

# CFI/ORF Information Session

March 2020



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<https://research.utoronto.ca>

**DIVISION OF THE VICE-PRESIDENT,  
RESEARCH & INNOVATION**

# WHY ARE WE HERE TODAY?

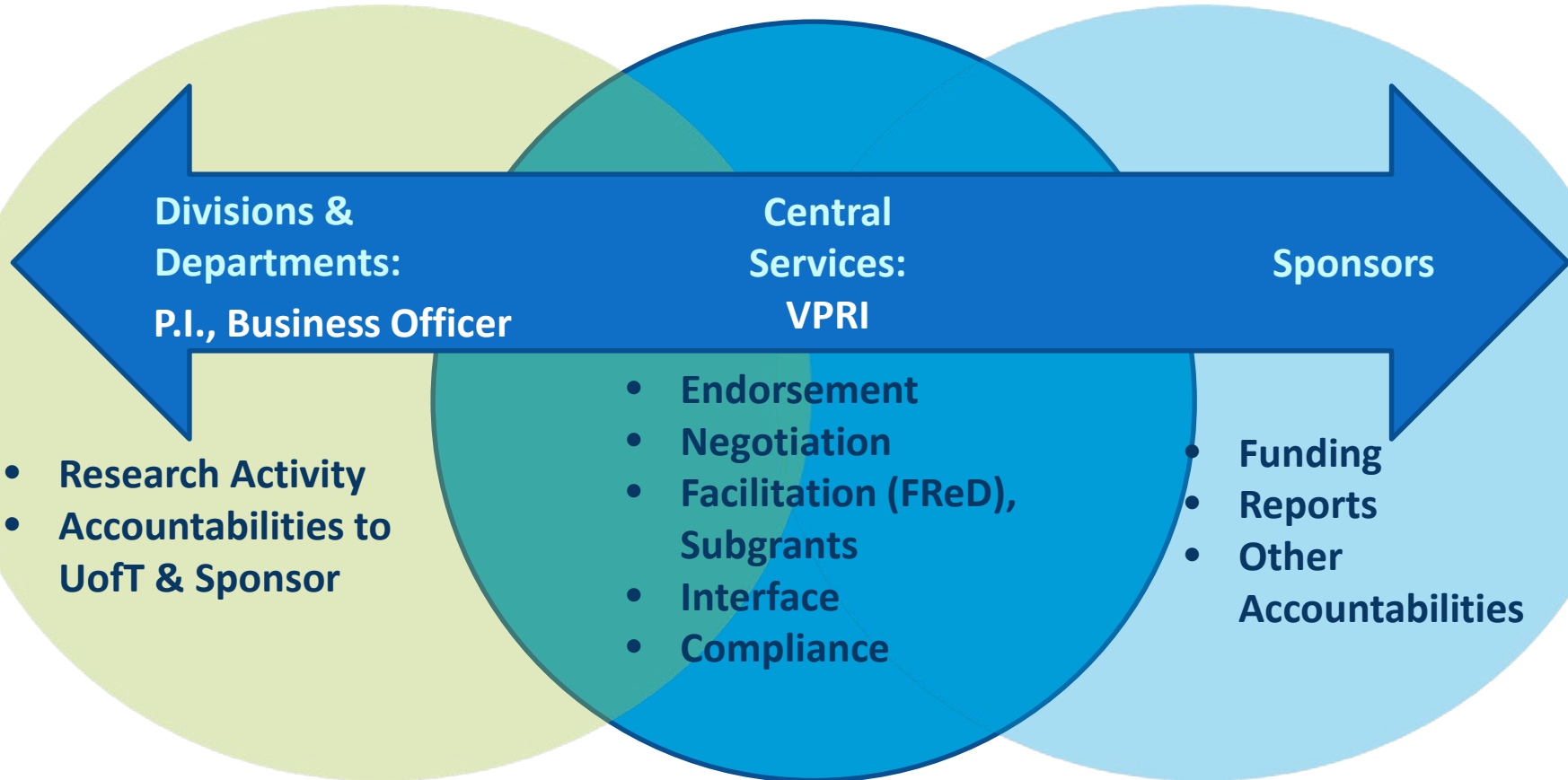
- Sponsors require a management framework for the CFI/ORF awards
- In a decentralized environment there is a significant amount of this responsibility at the division/department level
- VPRI is a service unit tasked with helping deliver the tools for divisions/departments to manage these awards



# Roles & Responsibilities

# ROLES & RESPONSIBILITIES IN RESEARCH

## Central & Divisional continuum



# RSO vs ROCO

## RSO

- Work with PI, BO and rest of the team to assist with the submission and ongoing central admin of the award to completion

## ROCO

- Financial reporting and audit

# How are CFI/ORF awards assigned?

## JELF (John Evans Leaders Fund)

- Based on allocation (rolling 3 year Tri-Agency funds) nationally
- UofT uses the same methodology to allocate to affiliated hospitals, FoM, FASE, FASE, UTM, UTSC. Remaining divisions allocation held centrally and request one by one basis.
- Divisions allocate to departments based on recruitment and retention
- Opportunity to submit a JELF application is granted to the PI
- TAKEAWAY – department Chairs and Division heads know who is applying well before the applications are submitted

## Innovation Fund Program

- Excellence based and competitive – all who wish to apply can do so
- Internal selection process to ensure we are within the limit of “total ask” set by CFI in that particular competition

# CFI Infrastructure Operating Fund (IOF)



# Infrastructure Operating Fund (IOF)

- Funding from CFI only (No provincial equivalent)
- 30% of CFI award
- support the costs of operating and maintaining CFI infrastructure to keep in research ready mode

# Operating & Maintenance requirements

- Infrastructure purchased remains operational over its useful life (minimum of 5 years)
- Useful life = period of time over which the infrastructure is expected to provide benefits and be usable for its intended purpose (as described in the application), factoring in normal repairs and maintenance.
- CFI IOF = 30% of CFI infrastructure award (e.g. CFI infrastructure = \$100K, then the IOF award is \$30K)

# IOF Eligibility

- Eligibility – section 4.7 of CFI Policy & Program Guide
- Generally includes technical personnel, maintenance and repairs, and services that are directly associated with CFI funded infrastructure and spaces

# IOF spending – most common issues

## 1) Personnel costs

- Payroll posting charged directly to account resulting in a negative charge in this commitment item – needs to use a journal entry to move it to ‘open’
- Last monitoring visit and internal audit results show insufficient supporting documentation

# IOF Personnel Costs

- Salary expenditures only eligible if the highly qualified personnel is directly involved in the O&M of the CFI-funded infrastructure and if such infrastructure cannot be operated without the assistance of the highly qualified personnel.
- documentation to complete, retain and send copy to ROCO when annual financial report is completed:
  - CFI Infrastructure Operating Fund Annual Report Certification
  - Certification - Salary of Technicians and Professionals CFI Infrastructure Operating Fund (IOF)
- Documents found here:

<https://research.utoronto.ca/manage-funding/purchase-canadian-foundation-innovation-cfi-ontario-research-fund-orf-projects>

# IOF Personnel Costs (continued...)

- key that the tasks and timelines are clearly outlined in the form
- while the person is working on the operation and maintenance (O&M), that time needs to be distinct from the research/trainee activities
- For example, if they are working part time on O&M for eight months one would not expect that there are research activities taking place that would result in data generation, publications, etc. at a full time basis, rather would be a part time basis.

# IOF spending – most common issues

## 2) Repairs

- Repairs eligible but equipment GL often is used and should be 821030
- Equipment purchase is generally not eligible except 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) – should be rare

# IOF non-eligible expenses

include:

- Purchase or upgrades of equipment
- Purchase of extended warranties already included in equipment purchase
- Compensation costs for trainees not involved in O&M
- Any cost to conduct research activities
- Administrative, secretarial or clerical personnel not directly related to the operation and maintenance of the infrastructure



# IOF Financial Report Process

The consolidated IOF annual financial report (reporting on April – March), including the following fiscal year's forecast, is submitted to CFI by June 15 by ROCO.

Need to ensure only eligible costs are charged to the IOF account, corrections are to be made no later than fiscal year end.

Please review your expenses now to ensure they are eligible.

# Reporting Process

## Transaction download from AMS:

- In early April ROCO sends a transactional listing to the Business Officer (BO) and Principal Investigator (PI) for review.
- Transactions which require further clarification to assess eligibility are identified by ROCO.
- It is expected that any transactions deemed ineligible are reallocated to another Fund.
- We have found that there are a **high number of ineligible expenses – please check them now to ensure eligibility.**

# Reporting of actual expenditures

- Outstanding commitments are allowed **only** in cases where the expenditure has been incurred (i.e. work performed, goods received or services rendered) but the invoice was not paid in the period ending March 31
- Expenditures reported must not have been claimed for reimbursement from another source

# Reporting Process

## IOF Financial Report Certification Form:

- The PI and Business Officer must review the transactions for expense eligibility to ensure those charged to the IOF Fund meet with CFI policy.
- They are requested to sign a report certification indicating compliance to CFI policy & guidelines
- The report certification is kept on file should the CFI request it upon audit.

# Reporting Process

## Report submission:

- Once all IOF report certifications are returned to ROCO and queries addressed, the report is submitted to CFI for the University by June 30.
- Once payment is received from CFI, each fund receives a revenue transfer for actual expenses incurred

# Supporting documentation

- The department should be prepared to provide full supporting documentation for actual expenditures reported
- all documentation is to be retained by department
- IOF is included in the monitoring/audit visits by CFI who make the final determination of eligible costs

# Monitoring Visit 2018

- 10 IOF transactions were selected
- All 10 had issues.....these were resolved internally and CFI was very flexible in their timeline for our submission date....but it was a lot of work to gather the documents, some of which did not even exist and needed to be created after the fact.

# Supporting documentation

Salaries of highly qualified personnel (technicians or professionals -HQP)

- Must be directly involved in the operation and maintenance of the CFI-funded infrastructure
- Description of the O&M activities performed
- Certification that the infrastructure cannot be operated without the HQP
- This certification is obtained annually and is signed by the employee and approved by the supervisor or another person (e.g. project leader or department head) if this person is knowledgeable of the activities performed by the employee.



# Supporting documentation

- Supporting evidence for the individual's salary and benefits (e.g. letter of hire or change in salary rate, payroll records)
- Templates for support of salary claimed on IOF can be found on VPRI's website
- Confirmation obtained by ROCO from the project leader(s) (at a minimum annually) that the infrastructure is still used for research purposes. (the institution must certify that it has obtained these confirmations in the IOF annual report).

# FMV table

- For reference for case study questions

# QUESTIONS?