institutions and/or sectors.

#### **Developing strategic visions**

The CFI encourages institutions to anticipate future research infrastructure needs, and to develop strategic visions—especially in areas that integrate ideas and knowledge from many disciplines.

The CFI expects that some proposals will fit within strategies developed in the context of the first competition for areas such as genomics and high-performance computing.

The CFI encourages institutions to capitalize on the national backbone—Canada's high-speed broad-band network—through their projects.

### **Working together in regional or national consortia**

The CFI encourages institutions to come together in regional or national consortia and to plan co-operatively to acquire or develop infrastructure. By establishing clusters and networks of related infrastructure, institutions can use available research resources more effectively and efficiently.

The CFI therefore encourages institutions to develop collaborative partnerships and co-operative arrangements within the institution **and** with other eligible organizations, and public or private research organizations.

If the CFI receives similar proposals from separate institutions, it may invite them to:

- communicate with each other to ensure discussions of potential collaboration;  
or
- combine proposals to ensure effectiveness and efficiency of the infrastructure.

The CFI may create special task forces to recommend strategic approaches for certain types of infrastructure and to review proposals.

### **How much funding is available?**

The CFI intends to invest **up to \$350 million** in this competition. In the first competitions for funding in 1998 and 1999, the CFI and its other funding partners committed \$905 million to this fund, including regional/national facilities.

### **What's new for the competition in 2000?**

- Only projects with total eligible costs of **\$100,000 or more** will be accepted.
- Only individual items or systems costing **more than \$8,000** are eligible.

- In-kind contributions received **after January 1, 1999**, are eligible if they are deemed to be essential to the infrastructure project.
- Specific guidelines for projects in a number of areas (e.g., construction, high-performance computing, campus networks, databases, libraries, genomics, medical imaging. For more details, see Appendix 2) have been prepared.
- The assessment of proposals will be one-phase only.
- ProGrid will continue to be used as a decision-assist tool. There are fewer, more focussed factors under each criterion.
- The application form has been modified in light of the experience of the first competition. The revised form will be available in October 1999 on the CFI's Web site at: [www.innovation.ca](http://www.innovation.ca).

## 2. Who is eligible to apply?

The CFI considers universities, colleges, hospitals, and not-for-profit institutions as eligible to apply. However, they **must**:

- have filed the summary of their institutional research plan with CFI, which they can revise once a year;
- not have opted for the University Research Development Fund, or if they did so, they have been successful in drawing down their initial allocation; and
- not have opted for the College Research Development Fund.

## 3. What types of items are eligible?

Only projects with total project costs of **\$100,000 or more** are eligible. This represents a CFI contribution of **\$40,000** or more.

For a general description of eligible costs, see Section 2.3. Note the following important conditions:

- **In-kind contributions** must have been received after January 1, 1999.
- Only individual items or systems that cost **more** than **\$8,000** are eligible.

## 4. What is the application process?

As part of the application process, applying institutions must do the following by the indicated dates:

- By **December 10, 1999**, they must submit their **Intent to Apply** form for each planned project. They must include a one-page summary and the names of expert reviewers.

The CFI will publish the list of titles it receives. It will use the information provided to plan the assessment process. Before it can submit an application for funding, an institution must first submit an **Intent to Apply** form.

- By **February 1, 2000**, they must submit the application(s) and provide a covering letter listing all the proposals the institution is submitting. They must include one complete paper copy for each project.

## 5. How will the CFI assess proposals?

The CFI will assess proposals on the basis of three criteria (see Section 3.2 of this guide):

- quality of research and need for the infrastructure;
- contribution to strengthening the capacity for innovation; and
- potential benefits of the research to Canada.

The CFI will review proposals for eligibility and completeness. It may request additional material to ensure that all necessary information is available for the assessment.

The assessment process for each proposal will be tailored to the nature and complexity of proposals. For each proposal, the CFI will use various mechanisms including:

- written external reviews;
- task forces for groups of similar or related proposals;
- telephone conferences; or
- face-to-face meetings.

These assessments will be forwarded to a multidisciplinary assessment committee. The committee will be responsible for making funding recommendations.

If the budget is **not** sufficient to fund all proposals that meet the criteria, a committee may have to choose between projects of comparable merit. The

committee will recommend the proposals that most effectively support the CFI's mandate and research in Canada. The committee will take into account the following strategic considerations:

- distribution among areas of the CFI mandate;
- distribution among institutions; and
- institutional and/or provincial priorities.

## 6. Funding decisions

The CFI Board of Directors will make the final decision on funding for each project at its July 2000 meeting.

For all project proposals, the CFI will provide institutions with a summary of its comments.

## 7. Will there be another competition?

The CFI will make another call for proposals in September 2000. The guidelines for this competition will be drafted in the summer of 2000.

### 3.5.2 New Opportunities Fund

#### 1. Overview

An important part of the CFI's mandate is to attract and retain able research workers in Canada.

By providing research infrastructure to new faculty members, funding through the **New Opportunities** fund will help newly recruited faculty members reach their full potential. It will also help institutions to recruit academic staff of exceptional quality in priority areas for research and training at the institution.

CFI funding will provide support for **infrastructure costs**. It will **not** be used for the salaries of investigators, or for the operating costs of their research.

For general eligibility (e.g., eligible partners), see Section 2 in this guide.



### How much is the CFI committing to New Opportunities?

For the CFI's lifetime, the Foundation is committing a maximum of **\$144 million** to the New Opportunities Fund. This includes the amount for the initial competition.

### What is the maximum allocation for each institution?

The maximum allocation available to each institution is listed in the table below.

The amounts are based on a three-year average of total sponsored research revenue (1994 to 1996). They are calculated using data collected by the Canadian Association of University Business Officers (CAUBO).

<b>New Opportunities</b>	
<b>Institution</b>	<b>Maximum allocation</b>
University of Alberta	\$ 5,600,000
The University of British Columbia	\$ 7,200,000
Brock University*	\$ 309,000
The University of Calgary	\$ 4,000,000
University College of Cape Breton	\$ 600,000
Carleton University	\$ 2,000,000
Concordia University	\$ 1,200,000
Dalhousie University	\$ 3,200,000
École Polytechnique de Montréal	\$ 2,000,000
University of Guelph	\$ 4,000,000
Institut National de la Recherche Scientifique (INRS)	\$ 2,000,000
Lakehead University*	\$ 358,000
Laurentian University*	\$ 384,000
Université Laval	\$ 4,800,000
University of Manitoba	\$ 4,000,000
McGill University	\$ 7,600,000
McMaster University	\$ 4,800,000
Memorial University of Newfoundland	\$ 2,000,000

<b>New Opportunities</b>	
<b>Institution</b>	<b>Maximum allocation</b>
Université de Montréal	\$ 7,200,000
Université d'Ottawa University	\$ 3,200,000
Université du Québec en Abitibi-Témiscamingue* (UQAT)	\$ 172,000
Université du Québec à Montréal (UQAM)	\$ 2,000,000
Université du Québec à Rimouski (UQAR)	\$ 600,000
Université du Québec à Trois-Rivières (UQTR)	\$ 442,000
Queen's University	\$ 4,000,000
University of Regina*	\$ 358,000
University of Saskatchewan	\$ 3,200,000
Université de Sherbrooke	\$ 2,000,000
Simon Fraser University	\$ 2,000,000
University of Toronto	\$ 8,400,000
Trent University*	\$ 256,000
University of Victoria	\$ 2,000,000
University of Waterloo	\$ 3,200,000
University of Western Ontario	\$ 4,000,000
University of Windsor	\$ 1,200,000
York University	\$ 2,000,000
<b>TOTAL</b>	<b>\$ 102,279,000</b>

\* These universities have used up all their allocation under the **University Research Development Fund**. As a result, they are eligible for an allocation under the New Opportunities awards. This maximum allocation is 20 percent of their URDF allocation.

## **2. Who is eligible to apply?**

Universities are invited to seek infrastructure support for persons who are taking up their first full-time academic position in Canadian degree-granting institutions. Teaching hospitals and affiliated institutes may apply **only** through the university with which they are associated.

A university may request funding to provide infrastructure to candidates who have:

- yet to be recruited;
- been recruited but have not yet taken up their positions; or
- taken up their positions **18 months or less** before the application date.

A project may involve more than one new researcher. It can include:

- a group or team of researchers with complementary skills and expertise; or
- researchers that share infrastructure or work in related fields of research that are a high priority for the university, and which the university wants to develop to enhance its training and research mandates.

### 3. What types of items are eligible?

In addition to meeting the general program terms, eligible items must:

- be, or have been, purchased or received **specifically** for the new researcher;
- be **essential** to the infrastructure project; and
- have been acquired no more than **six months** before the date the candidate(s) took up the position.

For a general description of **eligible costs**, see Section 2.3.

#### Conditions for in-kind contributions

In addition to meeting the general program terms, in-kind contributions must:

- have been made **specifically** for the new researcher and the project; and
- not have been acquired or transferred earlier than **six months** before the date the new researcher(s) took up the position.

In exceptional circumstances, the CFI may accept in-kind contributions received outside the six-month allowed time. However, a strong rationale for the exception must be provided. The institution must demonstrate that such contributions are clearly attributable to the recruitment of the new investigator(s) and for the particular infrastructure project submitted to the CFI. The CFI will make a decision based on the merit of each case.

For a description of valuation of **in-kind contributions**, see Appendix 3.

## Project costs

The CFI expects that most projects will be in the range of **\$125,000 to \$200,000** of the CFI contribution.

The CFI will consider requests outside this range on a case-by-case basis.

## 4. What is the application process?

Institutions can submit their applications at any time until April 2002. So far, the CFI has selected the following dates for its review cycle.

### Latest submission dates

July 15, 1999  
September 15, 1999  
December 1, 1999  
March 1, 2000

### Board decisions

October 7, 1999  
November 30, 1999  
February 29, 2000  
May 30, 2000

To apply, an institution must:

- complete the CFI application form; and
- provide the names of **expert reviewers** suitable for assessing the application.

If an institution is applying for a candidate it has not yet recruited, it must:

- describe the candidate to be recruited;
- describe in general terms the research to be undertaken;
- describe the infrastructure needs; and
- indicate the maximum amount requested.

When the institution has recruited the candidate, it must provide the CFI with the candidate's CV. This will ensure that the candidate's qualifications meet the same high standards as outlined in the original application.

After the CFI approves the candidate, the institution may submit a revised list of infrastructure within the maximum amount requested. It may also submit an updated research plan to take into account the candidate's specific requirements.

## 5. How will the CFI assess proposals?

The CFI will assess proposals on the basis of three criteria (see Section 3.2 of this guide):

- quality of research and need for the infrastructure;
- contribution to strengthening the capacity for innovation; and
- potential benefits of the research to Canada.

There is no multidisciplinary assessment committee for this fund. Instead, the CFI has established a pool of reviewers who do written reviews for the New Opportunities Fund. These experts took part in multidisciplinary assessment committees convened for the initial New Opportunities and the Institutional Innovation Fund competitions. This approach will help ensure that proposals are reviewed consistently throughout the CFI's lifetime. Each project is reviewed by members of the pool as well as additional experts outside the pool. If the reviewer's assessments differ substantially, the CFI will put in place an appropriate mechanism to reach a consensus.

The CFI may also adjust the review process where warranted by the complexity of the proposals or other relevant factors.

## **6. Funding decisions**

The CFI Board of Directors will make the final funding decision for each project. Institutions will be informed of the results shortly after each Board meeting.

For the projects that are not funded, or are partially or conditionally funded, the CFI will provide institutions with a summary of the reviewers' comments.

The CFI will limit the amount of "pending" funding per institution, at any time, to 50 percent of its maximum allocation. For example, an institution with a maximum allocation of \$2 million, \$1 million of which is pending, **will not** be authorized to submit another application until it has recruited at least one of the selected candidates.

### **3.5.3 University Research Development Fund**

#### **1. Overview**

The University Research Development Fund (URDF) is an on-going fund

designed for eligible universities that received, during the 1994-96 period, less than 1 percent of the total sponsored research funding in Canadian universities. The CFI uses the data collected by CAUBO to determine eligibility and allocations for these institutions.

Applications submitted to the URDF are expected to relate to institutional research plans. They must be similar to those for the Innovation Fund and New Opportunities.

A sum of approximately **\$40 million** has been set aside for these eligible institutions. The CFI has apportioned the amount among institutions using a formula that takes into account the following factors:

- total sponsored research funding;
- total sponsored research funding per full-time faculty member;
- rate of increase in sponsored research over the most recent five-year period;
- degrees granted per annum; and
- number of full-time faculty

The following table lists the institutions eligible as of August 1999. It also lists the amounts allocated.

<b>Institution</b>	<b>Allocated amount</b>
Acadia	\$830,000
Athabasca	\$355,000
Bishop's	\$460,000
Brandon	\$675,000
Brock	\$1,545,000
École de technologie supérieure	\$1,390,000
École des Hautes Études Commerciales	\$1,560,000
École nationale d'administration publique	\$1,180,000
King's University College	\$250,000
Lakehead	\$1,790,000
Laurentian	\$1,920,000
Lethbridge	\$1,000,000
Malaspina University College	\$250,000
Moncton	\$1,410,000
Mount Allison	\$880,000
Mount Saint Vincent	\$665,000
New Brunswick	\$2,600,000

Nipissing	\$265,000
Northern British Columbia	\$1,115,000
Nova Scotia Agricultural College	\$1,335,000
Okanagan University College	\$700,000
Prince Edward Island	\$730,000
Regina	\$1,790,000
Royal Roads	\$250,000
Ryerson Polytechnic	\$1,650,000
Saint Mary's	\$1,000,000
St. Francis Xavier	\$835,000
St. Thomas	\$250,000
Télé-université	\$2,000,000
Trent	\$1,280,000
University College of the Cariboo	\$355,000
Université Sainte-Anne	\$250,000
UQ à Chicoutimi	\$1,995,000
UQ à Hull	\$750,000
UQ à Trois-Rivières	\$2,210,000
UQ en Abitibi-Témiscamingue	\$860,000
Wilfrid Laurier	\$1,290,000
Winnipeg	\$850,000
<b>Total</b>	<b>\$40,520,000</b>

## 2. Who is eligible to apply?

Eligible institutions that opt to participate in the URDF are not eligible to apply as the lead institution to other CFI funds.

However, all universities, at all times, are eligible as participants or users in Innovation Fund applications led by other institutions

Once an institution is successful in claiming the full amount of its allocation under the URDF, it becomes eligible to apply to the New Opportunities Fund and the Innovation Fund.

Each URDF institution that is successful in claiming its full allocation is eligible for an allocation under the New Opportunities fund equivalent to 20 percent of its original URDF allocation.

To allow flexibility, a carry over of up to 10 percent of the original URDF allocation into the New Opportunities allocation is permitted for institutions that have been successful in claiming at least 90 percent of their original URDF allocation.

### 3. What types of items are eligible?

For a general description of eligible costs, see Section 2.3. Note the following important conditions:

#### **In-kind contributions**

For all URDF proposals, the CFI may consider in-kind contributions eligible if they have been transferred to the institution on or after **July 2, 1997**.

### 4. What is the application process?

There is no deadline for submitting applications to the URDF. The CFI will accept applications at any time after it has received the Summary of Institutional Research Plan for research and research training.

The CFI has selected the following dates for the next review cycles.

<b>Latest submission dates</b>		<b>Board decision</b>
<b>Total project costs over \$350,000</b>	<b>Total project costs under \$350,000</b>	
November 8, 1999	November 22, 1999	End of February 2000
March 6, 2000	March 20, 2000	End of May 2000
May 8, 2000	May 23, 2000	End of July 2000
August 14, 2000	August 28, 2000	Early November 2000

Guidelines for applications, along with the definitions on eligible costs and valuation of in-kind contributions, are available in Section 2.3 and Appendix 3 in this guide.

Institutions that are considering submitting an application in the following areas should refer to Appendix 2 of this guide:



- High Performance Computing (HPC)
- Genomics
- Digital Libraries
- Databases.

## 5. How will the CFI assess proposals?

The CFI will assess proposals on the basis of three criteria (see Section 3.2 of this guide):

- quality of research and need for the infrastructure;
- contribution to strengthening the capacity for innovation; and
- potential benefits of the research to Canada.

Expert reviews will be sought as needed. A multidisciplinary assessment committee will make recommendations for funding. The CFI will approve funding only for applications that conform to the same standards in terms of quality, institutional impact, and relevance to the CFI's mandate as in other Funds.

## 6. Funding Decisions

The CFI Board of Directors will make the final decision on each project.

### 3.5.4 College Research Development Fund

#### 1. Overview

The College Research Development Fund (CRDF) is designed to help Canadian colleges, institutes, and their affiliated research centres develop and strengthen their research infrastructure in areas identified in their institutional research plans.

Colleges can submit proposals for projects totalling up to **\$2 million** in eligible costs with a maximum contribution of **\$800,000** from the CFI.

## **What is “research?”**

The CFI defines **research** as the "attempt to discover new facts, knowledge, and information, to develop new interpretations of facts, knowledge or information, or to discover new means of applying existing knowledge, relating to (a) a science, (b) health, (c) engineering, or (d) the environment."

Infrastructure projects in all disciplines, including social sciences and humanities, are eligible and can be funded. They must, however, meet the CFI criteria.

Most projects in the first CRDF competition focussed on the discovery of new ways to apply existing knowledge, as opposed to the discovery of new knowledge. This corresponds to the role many colleges play with their partners and communities in research, development, commercialization, and technology transfer.

## **Anticipating future needs**

The CFI encourages institutions to anticipate future research infrastructure needs, and to develop strategic visions—especially in areas that integrate ideas and knowledge from many disciplines.

Institutions that are considering submitting an application in the following areas should refer to Appendix 2 of this guide:

- High Performance Computing (HPC)
- Genomics
- Digital Libraries
- Databases.

## **Working together in regional or national consortia**

The CFI encourages institutions to come together in regional or national consortia and to plan co-operatively to acquire or develop infrastructure. The research may also require interdisciplinary approaches and contributions from individuals from a variety of institutions and/or sectors.

The establishment of clusters and networks of related infrastructure may allow for more effective and efficient use of available research resources. To put forward co-ordinated proposals, the CFI encourages eligible institutions to develop collaborative partnerships and co-operative arrangements with other eligible organizations and with public and/or private research organizations.

If the CFI receives similar proposals from separate institutions, it may invite them to:

- communicate with each other to ensure discussions of potential collaboration;  
or
- combine proposals to ensure effectiveness and efficiency of the infrastructure.

### **How much funding is available?**

The CFI intends to invest **up to \$12 million** in this competition.

In the initial CRDF competition, the CFI and the colleges' partners committed close to \$18.5 million to this fund.

### **What's new for the competition in 2000?**

- The application form has been modified in light of the experience of the first competition. The revised form will be available in October 1999 on the CFI's Web site at: [www.innovation.ca](http://www.innovation.ca).
- ProGrid will continue to be used as decision-assist tool, but there are fewer, and more focussed factors under each criterion.
- In-kind contributions received after **January 1, 1999**, are eligible if they are deemed to be integral, essential components of the infrastructure project.
- Specific guidelines for projects in a number of areas (e.g., construction, high-performance computing, campus networks, databases, libraries, genomics, medical imaging) have been prepared. For more detailed information, see Appendix 2.

## **2. Who is eligible to apply?**

Colleges, institutes, and their affiliated research centres that have demonstrated their ability to support and conduct research, and have been declared eligible by the CFI, can apply for funding.

Colleges must first establish their eligibility. The complete list of eligibility criteria is available in Appendix 1 in this guide.

If a college has already sent the necessary documentation to establish its eligibility for the first CRDF, it **does not** have to submit a new request. All other

institutions that have never made a request to be recognized as eligible, and that want to apply for CFI funding in the future, must send their request to the CFI by **December 10, 1999**, at the latest.

Once they have established their eligibility, colleges can submit their proposals under the CRDF provided they have:

- filed the summary of their institutional research plan with the CFI, which they can revise once a year; and
- not opted for the Innovation Fund.

A college has the option of applying to the Innovation Fund. If it does, it **cannot** also apply to the CRDF. Colleges are eligible as participants or users in Innovation Fund projects led by other institutions.

### **3. What types of items are eligible?**

For a general description of **eligible costs**, see Section 2.3.

#### **What are the deadline dates for in-kind contributions?**

In-kind contributions must have been received **after** January 1, 1999.

### **4. What is the application process?**

Once their eligibility to apply has been approved, applying colleges must:

- By **February 11, 2000**, submit the Intent to Apply form for each planned project. The CFI will publish the list of titles received, and will use the information provided to plan the assessment process. Before it can submit an application, an applying college must submit an Intent to Apply.
- By **March 3, 2000**, submit the application(s) and provide a covering letter listing all the proposals the institution is submitting, along with one complete paper copy for each project.

### **5. How does the CFI assess proposals?**

The CFI will assess proposals on the basis of three criteria (see Section 3.2 of this guide):

- quality of research and need for the infrastructure;
- contribution to strengthening the capacity for innovation; and
- potential benefits of the research to Canada.

The CFI will review and verify proposals for eligibility and completeness. It may ask for additional material to ensure that all necessary information is available for the assessment.

A multidisciplinary assessment committee for the CRDF will be established. It will be responsible for making funding recommendations.

If the budget is **not** sufficient to fund all proposals that meet the criteria, a committee may have to choose between projects of comparable merit. The committee will recommend the proposals that most effectively support the CFI's mandate and research in Canada. The committee will take into account the following strategic considerations:

- distribution among areas of the CFI mandate;
- distribution among institutions; and
- institutional and/or provincial priorities.

## **6. Funding decisions**

At its July 2000 meeting, the CFI Board of Directors will make the final funding decision for each project. The CFI will approve funding only for applications that conform to the same standards in terms of quality, institutional impact, and relevance to the CFI's mandate as in other Funds.

The CFI will provide institutions with a summary of committee comments for all projects.



## **Section 4            Policies and Guidelines for Using and Administering Funds**

### **Making the best use of CFI funds**

The CFI operates on the principle that its funds must be used effectively, economically, and in the best interest of Canada's research enterprise.

To maximize the purchasing power of its investment, the CFI strongly encourages institutions to seek the best possible prices when purchasing equipment or developing infrastructure projects.

### **4.1 Funding Ratio**

#### **What percentage of the project's costs does the CFI provide?**

The CFI funds projects on a cost-shared basis, in partnership with other sectors and participants in the research system (see Section 2.4).

Institutions and their partners must collectively contribute at least **60 percent** of the required funds for a project, while the CFI provides a maximum of **40 percent**.

#### **Does the CFI ever contribute more than 40 percent?**

In exceptional circumstances, the CFI is authorized to contribute more than 40 percent of the funds for a project, to a maximum of **50 percent** of the funds. However, since the CFI must maintain an average maximum contribution of 40 percent, it does not **plan** to contribute more than 40 percent.

The matching percentage that the CFI contributes will be confirmed in the award agreement. In the following sections of this guide, it will be called the "agreed CFI share of eligible costs."

### **4.2 Agreement with Eligible Recipients**





## **How are CFI funds administered?**

Together in partnership, the recipient institution and the CFI administer CFI funding.

The recipient institution is the institution that submitted the application. This will be the case unless the applicant institution and another eligible institution involved in the project request (and obtain the CFI's permission in writing) that this other eligible institution receive the funds directly and assume all responsibilities related to the award.

## **What agreements does the institution have to sign?**

### **Institutional Agreement**

Before it releases any funds, the CFI will ensure that the recipient institution has signed the *Institutional Agreement*. The agreement defines the conditions under which eligible recipients can use CFI funding. A sample *Institutional Agreement* is available in Appendix 5. This agreement is signed once by the institution.

In the agreement, the institution's President or CEO may designate one of the following types of individuals who will act on his or her behalf:

1. A CFI account administrator who will have custody of the CFI funds and will be accountable for the institutional CFI financial accounts and related records.
2. One or two persons authorized to sign applications to the CFI on behalf of the institution.

### **Award Agreement**

For each approved project, the institution will sign an *award agreement* (see Section 4.7).

## **Monitoring expenditures**

The institution is responsible for monitoring expenditures. It must also ensure that the expenditures comply with CFI regulations and policies as:

- outlined in this Guide or in other CFI publications;
- specified in the *Institutional Agreement*; or
- imposed as a condition of funding.

The institution must notify the CFI immediately if the project cannot be completed or if there is any evidence that CFI funds will not be used in an anticipated or appropriate manner.

The CFI's authorized representatives may periodically visit institutions to provide and/or obtain information on the administration of CFI funds, and to monitor a sample of project accounts.

If the recipient institution has forwarded funds to another institution (e.g., an affiliated hospital or another participant in a project), the CFI may monitor the project account at the location where the funds are spent.

### **4.3 Ownership and Location of Infrastructure**

#### **Who will own infrastructure and equipment funded by the CFI?**

The ownership of CFI-funded infrastructure will remain with the eligible institution (alone or as member of a group composed mainly of eligible institutions), as per the **funding agreement** between the CFI and the Government of Canada.

The funding agreement stipulates that institutions own and control the equipment as follows:

- alone, or as a member of a group (a majority of which fall under the definition of eligible recipient), the eligible recipient will operate and use the research infrastructure contemplated by the eligible project;
- alone, or as a member of a group (a majority of which fall under the definition of eligible recipient), the eligible recipient will hold a majority interest in, and exercise de facto control over, the research infrastructure contemplated by the eligible project;
- alone, or as a member of a group (a majority of which fall within the definition of Eligible Recipient), the Eligible Recipient shall assume responsibility to insure all its Research Infrastructure, including powered vehicles; and
- for a period of five years from the date of acquisition and installation of the research infrastructure, or such other period as the CFI may deem appropriate:
  1. the eligible recipient, either alone or as a member of a group (a majority of which fall under the definition of eligible recipient), shall irrevocably commit to hold the majority interest and the de facto control of the Research infrastructure referred to in the previous paragraph; or
  2. the eligible recipient, with the CFI's consent, may transfer the majority interest and de facto control of the research infrastructure referred to in the previous paragraph to another eligible recipient or to a group (a majority of which fall within the definition of eligible recipient).

The infrastructure will be located at the eligible lead institution or at any other eligible institution in Canada, as specified in the application. Any change in location requires the CFI's permission.

#### **4.4 Conflict of Interest**

A person directly involved in a project funded by the CFI must not have any financial or personal interest—directly or indirectly—in any project transactions. If a real or perceived conflict of interest situation develops, institutions should get a ruling from the CFI.

#### **4.5 Rights to Intellectual Property**

The CFI does not keep or claim any ownership of, or exploitation rights to, any intellectual property arising from the infrastructure project. The recipient institution will determine these rights, in accordance with current institutional policies.

#### **4.6 Special Requirements for Certain Types of Research Facilities and Infrastructure Projects**

Appendix 6 outlines the CFI's policies and requirements for certain research or facilities including:

- facilities for the care and treatment of animals;
- research with human subjects;
- research involving biohazards;
- research involving radioactive materials;
- research involving a possible adverse impact on the environment, hazardous substances, field work, or field or marine stations; and
- facilities in the Yukon and the Northwest Territories.

The CFI has adopted the 1998 *Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans*.

It has also adopted the 1998 statement of the granting councils regarding the Year 2000 computer problem.

## **4.7 Notification of Decision and Award Agreement**

### **When and how will institutions find out competition results?**

Institutions will be informed of competition results shortly after the decisions of the Board of Directors. Lists of successful applications will be published.

The CFI will contact each institution to finalize the award amount and the payment schedule for each approved project (see Section 4.9 for more details). An award may be approved subject to certain conditions. The CFI will not pay out funds until conditions are met.

The award agreement will indicate the final amount agreed upon. It will also indicate the amount and frequency of planned instalments (the schedule will vary depending on the size and complexity of the projects).

## **4.8 Account Administration, Monitoring, and Audit**

### **How are funds administered?**

The CFI will send funds to the recipient institution. The CFI account administrator will administer the funds on the institution's behalf.

The CFI will make periodic electronic deposits to a pre-arranged bank account, or issue cheque payments on an exceptional basis (see Section 4.9 for payment schedule). Lists of projects for which payments are made will be sent to the account administrator and to the CFI liaison.

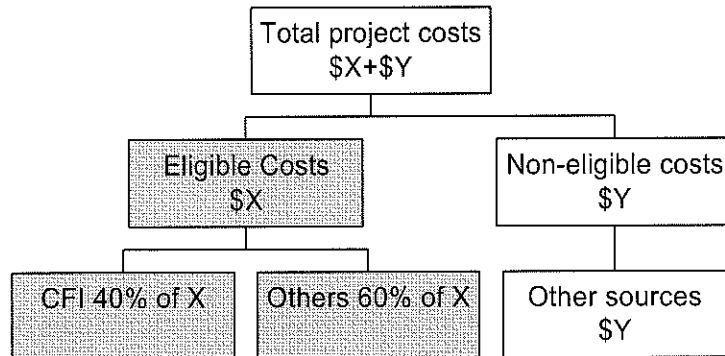
At the institution's request, a person designated by a hospital will also be notified of the payment when the award is for infrastructure at a hospital (or research institute) that applied to the CFI through its affiliated university.

### **Keeping financial records**

For each CFI award, the institution must maintain financial records and project accounts with revenues. The records must identify the various funding sources and costs adding up to **100 percent** of eligible costs.

The account administrator is responsible for ensuring that the CFI is not charged more than the agreed CFI share of eligible costs for each project.

As shown in the following diagram, the institution must maintain a verifiable audit trail for all eligible cost transactions (including in-kind contributions). It must assign them to the appropriate project accounts on a regular basis (at least once annually). To ensure that the CFI contributes the right proportion, the auditable tracking system must, at the minimum, apply to the shaded boxes in the diagram.



Administration and accounting procedures for each project must conform to the institution's standards, practices, and policies.

The account administrator will provide the CFI with periodic reports on the status of each CFI project account (see Section 4.11).

Institutions must keep all supporting documentation for **at least five years** following completion of the project. They do not have to submit the documentation to the CFI unless they are asked to do so.

### **Auditing a project**

- The CFI will perform an audit for all projects with total eligible costs of more than \$10 million.
- Audit costs are not eligible costs, and cannot be charged against the project.
- Within certain guidelines, the CFI will pay for the audit costs out of its administrative budget.
- The CFI reserves the right to review and audit any project (a representative sample will be reviewed every year).
- Clear instructions will be prepared for auditors and a standard form will be available.
- The institution will be notified when one of its projects is selected for an audit.

## 4.9 Payment Schedule

### How does the CFI make payments?

Once the amount of its contribution is finalized, the CFI will release the initial payment **after** it receives official certification that:

- partner funding has been, or will be, received within the period specified (and no later than the following March 31);
- resources are available for the ongoing operation and maintenance of the infrastructure; and
- the institution has met all other conditions specified in the award agreement.

### Awards less than \$400,000

For awards of less than \$400,000 (total eligible cost of \$1 million), the amount will be paid in **one instalment** less the holdback amount (see the information in the following paragraphs), if:

- the project is to be completed before the following March 31; and
- the matching funding has been received (or the institution certifies that it will be received before the following March 31).

Otherwise, the CFI will make payments over two or more fiscal years (April 1 to March 31).

### Awards over \$400,000

For other awards, the **initial payment** will represent the agreed CFI share of the eligible costs that the institution has incurred to date (including in-kind contributions received).

The **second and subsequent** payments will be made quarterly on January 15, April 15, July 15, and October 15 (whichever comes first).

These quarterly payments will be of an equal amount for the given fiscal year, and will be determined on a year-by-year basis from the cash flow projections submitted by the institution in the Financial Report (see Appendix 7).

### Holdback amounts

Every year, the CFI will hold back a portion of the funding for each project (usually 10 percent of each payment, but negotiable on a case-by-case basis for

very complex projects of a longer duration). The minimum holdback amount for each project is \$10,000.

The purpose of the holdback amount is to ensure that the CFI's contribution in **any given year** remains as close as possible to the agreed CFI share of eligible costs. The holdback amount for a given year, after adjustments to reflect actual expenditures, will be released with the October 15 payment of the subsequent year.

The amount advanced for each project will be based on a review of forecast cash disbursements (see Section 4.11 for reporting requirements) to ensure that:

- instalments match, as closely as possible, the expected disbursements;
- matching funding has been received as planned;
- future matching funding has been committed and will be received during the specified period; and
- there is satisfactory progress in the development and acquisition of the infrastructure, as proposed in the application and in the award agreement.

### **When will the CFI make the final payment?**

The final payment will be made once the final financial report has been received, after the project is completed. As noted in Section 4.8, an auditor's certificate will be required for projects with eligible costs of **\$10 million or more**.

The amount of the final payment will be calculated to ensure that the CFI's contribution **does not** exceed its agreed share of eligible costs.

When the project is completed, if total project costs are less than originally anticipated, the CFI's contribution will be limited to its agreed share of the revised total eligible costs of the project (See Section 4.10 for changes to eligible costs).

## **4.10 Changes to the Infrastructure Project and to Eligible Costs**

The CFI must be notified immediately if:

- the institution is unable to carry out or complete the project;
- there is material deviation in cash flow projection, or in budget or project costs; and
- there are changes in the nature of infrastructure being developed or acquired.

Material deviation is defined as deviations exceeding 10 percent of the CFI contribution, or \$50,000, whichever amount is **lower**.

### **Are there restrictions on using CFI funds?**

An institution can only use CFI funds to purchase or develop the specific infrastructure for which the CFI provided the funds.

If the institution wants to change the nature of the infrastructure (as opposed to a change in model in the case of scientific instrumentation, for example), it must get prior authorization from the CFI.

### **Can an institution accept "cash back" from a supplier?**

The CFI recognizes that, as part of the discussions and negotiations leading to the purchase of equipment, suppliers may offer (or institutions may request) that instead of a discount on equipment, which is considered by the CFI as an in-kind contribution, the equivalent in cash be returned to the institution (i.e., cash back).

The CFI does not endorse or recognize the procurement of equipment that would be predicated by, or linked to, a promise of cash back, or a cash rebate that would benefit the institution.

### **Can an institution accept additional or improved equipment from a supplier?**

The CFI considers that accepting an offer to acquire additional or improved equipment for the amount originally approved is the same as a decrease in eligible costs or a change to the project.

The institution must get prior written approval from the CFI only if there is a change in excess of **10 percent** of the CFI's contribution, **or \$50,000**, whichever is **lower**.

### **What happens if final eligible costs differ from the award agreement?**

If total eligible costs are **higher** than the costs anticipated in the award agreement, the CFI is not responsible for expenditures in excess of the funds approved.



If eligible costs are **lower** than the costs estimated in the award agreement, and if other funding partners contribute their agreed share, the institution may use up to 10 percent of the CFI's contribution, or \$50,000 (whichever amount is **lower**), to acquire elements of infrastructure directly related to the project approved by the CFI. The institution can do this even if these elements were not included in the original budget. The institution must keep proper documentation for audit purposes.

## 4.11 Reporting Requirements

### 4.11.1 Completing financial reports

Until the project is completed, a financial report (see Appendix 7 for a copy of the form) will be due on June 15 of every year—for the previous April 1 to March 31 period. The **final** financial report (or request for last payment) will be due within six months of the end of the project.

#### What information must an institution provide in the report?

The financial report includes information on:

- actual expenditures and cash flow projections (for ongoing projects);
- funding sources (actual and forecast); and
- contributions to eligible costs from eligible partners, including assurance that matching funds have been received and spent (or will be received during the forecast period).

Significant differences from the original budget approved by the CFI should also be noted.

#### Multi-year projects

For multi-year projects, the amount of future instalments will be based on original cash flow projections and will be adjusted if subsequent projections differ significantly. The October 15 payment will include the funds held back in the previous fiscal year, after adjustments for actual expenditures.

The request for final payment will use the same financial report form (in Appendix 7). However, it will be labelled **final report**. The report will state the final, total eligible costs, and will also include certification that:

- the project has been completed;

- matching funds have been received and spent; and
- the CFI's contribution does not exceed the agreed CFI share of eligible costs.

Financial reports will be signed by the Account Administrator and the designate for the President of the institution.

#### **4.11.2 Project reports and institutional reports**

##### **What other reports does an institution have to provide?**

In addition to providing financial reports, recipient institutions will be expected to provide the CFI with information that will contribute to the evaluation of the CFI's activities. This will allow the CFI to assess its impact on Canada's capacity for innovation.

Project leaders will be expected to report on the research conducted with the infrastructure. Institutions will be asked to document the impact of CFI contributions on the institution's research and training activities.

Reporting requirements and their frequency will vary with the complexity and size of infrastructure projects. Special requirements for large and complex projects will be outlined in the award agreement.

#### **4.12 Termination Procedures**

The institution should promptly advise the CFI if it is unable, for any reason, to carry out or complete the project for which the award was approved, or if it is unable to comply with award conditions. Termination procedures will be negotiated on a case-by-case basis.

# Appendix 1 Guidelines for Accepting Eligible Institutions

## 1. What is an eligible institution?

An eligible institution includes:

- a **university, hospital, or post-secondary college or educational institution**. It is situated in Canada and has demonstrated its capability to support and conduct research;
- or
- a **not-for-profit organization or a trust**. Its activities are primarily carried on in Canada and it has demonstrated its capability to support and conduct research.

## Are there exceptions?

An **educational institution** that is federated or closely associated with a university will have to apply for funding through that university. **However**, it does not have to apply through a university if it receives its operating budget directly from the provincial government and it has its own board of directors.

An institution that is affiliated with another institution that is already eligible will **not** be given its own independent authority. However, the exception is if the institution receives its operating budget directly from the provincial government and has its own board of directors.

## 2. Are there any mandatory or legal exclusions?

The following institutions **cannot** apply for CFI funding:

- for-profit organizations and agencies of for-profit entities;
- federal departments, departmental corporations, parent Crown Corporations, or wholly owned subsidiaries of parent Crown Corporations;
- not-for-profit corporations or trusts that have been established by any of the above;

- provincial departments, agencies, or Crown Corporations (**except** for universities, colleges, other educational institutions, or hospitals);
- Networks of Centres of Excellence (and similar organizations sponsored by provincial governments) **cannot** apply directly. Their applications must be included in those of a participating university; and

**Note**

This is the result of the mandatory requirement that institutions must own the majority interest in the infrastructure for five years from the date it is installed.

- consortia of eligible institutions (in group applications, one of the institutions must apply on behalf of others). **However**, when the majority of members of a group or consortium are eligible institutions, the consortium may use, own, and control the research infrastructure.

### **What about cases where eligibility is not clear?**

When not-for-profit entities request eligibility for funding, the CFI must review the institution's statutes. It does this to make sure that the institution is eligible and that no exclusion applies.

In cases where eligibility is not clear, the CFI will seek legal advice before it determines if an institution is eligible. It will especially do this in the early days when each decision could create a precedent.

### **3. How does the CFI determine the eligibility of an organization that has the right kind of statutes?**

#### **3.1 What are the criteria for universities?**

The CFI may approve universities as eligible institutions if they can demonstrate their capability to support and conduct research.

Universities that reported to the Canadian Association of University Business Officers (CAUBO) a **minimum of \$500,000** of sponsored research funding per year—in at least two of the years between 1994 and 1996—will be approved automatically.

However, a university that **does not** meet this minimum threshold must meet the following conditions to establish its eligibility:

- the institution grants degrees, at least at the bachelor's level;
- it is a normal expectation of faculty members that they engage in research, and the institution provides them with the time to conduct research;
- a large majority of faculty members are fully qualified to carry out independent research and have a track record in research;
- there are no institutional constraints on the publication of research results;
- the institution must be capable of providing the basic facilities and services to enable faculty members to carry out research; and
- the institution must be willing and able to administer grants in a way that meets the CFI's requirements.

### **How can a university determine its eligibility?**

Any university that would like to determine its eligibility must submit to the CFI an official statement of policy regarding the role of research in comparison to education at the institution. As well, the university must demonstrate that it meets the above conditions.

It would be useful to the CFI if the institution includes:

- examples of research conducted;
- lists of publications; and
- lists of grants and contracts.

### **3.2 What are the criteria for colleges and other post-secondary educational institutions?**

The CFI may approve a college as an eligible institution if it can demonstrate its capability to support and conduct research.

To establish its eligibility, a college must meet the following conditions:

- it grants diplomas or DEC, according to the standards of the province or territory;
- it has an approved research mission and the resources to carry it out;

- the teachers proposed as principal investigators are fully qualified to carry out independent research, have a track record in research, and the institution provides them with the time to conduct research;
- there are no institutional constraints on the publication of research results;
- the institution must be capable of providing the basic facilities and services to enable teachers to carry out research; and
- the institution must be willing and able to administer grants in a way that meets the CFI's requirements.

### **How can a college determine its eligibility?**

Any college that would like to determine its eligibility must submit to the CFI an official statement of policy regarding the role of research in comparison to education at the institution. As well, the college must demonstrate that it meets the above conditions.

It would be useful to the CFI if the institution includes:

- examples of research conducted;
- lists of publications; and
- lists of grants and contracts.

### **3.3 What are the criteria for hospitals?**

The CFI may approve hospitals as eligible recipients if they can demonstrate their capability to support and conduct research.

Hospitals that received **at least \$500,000** of sponsored research funding per year—in at least two of the years between 1994 and 1996—will be approved automatically, provided they are engaged in research training.

To establish its eligibility, a hospital that **does not** meet this minimum threshold must meet the following conditions:

- the hospital has a research and training mission and the resources to carry it out;
- the researchers proposed as principal investigators are fully qualified to carry out independent research, have a track record in research, and the institution provides them with the time to conduct research;

- there are no institutional constraints on the publication of research results;
- the institution must be capable of providing the basic facilities and services to enable researchers to carry out research; and
- the institution must be willing and able to administer grants in a way that meets the CFI's requirements.

### **How can a hospital determine its eligibility?**

Any hospital that would like to determine its eligibility must submit to the CFI an official statement of policy regarding the role of research and training at the institution. As well, it must demonstrate that it meets the above conditions.

It would be useful to the CFI if the institution includes:

- examples of research conducted;
- lists of publications; and
- lists of grants and contracts.

### **3.4 What are the criteria for not-for-profit organizations?**

The CFI may approve not-for-profit organizations as eligible recipients if:

- they are not excluded recipients, as outlined above in **Section 2, "Are there any mandatory or legal exclusions?"**; and
- they can demonstrate to the CFI their capability to support and conduct research.

To establish its eligibility, a not-for-profit organization must first submit information on its legal statutes and by-laws (including certification that it is considered "not-for-profit" for income tax purposes) to the CFI to ensure that the organization is **not** an excluded recipient.

If a non-excluded organization meets the following conditions, the CFI could declare it eligible:

- the institution has a research and training mission and the resources to carry it out;
- the researchers proposed as principal investigators are fully qualified to carry out independent research, have a track record in research, and the institution provides them with the time to conduct research;

- there are no institutional constraints on the publication of research results;
- the institution must be capable of providing the basic facilities and services to enable researchers to carry out research; and
- the institution must be willing and able to administer grants in a way that meets the CFI's requirements.

### **How can a not-for-profit institution determine its eligibility?**

A not-for-profit institution that would like to determine its eligibility must submit to the CFI an official statement of policy regarding the role of research and training at the institution. As well, it must demonstrate that it meets the above conditions.

It would be useful to the CFI if the institution includes:

- examples of research conducted;
- lists of publications or researcher CVs;
- annual research and training budgets; and
- information on individuals trained.



## **Appendix 2      Guidelines for certain types of projects**

### **2.1 Campus Networks**

CFI will invest only in the research component of intra-campus connectivity, including links to affiliated hospitals and institutes. CFI will not consider proposals for extra-campus links to create national or regional connectivity, or for networks that primarily support administrative, educational, clinical or other service functions. Institutions must demonstrate that the proposed network is essential to develop innovative research programs that could not be pursued otherwise.

For all such projects, CFI expects that the institution will provide information in the application to address the following:

- An overview of the campus network investment made to date compared with the proposed new investment.
- A description of the way this network will interface to existing infrastructure (if applicable).
- A discussion of the expected effects of the new network in terms of: improvement of research infrastructure and enhancement of institutional research capability. Provide examples to demonstrate how research initiatives will be enabled or enhanced. Where possible, the examples should be supported with quantitative data.
- Justification of the features of the proposed network (capacity, response time and latency) in quantitative terms as much as possible, in terms of the requirements of the specific research being carried out.
- A map showing:
  1. The areas to be connected by the proposed network and the functions (teaching, administration and research) performed at each area connected.
  2. The media to be used for the different sections of the network (e.g. fibre, coaxial cable).
  3. The switching and transmission equipment used.
- A description of the switching and transmission equipment: manufacturer, model number, brief description of functionality and capacity.

- Identification of the protocols being used for specific segments of the network (e.g. Ethernet over coax, ATM in switch, FDDI, etc.). Provide a brief description of why these were selected (cost, maximum performance, reliability).
- A description of the involvement of the computer services department at the institution (e.g. will the maintenance of the network fall within their mandate and do they have the necessary skills or will training be needed?).

## **2.2 Construction of New Buildings and Major Building Renovations**

CFI will accept infrastructure projects that involve the construction of a new building or major renovations/development of new space (e.g. new floors) in an existing building. In such cases, institutions must demonstrate that the proposed construction is essential to develop innovative research programs that could not be pursued otherwise. Care must be taken to demonstrate that the construction is an essential component and that the new space can be properly equipped and operated for research.

For all such projects CFI expects that the institution will provide:

- A complete description of the new space including proposed: location; number and size of labs and other space to be included. Floor sketches of the proposed space allocation should accompany this, but architectural drawings are not expected. Provide key dates for the stages of the proposed construction.
- Information on the recruitment plan for new researchers (other than those listed as principal users); or on graduate students and other staff who will use the research infrastructure to be accommodated in the space.
- The overall cost per square metre (square foot) and the net assignable/gross area ratio. The CFI expects the cost per net square metre and the net/gross ratio to fall within the normal industry standards. A rationale should be provided for costs that exceed the normal ranges.
- Budget estimates for site development and planning; construction costs; professional fees; soft costs; commissioning and contingency.
- A description of the research infrastructure to be located in the new space and plans for acquiring this infrastructure.

- Evidence that the institution has provisions for the operating costs associated with new space.

All costs must be prorated for space used for research infrastructure, CFI eligible costs should not include space for offices, teaching, administration or other space that is not used for research infrastructure.

## **2.3 Genomics Infrastructure**

**For all genome related projects CFI expects that proposals will:**

- Address Canada's needs for application of genomics in such areas as functional genomics, proteomics, comparative genomics, pharmacogenetics to a broad range of economic sectors (including agriculture, aquaculture, environment, forestry, health and microbial biotechnology).
- Centralize the provision of core facilities within institutions or regions in order to meet the needs of large groups of researchers for access to well managed, client-oriented facilities using forefront methods and equipment.
- Link bioinformatics efforts with other Canadian bioinformatics centers for purposes of accessing high speed connectivity and high performance computing capabilities; accessing specialized resources (e.g. genome annotation, protein folding and sequence assembly); sharing software; and encouraging collaborative bioinformatics R & D with appropriate linkages to other mathematical and computational expertise.
- Develop innovative approaches to new genomics-related technology or expanding the range of applications of existing technologies. These may include some of the following: moving beyond existing paradigms in proteomics; creating distributed facilities for DNA array generation, hybridization and scanning; assay development; and automation of shotgun sequencing.

## **2.4 High Performance Computing**

To maximize the return on its investment, CFI supports a decentralized, but widely accessible approach to High Performance Computing (HPC). In line with this strategy, the CFI encourages a national consolidated approach for applications for infrastructure projects in HPC. Institutions applying to CFI must address the following specific points :

- Include information on issues of duplications, sharing and complementarity of the requested infrastructure on a local, regional, and/or national basis, in relation to the other HPC infrastructure already funded by CFI and those being requested from CFI at this time;

- Discuss how outside users will be able to access your facility;
- List the current advanced computing equipment at your institution and which of your associated researchers have worked with parallel computers at your institution or elsewhere. Mention if they developed or have access to codes that run on the proposed architecture;
- Describe the most important problems that “require” the use of the machine you have requested, how they determined the scope of your request, and how well will the proposed equipment meet these demands. Since the lifetime of these machines is only about a few years, describe your plans for a technology refresh;
- Discuss the most critical barriers to overcome in order to achieve the full potential of the requested machines, and what is your plan to overcome them;
- Demonstrate the local sustainability of the requested infrastructure.

In line with the above strategy, all institutions who get a CFI-funded HPC installation must agree to commit twenty percent (20%) of time for use by external Canadian users. The allocation of this shared time will be the responsibility of the C3.ca organization through an allocation committee. This committee will ensure that standard accounting methods will be used in the reporting of this shared time to CFI.

CFI requires that no hourly fees will be imposed for the 20% shared time. However, annual access fees, no higher than the ones paid by internal users, will be allowed for the provider institutions to recover the operation costs of the facilities.

## **2.5 Medical Imaging**

CFI will convene a task force to review medical imaging research equipment requests, taking into account imaging infrastructure that CFI has already funded. Institutions are encouraged to consider including in their proposals the capacity to transmit images via the national backbone – Canada’s high speed broad band network.

## **2.6 Research Databases**

A database is a systematic collection of information that is designed and structured for access and exploitation as a research tool or for diverse uses including research.

Databases are included in the definition of infrastructure and are eligible for CFI support, provided they will be used mainly for research purposes. Eligible costs will be prorated if a database is to be used for research and other purposes.

As is the case for all other infrastructure projects, CFI's funding of databases is limited to capital costs and other costs needed for the research tool to become operational. Therefore, CFI funding will focus on a time-limited design, development, or acquisition of a research database to the point that it is ready for exploitation by a designated research community. The ongoing operating costs of research, routine data collection, the costs of research projects that use the established database, and on-going maintenance are not eligible.

### **Eligible components** (adapted from Section 2.3.1 of this Guide)

- Personnel, travel, and communications costs involved in the conceptual design, development and integration;
- development, leasing or purchase of the core data, software (e.g. database management systems software), computers, communications hardware and related materials involved in the technical operation of a database, and personnel costs associated with system integration;
- acquisition and preparation of the data, including primary data collection that is not appropriate for peer-reviewed funding;
- personnel and material costs of merging and organizing existing studies and surveys that are not currently in readily accessible "reference units" that can be used efficiently and effectively;
- development of documentation, user manuals and guides designed to facilitate effective use of the database;
- where cost effective and not available from other sources, contracts to reputable organizations for the development of a database; and
- beta testing of the database.

### **Non-eligible components** (see also Section 2.3.2 of this Guide)

- Following initial development of a database, incremental additions to extend the collection beyond the initial configuration (e.g. routine longitudinal components). Such components may, however, form the base for a future "modernization" application if they are of sufficient magnitude;
- the cost to construct or modernize libraries, or to maintain library collections (except when the infrastructure undertaking falls within the definition of research infrastructure);and
- ongoing maintenance and access costs.

## **Assessment considerations**

The following considerations will be employed in assessing proposals against the CFI criteria (and, if appropriate, in assessing some elements of eligibility):

- the data have a unique character;
- the data have specific Canadian significance;
- the database will support high quality research projects which would be subject to peer review; and
- the data collection component of the development would be conducted through activities that are not the normal ongoing costs of research supported by the standard operating grants of research councils or other funding agencies.

The data collection component of the development of a database may be subject to a time limit.

## **2.7 Digital Libraries**

This section provides guidance on what aspects of libraries fall under the definition of research infrastructure eligible for CFI funding, and was prepared following consultation with the research community and the Canadian Association of Research Libraries.

The Funding Agreement between the Canada Foundation and the federal government spells out what is and what is not eligible for CFI support, and in relation to libraries specifically excludes “the cost to construct or modernize libraries, or to maintain library collections, other than where an Eligible Project with respect to a library falls within the definition of Research Infrastructure.” In this context, renovations to a library building, upgrading of facilities for accessing conventional library collections, and digitizing or conversion to electronic form of existing collections are not eligible infrastructure projects.

The CFI considers that some projects involving digital libraries fall within its definition of research infrastructure, such as software, information databases or communication linkages. As is the case for all types of infrastructure projects, only the research portion of projects is eligible for CFI support when the infrastructure is to be used for both research and other purposes.

In June, 1999, CFI announced an award of \$20 million for the Canadian National Site Licensing Project, which will enable Canadian universities to access

electronic publications in diverse research areas, including social sciences and humanities. Future submissions are expected to build upon this initiative.

### **Eligibility of Library Projects**

- acquisition of traditional collections - not eligible
- initial acquisition of **new** forms of content, e.g. linked and structured databases and national site licenses - eligible
- creation or enhancement of an operational information collection (excluding journal acquisitions) in a specific area of research application, e.g. health, environment - eligible
- high speed, broad band network across Canada, and extra-campus links to the national backbone - not eligible
- acquisition and customization of tools for supporting regional/national networked content (e.g. hardware, communications, security and applications software) - eligible
- acquisition and customization of tools to enhance value to the user e.g. intelligent search, analysis and representation agents - eligible

## Appendix 3      Guidelines for Assessing the Value of In-Kind Contributions

Institutions applying for funding should follow these guidelines when they assess the value of in-kind contributions

- In-kind contributions may be eligible as matching funds from the CFI if they are **essential** to the infrastructure project.
- In-kind contributions must be eligible costs.
- In-kind contributions of real property may be recognized as eligible, although they **are not** included in the definition of eligible costs.
- In-kind contributions of real property **will not** be recognized if ownership has already been transferred to the recipient institution at the time the application process is initiated.

### **Valuation by assessing fair value or fair market value**

In the application for funding, the institution must document the valuation method it used to assess the value of in-kind contributions. The institution must keep any relevant supporting documents for audit purposes.

Contributions by external partners that are treated as charitable donations for income tax purposes should be subject to the institution's existing policies and procedures. The CFI will accept values determined using these policies and procedures.

**The following table provides examples of acceptable and non-acceptable valuation methods.**



## Valuation of in-kind contributions

Category	Accepted	Not accepted
<b>Professional and other Services</b>	<ul style="list-style-type: none"> <li>• Internal rates</li> <li>• Incremental cost of providing service</li> </ul>	<ul style="list-style-type: none"> <li>• Commercial rates</li> </ul>
<b>Employee salaries</b>	<ul style="list-style-type: none"> <li>• Internal rates</li> </ul>	<ul style="list-style-type: none"> <li>• Commercial rates</li> </ul>
<b>Equipment</b>	<p><b>Donated – used</b></p> <ul style="list-style-type: none"> <li>• fair market value</li> <li>• company book value</li> </ul> <p><b>Donated – new</b></p> <ul style="list-style-type: none"> <li>• selling price to most-favoured customer</li> <li>• cost of manufacture (if one-of-a-kind)</li> </ul> <p><b>Long-term loan</b></p> <ul style="list-style-type: none"> <li>• rental equivalent based on depreciation</li> <li>• rental equivalent to highest-volume rate</li> </ul> <p><b>Special discounts</b></p> <ul style="list-style-type: none"> <li>• difference between price charged to most-favoured customer and price sold</li> </ul>	<ul style="list-style-type: none"> <li>• List price or normal educational discounted price</li> <li>• Development costs</li> <li>• Rental equivalents exceeding accepted values if the equipment were donated or sold</li> </ul>
<b>Materials, components</b>	<ul style="list-style-type: none"> <li>• Unit cost of production</li> <li>• Selling price to most-favoured customer</li> <li>• Cost of prototype or sample production</li> </ul>	<ul style="list-style-type: none"> <li>• Development costs</li> </ul>
<b>Software</b>	<ul style="list-style-type: none"> <li>• Copying costs</li> <li>• Licensing cost</li> <li>• Documentation cost</li> <li>• Cost of training and support of software</li> <li>• Cost of equivalent commercial product (where donated software is not commercially available)</li> </ul>	<ul style="list-style-type: none"> <li>• Development costs</li> </ul>
<b>Travel</b>	<ul style="list-style-type: none"> <li>• Travel costs (economy) to vendor, institution, or project site</li> </ul>	

The list is not all-inclusive. For clarification about whether or not a valuation is acceptable, consult with the CFI.

## Appendix 4      Summary of Institutional Research Plan

<b>Date</b>	<b>President/CEO</b>
<b>Institution</b>	
<b>Affiliated Institutions.</b> List colleges and not-for-profit organizations that are federated with, or associated with, the institution and included in the institutional plans.	
<b>Designated contact for this summary</b>	
<b>Name:</b>	
<b>Tel. number:</b>	<b>Fax number:</b>
<b>E-mail:</b>	
<b>Submission of summary to the CFI</b>	
Is this the:	
<input type="checkbox"/> ...first submission to the CFI?	<input type="checkbox"/> ...an update of a previous submission?
<b>Summary.</b> Use 2 to 5 pages to present a summary of your institutional research and research training development plan. In your summary:	
<ul style="list-style-type: none"> <li>• Briefly describe the planning and approval process at the institution.</li> <li>• Outline major thrusts for research and research training.</li> <li>• Focus on those areas for which you intend to seek CFI support. Briefly describe what the institution has done to support the development of research and research training in these areas. Outline future strategic directions.</li> <li>• If the institution is linked with one or more research institutions through shared staff and programs, provide evidence of concerted planning. (If you need more space, you may attach one additional page per institution.)</li> </ul>	
<b>Signature.</b> I hereby certify that the attached summary of the institutional research and research training development plans represents the planning framework for the CFI applications submitted and endorsed by this institution.	
<b>President or CEO of institution (or authorized representative)</b>	<b>Date</b>

## **Appendix 5 Institutional Agreement with Eligible Institutions**

Before it releases any funds, the CFI will ask each eligible institution to sign the following agreement:

The institution certifies that it has met the following ten requirements for each project that the CFI funds:

1. The required financial contributions, other than the CFI's, to the eligible project have been committed by other sources or made by the institution itself.
2. These contributions constitute the matching funding financial contribution to the project's eligible costs.
3. CFI funds will be used only to pay a pre-agreed proportion of the eligible costs of the approved project.
4. The institution will administer the funds in accordance with CFI rules and regulations. It will use accounting procedures that conform to the institution's standards, practices, and policies.
5. The institution has the ability to operate and use the research infrastructure in an effective and efficient way.
6. Either alone or as a member of a group (a majority of which are eligible institutions), the institution will hold a majority interest in, and exercise de facto control over, the research infrastructure proposed in the project. This will extend for a period of five years from the date of acquisition and installation, or for such other period as the CFI may deem appropriate.
7. If the project involves several institutions, the lead institution and other participating institutions and partners will sign an inter-institutional agreement for the joint project. The agreement will outline the roles and responsibilities of each participating institution for the infrastructure project, as well as the long-term operation and maintenance of the infrastructure. This agreement is subject to CFI approval.
8. The institution(s) will obtain adequate insurance for all equipment and assets acquired with CFI funding.
9. The institution will respect the CFI's policies for:
  - conflicts of interest and ethics;
  - facilities for the care and treatment of animals;
  - infrastructure involving research with human subjects;
  - infrastructure or facilities for research involving biohazards;
  - infrastructure used for research involving radioactive materials;
  - facilities involving a possible adverse impact on the environment, hazardous substances, field work, or field or marine stations; and
  - infrastructure for research in the Yukon and the Northwest Territories;

10. The institution will conform with CFI reporting requirements. It will monitor the use of grant funds to ensure that expenditures are in accordance with CFI guidelines.

**Also:**

- With the CFI's written consent, an institution may transfer the majority interest and de facto control of the research infrastructure to another eligible institution recipient or to a group—a majority of which are eligible recipients.
- The institution must notify the CFI immediately if the project cannot be completed or if there is any evidence that CFI funds will not be used in an anticipated or appropriate manner.
- If the institution does not comply with CFI regulations as outlined in:
  - this agreement;
  - the *CFI Policy and Program Guide* or other publications; or
  - the conditions of award;

the CFI can freeze or close the CFI account for a specific project, or for all of the institution's projects.

- If the institution uses CFI funds to pay for expenditures that are against CFI policies, the institution will have to repay the money to the CFI account or directly to the CFI.

The institution's President or CEO may designate one of the following two types of individuals to act on his or her behalf:

1. A CFI account administrator who will have custody of the CFI fund, and who will be accountable for the institutional CFI account.

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Name and title

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Signature

2. One or two persons authorized to sign applications to the CFI on behalf of the institution.

\_\_\_\_\_  
Name and title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and title

\_\_\_\_\_  
Signature

In signing this agreement, the Chief Executive Officer (CEO) of the institution agrees to administer any fund awarded by the CFI through the institution's own administration system. The CEO also agrees to conform with the CFI's policies, rules, and regulations.

\_\_\_\_\_  
President and CEO

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Institution

\_\_\_\_\_  
Date

## **Appendix 6      Special Requirements for Certain Types of Research Facilities and Infrastructure Projects**

This appendix outlines the guidelines that institutions must follow when they are involved with applications that propose certain types of infrastructure projects.

These projects can incorporate or involve any of the following:

- facilities for the care and treatment of animals;
- infrastructure for research involving human subjects;
- research involving biohazards;
- research involving radioactive materials;
- facilities that involve a possible adverse impact on the environment, hazardous substances, field work, or field or marine stations; and
- licences for facilities in the Yukon and the Northwest Territories.

Each institution must ensure that researchers follow the guidelines, and adhere to the requirements for the facilities where the research takes place. When it signs the institutional agreement with the CFI, an eligible institution agrees to conform to these guidelines.

The CFI has not developed guidelines of its own. It has adopted those of the federal granting councils, including *the Tri-Council Policy Statement on Integrity in Research and Scholarship (1994)*.

### **Facilities for the care and treatment of animals**

Infrastructure projects that involve the care and treatment of animals for research must adhere to the guidelines of the Canadian Council on Animal Care (CCAC).

When it signs the institutional agreement with the CFI, an eligible institution agrees to:

- conform to CCAC guidelines for providing facilities to house and care for animals;
- maintain local animal care committees to assess and control animal experimentation; and
- obtain certification from that committee that states that the proposed facility complies with the principles outlined in the CCAC guide.

## **Infrastructure for research involving human subjects**

The CFI requires that institutions monitor the ethical acceptability of all research that uses the proposed infrastructure for research involving human subjects.

Institutions must adhere to the guidelines set out in the Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans. The statement is available at: <http://www.mrc.gc.ca/publications>.

## **Research involving biohazards**

Infrastructure for research that may involve biohazards must adhere to the standards outlined in the *Laboratory Biosafety Guidelines*, published by the Medical Research Council in 1990.

## **Research involving radioactive materials**

Facilities that are used for conducting research involving radioactive materials must comply with all Atomic Energy Control Board regulations, recommended procedures, and safety precautions governing the use of such materials in Canada.

## **Facilities involving a possible adverse impact on the environment, hazardous substances, field work, or field or marine stations**

The CFI adheres to federal government regulations pertaining to the environmental assessment review process. All infrastructure projects that the CFI funds are covered by this regulation.

## **Licences for facilities in the Yukon and the Northwest Territories**

All research facilities in the Yukon and the Northwest Territories must be licensed.

## **Appendix 7      Financial Report and Request for Next Instalments**

Please note that this Appendix is available as a separate Microsoft Excel™ file.



## Appendix 7 - Financial Report and Request for Next Instalments

(Rounded to the nearest dollar)

Institution (or lead institution):	Project No.
Short title of project:	
Name of project leader:	
Maximum CFI amount approved per award agreement:	
Is this the final report?                      No _____                      Yes _____	

	Actual or forecast contribution	Total forecast per award agreement	Revised total forecast	Actual to 2000-03-31 (Cumulative)	Forecast for next two years	
					2000-04-01 to 2001-03-31	2001-04-01 to 2002-03-31
1	Total contributions from eligible partners					
2	CFI contribution awarded/rec'd CFI holdback outstanding					
3	<b>Total eligible contributions</b> (line 3 = lines 1 + 2)	0	0	0	0	0
4	CFI funding as % of total eligible contributions					

Total contributions from eligible partners for eligible costs. Provide a breakdown of the total contributions from eligible partners (from line 1 above) by type of funding partner.									
	Source	Total forecast per award agreement		Revised total forecast		Actual to 2000-03-31 (Cumulative)		Forecast for next two years	
		C/I	Amount	C/I	Amount	C/I	Amount	C/I	Amount
5	Institution(s), trust funds or foundations	C		C		C		C	
6	Fed. Gov. depts or agencies (not MRC, NSERC, SSHRC)	C		C		C		C	
7	Provincial governments (departments or agencies)	C		C		C		C	
8	Other governmental sources (municipal or foreign), specify	C		C		C		C	
9	Corporations/firms	C		C		C		C	
10	Voluntary organizations	C		C		C		C	
11	Other (specify)	C		C		C		C	
		C		C		C		C	
		C		C		C		C	
		C		C		C		C	
12	<b>Total contributions from eligible partners</b> (Total line 12 = line 1)	T	0	T	0	T	0	T	0

Institution and project leader: \_\_\_\_\_ **Project No.** \_\_\_\_\_

**Total eligible costs (actual and forecast).**  
 Give the totals for each type of expenditure on this page. **For final report only**, provide, on a separate page, the costs of individual items (make reference to the specific line number), using the same format as the itemized list provided to finalize the award agreement.

Eligible Costs	Total forecast per award agreement	Revised total forecast	Actual to 2000-03-31 (Cumulative)	Forecast for next two years	
				2000-04-01 to 2001-03-31	2001-04-01 to 2002-03-31
C=Cash I=In Kind T=Total					
13 Purchase of equipment or facility (+shipping, taxes, instal.)	C	C	C		
14 Lease of equipment or facility	C	C	C		
15 Personnel costs (for infrastructure development only)	C	C	C		
16 Components	C	C	C		
17 Travel	C	C	C		
18 Software	C	C	C		
19 Extended warranty	C	C	C		
20 Construction or renovation costs (research related)	C	C	C		
21 Training of infrastructure personnel	C	C	C		
22 Other, describe:	C	C	C		
<b>23 Total eligible costs</b>	C 0	C 0	C 0	C	C
(Total line 23 = line 3)	I 0	I 0	I 0	I 0	I 0
	T 0	T 0	T 0	T 0	T 0

**List in-kind contributions (from lines 5 to 11 on page 1) received during the most recent year and forecasted to be received in the next two years.** Describe if significantly different from what was provided in the itemized list used to finalize the award agreement.

Institution and project leader: \_\_\_\_\_ Project No. \_\_\_\_\_

**Details of eligible funding from eligible partners (to be completed for final reports only).**  
 List all funding from eligible partners.

Eligible Partner (name)	Source type (5 to 11) (see Pg.1)	Total forecast per award agreement		Actual to end of project	
		Cash	In Kind	Cash	In Kind

**Financial Resources for Operations (to be completed only if specifically required in the award agreement).**  
 Outline the sources and amounts of support for the maintenance and operation of the infrastructure over the first five-year period of operation of the project.

Sources of operating funds	Total forecast per award agreement	Revised total forecast	Actual to 2000-03-31 (Cumulative)	Forecast for next two years	
				2000-04-01 to 2001-03-31	2001-04-01 to 2002-03-31
Institution(s)					
Direct support from funding agencies (specify which agency or agencies)					
User fees and/or contributions from research grants of institutional users					
Private sector (user fees and direct contributions)					
Government (user fees and direct contributions; specify if provincial and/or federal)					
Other (specify)					
<b>Total</b>	0	0	0	0	0

Institution and project leader:	<b>Project No.</b>
<p>Use this page to <b>explain differences</b> (cumulative &gt; 10% or \$50,000, whichever is greater) between the original plan for the infrastructure project and the actual or forecast plan. Also explain how identified problems have been or will be corrected. The following headings should be used (if relevant to the specific project):</p> <ol style="list-style-type: none"> <li>1. major differences (sources and amounts) between contributions expected per the award agreement and actual/forecast contributions;</li> <li>2. major differences between forecast expenditures and actual expenditures;</li> <li>3. major differences in time required for development/acquisition/installation of infrastructure;</li> <li>4. differences in actual or planned use of the infrastructure if it is used both for research and for other purposes;</li> <li>5. differences in actual and forecast operating costs and funding available for operating costs.</li> </ol>	
<p><b>FINAL REPORT - REQUEST FOR FINAL PAYMENT</b> (Complete only if this is the Final Report)</p>	
Final Total Actual Eligible Costs (per line 3 on page 1 and line 23 on page 2 - 100%)	(A)
Agreed CFI Share of Eligible Costs (per Award Agreement)	(B)
Calculated Final CFI Contribution	(A) x (B) <u>0</u> (C)
Maximum CFI Amount (per Award Agreement)	<u>                </u> (D)
<b>Final CFI Amount - Lesser of (C) or (D)</b>	
Less : Paid by CFI to date	<u>                </u>
<b>Balance Due</b>	<u><u>                0</u></u>
<p>( NOTE : If the <b>Balance due is negative</b>, the institution is to refund this amount to CFI )</p>	

We certify that the information provided in this form is accurate, that resources are available for the operation of the infrastructure and that the funding requested from the CFI is in accordance with the Institutional Agreement, CFI Guides and conditions of awards as specified in the award agreement. In the case of a final report, we certify that all elements of the infrastructure project have been acquired/constructed in accordance with the award agreement and that the project is now complete.

\_\_\_\_\_  
Account Administrator

\_\_\_\_\_  
Name (please type)

\_\_\_\_\_  
Date

\_\_\_\_\_  
CEO or authorized representative

\_\_\_\_\_  
Name (please type)

\_\_\_\_\_  
Date