

STAR



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2021 Workshop Series

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- Welcome! Thank you for joining us. The workshop will begin shortly.
 - Please check that you are on mute and your video is off.
 - This workshop will be recorded.
 - Have your breakout worksheet nearby

2021 Workshop Series

Canada Foundation for Innovation

Workshop 1:

Understanding the Infrastructure Operating Fund

April 8, 2021, 10:30 am – 11:30 am

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Land Acknowledgement

"We wish to acknowledge this land on which the University of Toronto operates. For thousands of years it has been the traditional land of the Huron-Wendat, the Seneca, and most recently, the Mississaugas of the Credit River. Today, this meeting place is still the home to many Indigenous people from across Turtle Island, and we are grateful to have the opportunity to work on this land."

Access Check

Access is a shared responsibility between everyone in this workshop.

- Is there anything (presenter screen, sound) that may affect your participation in this session?
- For any other general access issues, please use the Zoom chat to send a private chat message to *Alexandra Candib*

CFI: Infrastructure Operating Fund

Agenda

- CFI IOF Origins and intentions
- IOF Operations and Issues
- Interpreting IOF rules
- IOF allocation, record keeping and reporting at UofT
- Breakout Session

IOF: Origins and intentions

- Not part of the original CFI plan
 - Equipment only
 - CFI was intended to be transitory
 - Expectation of private sector partnership
- IOF won through lobbying
 - To meet incremental cost
- There is no Ontario IOF - it is CFI only

IOF: Origins and intentions

- Intent:
 - Support research operations
 - Not intended to support direct research expenses (ie tri-agency funded)
 - Maintain equipment in 'research ready' state
- CFI is contributing only
 - Not intended to cover 100% of the O&M costs

Participant Poll 1:



IOF: Operational Principles and Issues

- CFI Expected this to be easy
 - Automatic
 - No review
 - Calculated by formula
 - Major expenses only
 - people
 - equipment warranty & service
 - Flexibility
- → Minimal administration at Institutions and CFI

IOF: Operational Principles and Issues

- Turned out not to be so easy
- Institutions overcomplicated the process
 - Claiming everything possible
 - Not focus on the 'easy' expenses
- CFI overhauled process twice to make it easy
 - Complicated tweaks: eg variable IOF rates
 - Not successful: changed process, not institutional approach

IOF: Operational Principles and Issues

- Misconceptions about IOF
 - Commonly assumed to be unrestricted funding
 - Weak understanding of what is & is not eligible
- Saving the money for a rainy day
- Difficulties finding anything on which to spend the IOF

Participant Poll 2:



IOF: How it works

- We will now look at:
 - How IOF is calculated
 - When we get the funding & you get to spend it
 - CFI IOF Policy and UofT policy
 - What is and is not eligible
 - Financial reporting

IOF: Example

- IOF starts with the application form:
 - Sets out total O&M expenses for the project
 - Shows how the CFI IOF will be spent
 - Identifies other sources of funding
- This is reviewed by CFI for acceptability
 - Persuades CFI you've planned for O&M
 - Sets expected schedule for payments from CFI

IOF: Example

Operation and maintenance budget summary

Costs	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel	0	0	0	0	0	0
Supplies	0	0	0	0	0	0
Maintenance and repairs	0	0	0	0	0	0
Services	192,000	192,000	192,000	192,000	192,000	960,000
Other (specify)	0	0	0	0	0	0
Total	\$192,000	\$192,000	\$192,000	\$192,000	\$192,000	\$960,000

Funding sources

Funding sources	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Institutional contributions	109,162	109,162	109,162	109,162	109,162	545,810
Other organizations	0	0	0	0	0	0
User fees	0	0	0	0	0	0
NSERC/NSF	82,838	82,838	82,838	82,838	82,838	414,190
Total	\$192,000	\$192,000	\$192,000	\$192,000	\$192,000	\$960,000

Participant Poll 3



IOF: How it is calculated

- Equivalent to 30% of the value of the funding awarded by CFI towards the equipment
- Exceptional: additional 5% for multi institutional (≥ 3) CFI awards

- In the poll example:

○ A	= Total Project value		= \$1,000,000
○ B	= CFI contribution	= 40% of A	= \$400,000
○ C	= CFI IOF	= 30% of B	= \$120,000

IOF: CFI policy and UofT policy

- CFI awards the IOF based on the main award made to an individual project

HOWEVER

- Funds awarded to the institution, not the project
- CFI does not dictate that the IOF must be spent on or by the project that generated the IOF
- CFI allows any IOF \$s to be spent on any CFI project at the institution
- CFI imposes no time limit on spending the IOF

IOF: CFI Policy & UofT Policy

- UofT policy is normally to allow the project that generated the IOF to be able to spend it
- UofT expects IOF to
 - be spent within 5 years of receipt, as per
 - the CFI application and
 - CFI's eligibility rules and expectations

Participant Poll 4



IOF: Eligible Expenses

- Salaries (including benefits) of highly qualified personnel (technicians or professionals) directly involved in the operation and maintenance of the CFI-funded infrastructure. The full salary of the highly qualified personnel may be eligible if the infrastructure cannot be operated without their assistance.
- Training for the main operator(s) of the research infrastructure, not included in the infrastructure award. It is expected that the main operator(s) will train other users. Alternatively, a group training session may be provided by the vendor at the institution.
- Extended warranties and/or service contracts not included in the infrastructure award
- Extensions to warranty coverage, service contracts and software licences
- Maintenance and repairs

IOF: Eligible Expenses

- Replacement parts
- Replacement of a CFI-funded infrastructure item needing repair, only if the replacement is more cost-effective than the repair (the replacement item must have similar functionality)
- Services (e.g. electricity, security, cleaning) that directly support space funded by the CFI or for space that is essential to house and use CFI-funded infrastructure, which may include common areas, if applicable
- Supplies and consumables needed to operate the research infrastructure (not to exceed 10 percent of the cumulative total IOF funding claimed by the institution)

Participant Poll 5



IOF: Ineligible Expenses

- Purchase or lease of real property
- Cost of equipment, installation and construction or renovation deemed eligible under an infrastructure award
- Upgrades related to the infrastructure
- Telephone, internet and cable or satellite television services that are not necessary to ensure the infrastructure can be used for research
- Insurance
- Costs not directly related to the CFI-funded infrastructure

IOF: Ineligible Expenses

- Trainee stipends (undergraduates, graduates and postdoctoral fellows) and researcher salaries
- Administrative, secretarial or clerical personnel not directly related to the operation and maintenance of the infrastructure (e.g. research services office, library, finance services)
- Any cost to conduct research activities
- Costs attributed to the dissemination of information such as promotion, publications or conferences
- Expenditures reimbursed by another source

IOF: When does funding flow?

- Will not commence before equipment purchased is 'operational'
 - This is flagged in the annual progress report
- Funds requested annually from CFI, based on the plans in the application
 - Made available to project through the AMS
 - Is in a discrete Fund, separate from the main award
 - Time limited to 5 years

Participant Poll 6



IOF: Reporting

- The institution must submit the request for the release of IOF funds annually by June 15, as part of the IOF annual report
- The IOF annual report is completed on a consolidated basis for all CFI IOF projects, not by individual projects
- The IOF annual report includes not only reporting on CFI IOF projects held at U of T, but also at our partner Institutions

IOF: Reporting

- The CFI IOF Annual report includes an accounting of all expenditures incurred in each CFI IOF fund held at UofT for the reporting period (April – March)
- For CFI IOF projects held at partner Institutions, each institution is required to provide a report detailing the expenditures incurred for each project during the reporting period (April – March)
- For the annual report filed with CFI, the expenditures incurred both at UofT and partner institutions are consolidated

Participant Poll 7



IOF: Reporting

- In addition to the reporting of CFI IOF actual expenditures, the annual report includes a “forecast” of expenditures for the next reporting cycle.
- UofT’s forecast is prepared by using the average level of expenditures over the last 5 years, rather than asking for a forecast by individual project
- Forecasts for our partner institutions are provided by the partner institutions.

IOF: Payment

- CFI's IOF payment is determined as follows:

$$\text{Payment} = \text{Actuals} + \text{Forecasts} - \text{Paid to Date}$$

- CFI IOF payment is typically paid in 2 instalments

IOF: Payment

- Once CFI IOF funding is received, funding is distributed as follows:
 - For UofT-held CFI Projects, funding is transferred to the CFI IOF fund based on actual expenditures incurred in the reporting period
 - For partner institutions, funding is sent via cheque covering the actual expenditures incurred + forecast for the reporting period as reported

IOF: Supporting Documentation

For all actual expenditures reported in the IOF Annual Report the following original documents must be maintained:

- Purchase Requisitions
- Request for Bids and copies of all Bids received
- Purchase Orders or Contract
- Receiving Document or Statement of Worked Performed
- For Travel Costs, boarding passes (if available) or other evidence supporting that travel has taken place

IOF: Supporting Documentation

- Invoice
- Proof of Payment (cancelled cheque)
- For Personnel Costs, supporting documentation for time spent and the nature of activities performed
 - If there are Personnel Costs incurred on a CFI IOF project during the reporting year, ROCO will forward a “Certification Salary of Technicians and Professionals CFI Infrastructure Operating Fund” form for each PI to fill out that contains the information required.
 - These forms must be completed and returned to ROCO for retention for Audit purposes

IOF: Supporting Documentation

- The expenditures claimed on a CFI IOF project must be directly related to an infrastructure project eligible to receive funding from the IOF
- The institution must keep on file all documentation for audit purposes for a minimum of 6 years and provide it upon request. This 6 year period starts at the end of the fiscal year to which the records relate

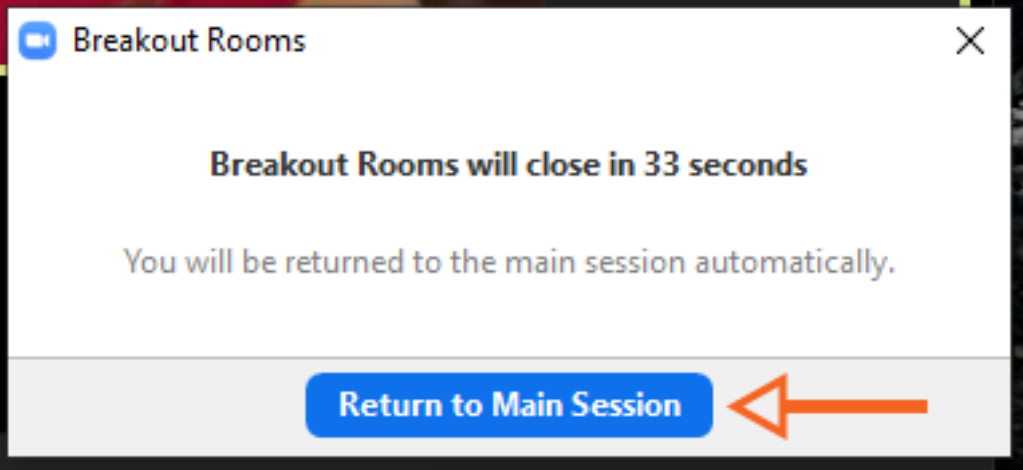
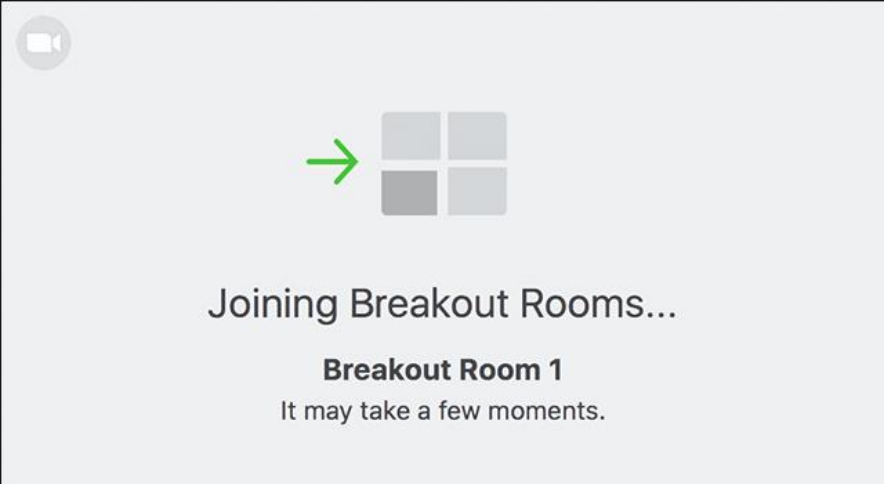
IOF: Monitoring and Review

- The CFI monitors the UofT's management of IOF awards during its Monitoring Visits and Audits at which time it will examine the supporting documentation for expenditures claimed
- The CFI reserves the right to make the final determination of eligible costs under the IOF - this may include disallowing expenditures and recovering funds that have been paid out to the institution.

Participant Poll 8



Breakout Rooms



Breakout: Case Study

A newly recruited U of T Principal Investigator (PI) has been successful with a CFI JELF application, securing maximum funding.

It includes some equipment to be housed in a specially renovated lab space and needs specialized technical support, and is something a number of other PIs will want to use.

The PI also has a 5-year CIHR award and at present has not touched her start-up funding.

Breakout: Model Answer

CFI IOF: STAR Session 8 April 2021

Breakout Session: Model Answer

A newly recruited UoT PI has been successful with a CFI/JELF application, securing maximum funding.

It includes some equipment to be housed in a specially renovated lab space and needs specialized technical support, and is something a number of other PIs will want to use.

The PI also has a 5-year CIHR award and at present has not touched her start-up funding.

Operations and Maintenance Budget Summary

Costs	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL	Notes
						0	
Personnel	50000	50000	50000	50000	50000	250000	
Supplies						0	
Maint & Repair	60000	60000	60000	60000	60000	300000	Warranty and repairs
Services						0	
Other	3000					3000	Booking system
TOTAL	\$113,000	\$110,000	\$110,000	\$110,000	\$110,000	\$553,000	

Funding Sources

Costs	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL	Notes
						0	
Institution	48000	48000	48000	48000	48000	240000	IOF
Other Orgs.	10000	10000	10000	10000	10000	50000	CIHR
User Fees	50000	50000	50000	50000	50000	250000	
Other	20000	20000	20000	20000	20000	100000	PI start up. Include under 'Institution'
TOTAL	\$128,000	\$128,000	\$128,000	\$128,000	\$128,000	\$640,000	

IOF Breakout Worksheet: input data

Eligible and Ineligible costs

Notes

PI's expected expenses

Equipment manager	\$50k pa
50% of a research assistant shared with another lab	\$30k pa
Student stipend	\$10k pa first 3 years only
Equipment extended warranty	\$50k pa
Reserve for equipment repairs	\$10k pa
Microscope omitted in error from grant	\$10k first year only
Conference travel & fees	\$2,5000 pa

PI's share of building's fixed-fee decorating and landscaping charge

\$500 pa

Nothing to do with the space housing the equipment

Telephone charges

\$500 pa

Project website for communication among staff, publicize program and manage bookings for equipment

\$10k first year only

Can claim the cost of developing the booking system

PI's Expected income

CFI Main Award

\$800k (total project = \$2m)

Can't use main award for IOF costs

IOF cash

\$240k

PI start-up funds

\$100k

CIHR award

\$150k pa

Need to identify if there are eligible funds

Equipment user fees

\$50k pa

VWR: Donated reagents

\$5k pa in-kind

This is a direct research cost.

IOF: CFI Policy & Program Guide

IOF home page:

<https://www.innovation.ca/awards/infrastructure-operating-fund>

Policy & Program Guide:

<https://www.innovation.ca/awards/policy-and-program-guide-and-supplemental-information>

- IOF at Section 4.7
- IOF eligible and ineligible expenses at section 4.7.1
- Reports and attestation forms: <https://www.innovation.ca/awards/manage-awards/forms-and-templates>

UofT Contacts: <https://research.utoronto.ca/contact-us>

Questions?



Still Have Questions?



Contact Us:

- <https://research.utoronto.ca/contact-us>

Feedback, please!



2021 STAR Workshop Series: Next Events

CFI Fair Market Value (*Invitation-only*)

Tues., May 4
1:30-3:00 pm

Tri-Agency Guide on Financial Administration: Part 1

Wed. May 12,
2:00-3:00pm

Tri-Agency Guide on Financial Administration: Part 2

Thurs. May 13,
10:00-11:00am

Funded Research Dige

Resources

- Division of the Vice-President, Research & Innovation (VPRI) <https://research.utoronto.ca>
- STAR Program <https://research.utoronto.ca/training-resources/research-administration-training-star-program>
- 2021 STAR Quick Tips...(starting in late Spring)

Thank you for participating!