Renewal of Tri-Agency Post- Award Administration

Progress Update – CARA East
14 November 2017
Award Administration – A Shared Accountability

Recipients
- Provide authorization
- Sound management of public funds; best value
- Expense ownership and justification

Institutions
- Apply guidelines and policies
- Establish sound controls
- Respond to recipient queries
- Prepare annual reports
- Maintain eligibility status
- Adhere to Institutional Agreement (IA)

Agencies
- Release of payments
- Administration guidelines and policies
- Respond to questions/provide support
- Monitoring visits; Review of Form 300’s
- Ensure transfer payment policy is adhered to
- Ensure T&C’s are adhered to
- Determine eligibility status
- Administer and review Institutional Agreement

November 2017
Renewal of Tri-Agency Award Administration
Areas of Focus for Renewal Initiative

- Tri-Agency Financial Administration Guide
- Monitoring Reviews
- Awards Administration
- Responsible Conduct of Research
- Institutional Eligibility
- Evaluation of Programs
- Performance and Results Management
- Public Stewardship

November 2017
Renewal of Tri-Agency Award Administration
Objectives of Renewal

- Focus on a client-centric approach
- Reduce burden (Institutions & Recipients)
- Increase efficiencies
- Increase automation
- Enhance clarity of guidance from agencies
Renewal Timelines

- **Preliminary Consultations with CARA & CAUBO**: May/June
- **Minor updates to the Tri-Agency financial guide**: July
- **Progress reports at CARA Regional Conferences**: October
- **Tri-Agency Approvals**: November
- **Launch of Renewed Tri-Agency financial guide**: March/April
- **Review monitoring approach to align with modernization initiative**: May

**Drafting new Guide**

- **July 2017 to March 2018**
- **May 2017 to January 2018**
- **May 2017 to July 2018**

**Continued consultations with stakeholders**

**Today**

**Renewal of Tri-Agency Award Administration**

November 2017
Focus Area 1: Tri-Agency Financial Administration Guide

Focusing on a Principle-based approach:

- Streamline and simplify;
- Accountability;
- Balance between control and flexibility;
- Existing institutions policies, processes and controls
Focus Area 1: Tri-Agency Financial Administration Guide

New Table of Contents

Part 1: About this Guide
Part 2: General Administration
Part 3: Financial Matters
Part 4: Use of Grant Funds
  4.1 Principles
  4.2 Directives
Part 5: Provisions for Leaves from Grant Activities
Part 4: Use of Grants Funds

**Principles**
- Appropriate Use of Agency Grant Funds
- Authority to Use of Grant Funds
- Reporting and Supporting Evidence
- Oversight of the Use of Grant Funds

**Guidelines**
- Employment and Compensation Expenses
- Goods and Services Expenses
- Travel and Subsistence Expenses
- Hospitality Expenses
- Gifts, Honoraria and Incentives
4.2 – Directives: Goods and Services Expenses

Acquisition in accordance with the Administering Institution’s acquisition policies, requirements and processes, which are applied impartially whether related to funded research/activities or other purposes.

**Order of precedence** - Funding opportunities may identify specific allowable goods and/or services costs

**Appropriate Use of Grant Funds**
- Any goods or services **DIRECTLY** related to the funded research / activities;
- Institutions must provide the same goods and services to grant recipients as provided to other personnel;
- **Effective and economical** and not result in personal gain.

**Authority to Use Grant Funds**
- Grant Recipient or their duly delegated representative must authorize, in a manner that can be substantiated
- Grant account adjustments require authorization of the Grant Recipient.

**Reporting and Supporting Evidence**
- Expense must be **supported by documentation**, as prescribed by the Administering Institution’s policy and requirements.
- Grant account adjustments require supporting documentation.

**Oversight of the Use of Grant Funds**
- Institution to request further justification if the purpose for acquiring goods or service is unclear (link to funded research activity)
4.2 – Directives: Travel and subsistence expenses

• Travel expenses in accordance with the Administering Institution’s travel policies, requirements and processes, which are applied impartially by providing the same travel conditions whether the travel is related to funded research/activities or other purposes.
  • In the absence of institutional policy, the Tri-Agency recommends following the federal government’s National Joint Council (NJC) Travel Directive.

• Order of precedence - Funding opportunities may identify specific allowable goods and/or services costs

• Who can travel? - The travel expenditures can be claimed for grant recipients, research personnel, trainees, and other individuals that contributes to the funded research/activities.
  • For claimants other than the grant recipient, the affiliation with the funded research/activities must be specified.
4.2 – Directives: Travel and subsistence expenses

Appropriate Use of Grant Funds
- Travel and subsistence (meals, non-alcoholic beverages and accommodation) expenditures, including reasonable out-of-pocket expenses, must be for purposes directly related to the funded research/activities such as field work, research conferences, collaborative trips, and historical research.
- **Effective and economical** and not result in **personal gain**.

Authority to Use Grant Funds
- Grant Recipient or their duly delegated representative must **authorize, in a manner that can be substantiated**
- In the event that the traveler is the Grant Recipient or is a visiting researcher, their travel claim must be countersigned by the Grant Recipient's superior

Reporting and Supporting Evidence
- Travel Claims must be **supported by documentation**, as prescribed by the Administering Institution’s policy and requirements.

Oversight of the Use of Grant Funds
- Institution to request further justification if the purpose for acquiring goods or service is unclear (link to funded research activity)
To ensure continuous support to the on-going efforts of Institutions, the tri-council will:

- Create training material for the recipients and the institutions.
Focus Area 2: Awards Administration

- Improve service standards
- Address areas of debate
  - Direct vs. indirect costs
  - Consider materiality of expenditures
  - Reporting requirements
  - Review Tri-Agency forms
  - Tri-agency standardized form
Focus Area 3: Monitoring Approach

Agencies are suspending their financial monitoring reviews and follow-up exercises until July 2018. The Agencies feel that monitoring based on a Guide that will be substantially changed would not be beneficial to either the Agencies or the administering institutions.

- Increase focus on controls
  - Consideration of materiality & risk
- Risk-based reviews
- Enhanced dialogue with the institutions; increased visibility of agencies

On Hold Until July 2018
Tri-Agencies are committed to keeping the administering institution community informed of the progress and impacts of this initiative.

New web page dedicated to the Renewal of the Tri-Agency Financial Administration:

http://www.science.gc.ca/eic/site/063.nsf/eng/h_97415.html
Contacts

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General Inquires on Use of Funds & Financial Monitoring:

NSERC and SSHRC:
Use of Grant Funds: usegrantfunds@nserc-crsng.gc.ca or usegrantfunds@sshrc-crsh.gc.ca
Financial Monitoring: financialmonitoring@nserc-crsng.gc.ca or financialmonitoring@sshrc-crsh.gc.ca

CIHR:
Use of Grant Funds: support@cihr-irsc.gc.ca
Financial Monitoring: FinancialMonitoring-controlefinancier@cihr-irsc.gc.ca