

Tri-Agency Guide on Financial Administration

Tri-Agency Guide on Financial Administration

Table of Contents

Part 1: About this Guide

- 1.1 Context and Purpose
- 1.2 Scope
- 1.3 Order of Precedence and Interpretation
 - 1.3.1 Precedence over this Guide
 - 1.3.2 Resolve issues related to interpretation
- 1.4 Effective Date and Review
- 1.5 Financial Monitoring
- 1.6 Definitions of Terms
- 1.7 Enquiries

Part 2: Use of Grant Funds

- 2.1 Statement on Equity, Diversity and Inclusion and the Use of Grant Funds
- 2.2 Overview of Grant Administration Roles and Responsibilities for Appropriate Use of Grant Funds
 - 2.2.1 The Agencies
 - 2.2.2 Administering institutions
 - 2.2.3 Grant recipients and delegates
- 2.3 Principles governing the Appropriate Use of Grant Funds
- 2.4 Directives
 - 2.4.1 Employment and Compensation Expenditures
 - 2.4.2 Goods and Services Expenditures
 - 2.4.3 Travel and Travel-Related Subsistence Expenditures
 - 2.4.4 Hospitality Expenditures
 - 2.4.5 Gifts, Honoraria and Incentives

Part 3: Financial Matters

- 3.1 Availability and Payment of Funds
- 3.2 Direct versus Indirect Costs
- 3.3 Authorization of Grant Expenditures
- 3.4 Oversight of the Appropriate Use of Grant Funds
- 3.5 Deviation from Proposed Budget/Research Activities
- 3.6 Retroactive Expenses
- 3.7 Transfer of Funds
- 3.8 Deferral of Grant Instalments
- 3.9 Extension Period for the Authority to Use Grant Funds
- 3.10 Residual Balances in the Grant Account
- 3.11 Over-expenditures
- 3.12 Annual Reporting

Part 4: General Administration

- 4.1 Policies for Grant Recipients and Administering Institutions
- 4.2 Ownership of items
- 4.3 Transfer of Equipment

Part 5: Provisions for Leaves from Grant Activities

- 5.1 Leaves (grant recipients)
- 5.2 Leave for maternity, parental, medical or family related responsibilities (grant recipients)
- 5.3 Paid Maternity/Parental Leave for Students and Postdoctoral Fellows

Part 6: Administrative Changes

- 6.1 Continuing Eligibility
- 6.2 Change of Primary Administering Institution
- 6.3 Changes to Individuals on the Grant Team
- 6.4 Termination of a Grant

Appendices

Appendix 1 - Definition of Terms

Appendix 2 - Transfer of Funds Agreement Requirements (Eligible and Non-Eligible Institutions)

Tri-Agency Guide on Financial Administration

Part 1: About this Guide

1.1 Context and Purpose

The [Canadian Institutes of Health Research \(CIHR\)](#), the [Natural Sciences and Engineering Research Council of Canada \(NSERC\)](#) and the [Social Sciences and Humanities Research Council of Canada \(SSHRC\)](#), “**the Agencies**” are federal government granting agencies entrusted with managing public funds to enable and support a world class, Canadian research enterprise. Pursuant to the Treasury Board Policy on Transfer Payments and its underlying principles of integrity, transparency and accountability, the Agencies must hold those who receive and administer Agency funds to the highest standards of grants stewardship.

The Tri-Agency Guide on Financial Administration, “**the Guide**” is a comprehensive resource for grant recipients and administering institutions to ensure understanding of the principles and directives that govern post-award administration of grants funded by CIHR, NSERC and/or SSHRC.

1.2 Scope

This Guide is applicable to CIHR, NSERC and/or SSHRC grants, unless specified otherwise in the program/funding opportunity literature and any relevant Agency agreements, including the terms and conditions of the grant.

1.3 Order of Precedence and Interpretation

1.3.1 The following take precedence over this Guide:

- the [Agreement on the Administration of Agency Grants and Awards by Research Institutions](#)
- program/funding opportunity literature
- any relevant Agency agreements with grant recipients and/or administering institutions

In the presence of both Agency and institutional policies, the Agency policy prevails, recognizing that the grant recipient must also comply with applicable institutional requirements.

1.3.2 To resolve issues related to interpretation and decisions:

- the administering institution is the grant recipient’s primary contact;
- the Agency is the administering institution’s primary contact

If the Guide is silent on a specific subject, the administering institution’s pronouncements will apply.

1.4 Effective Date and Review

The information in this Guide takes effect on April 1, 2020.

The Guide is reviewed by the Agencies at regular intervals and updated as deemed necessary.

1.5 Financial Monitoring

The Agencies will periodically review the administering institutions’ use and administration of grant funds to assess

the effectiveness of policies, systems and internal controls, and to ensure compliance with relevant Agency requirements.

Compliance with this Guide is a condition of applying for, holding or administering Agency grant funds. Any recourse that may be exercised for a confirmed breach of Agency requirements will be commensurate with the nature of the breach.

Refer to the [Tri-Agency Framework: Responsible Conduct of Research \(2016\)](#) for information on how the Agencies address allegations about the responsible conduct of research, including the procedures to be followed in respect of a breach of an Agency requirement.

Matters involving financial mismanagement, where there is evidence of fraud or other unlawful activity, are referred to the appropriate authorities as per the Treasury Board [Directive on Public Money and Receivables](#).

1.6 Definition of Terms

For the definition of terms used in this Guide, please refer to Appendix 1.

1.7 Enquiries

For questions regarding this guide, please contact the relevant Agency:

CIHR: support-soutien@cihr-irsc.gc.ca for questions related to the administration and use of grant funds

NSERC: grantsadministration@nserc-crsng.gc.ca for questions related to the administration of grant funds
usegrantfunds@nserc-crsng.gc.ca for questions related to the use (expenditures) of grant funds

SSHRC: grantsadministration@sshrc-crsh.gc.ca for questions related to the administration of grant funds
usegrantfunds@sshrc-crsh.gc.ca for questions related to the use (expenditures) of grant funds

Part 2: Use of Grant Funds

2.1 Statement on Equity, Diversity and Inclusion and the Use of Grant Funds

The administering institution is responsible for recognizing the importance of equity, diversity and inclusion (EDI) in its policies and practices as stated in the Agreement on the Administration of Agency Grants and Awards by Research Institutions. All administering institutions that accept agency funding must make concerted efforts to develop and implement policies and procedures that advance the goals of EDI in the use of grant funds, to achieve equitable participation in the research system.

The Agencies defer to the relevant administering institution's policies and practices.

Grant recipients are responsible for ensuring that they carry out their grant activities in accordance with the EDI policies and practices of their administering institutions.

The Agencies' commitment to EDI is captured above in the Tri-Agency Statement on EDI and in the Tri-Agency action plan on [Equity, Diversity and Inclusion](#)

2.2 Overview of Grant Administration Roles and Responsibilities for Appropriate Use of Grant Funds

The sound stewardship of Agency funds relies on collaboration and common understanding between the Agencies, administering institutions and grant recipients of their respective roles and responsibilities.

2.2.1 The Agencies' roles and responsibilities are outlined in the [Agreement on the Administration of Agency Grants and Awards by Research Institutions](#), the program/funding opportunity literature and relevant Agency agreements. The following is an overview of the Agencies' roles and responsibilities:

- set out the general terms and conditions governing the administration of grants by the institution
- communicate and consult with the institution on the introduction of new policies or changes to existing policies that may have a significant impact on the institution, to the extent reasonably possible
- make funds available to grant recipients in a timely manner
- conduct periodic reviews of the use and administration of grant funds
- oversee approval of changes to grant administration that have financial implications for the Agency
- terminate a grant when Agency requirements can no longer be met

2.2.2 Administering institutions' roles and responsibilities are outlined in the [Agreement on the Administration of Agency Grants and Awards by Research Institutions](#), the program/funding opportunity literature and relevant Agency agreements. The following is an overview of the institutions' roles and responsibilities:

- develop and implement effective policies, administrative systems, procedures and controls to ensure that all activities funded by an Agency are conducted in compliance with legislated requirements, Agency policies and procedures and other grant funding agreements
- monitor the eligibility of its recipients throughout the term of the grant and advise the relevant Agency immediately of any change in the eligibility status of an applicant or recipient
- withhold or withdraw approval of expenditures that contravene an Agency or institutional policy or the terms and conditions of the grant
- provide training on the institution's policies and practices with respect to the Agencies' grant administration
- provide adequate physical and organizational infrastructure for the conduct of research, research training and other funded activities
- oversee and submit grant amendment requests to the relevant Agency
- keep complete and accurate records and report on the use of Agency funding, including verifiable audit trails with complete supporting documentation for each transaction, for at least 7 years; report annually on the use of the grant funds

Grant recipients' and any delegates' roles and responsibilities are outlined in the program/funding opportunity literature and relevant agency agreements, as well as throughout this Guide. The following is an overview of the grant recipients' and any delegates' roles and responsibilities: Conduct their research in a manner that adheres to the [Tri-Agency Framework: Responsible Conduct of Research \(2016\)](#)

- hold the authority to use the grant funds in accordance with the Agencies' principles and directives as outlined in this Guide
- delegate to others their authority to use the grant funds (grant recipient only)
- authorize grant expenditures and any charges or adjustments made to the grant recipient's grant account (grant recipient or duly delegated individual only)

2.3 Principles governing the Appropriate Use of Grant Funds

These 4 basic principles govern the appropriate use of grant funds.

Grant expenditures must:

- 2.3.1 contribute to the **direct costs of the research/activities** for which the funds were awarded, with benefits directly attributable to the grant
- 2.3.2 not be provided by the administering institution to their **research personnel**
- 2.3.3 be **effective and economical**
- 2.3.4 not result in **personal gain for members of the research team**

2.4 Directives

The following section sets out directives (mandatory requirements), their related principles and roles and responsibilities. These provide a framework for administering institutions and grant recipients to exercise sound judgment and due diligence in their decision-making process concerning the use of Agency grant funds.

2.4.1 Employment and Compensation Expenditures

The employment and compensation of individuals working on the funded research/activities must be in accordance with the administering institution's relevant policies and processes.

Individuals employed to work on funded research/activities are not considered employees of the Agencies and can be compensated via **salary** or **stipend** from the grant funds. If employment includes the provision of **compensation benefits**, the administering institution's share of the costs of mandated compensation benefits is eligible for reimbursement from grant funds. Only individuals employed and compensated from Agency grant funds to work on the funded research/activities are eligible for mandated severance pay for the period of time the individual worked on the current grant.

Agency grant funds must not be used to pay compensation to:

- grant recipients or individuals who conduct research independently as part of the terms and conditions of their employment, including but not limited to researchers in academia, hospitals and research institutes
- individuals expected to work on the funded research/activities free of charge as a collaboration as per the program and funding opportunity literature and any relevant Agency agreements

Subject to the restrictions above, individuals employed and compensated by another organization for the time spent on the funded research/activities cannot be compensated from grant funds. However, grant funds can be used to reimburse the organization for costs incurred in compensating the individual for time spent on the grant activities.

International researchers may be compensated from grant funds, provided their employer can attest, by letter, that the individual is not being compensated by the employer for time spent on the grant-funded research/activities.

The Agencies view postdoctoral studies as a short-term period of training to prepare individuals for research careers. To this end, the Agencies aim to promote the mobility and career progression of postdoctoral fellows by encouraging reasonable compensation for time spent working on grant recipients' funded research/activities. The Agencies defer to the administering institutions' policies concerning the length of tenure of postdoctoral studies. If no time limits are established, the Agencies strongly encourage administering institutions to develop a policy.

Principles

Employment and compensation expenses must:

- contribute to the **direct costs of the research/activities** for which the funds were awarded, with benefits directly attributable to the grant
- not be for work and services provided by the administering institution to other **research**

- **personnel**, such as routine lab maintenance, security, etc.
- be **effective and economical**
- not result in **personal gain for members of the research team**

Roles and Responsibilities

Grant recipients or their delegate(s) are responsible for:

- authorizing, in a manner that can be substantiated, the employment of individuals to work on their funded research/activities
- ensuring that the individuals employed to work on the funded research/activities are eligible to receive compensation from the grant funds in accordance with the Agencies' requirement, the Guide and, when applicable, the program/funding opportunity literature and any relevant Agency agreements
- ensuring that employment and compensation expenses are supported by documentation, as prescribed by the administering institution's policies and processes

Administering institutions are responsible for ensuring that:

- the employment of individuals working on the funded research/activities is authorized by grant recipients or their delegate(s)
- individuals employed to work on the funded research/activities are eligible to receive compensation in accordance with the Agencies' requirements outlined in the Guide and, when applicable, in the program and funding opportunity literature and any relevant Agency agreements
- individuals are hired and paid in accordance with the administering institution's policies and processes

If the administering institution considers that the grant-related purpose for employing and compensating an individual is unclear, a justification must be obtained from the grant recipient.

Adjustments made to grant accounts in respect to compensation expenses require documentation (such as a journal voucher, etc.) justifying the adjustment, as well as the grant recipient's or delegate's authorization.

All supporting documentation must be kept for at least 7 years.

Note: For information on **consulting fees**, please refer to the [Directive on Goods and Services](#).

2.4.2 Goods and Services Expenditures

The acquisition of **goods** and **services** for the funded research/activities must be undertaken in accordance with the administering institution's relevant policies and processes.

Agency grant funds must not be used to pay **consulting fees** to:

- grant recipients or **individuals who conduct research independently** as part of the terms and conditions of their employment, including but not limited to researchers in academia, hospitals and research institutes
- individuals expected to work on the funded research/activities free of charge as a collaboration as per the program and funding opportunity literature and any relevant Agency agreements

Principles

The goods and services acquired must:

- contribute to the **direct costs of the research/activities** for which the funds were awarded, with

- benefits directly attributable to the grant
- not be provided by the administering institution to their **research personnel**
- be **effective and economical**
- not result in **personal gain for members of the research team**

Roles and Responsibilities

Grant recipients or their delegate(s) are responsible for:

- authorizing, in a manner that can be substantiated, the acquisition of goods and services related to the funded research/activities
- ensuring that the goods and services acquired are eligible expenditures in accordance with the Tri-Agency Guide on Financial Administration and, when applicable, the program/funding opportunity literature and any relevant Agency agreements
- ensuring that goods and services expenses are documented, as prescribed by the administering institution's policies and processes

Administering institutions are responsible for ensuring that the goods and services acquired for the funded research/activities are:

- authorized by grant recipients or their delegate(s)
- eligible, in accordance with the Agencies' requirements including the Guide and, when applicable, program and funding opportunity literature and any relevant Agency agreements
- procured and paid/reimbursed in accordance with the administering institution's policies and processes

If the administering institution considers that the grant-related purpose for acquiring a good or service is unclear, a justification must be obtained from the grant recipient.

All supporting documentation must be kept for at least 7 years.

2.4.3 Travel and Travel-Related Subsistence Expenditures

All travel and travel-related subsistence expenditures (meals and accommodation) must be claimed in accordance with the administering institution's relevant policies and processes.

Such expenditures, including reasonable out-of-pocket expenses, can be claimed for the grant recipient and other individuals who contribute to the funded research/activities. For claimants other than the grant recipient, the affiliation with the funded research/activities must be specified.

The cost of alcoholic beverages cannot be reimbursed from Agency grant funds.

The Agencies defer to the administering institutions' policies to establish the allowable period of travel. In the absence of an institutional policy, the Agencies recommend following the federal government's [National Joint Council \(NJC\) Travel Directive](#).

Principles

Travel and travel-related subsistence expenditures must:

- contribute to the **direct costs of the research/activities** for which the funds were awarded, with benefits directly attributable to the grant
- be **effective and economical**
- not result in **personal gain for members of the research team**

Roles and Responsibilities

Grant recipients or their delegate(s) are responsible for:

- authorizing, in a manner that can be substantiated, any travel and travel-related subsistence claims for reimbursement; in the event that the traveler is the grant recipient or a **visiting researcher**, their travel claim must be countersigned by the grant recipient's superior, confirming the relevance of the travel to the grant-funded research/activities
- ensuring that the travel and travel-related subsistence expenditures are eligible in accordance with the Agencies' requirements outlined in this Guide and, when applicable, in program/funding opportunity literature and any relevant Agency agreements
- ensuring that travel and travel-related subsistence expenditures are documented, as prescribed by the administering institution's policies and processes

Administering institutions are responsible for overseeing that travel and travel-related subsistence expenditures submitted for reimbursement from the grant funds are:

- authorized by the appropriate authority (grant recipient, delegate(s) or the grant recipient's superior)
- eligible in accordance with the Agencies' requirements, including the Guide and, when applicable, program/funding opportunity literature and any relevant Agency agreements
- booked and paid/reimbursed in accordance with the administering institution's policies and processes

If the administering institution considers that the grant-related purpose for the travel is unclear, justification must be obtained from the grant recipient.

Adjustments made to grant accounts with respect to travel and travel-related subsistence expenses require documentation (such as a journal voucher, etc.) justifying the adjustment, as well as the grant recipient's or delegate's authorization.

All supporting documentation must be kept for at least 7 years.

2.4.4 Hospitality Expenditures

The provision of hospitality must be in accordance with the administering institution's relevant policies and processes.

Hospitality costs (non-alcoholic refreshments and/or meals) must be directly related to the funded research and be incurred for:

- networking purposes provided in the context of a formal courtesy or as a form of cultural respect (for example, a grant recipient meeting with partners, stakeholders or guest researchers)
- activities in the context of assemblies or gatherings that facilitate and contribute to achieving the research objectives (for example, a workshop or conference) where one or more of the individuals participating is not a member of the research team and not involved in the day-to-day funded research/activities

Hospitality costs incurred for interactions between participants involved in day-to-day funded research/activities, such as regular interactions with colleagues from the institution, personnel meetings and staff recognition events, cannot be reimbursed from Agency grant funds.

The cost of alcoholic beverages cannot be reimbursed from Agency grant funds.

Principles

Hospitality expenditures must:

- contribute to the **direct costs of the research/activities** for which the funds were awarded, with benefits directly attributable to the grant
- be **effective and economical**
- not result in **personal gain for members of the research team**

Roles and Responsibilities

Grant recipients or their delegate(s) are responsible for:

- authorizing, in a manner that can be substantiated, any hospitality expenditures; if the grant recipient is the claimant or participated in the event where hospitality was offered, the hospitality expenditure must be countersigned by the grant recipient's superior, confirming the relevance of the hospitality to the grant-funded research/activities
- ensuring that the hospitality expenditures are eligible, in accordance with the Agencies' requirements outlined in the Guide and, when applicable, program/ funding opportunity literature and any relevant Agency agreements
- ensuring that hospitality expenditures are documented, as prescribed by the administering institution's policies and processes

Administering institutions are responsible for ensuring that hospitality expenditures for the funded research/activities are:

- authorized by the appropriate authority (grant recipients or their superior)
- eligible in accordance with the Agencies' requirements outlined in the Guide and, when applicable, program/ funding opportunity literature and any relevant Agency agreements
- paid/reimbursed in accordance with the administering institution's policies and processes

If the administering institution considers that the grant-related purpose for the hospitality is unclear, a justification must be obtained from the grant recipient.

Adjustments made to grant recipients' fund account with respect to hospitality expenditures require documentation (such as a journal voucher, etc.) justifying the adjustment and the grant recipient's or delegate's authorization.

All supporting documentation must be kept for at least 7 years.

2.4.5 Gifts, Honoraria and Incentives

The provision of **gifts, honoraria** and **incentives** must be in accordance with the administering institution's policies and processes.

The provision of gifts and incentives to **participants** requires the prior approval of the administering institution's Research Ethics Board. Grant recipients have an ethical duty to protect participants' confidential information and provide documentation to justify the gifts and incentives. Please refer to the [Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans - TCPS 2 \(2018\)](#)

Gifts, honoraria and incentives can be offered to an individual or group whose involvement in the funded research/activities is voluntary (i.e. not part of a contractual obligation or professional service) and the individual is not a member of the grant team.

"Honoraria" refers to monetary payments made on a one-time or non-routine basis to an individual as a "thank

you” for a service for which fees are not traditionally paid (i.e. speeches, lectures, seminars, etc. by a guest lecturer/speaker). Grant recipients cannot receive honoraria from Tri-Agency grants.

“Gifts” are cash or in-kind items provided freely as a token of appreciation, respect and/or goodwill. Gifts can be offered to establish/facilitate relationships with individuals or groups who are involved in the research/activity as participants or as research partners/contributors (i.e. guest researchers, research partners or community stakeholders) under the following circumstances:

- when prescribed by cultural heritage/established traditions
- as a formal courtesy

In recognition of the cultures and traditions of First Nations, Métis and Inuit, Elders and other Knowledge Keepers who also fulfill another role (i.e. an independent researcher) are eligible to receive gifts in a ceremonial or other context.

“Incentives” refers to cash or in-kind items offered to human participants as a means to establish participant pools or to acknowledge their participation in the research/activity.

Principles

Gifts, honoraria and incentives must:

- contribute to the **direct costs of the research/activities** for which the funds were awarded, with benefits directly attributable to the grant
- be **effective and economical**
- not result in **personal gain for members of the research team**

Roles and Responsibilities

Grant recipients or their delegate(s) are responsible for:

- authorizing, in a manner that can be substantiated, any gifts, honoraria and incentives expenditures;
- ensuring that the gifts, honoraria and incentives expenditures are eligible in accordance with Agencies’ requirements outlined in this Guide and, when applicable, in program/funding opportunity literature and any relevant Agency agreements
- ensuring that gifts, honoraria and incentives expenditures are documented, as prescribed by the Agencies and the administering institution’s policies and processes

Administering institutions are responsible for ensuring that gifts, honoraria and incentives expenditures for the funded research/activities are:

- authorized by the grant recipient or their delegate(s)
- eligible in accordance with the Agencies’ requirements outlined in this Guide and, when applicable, program/funding opportunity literature and relevant agency agreements
- paid/reimbursed in accordance with the administering institution’s policies and processes

If the administering institution considers that the grant-related purpose for the gifts, honoraria and incentives is unclear, a justification must be obtained from the grant recipient.

Adjustments made to grant recipients’ fund accounts with respect to gifts, honoraria and incentives expenses require documentation (such as a journal voucher, etc.) justifying the adjustment and the grant recipient’s or delegate’s authorization.

All supporting documentation must be kept for at least 7 years.

Part 3: Financial Matters

3.1 Availability and Payment of Funds

Grant instalments are funded through annual Parliamentary appropriations and the conditions that may be attached to them. The Agencies reserve the right to defer or suspend subsequent instalments if the Parliamentary appropriations are reduced or cancelled, or if the need for funds is not demonstrated.

The Agencies issue the grant funds to administering institutions on behalf of grant recipients when all payment conditions detailed in the program/funding opportunity literature have been met.

The administering institution controls the grant funds, disburses salaries and other expenditures authorized by the grant recipient or delegate and provides periodic statements to the grant recipient and Agency on the status of grant funds.

For information about annual financial reporting requirements, please refer to [section 3.12 Annual Reporting](#).

3.2 Direct versus Indirect Costs

Agencies' grant funds are provided to contribute to the direct costs of the research, and the benefits from their use must be directly attributable to the research/activities.

Agency funds may be used to cover a portion of the indirect costs of grant activities only when explicitly permitted by the program/funding opportunity and any relevant Agency agreements, as well as this Guide.

Eligible administering institutions may receive a Government of Canada supplement through the Research Support Fund (RSF), which is intended to help pay for a portion of the indirect costs associated with managing Agency-sponsored research. Please refer to the [RSF website](#) for examples of indirect costs covered by the program.

3.3 Authorization of Grant Expenditures

The grant recipient holds the authority to use the grant funds.

Only the grant recipient can delegate authority to use the grant funds. The delegate should possess the skills and knowledge necessary to exercise the role effectively. Approval of the delegated authority must be formally documented using an appropriate delegation instrument and in accordance with the administering institution's relevant policies and requirements. To ensure due diligence in the review and approval of expenditures, the delegation of authority instrument must be accessible for reference by relevant staff of the administering institution.

To ensure independent oversight and clear segregation of authorities, the individual approving grant expenditures (grant recipient or delegate) cannot be the individual who is responsible for approving the resulting financial transaction(s).

Each expenditure and charge made to the grant account must be authorized by the grant recipient or by their delegate.

3.4 Oversight of the Appropriate Use of Grant Funds

The administering institution oversees how grant funds are used and has the authority to withhold or withdraw approval of expenditures from the grant account if the expense:

- does not constitute an appropriate use of the grant funds
- is not clearly related to the funded research/activities
- contravenes an Agency or institutional policy, or a term or condition of the grant

3.5 Deviation from Proposed Budget/Research Activities

The grant recipient and the administering institution are both responsible for ensuring the eligibility of expenses. Unless otherwise specified in program/funding literature and any Agency agreements, grant recipients may deviate from the proposed research/activities. They are not required to strictly adhere to the allocation of funds set out in the application, as long as they use their grant for the broad purpose for which it was originally awarded.

3.6 Retroactive Expenses

At the discretion of the administering institution, eligible expenses committed during the retroactive period (see [Part 2: Use of Grant Funds](#)) may be paid from the grant account during the active grant period (including the Authority to Use Funds period).

The Agencies will not assume any responsibility for financial commitments made during the retroactive period, should there be a change in funding.

3.7 Transfer of Funds

To facilitate research collaboration between the grant recipient and eligible members of the grant team at another location, the grant recipient and administering institution (**primary administering institution**) may transfer a portion or all of the grant funds to an individual's institution (**secondary administering institution**) for subsequent use. The roles and responsibilities of the primary administering institution for the administration of grant funds are detailed in the [Agreement on the Administration of Agency Grants and Awards by Research Institutions](#) or other agreement with the Agencies. If grant funds are transferred from the primary administering institution to another institution, the transfer must comply with the Agency's applicable financial policies and procedures, via an agreement.

A **secondary administering institution** may subsequently transfer a portion or all of the transferred funds to an eligible member of the grant team located at another institution (third administering institution), if permitted by the primary administering institution in the agreement between the primary and secondary administering institution. As such, when transferring all or a portion of a grant recipient's funds, the secondary administering institution must ensure that there is an agreement with the tertiary administering institution for administering the transferred funds. In addition, program and funding opportunity literature and any relevant Agency agreement should be verified to ensure such transfers are allowed.

Note: Agency-Specific Requirements

NSERC and SSHRC permit the transfer of grant funds to **co-applicants**, but not to **collaborators**.

NSERC only permits the transfer of grant funds to **NSERC-eligible institutions**.

The Agencies support the transfer of funds between administering institutions, provided each transfer meets the following requirements:

- the transfer of funds must be for work that is directly related to the funded research/activities
- the grant recipient approves each transfer and delegates the authority to use the funds in a manner that can be substantiated, regardless of the level of the transfer
- a transfer of funds agreement between administering institutions exists whereby both parties agree to comply with certain obligations (see Appendix 2)

Such transfers represent a transfer of responsibilities as well as of funds. The transfer of funds agreement helps ensure that individuals and the institutions receiving the funds fully understand their responsibilities (i.e. authorization of expenses, purpose for which the funds must be used, appropriate use of grant funds, reporting to the other administering institution, etc.). Requirements to be addressed in the transfer of funds agreement for eligible and non-eligible institutions can be found in Appendix 2.

Invoices, contracts or accountable advances are not considered to be grant transfers.

3.8 Deferral of Grant Instalments

The Agencies view the deferral of instalments as one means of sound financial stewardship of public funds. The Agencies are responsible for issuing instalments that correspond to the cash flow requirements of the grant recipient's funded research/activities.

The deferral of grant instalments may enable grant recipients to extend the authority to use the grant funds period for a maximum of 2 years demonstrating good fiscal management of grant funds. The original grant end date will be adjusted accordingly.

For information on extension requirements, please refer to [section 3.9 Extension Period for the Authority to Use Grant Funds](#).

The Agencies review the reported fund balances from the annual [Grants in Aid of Research Statement of Account](#) (Form 300) provided by the grant recipient. They may require the grant recipient to justify the need for the next instalment. The Agencies may defer a recipient's next instalment, if, at the sole discretion of the Agency involved deems that the grant recipient's build-up of funds has not been properly justified.

When grant recipients have a build-up of funds in their grant account and they determine that the scheduled instalment for the next financial year will not be needed at that time, they are responsible for informing their administering institution that a deferral of the next instalment is necessary. The administering institution is responsible for submitting the deferral request to the relevant Agency via the [Grant Amendment Form](#).

3.9 Extension Period for the Authority to Use Grant Funds

All grants have a stated expiry date. However, the grant recipients' and delegates' authority to use the funds beyond the expiry date (i.e Authority to Use Funds period) may be extended by the relevant Agency to allow grant recipients to bring research/activities to a close.

The administering institution is responsible for submitting the extension request to the relevant Agency using the [Grant Amendment Form](#). If the extension is not approved, the grant recipient has 3 months to pay all expenses incurred before the grant period expires. The grant recipient must inform team members, other concerned individuals and all involved research institutions of the outcome of extension requests.

For some funding opportunities, the Agencies automatically provide an extension period for using the grant funds (see [Table 1: Programs with Automatic Extensions by Agency](#)).

The Agencies will not consider requests for extensions if the administering institution has not submitted a [Grants in Aid of Research Statement of Account](#) (Form 300) for each of the grant's fiscal periods. Requests will also not be considered after the grant account has been closed and any remaining balance has been returned to the relevant Agency, or if the grant funds have been transferred to the administering institution's General Research Fund.

If funds remain in the grant account at the end of the authority to use grant funds period, please see [section 3.10 Residual Balances in the Grant Account](#).

Table 1: Programs with Automatic Extensions by Agency

Agency	Programs with Automatic Extensions	Duration	Notes
NSERC	<ul style="list-style-type: none"> • Discovery Grants (individual, group) • Discovery Development Grants • Major Resources Support • Research Tools and Instruments • Subatomic Physics Envelope (Individual, Group, Research Tools and Instruments, Major Resources Support Project) • Supplements to Discovery Grants (Discovery Accelerator Supplement, Northern Research Supplement, DND/NSERC Discovery Grant Supplement) 	1 calendar year (i.e. 12 months from the expiry date)	<ul style="list-style-type: none"> • The grant recipient may submit a request for an extension to the automatic extension by 1 additional calendar year (i.e. 12 months), under the following circumstances only: <ul style="list-style-type: none"> • extended leaves of absence during the grant period • uncontrollable delays to funded research/activities. • Grant recipients can submit another grant application and hold a new grant during the extension period. • For all programs not listed, an extension will only be considered on request.
	<ul style="list-style-type: none"> • Brockhouse Canada Prize for Interdisciplinary Research in Science and Engineering • Gerhard Herzberg Canada Gold Medal for Science and Engineering • NSERC John C. Polanyi Award • Networks of Centres of Excellence 		<ul style="list-style-type: none"> • Additional extensions are not permitted. •
SSHRC	<ul style="list-style-type: none"> • Connection Grants • Sport Participation Research Initiative (Research Grants) • Standard Research Grants • Aid to Scholarly Journals • Partnership Development Grants • Partnership Grants • Partnership Engage Grants • Insight Development Grants • Insight Grants • Knowledge Syntheses Grants 	1 calendar year (i.e. 12 months from the funding expiry date: if an expiry date is September 30, 2019, the automatic extension period will end on October 1, 2020)	<ul style="list-style-type: none"> • Grant recipients may submit a request for an extension to the automatic extension for 1 calendar year (i.e. 12 months), under the following circumstances only: <ul style="list-style-type: none"> • extended leaves of absence during the grant period • uncontrollable delays to funded research/activities. • For programs not listed, an extension will be considered only on request.

<p>CIHR</p>	<ul style="list-style-type: none"> • applicable to all grant funding opportunities 	<p>1 fiscal year (i.e. up to March 31 of the next full fiscal year; if an expiry date is September 30, 2019, the automatic extension period will end on March 31, 2021)</p>	<ul style="list-style-type: none"> • Grant recipients may submit a request for an extension to the automatic extension for 1 calendar year (i.e. 12 months), under the following circumstances only: <ul style="list-style-type: none"> • extended leaves of absence during the grant period • uncontrollable delays to funded research/activities. • Grant recipients can submit another grant application and hold a new grant during the extension period.
--------------------	---	---	--

3.10 Residual Balances in the Grant Account

A residual balance refers to the funds remaining in a grant account after the payment of all outstanding eligible commitments and expenses incurred on or before the grant expiry date or, if applicable, the extension period for the use of grant funds (please refer to [section 3.9 Extension Period for the Authority to Use Grant Funds](#)).

Primary administering institutions are responsible for providing the relevant Agency with the final [Grants in Aid of Research Statement of Account](#) (Form 300).

Agency-Specific Matters Pertaining to Residual Balances in the Grant Account

CIHR

Any residual balance remaining in the grant account must be returned to the Agency by means of a cheque made payable to the Receiver General for Canada.

NSERC and SSHRC

Any residual balance remaining in the grant account may be transferred to a special Agency-specific account known as a [General Research Fund](#) (GRF) after approval by the relevant Agency. The GRF is a trust account under the authority of the president of an administering institution (or an authorized delegate), into which the residual balances from the previous fiscal period are transferred with the authorization of the granting Agencies. Please refer to the Agencies' program list.

The GRF must reinvest residual balances to support research within the institution, as well as enhance the quality of research in the fields of natural sciences and engineering or social sciences and humanities. For example, the GRF could be used to provide small start-up grants to new professors, bridge funding to professors who are between applications or provide additional funds to professors in support of their research.

The following conditions must be met for the transfer to be authorized by the Agencies:

- the requested residual balance transfer must be for a funding opportunity found in the [Table of Agencies' Programs Eligible for a Transfer to the Institution's General Research Funds \(GRF\) Account or a Refund](#). Residual balances that cannot be transferred to the GRF must be returned to the Agency by means of a cheque payable to the Receiver General for Canada.
- the residual balance is an amount corresponding to 50% or less of the allocated grant. Any larger amount is deemed to be an unspent grant, and reimbursement is required.
- the administering institution has completed the annual reconciliation of active grants and submitted the [Grants in Aid of Research Statement of Account](#) (Form 300) before the transfer to the GRF.
- the administering institution has spent at least 50% of the GRF opening balance during the current year. If not, new requests for transfers will be put on hold and the institution must demonstrate a tangible need for additional funds. If no rationale is provided, a reimbursement of the residual funds is required by means of a cheque payable to the Receiver General for Canada.

Management of the GRF account

- administering institutions are required to ensure that all expenses comply with the principles and directives in [Part 2: Use of Grant Funds](#).
- only the president of the administering institution or an authorized delegate can authorize expenditures paid from the GRF. No one else may initiate or authorize expenditures without the president's or a delegate's written authority.

Financial Reporting

Administering institutions are required to comply with financial reporting requirements for expenditures as outlined in [section 3.12 Annual Reporting](#). To facilitate the annual reconciliation of the GRF, please note the

following:

- A list of all authorized transfers to the GRF for each administering institution (as of March 31) will be available solely on the [Grants and Scholarships Administrative Portal](#) (GSAP) in mid-May. If your administering institution is not yet registered on the secure site, please contact [Online Services Helpdesk](#).
- A preliminary list of authorized transfers to the GRF for each administering institution will be available on GSAP once a year, in mid-November.
- Changes can be requested throughout the fiscal year. Please send your request by email to grf_ggsf@nserc-crsng.gc.ca.

3.11 Over-expenditures

The administering institution is fully liable for covering grant over-expenditures or over-commitments for current and prior fiscal periods. The Agencies assume no responsibility for these costs.

3.12 Annual Reporting

Annual Reconciliation Report on Grant Instalment Payments

Each Agency produces an annual reconciliation report for the administering institutions to confirm the accuracy of the agency's grant instalment payments.

The administering institutions are responsible for reviewing the annual reconciliation report.

The administering institutions will be contacted annually by the relevant Agencies and be provided with more details about the process.

Annual Statement of Account Expenditures

The administering institutions are responsible for completing, approving and submitting an annual statement of account expenditures to the relevant Agency using the Agency's [Grants in Aid of Research Statement of Account](#) (Form 300), for every grant for the period ending March 31 of each year. The administering institution must return the Form by June 30.

The administering institutions are responsible for retaining a copy of the Form 300, signed by the grant recipient and the administering institution, for at least 7 years.

The administering institutions that use the online [Financial Data Submission and Reconciliation \(FDSR\)](#) system are not required to return the completed Form 300 to the relevant Agency.

The grant recipients are responsible for reviewing and signing the completed Form 300.

Final Statement of Account Expenditures

The administering institutions are responsible for providing the relevant Agency with the final Form 300 for all grants that have expired.

The administering institutions are required to submit other financial reports as requested by the Agency.

The grant recipients are responsible for reviewing and signing the completed final Form 300.

Part 4: General Administration

4.1 Policies for Grant Recipients and Administering Institutions

The grant recipients and administering institutions must fulfill their respective responsibilities in accordance with all relevant Agency policies:

Intellectual Property

The Tri-Agency does not pass judgement on the eventual commercial success of research, nor does it retain or claim any ownership of, or exploitation or proprietary rights to intellectual property, copyright or inventions developed/ resulting from research supported with Agency grant funds.

Administering institutions are required to disclose to grant recipients their policy on intellectual property rights and ownership arising from supported research.

Grant recipients that decide to pursue commercialization of any results of the research are required to adhere to institutional and Agency policies governing the assignment of intellectual property.

NSERC: [Intellectual Property](#)

SSHRC: [Intellectual Property and Copyright](#)

Other Tri-Agency policies

[Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans - TCPS 2 \(2018\)](#)

[Tri-Agency Open Access Policy on Publications](#)

[Tri-Agency Statement of Principles on Digital Data Management](#)

4.2 Ownership of Items

The administering institution assumes ownership of all items, including equipment, purchased with Agency grant funds. As owner, the administering institution is responsible for ensuring that the items are used to support the grant recipients' funded research/activities. Decisions on the use and management of the items should be made between the institution and the grant recipient or user group.

Some funding opportunities may require prior approval from the Agency to change ownership.

The Agencies' stance on the ownership of items purchased with grant funds does not supersede any federal or provincial legislation on this issue.

The administering institution may transfer ownership of items through a gift or sale. Proceeds from the sale of items should be used for research-related purposes.

For the administering institution's responsibilities with respect to ownership and use of equipment, consult section 4.7: Ownership of Equipment and Facilities of the [Agreement on the Administration of Agency Grants and Awards by Research Institutions](#).

4.3 Transfer of Equipment

The administering institution retains ownership of equipment purchased with Agency grant funds. Grant recipients who want to transfer equipment to another institution must obtain the prior approval of the administering institution.

The Agencies encourage the use of a letter of agreement between the institutions involved to confirm ownership and the associated responsibilities for the maintenance, use and access of the transferred equipment.

For the roles and responsibilities of the institution with regard to the transfer of equipment, consult section 4.7: Ownership of Equipment and Facilities of the [Agreement on the Administration of Agency Grants and Awards by Research Institutions](#).

Part 5: Provisions for Leaves from Grant Activities

5.1 Leaves (grant recipient)

The Agencies consider a leave as time during which the grant recipients' employer allows them to take time away from their regular duties and responsibilities so they can focus on their research, career, personal or professional development while continuing to be employed by the administering institution. The Agencies recognize that career requisites, expectations around location, duration and scope of such leaves are governed by institutional policies and/or collective agreements.

The Agencies are supportive of grant recipients who take such leaves during their grant-funded research/activities and will continue to issue the grant payments as scheduled, provided the following requirements are met:

- the grant-funded research/activities continue
- grant recipients demonstrate that their responsibilities, as outlined in this Guide, continue to be met by either the grant recipient or a delegate
- grant recipients continue to meet Agency-specific eligibility and program requirements; please refer to the relevant Agency's website:
 - [CIHR Individual Eligibility Requirements](#)
 - [NSERC Eligibility Criteria for Faculty](#)
 - [SSHRC How to Apply \(General Instructions\)](#)

The administering institutions are responsible for monitoring the Agency requirements stated above as part of their annual continuing eligibility reporting exercise. Please refer to [section 6.1 Continuing Eligibility](#). [Part 2 Use of Grant Funds](#) continues to apply during the grant recipient's leave.

5.2 Leave for maternity, parental, medical or family related responsibilities (grant recipient)

The Agencies are supportive of grant recipients who take such leave during their grant-funded research/activities and recognize that the terms and conditions of such leaves, including duration and scope, are governed by institutional policies and/or collective agreements. The Agencies also recognize that an extended leave granted by the institution may have an impact on funded research. The Agencies will continue to issue the grant payments as scheduled and may provide an extension period, with or without supplemental funds, provided the following requirements are met:

- grant recipients demonstrate that their responsibilities as outlined in this Guide continue to be met by either the recipient or a delegate, only when the research continues while on leave
- grant recipients continue to meet Agency-specific eligibility and program requirements; please refer to the relevant Agency's website:
 - [CIHR Individual Eligibility Requirements](#)
 - [NSERC Eligibility Criteria for Faculty](#)
 - [SSHRC How to Apply \(General Instructions\)](#)

Administering institutions are responsible for monitoring the Agency requirements stated above as part of their annual continuing eligibility reporting exercise. Please refer to [section 6.1 Continuing Eligibility](#).

[Part 2 Use of Grant Funds](#) continues to apply during the grant recipient's maternity, parental, medical or family related leave and during the extension period.

Additional Matters Regarding Maternity, Parental, Medical or Family Leave Responsibilities (grant recipient)

Subject to agency approval and the provisions of the specific program/funding opportunity literature, grant recipients may request an extension of up to 2 years beyond the expiry date or during the authority to use funds period. Such a request must follow the requirements stated in [section 3.9 Extension period for the authority to use grant funds](#).

The grant recipients are responsible for informing their administering institution of the extension request and the administering institution is responsible for submitting the extension request to the relevant Agency by completing the [Grant Amendment Form](#).

Please refer to the relevant website for Agency-specific provisions related to leaves:

[NSERC provisions for family and medical leave](#): Grant recipients may be eligible to receive up to two years of additional funding at the same level of their current grant

5.3 Paid Maternity/Parental Leave for Students and Postdoctoral Fellows

The Agencies will provide maternity/parental leave supplements within 12 months following a child's birth or adoption to eligible students and **postdoctoral fellows** who are paid out of agency grants and who are the child's primary caregivers. The supplement paid to the grant recipient will be based on the students' and/or postdoctoral fellows' current salary/stipend from the grant for up to 12 months to cover the leave period.

If both parents are supported by grant funds, each parent may take a portion of the leave for a combined maximum of 12 months. The supplement will be pro-rated if the student or postdoctoral fellow is being trained in research on a part-time basis.

The administering institution is responsible for submitting a request for paid maternity/parental leave supplements to students and Postdoctoral Fellows by completing the [Grant Amendment Form](#) for the relevant Agency's approval.

Part 6: Administrative Changes

6.1 Continuing Eligibility

Annual Confirmation of Eligibility

The Agencies require confirmation, on an annual basis, that grant recipients remain eligible to hold their grants.

The administering institutions are responsible for conducting the annual eligibility confirmation exercise according to the relevant Agency eligibility criteria.

The administering institutions will be contacted annually by the relevant Agencies and receive more details on the process.

Ongoing eligibility

The grant recipients are responsible for ensuring that they continue to meet the relevant Agency's eligibility criteria to hold their grant as detailed in the grant's terms and conditions.

The grant recipients are responsible for immediately informing their administering institution of any change to their status that may contravene the eligibility requirements of the relevant Agency.

The administering institutions are responsible for notifying the relevant Agency as soon as possible of a change in a grant recipient's eligibility, by completing the Agency's [Grant Amendment Form](#), as per the [Agreement on the Administration of Agency Grants and Awards by Research Institutions](#). Upon notification that a grant recipient's status has changed, the Agency will conduct a review to determine the continued eligibility of the grant recipient.

Agency-Specific Matters Pertaining to Continuing Eligibility

The Agencies' eligibility criteria are detailed on their respective websites:

- [CIHR Individual Eligibility Requirements](#)
- [NSERC Eligibility Criteria for Faculty](#)
- [SSHRC How to Apply \(General Instructions\)](#)

Additional eligibility criteria are detailed in the program and funding opportunity literature and relevant Agency agreements, if applicable.

6.2 Change of Primary Administering Institution

The grant recipients are responsible for informing their primary administering institution that they want to relocate their grant to another administering institution. The primary administering institution is responsible for submitting the change request to the relevant Agency by completing the [Grant Amendment Form](#).

The relevant Agency is responsible for approving such requests. Requests will be considered only if the grant recipients remain eligible to hold their grants as per [section 6.1 Continuing Eligibility](#).

If the request is approved, the Agency will arrange to transfer the grant and close the corresponding grant account(s) at the former administering institution.

6.3 Changes to Individuals on the Grant Team

Grant Recipients

The Agencies will only consider requests to change the grant recipient if:

- the grant recipient no longer meets the eligibility criteria or is unable to carry out the grant responsibilities
- changing the grant recipient does not contravene the requirements of the program/funding opportunity literature and relevant Agency agreements
- the individual replacing the grant recipient meets Agency-specific eligibility criteria, as well as any applicable program and funding opportunity requirements (see [section 6.1 Continuing Eligibility](#))

Individuals on the Grant Team

The grant recipients are responsible for ensuring that individuals on the grant team meet any applicable eligibility criteria detailed in the program and funding opportunity literature as well as in any relevant Agency agreements.

The administering institution is responsible for submitting a request to change the grant recipient or individuals on the grant team by completing the [Grant Amendment Form](#) for the relevant Agency's approval.

The grant recipients are responsible for informing the grant team of the approved change.

6.4 Termination of a Grant

The Agencies are responsible for authorizing the termination of a grant when the grant recipient no longer meets the eligibility criteria as per [section 6.1 Continuing Eligibility](#) or is unable to carry out the grant responsibilities.

If applicable and permitted by the funding opportunity, rather than terminate the grant, the relevant Agency may approve requests to replace the grant recipient or transfer the grant to an eligible individual on the grant team, as recommended by the administering institution as per [section 6.3 Changing Individuals on the Grant Team](#).

The administering institution is responsible for informing the relevant Agency of the need to terminate the grant by completing the [Grant Amendment Form](#).

The Agencies may authorize a phase-out period of up to 6 months from the termination date to settle outstanding eligible commitments or expenditures. In the event of the death of a grant recipient, the phase-out period is 12 months.

If the term of a commitment extends beyond the phase-out period, the committed costs incurred beyond the phase-out period are the administering institution's responsibility.

If a phase-out period is not authorized, the administering institution is responsible for all outstanding commitments or expenditures.

Appendices

Appendix 1: Definition of Terms

The definitions below are to be used to support understanding of this document.

Administering Institutions: organizations that receive and administer grant funds on behalf of the Agency and the grant recipient.

Agency: one of CIHR, NSERC and SSHRC.

Authority to Use Funds (ATUF) period: the period between the Start Date of the grant as noted on the formal notification of the award and the End Date of the grant. Grant funds are to be expended during the ATUF period.

Co-applicant: definition is Agency-specific. Please refer to the appropriate Agency website.

[SSHRC definition](#)

[NSERC definition](#)

[CIHR definition](#)

Collaborator: definition is Agency-specific. Please refer to the appropriate Agency website.

[SSHRC definition](#)

[NSERC definition](#)

[CIHR definition](#)

Compensation benefits: employment-based benefits that are mandated by legislation, (such as, but not limited to, Canada Pension Plan, Employment Insurance, etc.), and/or are mandated by the administering institutions' employment policies, collective agreements, etc. (such as, but not limited, to health and dental insurance, etc.).

Consulting Fees: a fee for service provided by a third party (non-employee).

Direct Costs: essential expenditures that would not have been incurred had the grant not been undertaken. Accordingly, they can be directly assigned to the grant activities with a high degree of accuracy.

Directives: formal instructions that oblige one to take (or avoid) specific actions in order to achieve the Agency's desired objective/outcome.

Effective and economical: achieving the intended outcome with due regard for minimizing cost by avoiding unnecessary expense. This means the expenditure is considered an optimal use of the funds, which may not necessarily mean the "lowest cost." For example, an unnecessary expense may occur when an item or service, no matter the cost, is ineffective in achieving the intended outcome (i.e. creates undue burden on the funded activities such as research delays, additional expenses, lost time and/or effort due to overly burdensome administration).

Eligible Institution: an institution (a) that meets the requirements for eligibility to receive funding set out in guidelines issued by the Agency and (b) that has signed the [Agreement on the Administration of Agency Grants and Awards by Research Institutions](#).

Family-related responsibilities: responsibilities related to the health or care of a person in a family relationship

Gift: cash or in-kind items provided freely (i.e. requiring no payment in return), as a token of appreciation, respect and/or goodwill.

Goods: tangible items/objects.

Grant: a type of Agency funding intended to support the direct costs of research and related activities.

Grant recipient: grant holder or grantee.

Honoraria: monetary payments made on a one-time or non-routine basis to an individual as a “thank you” for a service for which fees are not traditionally required (i.e. for speeches, lectures, seminars, etc. by a guest lecturer/speaker).

Participants: as defined in the [Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans - TCPS 2 \(2018\)](#).

Incentives: cash or in-kind items offered to participants to establish potential participant pools or to acknowledge their participation in the research/activity.

Individuals who conduct research independently: researchers with a status/position that gives them autonomy to design and direct their own research/activities. Researchers who are under the direction or supervision of another are not considered to conduct research independently (i.e. research technicians, postdocs and research associates).

Indirect Costs: the operational costs that underpin an institution's research activities (i.e. heating, lighting, ethics reviews, facilities for animals used in research, management of intellectual property, environmental assessment and safety compliance). The services that give rise to indirect costs are institutionally based and are not specific to individual research grants.

Institution (primary): an administering institution in direct receipt of grant funds, which it transfers to a second institution to facilitate research collaboration.

International researcher: a researcher whose primary place of employment is outside of Canada.

Non-Eligible Institution: an institution other than an eligible institution.

Personal Gain: a benefit or advantage to a particular person rather than to the grant-funded research/activities.

Postdoctoral Fellow: an individual who has completed a doctoral degree and who is engaged in a temporary period of mentored research and/or scholarly training to pursue a career in a particular area of research.

Principles: fundamental values or rules that support the general goals and acceptable procedures of an organization.

Research Personnel: as defined by the administering institution.

Residual balance: An amount corresponding to 50% or less of the allocated grant. Any higher amount is deemed to be an unspent grant and a reimbursement is required.

Salary: remuneration for work performed by individuals, which contributes to the direct cost of research for which the funds were awarded, in accordance with institutional employment contracts or collective agreements, where applicable.

Secondary Administering Institution: an institution to which funds are transferred from a primary administering institution. It may be an “eligible institution” or “non-eligible institution.”

Services: useful work that does not produce a tangible commodity.

Stipend: financial support given to a recipient of a training award, or provided by a grant recipient to a trainee, to support them while they are working on their research thesis and/or gaining research experience.

Visiting Researcher: a researcher from an organization who visits an administering institution.

Appendix 2: Transfer of Funds Agreement Requirements (Eligible and Non-Eligible Institutions!)

A. General requirements

- Title of the funded grant
- Agency grant number
- Name of the funding Agency
- Name of the grant recipient
- Name of the individual(s) delegated by the grant recipient to use the funds
- Dollar value of the transferred funds
- Start and end date for the use of the funds
- The date on or before all unused funds must be returned to the primary institution
- The grant related reason for the transfer and the proposed use of the funds
- A statement as to the ownership of items purchased with the transferred funds
- A statement indicating whether the secondary institution is permitted or restricted from transferring the funds to a tertiary institution and subsequent levels of transfer
- Approval signatures from both institutions
- Authorization signature of the grant recipient

B. Specific requirements of the Secondary Institution

- A statement requiring the secondary institution to administer the transferred funds in accordance with the terms and conditions of the Agencies ([Agreement on the Administration of Agency Grant and Awards by Research Institutions](#))
- A statement requiring the secondary institution to ensure that all necessary certifications are in place for research conducted under its jurisdiction
- A statement requiring the secondary institution to provide the individual delegated the authority to use the transferred grant funds with all relevant information concerning any conditions that the Agency or the primary institution have imposed on the use of the transferred funds
- A statement requiring the secondary institution to provide a duly completed [Grants in Aid of Research Statement of Account](#) (Form 300) to the primary institution by April 30 for each fiscal year (April 1 to March 31) that the transferred funds are administered by the secondary institution
- A statement permitting the representative of the primary institution access to its premises and records to carry out a review of the administration and use of the transferred grant funds
- A statement requiring the secondary institution to return all unused transferred funds to the primary institution on or before the date as specified in the transfer of funds agreement
- If the secondary institution is permitted to transfer the funds to a tertiary institution the secondary institution must:
 - Put in place a transfer of funds agreement with the tertiary institution in which the requirements of the secondary institution, as described in its funds transfer agreement with the primary institution, are the requirements the tertiary institution must undertake and, the requirements of the primary institution are the requirements the secondary institution must undertake.
 - Ensure that the transfer of funds agreement with the tertiary institution is signed by the grant recipient in order to authorize the use of the funds by the individual identified in the agreement from the secondary institution to the tertiary institution as the delegated authority.
 - Ensure that if a subsequent level of transfer is permitted, a transfer of funds agreement is put in place in the same manner as the agreement between the secondary institution and the tertiary institution and is constructed as described herein.

C. Specific requirements of the Primary Institution

- A declaration indicating the primary institution will review the [Grants in Aid of Research Statement of Account \(Form 300\)](#) submitted by the secondary institution and consolidate the information in the [Grants in Aid of Research Statement of Account \(Form 300\)](#) provided to the Agency on the status of the grant fund account.
- A statement requiring the primary institution to provide the secondary institution with all relevant information concerning any conditions that the Agency, the primary institution and/or the grant recipient have imposed on the use of the transferred funds.
- A declaration indicating the primary institution will maintain all relevant documentation on the transfer of the grant funds in its files for a period of seven years.

ⁱ NSERC does not permit the transfer of grant funds to non-eligible institutions.