



SSHRC  CRSH



# Renewal of Tri-Agency Financial Administration Initiative

Engagement Consultations with Grant Recipients

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# Background

## Why this Initiative?

- Information received from stakeholders from multiple sources;
- Monitoring results;
- Trust in the grant recipients and administering institutions;
- Harmonization within the Tri-Agency (Canada's Fundamental Science Review Report, 2017).

## Initiative's 3 Key Areas

- Moving to a less directive approach for the administration and use of grant funds for grant recipients and administering institutions;
- Renewing the Tri-Agency approach to financial monitoring reviews in partnership with the administering institutions; and,
- Increasing the effectiveness of post-award management.

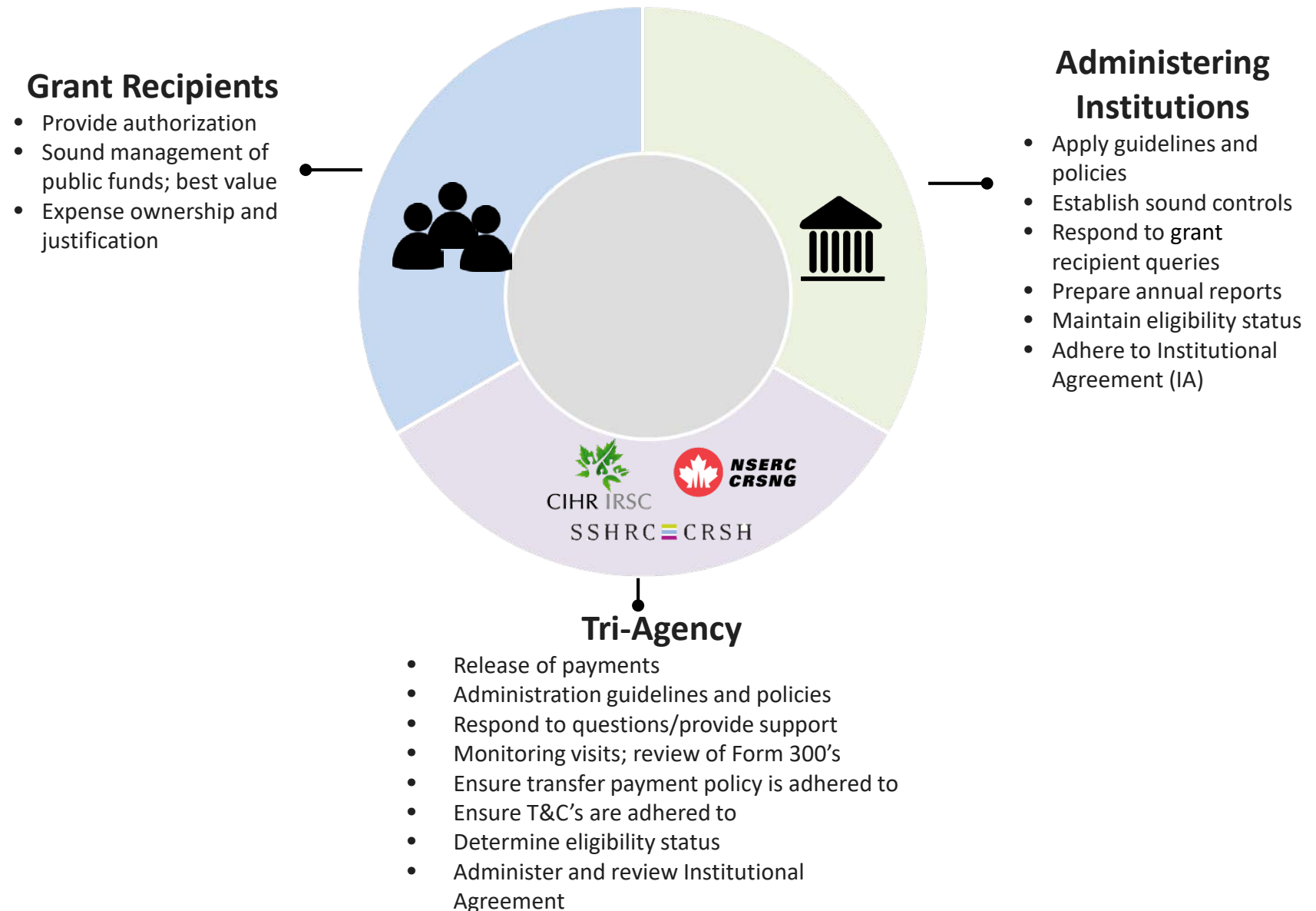
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# Awards Administration – A Shared Accountability



# Objectives of the Initiative

Less directive (client-centric) approach

Reduce burden & increase efficiencies  
(grant recipients & administering  
institutions)

Clarification of accountabilities

Modernize approach to post-award  
administration (increase automation)

Enhance clarity of guidance from the Tri-  
Agency

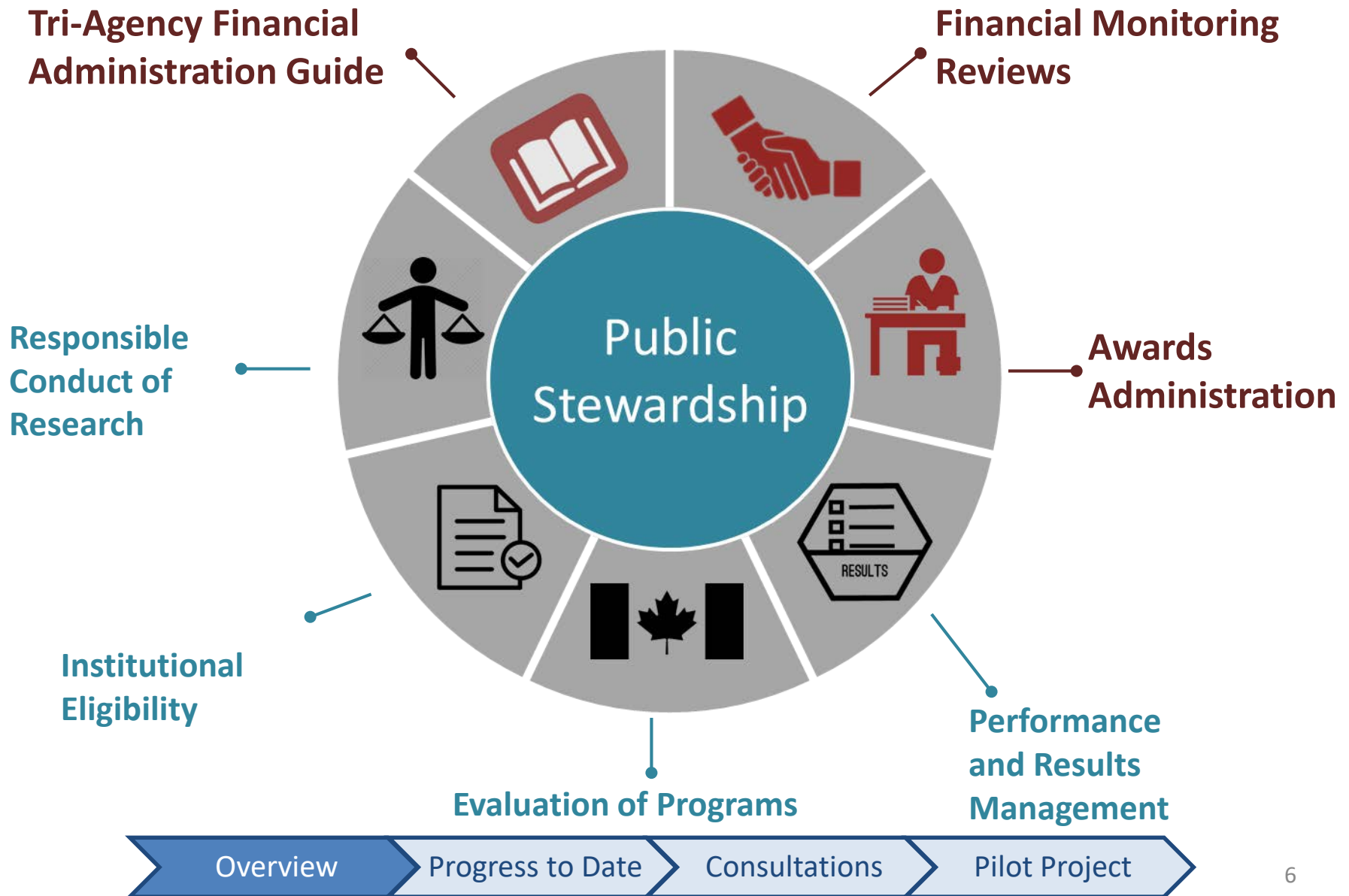
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# Areas of Focus for Renewal Initiative



## Focusing on a Principle-Based Approach

Tri-Agency Financial  
Administration Guide



- ✓ Streamline and simplify;
- ✓ Accountability;
- ✓ Balance between compliance and flexibility;
- Existing institutional policies, processes and controls



# Use of Grants Funds

## Principles

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

## Directives

- Employment and Compensation Expenses
- Goods and Services Expenses
- Travel and Subsistence Expenses
- Hospitality Expenses
- Gifts, Honoraria and Incentives

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# Directives: Goods and Services Expenses

- Focus on the **roles and responsibilities** of each party.
- Acquisition in accordance with the **administering institution's acquisition policies, requirements and processes**.
- **Order of precedence** – Program specific literature (including funding opportunities and any relevant agreements) may identify specific allowable goods and/or services costs.
- **Additional matter** pertaining to goods and services.



# Directives: Goods and Services Expenses (cont'd)

## 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 research 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

- Expenses 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

- Administering institution to request **further justification** if the purpose (link to funded research/ activity) for acquiring goods or service is unclear

## Focus Area 2 : *Financial Monitoring Reviews*

*The Tri-Agency is suspending their financial monitoring reviews and follow-up exercises until the Guide's effective date. The Tri-Agency feels that monitoring based on a Guide that will substantially change would not be beneficial to either the Tri-Agency or the administering institutions.*



### Financial Monitoring Reviews

- ✓ Increase focus on controls and review of institutional policies;
- ✓ Risk-based reviews;
  - Consideration of materiality
- ✓ Enhance dialogue with the institutions; increase visibility of the Tri-Agency
  - Partner vs Auditor

On Hold

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# Focus Area 3: Awards Administration

## Awards Administration



- ✓ Interpretation questions received
  - Alignment within the Tri-Agency;
  - Inform administering institutions;
  - Publish and improve service standards.
  
- ✓ Address areas of debate
  - Direct vs. indirect costs;
  - Reporting requirements.
  
- ✓ Review Tri-Agency documentation:
  - Tri-Agency standardized form.

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# Communication

*The Tri-Agency is committed to keeping the grant recipients and administering institutions informed of the progress and impacts of this initiative.*

Web page dedicated to the Renewal of the Tri-Agency Financial Administration Initiative:

[http://www.science.gc.ca/eic/site/063.nsf/eng/h\\_97415.html](http://www.science.gc.ca/eic/site/063.nsf/eng/h_97415.html)



# What Was Completed

## Milestones

- Initial stakeholder engagement;
- Identified opportunities for improvements;
- Conducted survey to identify issues;
- Assessment of financial monitoring results;
- Consultation Phase 1: Administering institutions & Tri-Agency;
- Impact of Canada's Fundamental Science Review Report.

## Take Aways

- Clear identification of issues/opportunities in relation to policy, financial monitoring and awards administration;
- High-level validation of approach;
- Buy-in from key stakeholders (internal & administering institutions).
- Need to start consultation Phase 2: Grant recipients



# Consultation Phase 2: Grant Recipients

*Engagement and consultation with researchers that will then turn into a Pilot.*

- Leveraging partnerships with administering institutions with the objective of:
  - ✓ Engaging and consulting with grant recipients;
    - ✓ Initial session with grant recipients at pilot administering institutions;
    - ✓ Open sessions with grant recipients from all administering institutions later in the pilot.
  - ✓ Validating the issues/irritants & the approach;
  - ✓ Developing & finalizing the solution; and
  - ✓ Developing tools and best practices to help with the launch of the Guide.
- Set clear expectations with all stakeholders;



# Grant Recipients Consultation

## Issues/Irritants

### What are the issues/irritants?

- Need to understand what are the issues / irritants that grant recipients encounter when using and managing their grant funds.

### Where do they come from?

- What is the source of issues / irritants for grant recipients when using and managing their grant funds.

### How can we address them?

- Seek input from grant recipients regarding how the Tri-Agency can resolve their issues / irritants?

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# Grant Recipients Consultation (Cont'd)

## What are the opportunities of this new approach?

- Clarifying accountability of stakeholders, roles and responsibilities;
- Leveraging institution policies, processes and controls;
- Achieving a balance between compliance and flexibility.

*How do you see your role vs. the role of Administering Institution?*

*What can the Tri-Agency do to ensure all parties clearly understand their roles as well as the role of the other parties?*

**Are you aware of the institutional policies? Do you think the policies in place will support the new approach? Will they require major changes?**



# Grant Recipients Consultation (Cont'd)

## What are the risks of this new approach ?

- Use of institutional policies could result in differences between administering institutions/faculties.
- Institutions impose controls that are stricter than what the Tri-Agency were asking?
- Notion of « not normally provided by the institution » could have an impact on Institutions deciding not to provide some goods/services anymore?

Do you have any concerns in relation to the identified risks?

Do you have any potential mitigation strategies?

Are you aware of any other potential risks?



# Grant Recipients Consultation (Cont'd)

## Equity, Diversity and Inclusion (EDI)

Decision was made to include a statement in the Guide to recognize the importance of diversity, equity and inclusion in research in the Institutional Agreement.

*“Whereas the Parties recognize the importance of diversity, equity and inclusion in the conduct of research and research training, and in research funding opportunities and policies, and are committed to promoting equitable practices and eliminating systemic biases.”*

**Are you aware of this new statement and is EDI an important topic at your administering institution?**

**Does your administering institution have an EDI strategy or plan?**



# Grant Recipients Consultation (Cont'd)

## Equity, Diversity and Inclusion (EDI) (Cont'd)

A similar statement is currently being discussed to be added in the Guide stating the roles and responsibilities of both parties.

*“Administering Institution is responsible for recognizing the importance of diversity, equity and inclusion in its policies and practices as stated in the [Agreement on the Administration of Agency Grants and Awards by Research Institutions](#).*

*The Tri-Agency defers to the relevant administering institution’s policies and practices.*

*The grant recipient is responsible for ensuring that they carry out their grant activities in accordance with the diversity, equity and inclusion policies and practices of their administering institutions.”*

**Do you understand the statement and your role?**

**What do you need from Tri-Agency?**



# Selection of Administering Institutions

Pilot with a representative group of 12 administering institutions chosen according to the following criteria:

- ✓ Size (small, medium and large),
- ✓ Geographic location (*from east to west*)
- ✓ Diversity (*affiliation, hospitals, institution with industry partnership*)
- ✓ Model (*centralized and decentralized*)
- ✓ Both official languages (*French and English*).



# Support Administering Institutions During Pilot

*The Tri-Agency will be visiting the administering institutions during the pilot to offer support and guidance.*



- Develop Memorandum of Understanding;
- Establish a communication methodology to obtain feedback and to measure the progress of the pilot project;
- Establish service standards to assist pilot;
- Monitor the progress with pre-determined key performance indicators;
- Report on the progress.



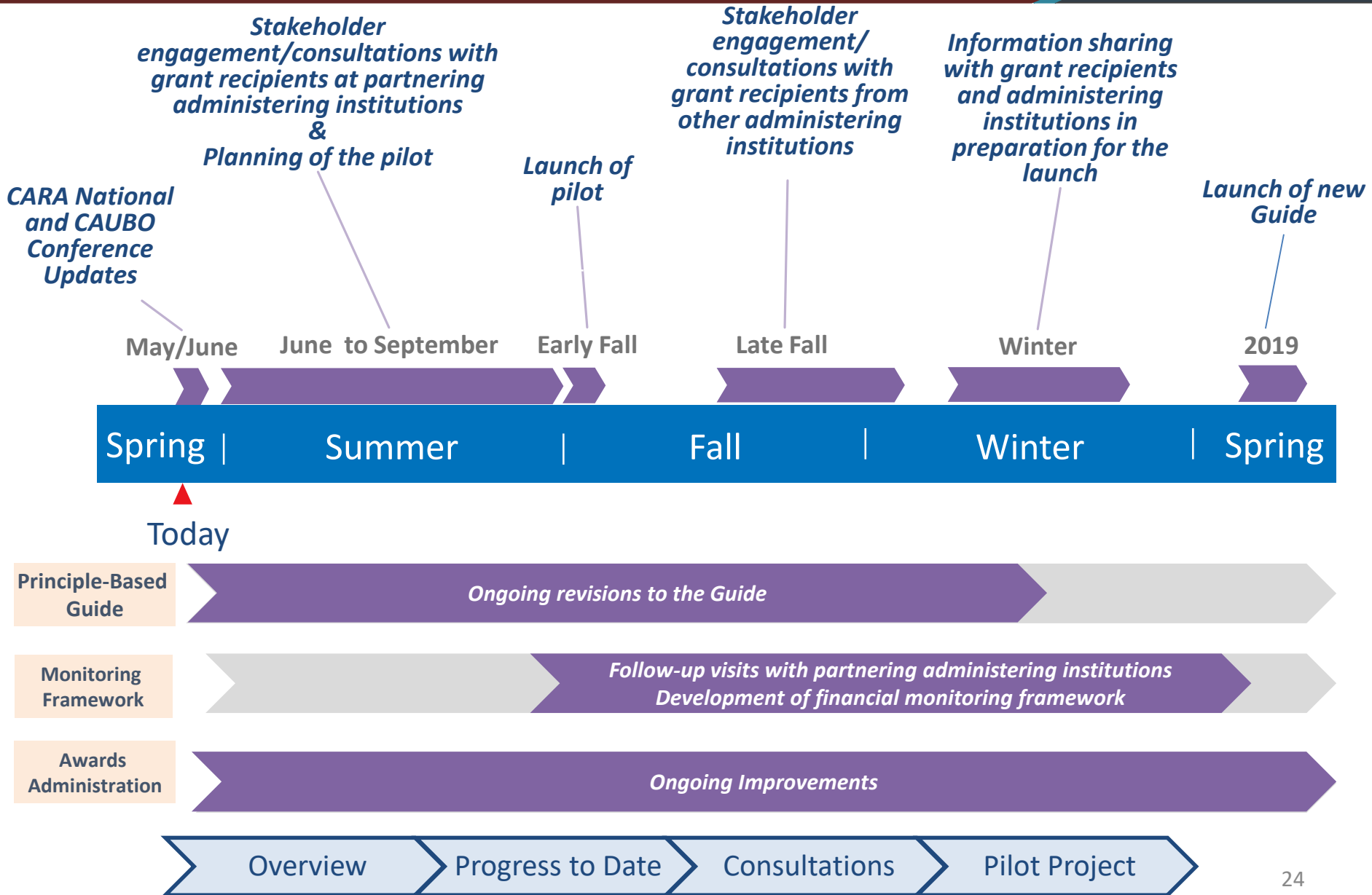
# Communication Strategy

- Key messages were provided at CARA/CAUBO National;
- Identify and communication with the pilot institutions and their grant recipients;
- Science.gc.ca & email to research community;
- Information sharing with grant recipients and administering institutions in preparation for the launch of the Guide.

**What would be the best approach to communicate the results of the Pilot?**  
**Do you have other ideas for the Tri-Agency Communication Strategy?**  
**How can we improve communication?**



# Timelines







# Questions