
Memorandum of Understanding on the Roles and Responsibilities in the Management of Michael Smith Foundation for Health Research Grants and Awards (MOU)

Memorandum of Understanding

Between

Institution's Name, hereinafter referred to as the "**Institution**"

and

The Michael Smith Foundation for Health Research hereinafter referred to as the "**Agency**"

WHEREAS the Institution and the Agency (hereinafter collectively referred to as the "Parties") recognize that there are three Parties in a research and training enterprise: the Grant Holder or Award Holder, the Institution and the Agency;

WHEREAS each Party recognizes the vital importance of research, the new knowledge and applications it creates, and the knowledgeable and skilled human resources developed through the process of conducting research;

WHEREAS the Agency provides resources to promote and assist research and as such has a responsibility to deploy the resources as effectively as possible, to account for the use, allocation and outcomes of those resources, and to ensure that the activities supported are conducted in accordance with the highest legal, ethical and financial standards;

WHEREAS it is possible to have effective Comptrollership without unduly constraining the research process and outcomes;

WHEREAS it is in the best interests of the research, and of all participants in the research enterprise, that this Comptrollership process be as simple and as uniform as possible with similar types of Agency, while maintaining appropriate management and accountability standards;

WHEREAS the Parties acknowledge that the administrative support systems and controls related to research supported by the Agency impose facilities and administrative costs on the Parties, requiring judicious choices concerning the nature of those systems and controls;

WHEREAS these Institutional roles and responsibilities represent the basic requirements for obtaining and maintaining eligibility to administer Agency funds.

THE PARTIES therefore agree as follows:

1. Definitions

Agency Policy – the set of rules, directives and guidelines published by the Agency.

Award Holders – undergraduate and graduate students and postdoctoral fellows supported by the Agency through scholarships or fellowships; or, researchers supported by salary or career support grants from the Agency.

Comptrollership – having clear accountabilities, effective control over resources, sound risk management and performance assessments, and an open reporting of results in relation to the expenditure of public funds.

Eligible Institution – an institution that a) agrees to receive and manage grant funds provided by the Agency, b) meets the requirements for eligibility to receive funding set out in guidelines issued by the Agency, c) has signed this MOU on Roles and Responsibilities in the Management of Agency Grants and Reward, d) is publicly-funded by the BC Government, wholly or partially and e) is an incorporated entity governed by an external board of directors with the right to hire and terminate employees.

Grantees, Grant Holders – the recipients of grants provided by the Agency. Both terms are used in the Agency program guides. This document uses the term "Grant Holders."

Non-eligible Institution – an institution a) that is other than an Eligible Institution, b) that is a for-profit organization and c) that is federated with, or affiliated to, or a constituent portion of the institution that is already eligible as a financial host institution.

Parties– the Agency, Institutions and Grant Holders and Award Holders as a cooperative group, not a legal partnership.

Primary Institution – an Eligible institution in direct receipt of grant funds which it transfers in order to facilitate research collaboration.

Research Administration – Institution officials who provide administrative services to researchers. These officials may be from the Research Grants Office, Research Accounting Office or Scholarships Liaison Office, as relevant.

Research Personnel – includes undergraduate and graduate students, postdoctoral fellows, research assistants, research associates, technicians, programmers, analysts, etc., who may contribute to the research activities of a Grant Holder.

Researcher – anyone who carries out research activities.

Research Grant – a sum of money made available for academic pursuit, team coordination, platform development, etcetera of a specific project or programme which is to be undertaken over a specified period of time.

Secondary Institution – an Eligible institution to which funds are transferred from a Primary Institution.

2. Roles and Responsibilities of the Grant Holders and Award Holders

While this Memorandum of Understanding represents an agreement between the Parties – the Agency and Institutions – the roles and responsibilities of Grant Holders and Award Holders are outlined below. These same roles and responsibilities appear, though in different terms, in Agency guides and publications that address Grant Holders and Award Holders.

2.1 Grant Holders: The Agency selects, and awards funds to, Grant Holders and their work through competitive, peer-reviewed evaluation processes. Relying upon the infrastructure provided by the Institutions, the Agency entrusts Grant Holders to, among other things, carry out their research responsibly and to make sound decisions on resource allocation. Grant Holders must operate in compliance with the Agency guidelines and regulations and all applicable policies of the Institution that govern the management and conduct of research, the financial management of research and the management of research personnel and students involved in research.

2.2 Where there is neither an existing Agency policy nor an existing Institutional policy that governs a matter related to a grant, Grant Holders must seek, through their Institution's Research Administration, appropriate advice and/or ruling from the Agency.

2.3 In accordance with these overall principles, Grant Holders are responsible for:

- a. effective economic management and conduct of the research in accordance with the program guidelines and with ethical and legal standards;
- b. complying with the general terms and conditions governing grants and any terms and conditions specific to each grant or granting program established by the Agency, and for complying with Institutional policies;
- c. managing and supervising research personnel;
- d. informing Agency and Institution officials of changes in eligibility status or in the nature of the research that may have an impact on certification or approvals for research involving humans, animals or biohazards, environmental assessments, financial reporting and other related policies;
- e. meeting reporting requirements specific to the grant or granting program;
- f. acknowledging the Agency's financial support for the research.

2.4 Grant Holders are encouraged to participate, as appropriate, in the Agency's peer review process.

2.5 Award Holders: The Agency select Award Holders through competitive, peer-reviewed, evaluation processes. Award Holders must operate in compliance with the Agency guidelines and regulations and all applicable policies of the Institution that govern the management and conduct of research.

2.6 Award Holders are responsible for:

- a. complying with the general terms and conditions governing their award and any terms and conditions specific to each award program established by the Agency, and for complying with Institutional policies;

- b. informing Agency and Institution officials of changes in eligibility status or in the nature of the research that may have an impact on certifications, environmental assessments and related policies;
- c. acknowledging, whenever possible, the Agency's financial support for the research.

3. Roles and Responsibilities of the Institution

The Institution is the steward of the Agency's funds, which the Institution holds in trust for use by Grant Holders and Award Holders to support their research and/or research training. The Institution provides physical, organizational, policy and procedural infrastructure for the conduct of research. It also establishes norms for the supervision of research personnel. These norms include, but are not limited to, policies and processes related to hiring practices and to the status of research personnel. The Institution, therefore, plays support and stewardship roles in the research partnership. This assists both Grant Holders and Award Holders and the Agency to meet their respective obligations and ensures that Grant Holders and Award Holders and their research comply with legal requirements that apply to any workplace, and with ethical and financial standards. The Institution necessarily relies on the good judgment of its Grant Holders and Award Holders.

3.1 In consultation with the affected applicant, Grant Holder or Award Holder, the Institution may withdraw its support for a grant or award application, or for an existing grant or an award, if the requirement for compliance with an Agency policy or with that of an external regulatory agency imposes an undue burden on the Institution which cannot be resolved following discussion with the Agency. In this instance, the Agency would terminate any affected grant or award.

3.2 In the event that an Institutional policy conflicts with an Agency policy governing a matter, the issue will be resolved according to the principles outlined in Schedule 8: Investigation and Resolution of Breaches of Agency Policy. The Parties acknowledge that an Institutional policy may be more stringent than the corresponding Agency policy, in which case the Institutional policy will normally prevail. In such instances the Institution should inform the Agency.

3.3 The Institution is responsible for:

- a. providing an appropriate physical and organizational infrastructure for the conduct of research funded by the Agency;
- b. providing core infrastructure and other supports and services to staff undertaking research at the institution's location, such as utility services; access to communication services (telephone network, computer network, internet access); financial and grant administration services; library services; maintenance of offices; and other services normally provided to employees of the institution;

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- c. implementing appropriate and effective policies, administrative systems and controls to ensure that the research is conducted in compliance with all applicable legal, ethical, accountability, and financial management standards;
 - d. adhering to and enforcing Agency regulations, including withholding or withdrawing approval of expenditures that contravene Agency or Institutional regulations on the use of funds, and, as appropriate, seeking advice and/or rulings from the Agency;
 - e. providing Grant Holders and Award Holders with effective administrative support, timely and clear financial information as well as knowledgeable advice on, interpretations of, and assistance with Institutional and Agency policies;
 - f. advising the Agency of any changes in eligibility status of Grant Holders and Award Holders and/or of serious problems in the use of research funds;
 - g. submitting timely financial statements, and, from time to time and as required, reports on such issues as the implementation of new policies;
 - h. having an independent process in place to ensure that funded research has received appropriate ethical approval from a recognized Ethics Review Board.

4. Roles and Responsibilities of the Agency

4.1 The Agency develops strategies and plans for the promotion and support of research and research training for which it designs appropriate programs and policies. Through these, the Agency provides funding in the form of grants to Grant Holders in support of their research and provides financial support to Award Holders in the form of salaries, scholarships and fellowships.

4.2 The Agency is accountable to the research community for the quality and relevance of its programs, policies, decisions and decision-making processes. Within the context of limited program budgets, the Agency operates competitive, peer-reviewed, decision-making processes to select the activities that rank most highly and meet the required program eligibility criteria and quality standards.

4.3 The Agency will follow industry standard financial and other management practices which set accountability standards. Responsibility for the actual conduct of the research and for the management of each grant or award is entrusted to the Grant Holders and Award Holders and to the Institution.

4.4 The Agency has a responsibility and an obligation to:

- a. establish and manage policies and programs that enable it to fulfill its mandate as set out in its Constitution;
- b. account for its programs, policies and the deployment of its resources;
- c. require that Institutions have adequate organizational and policy structures, controls and systems for the management of Agency funds;

- d. effectively communicate program information, and management and accountability requirements to Institutions, Grant Holders and Award Holders, and to ensure that program information and management accountability requirements aimed at Grant Holders and Award Holders are consistent with this MOU and its schedules, and to make such information publicly accessible;
- e. verify the eligibility of Institutions, applicants, Award Holders and Grant Holders;
- f. provide timely advice, clarification or rulings on policies, programs, and regulations;
- g. carry out a fair and effective competitive peer-review process;
- h. review only those applications that have received the appropriate Institutional endorsement(s), where applicable;
- i. communicate competition results in a timely manner to the applicants and to the Institution Research Administration official designated to receive this information;
- j. consult with Institutions on changes in programs and policies or in their implementation that may have a significant impact on Institutions;
- k. manage research and awards funds and disburse them in compliance with its policies and directives.

5. Specific Guidelines and Procedures

5.1 Financial Management

As trustee of the funds, the Institution must provide adequate financial and administrative support to the Grant Holder or Award Holder to ensure sound management of funds. The Institution must also report to the Agency on the use of these funds and agrees to have its financial records audited by an independent auditing firm. The Parties therefore, agree to adhere to the guidelines set out in Schedule 1.

5.2 Ethics Review of Research Involving Humans

Researchers, Institutions and the Agency recognize that with academic freedom come responsibilities, including the responsibility to ensure that any research involving human subjects meets high scientific and ethical standards. The Agency has adopted standards, namely the Tri-Council Policy Statement: *Ethical Conduct of Research Involving Humans*, and procedures, within a common ethical framework, for the review of the ethics of research involving human subjects and to ensure an appropriate level of accountability. At a minimum, the Institution must ensure its conformity with these standards and procedures. The Parties therefore, agree to adhere to the guidelines set out in Schedule 2.

5.3 Ethics Review of Research Involving Animals

Researchers, Institutions and the Agency acknowledge their responsibility to ensure that any research involving live vertebrates and cephalopods (octopi and squid) meets high scientific and ethical standards. The regulatory guidelines are those of the Canadian Council on Animal Care

(CCAC), the national peer review agency responsible for setting and maintaining standards for the care and use of animals in research, teaching and testing throughout Canada.

Check one

Option for those institutions in which animals are used in research, teaching and testing
The Institution and the Agency agree to adhere to the guidelines set out in Schedule 3.

OR

Option for those institutions in which animals are not currently used in research, teaching and testing.
The Parties acknowledge that as of the date of signing this MOU, the Institution does not have animal facilities and does not carry out research, teaching or testing on animals. In the event that the Institution intends to carry out such research, it will promptly inform the Agency and will make all necessary arrangements to comply with, and will be bound by, the guidelines set out in Schedule 3.

5.4 Integrity in Research and Scholarship

The Institution and the Agency are committed to the highest standards of integrity in research and scholarship. While the primary responsibility for maintaining high standards of integrity, accountability and responsibility rests with the researchers, the Institutions and the Agency have a role in providing an environment that is conducive to achieving these goals. The Parties therefore agree to adhere to the guidelines set out in Schedule 4.

5.5 Environmental Assessment

Researchers, Institutions and the Agency must work together to ensure that research activities will not have any significant deleterious effects on the environment. The roles of the Parties are set out in Schedule 5.

5.6 Peer Review

The Agency's success in supporting excellent research carried out at Institutions depends on members of the research community voluntarily participating in the peer review process. While peer review also includes activities such as providing referee and assessor reports and participating in site visits related to specific proposals, Schedule 6 focuses on participation in advisory and selection committees, and sets out the roles of the Parties.

5.7 Statement of Principles: Postdoctoral Fellows

Postdoctoral fellows are important members of the research community and make valuable contributions to the academic research environment. The Agency has developed a Statement of Principles to encourage universities and other research institutions to recognize the important

contributions postdoctoral fellows make to the research environment and to the stature of their institutions. The roles of the Parties are set out in Schedule 7.

5.8 Investigation and Resolution of Breaches of Compliance

As Parties in the effective administration of the research and training enterprise, the Agency and Institutions have an interest in avoiding situations of non-compliance with Agency policies on the management of Agency funds and on the research environment within which Agency-funded research is carried out. In the event that circumstances arise in which an Institution is considered or found to be in non-compliance with Agency policy, Schedule 8 sets out the procedure for dealing with such instances.

5.9 Transfer of Funds from a Primary Institution to a Secondary Institution

The Primary Institution receiving research funds from the Agency has principal responsibility for the manner in which funds are spent. In order to facilitate collaborative research involving researchers from different institutions the Primary Institution may choose to transfer research funds to a Secondary Institution. Schedule 9 provides a framework for ensuring that the roles and responsibilities of the different Institutions and Agency are clear, and that there is agreement from the outset about how the funds are to be managed and what accountabilities are in place. It is important to note that the Agency prohibits the transfer of funds from an Eligible Institution to a Non-eligible Institution. The Parties agree to adhere to the guidelines set out in Schedule 9.

5.10 Confirmation of Researchers' Eligibility

Each Agency sets its own eligibility criteria to ensure applicants meet the minimum qualifications to receive funds. Eligibility requirements must be met on a continuous basis throughout tenure of a grant or award and thus ongoing communication between Researchers, Institutions and the Agency is required. The Parties, therefore, agree to the guidelines set out in Schedule 10.

5.11 Reporting on Performance and Outcomes

Reporting on how funds are used and what outcomes and impacts are achieved assists the Agency in meeting its own obligations to evaluate program effectiveness and to be accountable to the public. The Parties therefore, agree to adhere to the guidelines set out in Schedule 11.

5.12 Ownership of Equipment and Facilities

Schedule 12 provides a framework for managing the ownership of equipments and facilities purchased with grant funds, with the goal of ensuring that these funds are used effectively and productively. The Parties, therefore agree to adhere to the guidelines set out in Schedule 12.

5.13 Research Involving Biohazards

Researchers, Institutions and the Agency acknowledge the need to ensure that any research involving biohazards is conducted in a manner that meets all applicable safety standards and practices. These standards and practices are defined in federal, provincial and territorial laws, requirements and guidelines. All Institutions conducting research involving biohazards must comply with applicable laws and requirements. The roles of the Parties are set out in Schedule 13.

Check one

- Option for those Institutions in which biohazards are used in research.
The Institution and the Agency agree to adhere to the guidelines set out in Schedule 13.

Or

- Option for those Institutions in which biohazards are not currently used in research.
The Parties acknowledge that as of the date of signing this MOU, the Institution does not carry out research involving biohazards. In the event that the Institution intends to carry out such research, it will promptly inform the Agency and will make all necessary arrangements to comply with, and will be bound by, the guidelines set out in Schedule 13.

5.14 Conflicts of Interest in research

The research enterprise is increasingly competitive and complex, with the result that real, perceived or potential conflicts of interest sometimes arise for Researchers and Institutions in the conduct and management of research. Researchers, Institutions and the Agency recognize that conflicts of interest must be identified and managed in a clear, transparent and accountable fashion to protect the credibility of the research enterprise and to maintain public confidence and trust. The Parties, therefore, agree to adhere to guidelines set out in Schedule 14.

5.15 Public Communication

The Institutions and the Agency have special roles to play in encouraging and responding to the public's interest in research and its outcomes. Schedule 15 outlines how the communications efforts of the Parties must be planned and coordinated for maximum impact and benefit. The roles of the Parties are set out in Schedule 15.

6. Amendments

This Memorandum of Understanding and its accompanying Schedules may be amended only by a written agreement signed by the Parties.

7. Effective Dates

Schedule 9: Transfer of Funds from a Primary to a Secondary Institution

The Agency, Primary Institutions and/or Secondary Institutions may have pre-existing agreements relative to the transfer of grant funds which are inconsistent with Schedule 9. Where such agreements exist at the time of signing the MOU, the agreements will supersede the requirements of this schedule until January 1, 2009.

Schedule 13: Research Involving Biohazards

The two-stage approval process (section 2.1d) is to be implemented by January 1, 2009.

Schedule 14: Conflict of Interest in Research

The Institutional Conflict of Interest Policy must be in place by January 1, 2009.

Signed by Institution's Name

The Institution acknowledges and agrees to fulfill its role and responsibilities as identified under this Memorandum of Understanding and its accompanying Schedules.

Institution: <u>Institution's Name</u> <hr/> Signature: <hr/> Print Name: <hr/> Title: <hr/> Date	Institution's Stamp <hr/>
Agency: The Michael Smith Foundation for Health Research <hr/> Signature: <hr/> Print Name: <hr/> Title: <hr/> Date	Agency's Stamp <hr/>

Schedule 1: Financial Accountability

1.0 Responsibilities

1.1 Responsibilities of the Institution

The Institution agrees to:

- a. establish and maintain policies, systems, procedures and controls that require and ensure Grant Holders' and Award Holders' compliance with the policies and regulations of the Agency as published in their formal guides and program literature, and that ensure full accountability for grant funds. As a minimum, this shall include systems and procedures related to:
 - i. maintenance of individual grant accounts which record all eligible charges and credits to those accounts;
 - ii. audit trails, with full supporting documentation, for all financial transactions in the accounts;
 - iii. travel-related expenditures charged to accounts;
 - iv. proper delegation of signing authority with respect to these accounts;
 - v. termination of grants and awards;
 - vi. transfers of grants between institutions.
- b. withhold or withdraw approval of expenditures proposed by a Grant Holder that within the knowledge of the Institution has contravened the Agency's regulations or the Institution's policies and, when appropriate, to seek advice or rulings from the Agency;
- c. advise the Agency without delay if they have knowledge that Agency funds have been used in an inappropriate manner;
- d. process scholarship payments promptly;
- e. establish and maintain effective policies, systems, procedures and controls to ensure – prior to the release of funds – compliance with all conditions and regulatory certification requirements with respect to research involving humans, animals and biohazards;
- f. support researchers in managing their research funds through the provision of appropriate working advice and financial and program information, and through promotion of professional financial management practices;
- g. adhere to the reporting requirements as specified in the formal guides of the Agency, as well as to any other special requirements that may be associated with individual grants and awards and refund to the Agency any unspent funds;
- h. provide access to all accounts, records and other information related to a grant or award that the Agency may reasonably request during the course of an on-site monitoring visit or investigation; and respond fully and frankly to any requests the Agency may make for information concerning specific grant accounts;

- i. to have its financial records audited by an independent auditing firm.

1.2 Responsibilities of the Agency

The Agency agrees to:

- a. provide for the timely issue of funds in accordance with methods of payment and payment schedules specified in the formal program guides of the Agency;
- b. provide supporting information for each payment, which, at a minimum, identifies the grants and awards (including the application or grant number and its term), amounts and names of investigators for which the payment(s) are made;
- c. provide Institutions and Grant and Award Holders with clear and concise information as to the purpose for which each grant and award is made and the expenditures eligible to be charged to the account;
- d. provide timely and consistent responses to requests for information, issues and policy interpretations related to the administration of grants and awards;
- e. consult with Institutions about, and provide adequate lead-time for, the introduction of major changes to financial policies and other requirements affecting matters of financial administration of grants and awards; consult with Institutions about, and provide adequate lead-time for, on-site visits related to the monitoring of grants and awards;
- f. co-ordinate monitoring visits with other funding Agency when possible; and provide timely reports about the results of monitoring visits and related reviews;
- g. promote a collegial working relationship with the Institution and researchers aimed at achieving continuous improvement of accountability for funds and ensuring best practices in financial management.

2.0 Good Practices

The Agency may periodically publish a selection of good practices. This document will normally be distributed to the Institutions.

3.0 Resolution of Issues of Non-Compliance

Should compliance issues arise between an Agency and an Institution; the Agency will follow the procedures described in Schedule 8 at the entry level appropriate to the situation.

4. Transfer of Funds

When a Primary Institution transfers grant or awards funds to a Secondary Institution, Schedule 9 applies.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 2: Ethics Review of Research Involving Humans

1.0 Policy

The Agency has adopted the official the Tri-Council Policy Statement: *Ethical Conduct for Research Involving Humans* (TCPS) statement and it's amendments as its own to promote the ethical conduct of research involving human subjects. The Agency will only fund researchers, Institutions or partnering organizations that comply with the ethical principles and articles of the TCPS.

In addition to the TCPS, the ethics review of research involving humans may, where appropriate, be subject to other legislation and policies.

The Agency encourages investigators to become involved in the work of their Institutional Research Ethics Boards (REBs) and encourage Institutions to recognize this work as a valuable service to the research community.

2.0 Responsibilities

2.1 Responsibilities of the Institution

The Institution agrees to:

- a. develop an institutional human research ethics policy/policies and procedures or institutional guidelines and procedures to review the ethics of research involving humans that, as a minimum, meets the requirements set out in the TCPS and it's amendments from time to time;
- b. apply the Institutional policy or guidelines to all research involving humans that is conducted under the auspices or jurisdiction of the Institution;
- c. promote education for, and provide training opportunities to, members of the Institution's community in the area of ethics of research involving humans;
- d. ensure that Researchers, Administrators and Research Ethics Boards (REBs) are aware of all applicable policies, regulations and guidelines. In some cases, it may be necessary for Institutions or REBs to have recourse to specific expertise to identify legal and other issues in the ethics review process;
- e. release research funds to researchers only after an Institutional REB has approved the research. This review can be a formal review of the detailed protocol and the related continuing review process or the review can be a two-stage process if the activities involving humans will only take place in a future fiscal year and the methodology still needs to be determined. In the latter case, funds may be released, on a pro-rated basis, following the "in principle" approval of the research protocol for activities up to the start of the work involving humans. In any case, the research must maintain REB approval for the duration of the project;

- f. inform the Agency of a delay, and explain the reason for the delay, if REB approval is not obtained within six months of the award date, in which case the Agency may consider that the condition of award has not been fulfilled and reallocate the funds;
- g. provide its REBs with training opportunities and appropriate financial and administrative independence to fulfil their duties; and
- h. investigate allegations of individual non-compliance in accordance with the Institutions' policies and procedures; and by taking appropriate follow-up measures, including reporting to the Agency, as required.

2.2 Responsibilities of the Agency

The Agency may:

- a. review the relevant policies of Institutions that wish to be declared eligible to receive Agency funding to ensure that these policies meet TCPS requirements;
- b. inform researchers and Institutions of any changes made to the TCPS;
- c. provide guidance to Institutions and REB members on the interpretation of the TCPS;
- d. act as a resource for Institutions and REBs in their promotion and application of ethical standards in research involving humans;
- e. refer to Institutions, for their action, and with supporting documentation, any allegations of non-compliance against researchers.

The Agency reserves the right to request that Institutions report periodically on the status of their ethics review process.

3.0 Good Practices

The Agency may periodically publish or refer to identified examples of "good practices".

4.0 Resolution of Issues of Non-compliance

In the event that circumstances arise in which an Institution appears to be or is found to be in non-compliance with Agency policy under this Schedule, the Agency will follow the procedures described in Schedule 8, starting with an entry level 2 or 3, depending on the circumstances.

5.0 Transfer of Funds

When a Primary Institution transfers grant or award funds to a Secondary Institution, Schedule 9 applies.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 3: Ethical Review of Research Involving Animals

1.0 Policy and Legislation

The Agency requires that all the research it funds that involves the use of animals be approved by the researcher's Institution and the Institution where the research will be conducted before the work begins. The Institutions must have procedures in place to monitor ongoing work and to ensure conformity with federal and provincial guidelines, regulations, and laws covering the use of animals in research, teaching and testing.

The Agency stresses the responsible use of live vertebrates and cephalopods (octopi and squid) in research. The [Canadian Council on Animal Care](#) (CCAC) is the national organization responsible for setting and maintaining standards for the care and use of animals in research, teaching and testing throughout Canada. The Agency actively supports the CCAC's goals of ensuring that animals used in science are treated in an ethical manner and cared for properly, as well as its policy of encouraging the refinement, reduction and replacement of animal use in research. The Agency encourages investigators to become involved in the work of their Institutional Animal Care Committee (IACC), as defined by the CCAC, and encourages Institutions to recognize this work as a valuable service to the research community.

2.0 Responsibilities

2.1 Responsibilities of the Institution

The Institution agrees to:

- a. participate in the CCAC's Program, which includes regular assessments, and hold a valid Certificate of GAP – Good Animal Practice[®] confirming that it is in compliance with the CCAC's guidelines and policies;
- b. provide its IACC members with the training opportunities and financial and administrative independence that will enable them to fulfill their duties, which include the monitoring of ongoing research;
- c. release Agency funds to researchers only after an IACC has approved the research. This review can be a formal review of the detailed protocol or it can be a two-stage process if the activities involving animals will only take place in a future fiscal year and the methodology still needs to be determined. In the latter case, funds may be released, on a pro-rated basis, following the "in principle" approval of the research protocol for activities up to the start of the work involving animals. In any case, the research must maintain IACC approval for the duration of the project;
- d. inform the Agency if IACC approval for a project is not obtained within six months of the award date and explain the reason for the delay, in which case the Agency will consider that this condition has not been fulfilled and reallocate the funds;
- e. suspend Agency funding for a research project already under way that is found to:
 - i. contravene the guidelines or policies of the CCAC, or
 - ii. infringe any relevant provincial laws, or

iii. fail to meet any conditions of approval previously imposed by the IACC.

The Institution must rescind the suspension once the contravention is rectified to the satisfaction of the IACC. The funding Agency must be informed of any suspension lasting longer than three months.

2.2 Responsibilities of the Agency

The Agency has a responsibility to:

- a. ensure that its funds are used only to support research involving animals that complies with CCAC guidelines and policies, and applicable laws and regulations, as interpreted by an IACC;
- b. transmit to the Institution any ethical concerns raised during the course of the Agency's peer review process and make the release of funds conditional on a satisfactory response to these concerns;
- c. transmit to the CCAC, for follow up, allegations of non-compliance with CCAC guidelines and policies.

3.0 Resolution of Issues of Non-compliance

Where, after an assessment visit, the CCAC finds the Institution to be in non-compliance, and the Institution does not, within a reasonable time, complete the actions required to bring it into compliance, the CCAC will inform the Agency. The Agency will then follow the procedure described in Schedule 8, at entry level 3. Suspension of funding of research involving animals will last until the CCAC reports that the Institution has initiated the actions required to bring it into compliance, at which time the Agency will recommence funding.

4.0 Transfer of Funds

When a Primary Institution transfers grant or award funds to a Secondary Institution, Schedule 9 applies.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 4: Integrity in Research and Scholarship

1.0 Policy

The Agency adopts the *Tri-Council Policy Statement: Integrity in Research and Scholarship*, which is divided into two sections that deal with (1) principles of scientific integrity and the responsibilities of researchers, Institutions and the Agency in upholding these principles; and (2) procedures to promote integrity and prevent misconduct, and to address misconduct in research funded by the Agency. As a condition of eligibility to receive Agency funds, Institutions must have in place an integrity policy that is consistent with the *Tri-Council Policy Statement: Integrity in Research and Scholarship*.

2.0 Responsibilities

2.1 Responsibilities of the Institution

The Institution agrees to:

- a. promote integrity in all research and scholarship;
- b. investigate all possible instances of misconduct in research or scholarship, including:
 - i. determining whether a breach of integrity has taken place;
 - ii. imposing appropriate sanctions in accordance with its own policies.
- c. report its findings to the Agency when:
 - i. an allegation of misconduct has been forwarded to the Institution by an Agency, regardless of the outcomes of the enquiry(ies);
 - ii. an allegation of misconduct made directly to the Institution and involving, directly or indirectly, Agency funds has been upheld by the Institution.

The report should include information on the process that was followed, the conclusions that were reached and the actions that were taken when a breach was determined to have occurred.

If the report is unclear or the process followed by the Institution in conducting its investigation appears to be in any way inadequate or inconsistent with the Institution's policy, the Agency may request that the Institution provide clarification or additional information.

2.2 Responsibilities of the Agency

The Agency has a responsibility to:

- a. implement the *Tri-Council Policy Statement: Integrity in Research and Scholarship* in a consistent fashion;

- b. review policies from Institutions that wish to be declared eligible to receive Agency funding and ensure that these policies meet the requirements of the *Tri-Council Policy Statement: Integrity in Research and Scholarship*;
- c. promote integrity in research and scholarship by providing resource information to Institutions, for example, by compiling and distributing examples of and criteria for "good practices," and by providing links to relevant material available on the Web;
- d. transmit to the Institution concerned written allegations of misconduct, together with supporting documentation, subject to applicable personal information protection laws;
- e. review reports submitted by the Institution to ensure that due process was followed;
- f. consider imposing sanctions in cases where misconduct has been found to have occurred;
- g. maintain confidentiality of the information about allegations;
- h. inform Institutions within a reasonable time frame from the date of the receipt of a report what sanctions, if any, the Agency may be implementing.

3.0 Resolution of Issues of Non-compliance

The criteria for compliance are determined by the responsibilities described in the *Tri-Council Policy Statement: Integrity in Research and Scholarship*.

In the event that circumstances arise in which an Institution appears to be or is found to be in non-compliance with Agency policy under this Schedule, the Agency will follow the procedures described in Schedule 8, starting at level 3.

The Agency may also share information with a similar funding or granting agency about issues relating to a specific Institutional policy, so long as the Agency respects the confidentiality of the integrity of the cases involved.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 5: Environmental Assessment

1.0 Legislation

The Agency has chosen to review proposals for potential impacts on the environment. It recognizes the use of environmental assessment (EA) as an effective means of integrating environmental factors and applying the precautionary principle into planning and decision-making processes in a manner that promotes sustainable development.

All Parties must work together to ensure that research activities do not have any significant deleterious effects on the environment. To this end, the Parties will ensure that environmental assessments are carried out as required by the Agency and that mitigating measures are implemented to limit the adverse impacts of research activities on the environment.

The Parties shall keep each other informed of any proposals that might require an environmental assessment.

2.0 Responsibilities

2.1 Responsibilities of the Institution

- a. The Institution is responsible for: The Institution agrees to ensure awareness among its research community of EA requirements and procedures;
- b. At its discretion, the Institution will:
 - i. review applications to check for environmental sensitivity and identify any potential liability for the Institution;
 - ii. assist applicants, where appropriate, in preparing documentation for the environmental assessments, for example, by commissioning reports (such as engineering studies), validating information contained in proposals, or facilitating access to knowledgeable institutional resources, when these are available. It is understood that in such cases the cost is borne by the applicant or Institution.

2.2 Responsibilities of the Agency

The Agency is responsible for:

- a. developing an EA process that both fully meets the requirements of the Agency and minimizes the administrative burden on applicants and Institutions;
- b. using this EA process to review all proposals. An EA may be carried out on proposals if there is evidence that the proposed research work may have significant negative effects on the environment;
- c. ensuring that an EA is conducted at the proposal stage and before irrevocable decisions are made;

- d. ensuring that only proposals that are not likely to cause significant adverse environmental effects are funded;
- e. keeping applicants and Institutions informed in a timely manner of any requirement for an EA, and, where applicable, the progress of an EA in process;
- f. coordinating, as appropriate, with other jurisdictions such as federal or provincial departments or Aboriginal Band Councils, to avoid any duplication of work;
- g. determining whether public participation is appropriate and, if so, providing the public an opportunity to comment on the screening report;
- h. implementing a follow-up program to ensure that, where appropriate, suitable mitigation measures and monitoring are put into place;
- i. ensuring that organizations receiving funds through other mechanisms (for example, by the creation of a Network of Centers of Excellence) will have, as part of their Memorandum of Understanding, a process to identify and assess, as required, proposals which have potentially negative environmental effects.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 6: Peer Review

1.0 Definition

Peer review, for the purposes of this schedule, refers to the review process used by the Agency to evaluate applications for funding against established criteria. While peer review also includes activities such as providing reviewer/assessor reports and participating in site visits relating to specific proposals, this schedule focuses on participation in advisory and selection committees.

2.0 Policy

The Agency has established policies and guidelines for the membership of its various committees. These guidelines enunciate the principle that committees must be competent to fulfill their task, and balanced in terms of regional, sectoral and gender representation. The Agency has also established codes of conduct for committee members, addressing, for instance, issues of conflict of interest, integrity, and confidentiality. These documents can be obtained on the web sites of the Agency or by contacting the Agency.

3.0 Responsibilities

3.1 Responsibilities of the Institution

The Institution is encouraged to:

- a. nominate individuals whom it considers suitable to serve as members of the Agency's selection and/or policy committees. The individuals nominated can be from the Institution itself, i.e., faculty, graduate students, postdoctoral fellows, research administrators, as well as from the private and government sectors. As far as possible, the Institution should seek permission, and obtain an up-to-date CV from, the person it wishes to nominate;
- b. recognize both the contribution to the research enterprise made by committee members and the time commitment involved in peer review.

3.2 Responsibilities of the Agency

The Agency will:

- a. assemble the expertise appropriate to the committee's responsibilities, adopt effective and efficient processes to minimize the workload put on committee members and to encourage the participation of as broad a cross section of national and international communities as possible;

- b. inform relevant Institution administrators (e.g., department heads, deans and Vice-Presidents, Research) about the appointment of individuals from their Institutions to standing and peer review committees;
- c. recognize the time commitment involved in peer review;
- d. reimburse travel expenses and other costs related to membership (e.g., courier fees, administrative assistance to committee chairs).

4.0 Good Practices

Membership on committees provides a unique opportunity to understand the peer review process and to develop expertise in what constitutes a good proposal. Members can be invited to share this expertise with colleagues and to mentor junior faculty.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 7: Statement of Principles: Postdoctoral Fellows

1.0 Objective

This Statement of Principles encourages universities and other research institutions to offer the best possible working environment to their postdoctoral fellows in recognition of the importance of this phase of their research training and career development. The Statement also suggests that, where they do not already exist, universities establish procedures to ensure that postdoctoral fellows are fully integrated into the university environment and recognized in university policies or procedures.

2.0 Responsibilities

2.1 Responsibilities of the Institution

The Institution is encouraged to:

- a. adopt a policy or guidelines regarding postdoctoral fellows that recognizes and accords value to the contributions these individuals make to the research enterprise;
- b. circulate this policy widely to faculty and fellows.

2.2 Responsibility of the Agency

The responsibilities of the Agency are to:

- a. review postdoctoral fellowship applications in a timely manner;
- b. inform the Institution of awards to postdoctoral fellows tenable at the Institution;
- c. provide explicit information to Institutions and to postdoctoral fellows regarding Agency policies and guidelines that affect postdoctoral fellows – these would refer primarily to fellows holding an award from the Agency, but may be applicable or relevant to other fellows (e.g., policy on ownership of intellectual property);
- d. establish policies for postdoctoral fellowship programs and postdoctoral fellows paid out of Agency grants.

3.0 Examples of Good Practices

- a. Defining what constitutes a postdoctoral appointment, including such criteria as duration of appointment and length of time since completion of the Ph.D.
- b. Explicit inclusion of postdoctoral fellows in Institutional policies, which might include information as set out in the attached appendix.
- c. Identification of an office that is responsible for providing postdoctoral fellows with information on Institutional policies and procedures.

- d. Written letters of appointment (or invitation) to all postdoctoral fellows that include information on the duration of the appointment, the amount and nature of the compensation, any benefits offered, and information on the rights and responsibilities of postdoctoral fellows (or a copy of the Institution's policy on postdoctoral fellows).
- e. Orientation material that includes a registration form for postdoctoral fellows and general information on the Institution. The information provided on the registration form would allow the fellow to be entered into the Institution's central register and be issued with an identity card (for library access, etc.).

Appendix

Items proposed for inclusion in a written policy on postdoctoral fellows:

- Status of postdoctoral fellows at the Institution;
- Institutional guidelines for eligibility for postdoctoral appointments which should take into account circumstances that might delay a fellow's research career (e.g., parental responsibilities);
- Procedures for selection and appointment of postdoctoral fellows;
- Duration, renewal and termination of postdoctoral appointments;
- Compensation (including minimum stipend level);
- Benefits available (including vacation and parental leave);
- Differences between the compensation and benefits policy for fellows paid by the university and for fellows paid from external sources;
- Services offered to postdoctoral fellows (e.g., library access, electronic mail, child care, parking and sports facilities);
- Participation in, and compensation for, university teaching;
- Inclusion of postdoctoral fellows in departmental/faculty activities (e.g., opportunities to participate on committees);
- Opportunities (or not) for fellows to apply independently for university, industrial or other research funding;
- Intellectual property rights;
- Academic integrity;
- Ethical conduct of research involving humans or animals;
- Dispute resolution mechanisms;
- Grievance procedures;
- Immigration regulations (for foreign postdoctoral fellows);
- Career advice and job placement.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 8: Investigation and Resolution of Breaches of Agency Policies¹

As Parties in the effective administration of the research and training enterprise, the Agency and Institutions strive to ensure compliance with Agency policies regarding (1) the management of Agency funds and (2) the research environment within which Agency-funded research is carried out. However, situations may arise in which an Institution appears to be or is found to be in breach of Agency policy. Although it is impossible to anticipate every possible situation, this schedule provides a model procedure for dealing with such instances. This procedure may have to be adapted to suit specific cases, and action may be initiated at any level, as circumstances warrant. Furthermore the Institution may need to consider relevant collective agreements.

1.0 Procedures

Cases of possible non-compliance may be identified by anyone from the Agency, Institutions, or elsewhere. In such cases, the situation will be resolved as follows:

Level 1 – If the Agency and the Institution consider the alleged compliance issue to be minor, the Agency and the Institution will work informally to investigate and, if necessary, to correct the problem. Relevant Research Administration officials will be advised, but senior officials of the Institution will generally not be involved in the case.

Level 2 – If the Institution or the Agency considers a compliance issue to be serious, either Party, as the case may be, will document the alleged infractions, the relevant evidence and options for rectification of the situation if a breach is confirmed.

In consultation with the Agency, relevant Research Administration officials will review the documentation and establish a realistic schedule for resolving the situation, which may be altered by mutual agreement. All reasonable opportunities will be provided for affected parties to comment on the situation and to participate in its resolution.

While respecting the privacy of individuals and the confidentiality of specific cases, and in compliance with all applicable privacy legislation, the Agency may share information with a similar granting or funding agency in the course of an investigation concerning systemic institutional non-compliance, or collaborate in a joint investigation with such an agency concerning the same circumstance or series of circumstances.

If the Agency is of the view that a breach has been established, it may demand that the Institution implement corrective measures, such as appointing a consultant to assist in the development and implementation of a remedial plan.

Level 3 – Should the matter not be resolved at Level 2 or be particularly serious or sensitive, it will be referred to senior-level officials from both the Institution and the Agency as follows:

- a. Relevant senior Research Administration official (Vice-president or equivalent) of the Institution, and Vice President(s)/Executive Director(s) or Corporate Secretary of the Agency; or
- b. Chief Executive Head of the Institution, and President of the Agency.

Together these officials will establish a realistic schedule for resolving the situation, which may be altered by mutual agreement. If one Party believes that mediation may be useful to assist in defining a mutually satisfactory solution, the Agency President will appoint a mediator that both Parties agree is appropriate. The mediator will make non-binding recommendations to the Parties.

In addition to requiring corrective and remedial measures by the Institution, the Agency may, with prior written notification, temporarily suspend funding to specific programs or projects until corrective measures, which the Agency finds satisfactory, are in place.

2.0 Unremediable Breach

In the event that the breach cannot be satisfactorily remedied, the President of the Agency may consider the Institution or all or any portion of its faculty to be ineligible to continue receiving funds from the Agency.

The Agency will consider a request for reinstatement once the Institution has achieved compliance.

3.0 Criminal Misconduct

If at any point in the process, any evidence of possible criminal misconduct is found, the Agency will immediately refer the matter to the appropriate authorities.

¹As this schedule forms part of a Memorandum of Understanding between Institutions and the Agency, it deals only with breaches by Institutions and is not meant to address situations of breaches by Grant Holders or Award Holders. Those cases are resolved according to processes described in the Agency's program guides.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 9: Transfer of Funds from a Primary Institution to a Secondary Institution

1.0 Definitions

Principal Investigator – the principal applicant or leader on a grant or award application that has been approved for funding. The Principal Investigator must meet the Agency’s eligibility criteria to receive funds and is the Grant Holder.

Co-leader - a co-applicant or co-investigator on a grant or award application that has been approved for funding. The co-investigator must meet the Agency’s eligibility criteria to receive funds.

Collaborator – a collaborator is an individual whose role is to provide a special service (such as access to equipment, provision of specific reagents, training in a specialized technique, statistical analysis, access to a patient population, etc.) to the research project or program of research and who may be reimbursed from the grant for actual costs incurred in providing the service.

2.0 Application and General Policy

The Schedule deals with transfers of research funds. Part A and Part B below detail the two different scenarios in which funds may be transferred. Part A deals with the transfer from a Primary Institution to a Secondary Institution. Part B deals with the transfer from a Primary Institution to a Non-eligible Secondary *Institution which is prohibited and hence not applicable*. This Schedule does not address payment of invoices or contracts or accountable advances; these are not considered to be grant transfers for the purpose of this schedule. Grant transfers include transfers of both funds and responsibilities.

A grant transfer normally occurs when a Primary Institution, in direct receipt of Agency funds, transfer some or all of those funds to a Secondary Institution in order to facilitate research collaboration between the Grant or Award Holder and the co-investigators at the Secondary Institution, and/or with collaborators, research personnel and co-principal investigators at the Secondary Institution.

Under the terms of this MOU and its Schedules, a Secondary Institution has the same responsibilities for grant or award funds transferred to it from a Primary Institution, as it does when funds are awarded directly to it by the Agency.

Part A – Transfer of Funds between a Primary Institution and a Secondary Institution

3.0 Roles and Responsibilities

3.1 Responsibilities of the Primary Institution

The Primary Institution that transfers funds to a Secondary Institution agrees to:

- a. prepare, prior to any transfer, a “letter of transfer of funds” agreement to be signed by both Institutions, that identifies the research project, the Grant or Award Holder, any co-investigators and/or collaborators, the period for use of the funds, the proposed use of the funds, the amount to be transferred, the timing of the transfer and when all unused funds must be returned to the Primary Institution.

The letter must also address any necessary clarification on ownership of equipment, adherence to applicable regulations, policies and guidelines, etc, including the specific certification requirements for research conducted at both the Primary and Secondary Institutions (see Schedule 2, 3 and 13).

- b. require that, each year, the Secondary Institution complete and forward a financial statement, signed by its financial office and the researcher to whom the funds were made available, to the Primary Institution;
- c. review the Secondary Institution’s financial statement to ensure that the information provided is accurate in terms of the budget amount (or amount of funds transferred), balance forward amount and eligible expenditure categories, in accordance with the letter of agreement;
- d. consolidate the information provided in the financial statement received from the Secondary Institution with the information of the Primary Institution’s own financial statement to create a single consolidated financial statement for the grant in question; and
- e. for the purpose of the transfer, maintain the relevant supporting documentation on file (i.e., a copy of the transfer of funds letter) from the Secondary Institution.
- f. The Primary Institution assures that the Eligible Secondary Institution receiving the funds agrees to:
- i. administer the funds for the benefit of each participating Grant or Award Holder, co-investigators and/or collaborators of that Institution in accordance with this MOU, its Schedules and with any other relevant policies of the Agency, including policies on categories of eligible expenditures;
 - ii. follow the terms of the signed letter of transfer;
 - iii. ensure that all necessary certifications are in place for research conducted under its jurisdiction or auspices (see Schedules 2, 3 and 13);
 - iv. return all unused and uncommitted funds to the Primary Institution at the end of the period agreed to for the use of the funds;
 - v. complete and forward to the Primary Institution a financial statement, signed by its financial officer and the researcher to whom the funds were made available; and
 - vi. maintain the relevant supporting documentation on file (i.e., a copy of the transfer of funds letter, certification(s), supporting documentation for all expenditures).

3.2 Responsibilities of the Agency

The Agency agrees to:

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- a. publish a list of its Eligible Institutions on its website;
 - b. include, during regular financial monitoring visits, the review of the relevant supporting documentation relating to the transfer and subsequent expenditure of funds; and
 - c. respond to requests for advice about the consolidation of the financial statements and any other issues related to the transfer of funds.

4.0 Good Practices

The Agency suggests referring to the “Manual of Good Practices Observed during Visits” on the following website <http://www.nserc.gc.ca/institution/ManualofBestPractices.pdf>

5.0 Resolution of Issues of Non-compliance

In the event that circumstances arise in which a Primary and/or Secondary Institution appear to be or are found to be in non-compliance with the Agency’s policy under this Schedule, the Agency will follow the procedures described in Schedule 8 at the entry level appropriate to the situation.

Part B – Transfer of Funds between a Primary Institution and a Non-eligible Secondary Institution

THIS TYPE OF TRANSFER IS PROHIBITED AND HENCE NOT APPLICABLE.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 10: Confirmation of Eligibility

1.0 Policy

The Agency funds only those applicants who fulfill the eligibility requirements established by the Agency. These policies are published on the Agency's website www.msfr.org.

The Grant or Award Holder(s) is responsible for informing, without delay, the relevant Institution and the Agency of any change in his/her eligibility status.

2.0 Responsibilities

2.1 Responsibilities of the Institution

The Institution agrees to:

- a. confirm the potential Grant or Award Holder's eligibility, at the time application is made, in accordance with the Agency's established eligibility requirements;
- b. monitor the ongoing eligibility of Grant and Award Holders;
- c. advise the Agency, in a timely manner, of any change in the eligibility status of Grant or Award Holders that could have affected the terms of the original award; and
- d. confirm, by following a process established by the Agency, Grant and Award Holders' ongoing eligibility throughout the tenure of their grant or award.

2.2 Responsibility of the Agency

The Agency agrees to:

- a. establish clear eligibility requirements for grants and awards, and to make them readily accessible to researchers, students and Institutions;
- b. advise researchers, students and Institutions, in a timely and effective manner, about eligibility requirements that must be met prior to submitting an application for and/or holding an award, and advise them about any change to eligibility requirements;
- c. provide the Institution, annually, with a list of grant and award installments scheduled for the next fiscal year, for the purpose of assisting the Institution to confirm each Grant or Award Holder's ongoing eligibility;
- d. establish steps to be taken in the event that a Grant or an Award Holder's eligibility status changes (e.g. holding back the next award installment, paying out a partial award installment, recovering funds already paid out); and
- e. provide, in a timely manner, clear reasons – based on the Agency's established eligibility requirements – for Agency decisions to declare an applicant and/or Grant or Award Holder ineligible to apply for funding or ineligible to receive further funding.

3.0 Resolution of Issues of Non-compliance

In the event that circumstances arise in which an Institution appears to be or is found to be in non-compliance with the Agency's policy under this Schedule, the Agency will follow the procedures described in Schedule 8 at the entry level appropriate to the situation.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 11: Reporting on Performance and Outcomes¹

1.0 Policy

This Schedule sets out the Agency's and Institution's overall responsibilities for reporting on performance.

Specific reporting requirements may vary from program to program. When reporting on any grant or award, Institutions and Grant and Award Holders must ensure that they conform to all applicable requirements.

2.0 Responsibilities

2.1 Responsibilities of the Institution

The Institution agrees to:

- a. support adherence to the Agency's performance reporting requirements and facilitate the provision of the required information (e.g., concerning the submission of progress and final research reports) in a timely manner;
- b. contribute to the monitoring, review and evaluation of the Agency's programs, policies and processes by participating in mid-term reviews, evaluation studies, surveys, workshops, audits and other activities organized for the purposes of collecting information to assess progress and results (including tracking Grant and Award Holders), while taking into account the availability of relevant data;
- c. encourage its faculty, students, and administration to participate in the monitoring, review and evaluation of the Agency's programs, policies and processes.

2.2 Responsibility of the Agency

The Agency agrees to:

- a. consult with relevant stake holders, when feasible, on new reporting requirements, establish performance reporting requirements that take into account costs and benefits and that provide clear guidelines, relevant forms, and feasible procedures for the collection, analysis, reporting and use of information about the performance and outcomes of grants and awards;
- b. inform Institutions and Grant and Award Holders, in a timely manner, of their reporting and data collection requirements;

¹ This Schedule complements section 4.4 (j) and section 5.1 of the MOU. Schedule 1, "Financial Accountability", presents the overall requirements for reporting on financial performance.

- c. enlist the help of Institution and Grant and Award Holders in monitoring and evaluation of Institutions and individuals, while recognizing the time and resources that such activities require;
- d. provide Institutions with information on their compliance with reporting requirements as well as with information on the compliance of that Institution's Grant and Award Holders;
- e. use the information and data collected to improve program design, promote the outcomes of grants and awards and develop new policies and processes.

3.0 Public Accountability

Information and data that Institutions and Grant Award Holders provide in their reports to the Agency can be used by the Agency in its own reports on program performance as well as in conducting audits, reviews and evaluations of its programs and policies.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 12: Ownership of Equipment and Facilities

1.0 Policy

Equipment and facilities can be purchased, established or supported with funds from grants awarded exclusively for those purposes.

By signing an application for equipment or facilities the Institution assumes responsibilities for ensuring that the funds it receives from the Agency and the equipment or facilities purchased with those funds are used and managed in accordance with the policies established by the Agency. The Institution is the owner of the equipment or facilities.

The Institution is required to comply with the sections entitled “Ownership of Items Purchased or Collected with Grant Funds” and “Moving Equipment, Material or an Unexpended Equipment Grant” found under Administrative Matters at the following website:

www.nserc.gc.ca/professors_e.asp?nav=profnave&lbi=f5.

2.0 Responsibilities

2.1 Responsibilities of the Institution

The Institution agrees:

- a. to insure and house the equipment or facilities, including vehicles;
- b. if a grant is made directly for the purchase of equipment or establishment of facilities, it will
 - i. ensure that the grant funds are used to purchase approved items as specified in the grant application or in the letter of award, or obtain the Agency’s approval for any proposed purchase of an item that would otherwise not be approved;
 - ii. ensure others’ access to the equipment and facilities;
 - iii. provide an accounting for any excess of the amount granted over the amount spent on the equipment or establishment of the facilities and ensure that any excess funds are handled in the manner that the Agency specified in the terms it set out when it made the grant.
- c. to acknowledge funding sources;
- d. to consider requests for transfer of equipment in order to maximize the use of the equipment for research (e.g., when a Grant or Award Holder moves from one Institution to another); and
- e. to make reasonable and appropriate efforts to use, for research-related purposes only, the proceeds from any sale of equipment purchased, or facilities established, with funds granted by the Agency.

2.2 Transfer or loan of equipment or funds for equipment or facilities

In the event that equipment or facilities are transferred or loaned by the Primary Institution the following arrangements may apply:

- a. The Primary Institution retains ownership of the equipment or facilities and has the responsibilities outlined in this Schedule, but may reach an agreement to relocate the equipment/facilities. There should be a letter of agreement that confirms ownership of the equipment/facilities and the associated responsibilities, how it/they will be used and what access researchers from each institution will have;
- b. The Primary Institution may transfer ownership of equipment or facilities to a Secondary Institution, through a gift or sale. A written agreement should be in place before the transfer takes place;
- c. The Primary Institution may transfer funds for equipment or facilities to a Secondary Institution, in which case Schedule 9: Transfer of Funds from Primary Institution to a Secondary Institution will apply.

2.3 Responsibilities of the Agency

The Agency agrees to:

- a. provide clear and, as much as possible, harmonized guidelines for the ownership, protection, use, disposition and movement of equipment purchased or facilities established using funds granted by the Agency;
- b. advise Institutions in a timely manner of equipment and facilities grants that pertain to them and of details of award specifications; and
- c. advise Institutions, upon request and in a timely manner, about the Agency's policies applicable to equipment and facilities.

3.0 Resolution of Issues of Non-compliance

In the event that circumstances arise in which an Institution appears to be or is found to be in non-compliance with the Agency's policy under this Schedule, the Agency will follow the procedures described in Schedule 8 at the entry level appropriate to the situation.

4.0 Transfer of Funds

When a Primary Institution transfers grant or award funds to a Secondary Institution for the purpose of purchasing equipment or facilities, Schedule 9 applies.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 13: Research Involving Biohazards

1.0 Policy

The Agency requires that all research it funds that involves biohazards be reviewed and approved by the Institutional Biosafety Officer (BSO) or Institutional Biosafety Committee (IBC) in accordance with the Public Health Agency of Canada's Laboratory Biosafety Guidelines (www.phac-aspc.gc.ca/ois-bsl/bg-ldmbl/index.html) before funding is released and before the work begins. In this manner, Institutions are subject to relevant federal, provincial and territorial guidelines, laws and regulations, including but not limited to Containment Standards for Veterinary Facilities www.inspection.gc.ca/english/sci/lab/convet6-8e-shtml, Transportation of Dangerous Goods Act (Transport Canada) (<http://lois.justice.gc.ca/en/T-19-1/text.html>), the Health of Animals Act (Agriculture and Agri-food Canada) (<http://lois.justice.gc.ca/en/H-3.3/text.html>), and the guidelines of the Canadian Council on Animal Care (http://www.ccac.ca/en/CCAC_Programs/Guidelines_Policies/gublurb.htm).

Technical guidance of working with biohazardous materials in laboratories is provided by the Public Health Agency of Canada publication, Laboratory Biosafety Guidelines and the Canadian Food Inspection Agency's (CFIA) Containment Standards for Veterinary Facilities.

2.0 Responsibilities

2.1 Responsibilities of the Institution

The Institution agrees to have in place procedures to monitor ongoing research involving biohazards that are carried out under its auspices, and to:

- a. adhere to the Public Health Agency of Canada's Laboratory Biosafety Guidelines and the CFIA Containment Standards for Veterinary Facilities, as they are amended from time to time, including but not limited to complying with their requirements to:
 - i. establish an Institutional Biosafety Committee (IBC), as prescribed, or at the Institution's discretion when it considers that the level of research activity with biohazards warrants it;
 - ii. appoint a Biosafety Officer (BSO) whose duties include ensuring that all work is carried out in accordance with the safety practices described in the Public Health Agency of Canada guidelines;
 - iii. provide appropriate training, as prescribed, prior to beginning the work, for all persons whose research may involve biohazards; and
 - iv. maintain a safe working environment by regularly inspecting and maintaining all equipment and facilities used specifically for research, storage or disposal of biological hazards, in accordance with the prescribed requirements of the Public Health Agency of Canada Laboratory Biosafety Guidelines, and the CFIA Containment Standards for Veterinary Facilities;
- b. comply with all other relevant federal, provincial, and territorial laws and regulations;

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- c. release funds to researchers only if the IBC or BSO:
 - i. has approved the project procedures in accordance with the different levels of risk identified in the Public Health Agency of Canada’s Laboratory Biosafety Guidelines (which include requirements for verification of compliance with other relevant federal, provincial and territorial laws and regulations); and
 - ii. has provided a certificate to the laboratory or facility where the project will take place.
 - d. where the research involving biohazards will not be undertaken immediately, there can be a two-stage approval process for multi-year and multi-stage projects. First, official notification of “in principle” approval, after which funds may be released on a pro-rated basis up to the projected date of the work involving biohazards; and second, a final certification before the remaining funds are released and before the proposed research involving biohazards begins;
 - e. have a process in place to ensure that the IBC or BSO is notified promptly by the researchers if, during the course of a grant, the research changes to involve the use of biohazards or a different level of risk, thereby requiring new or updated certification;
 - f. determine if funding for any research project already underway should be immediately suspended because the Institution reasonably believes, after consultation with the relevant IBC or BSO, that such a suspension is warranted due to a serious contravention of one or more of the following:
 - i. the Public Health Agency of Canada’s Laboratory Biosafety Guidelines, as they are amended from time to time;
 - ii. an applicable federal, provincial or territorial law; and
 - iii. any condition of approval imposed by the IBC or BSO;
 - g. rescind the suspension described in paragraph 2.1.(f) if, in the opinion of the Institution after consultation with the IBC or BSO, the contravention is rectified;
 - h. advise the Agency in writing of any situation that results in suspension of funds to a research project under clause 2.1.(f)

2.2 Responsibility of the Agency

The Agency agrees to:

- a. require, as a condition for release of research funds by the Institution holding the funds, that the IBC or BSO has issued certificates or notices of approval to Agency-funded researchers who are carrying out research involving biohazards;
- b. transmit to, or have transmitted to, the Institution, without delay and in accordance with Agency policy and the Personal Information Act, any written allegation of an infraction of biosafety requirements that it receives; and
- c. work with the Public Health Agency of Canada to ensure that the research community is consulted about the development of the periodic amendments to the Laboratory Biosafety Guidelines, and collaborate with the Public Health Agency of Canada and Institutions that receive funds from the Agency to inform researchers of these amendments as they are made.

3.0 Resolution of Issues of Non-compliance

In the event that circumstances arise in which an Institution appears to be or is found to be in non-compliance with the Agency's policy under this Schedule, the Agency will follow the procedures described in Schedule 8 at the entry level appropriate to the situation.

4.0 Transfer of Funds

When a Primary Institution transfers grant or awards funds to a Secondary Institution for the purpose of research involving biohazards, Schedule 9 applies.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 14: Conflicts of Interest in Research

1.0 Objective

The Agency and Institutions have an interest in ensuring that the conduct of research is not compromised by real or perceived Conflicts of Interest (COI). This Schedule is aimed at ensuring and maintaining the public's confidence in research.

1.1 Conflict of Interest

Conflict of Interest (COI) may arise when activities or situations place a person or Institution in a real, perceived or potential conflict between their responsibilities related to research and their personal, Institutional or other interests. Conflict of Interest may occur when individual's or institutions' judgments and actions in relation to research are, or could be, affected by personal, Institutional or other interests, including, but not limited to business, commercial or financial interests, whether of individuals, their family members, their friends, or their former, current or prospective professional associations – or of the Institution itself.

Effective Institutional COI policies:

- a. promote transparency, thereby increasing public trust in the research enterprise;
- b. create a culture of trust in the research community;
- c. help to educate the Institution's community;
- d. strive to reduce the negative impact of COI; and
- e. ensure visibility and consistent application of measures to prevent and deal with COI.

1.2 To whom does an Institutional COI Policy Apply

The Institution's COI Policy is to apply to faculty, undergraduate students taking part in research, graduate students, postdoctoral fellows and other personnel involved directly or indirectly in research, including, but not limited to, research associates, technical staff, adjunct professors, visiting professors, and institutional administrators and officials representing the Institution who are referred to in this Schedule as "Institutional Personnel".

The Agency encourages research institutions and their affiliated institutions to ensure that their COI Policies are harmonized.

2.0 Responsibilities

2.1 Responsibilities of the Institution

The Institution agrees to

- a. develop and maintain a written Institutional Policy on COI;
- b. implement and administer the Institutional COI Policy consistently and effectively and advise the Agency, on request, of how the Policy is being implemented and administered;
- c. stipulate clearly to whom its Institutional COI Policy applies and that it applies to all Institutional Personnel;
- d. ensure that all individuals to whom a given Policy applies are appropriately informed of their obligations and responsibilities under that Policy;
- e. make every reasonable effort so that COI situations are disclosed and appropriately managed prior to any commitment or expenditure of research funds;
- f. put in place processes that provide for effective management of COI;
- g. disclose in writing to the Agency any COI that may affect a decision about a specific application or request for a grant or award and;
- h. ensure that appropriate and effective COI policies are in place to protect all research trainees.

2.2 Responsibility of the Agency

The Agency agrees to:

- a. establish policies for monitoring and managing COI situations that arise in peer-review and competition processes of the Agency;
- b. promote the development of sound policies and practices for disclosure and management of COI by providing resource information to Institutions such as examples of and criteria for “good practices” and elements of an effective Institutional COI Policy.

3.0 Resolution of Issues of Non-compliance

In the event that circumstances arise in which an Institution appears to be or is found to be in non-compliance with the Agency’s policy under this Schedule, the Agency will follow the procedures described in Schedule 8 at the entry level appropriate to the situation.

4.0 Transfer of Funds

When a Primary Institution transfers grant or awards funds to a Secondary Institution for the purpose of research involving biohazards, Schedule 9 applies.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

Schedule 15: Public Communication

1.0 Policy of Collaboration

Institutions and the Agency benefit from positive public awareness of funded research and research training, and from promoting the value of this investment for Canadians.

In order to maximize mutual benefit and fulfill responsibilities, Institutions and the Agency collaborate and work closely together to inform the public about Agency grants and scholarships awarded, programs of research support and research training, and about significant research achieved at the Institutions.

This collaboration includes acknowledging the participating Institutions and the Agency in all relevant public communications involving external participation as well as, if feasible, giving the parties involved at least five working days' advance notice of all such communications activities. In addition to written acknowledgement of funding contributions, appropriate use of logos on promotional and media materials including press releases, web sites, advertising, and research profiles, publication, equipment, and recognition in accordance with the Agency's communications policy are expected.

The Institution and Agency work to promote announcements in the media, on each others' web sites and in each others' corporate materials, to exchange visual materials, to share media coverage, and to designate contact persons within the respective public affairs or communications divisions of each organization.

For the purposes of this Schedule:

Significant research results

are the findings of Agency-funded research that have been accepted for publication and are of sufficient public interest to Canadians to be the focus of public communications;

Relevant public communications

are those involving a particular Institution and particular Agency award, program or significant research result for promotion to an audience outside the academic community;

Large-scale funding projects

are major and multi-investigator grants that entail a significant Agency investment.

2.0 Responsibilities

2.1 Responsibilities of the Institution

The Institution agrees to:

- a. identify, encourage and assist researchers to communicate with media and participate in announcement events to promote Agency-funded research;
- b. inform, at least five working days before the proposed announcement, if feasible, the Agency's public affairs or communications division – normally through the Institution's own public affairs, communications, or research communications department – of the announcement of the Agency's awards, programs and significant research results that the Institutions proposes to make;
- c. include appropriate acknowledgment of the Agency in all relevant public communications issued by the Institution;
- d. respect the Agency's obligation under the Agency's communications policy;
- e. respect the Agency's prerogative to make the first public announcement of its award, grants and programs;
- f. share with the Agency any promotion material for the general public that is based on Agency-funded research.

2.2 Responsibility of the Agency

The Agency makes the first public announcement of all grants and awards and the planning of all such announcements.

The Agency agrees to:

- a. inform applicant(s) and Institution(s) of the outcomes of the Agency's grants and awards programs prior to communicating this information to the public;
- b. inform the relevant Institution's public affairs, communications, or research communications departments, as applicable, about public announcements or communications of specific awards, grants, research projects/programs and significant research results that are relevant to the Institution, prior to communicating this information to the public; advise the Institution for the anticipated timing of that announcement; and if feasible, notify the Institution of such activities at least five working days in advance;
- c. work in partnership with each relevant Institution when preparing public announcement and promotional material that concern Agency-funded research projects; and collaborate on public announcements and promotional material that concern Agency-funded research projects;
- d. collaborate on public announcements, as appropriate, with funding partner(s) other than the Agency in a jointly funded research project.

3.0 Resolution of Issues of Non-compliance

Not applicable.

This Schedule forms part of, and complements, a Memorandum of Understanding between the Institution and the Agency.

