

<b>TYPE:</b>	Administrative
<b>TITLE:</b>	Financial Administration of Funded Research
<b>NO.:</b>	ADMIN-253
<b>RESPONSIBILITY:</b>	Executive Vice-President, Academic and Chief Financial Officer
<b>APPROVED BY:</b>	Durham College Leadership Team
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## 1. Introduction

Conducting research often incurs expenses for human resources, operations, equipment and/or infrastructure. As a result, many research activities are not possible without external financial support. Durham College (DC) is dedicated to managing its research funds in an ethical, lawful, transparent, and fiscally responsible manner.

## 2. Purpose

This policy and procedure provide a framework for financial practices related to funded research at DC.

## 3. Definitions

Refer to [Durham College's Standard Definitions](#).

## 4. Policy statements

- 4.1. Funded research financial activities will be consistent with the College's mission, vision, values, the College's strategic plan, the Academic Plan, as well as the strategic research plan's priorities.
- 4.2. [Funds](#) received from an external agency will be administered and expended in accordance with the agency's financial policies and procedures, principles and any addition terms and conditions.
- 4.3. In the event of any conflict between the funding agency's policies and those of DC, funds will be administered in accordance with the more stringent financial policy.
- 4.4. DC will adhere to the activities and budget specified in an approved project proposal.
- 4.5. Expenses for funded research must be economical and essential to the approved project's activities. Supporting documentation and/or justification for expenses will be required to access research funds.

- 4.6. In-kind contributions for funded research must be justifiable, auditable and documented.
- 4.7. DC will not disburse any funds until all specified certification requirements, including those in respect of animal care, human ethics, health and safety, and any other requirements have been met, and any other special permits or licenses have been delivered. Pre-approval is needed to disburse funds prior to all requirements being met.
- 4.8. All items acquired by DC during the conduct of funded research are the property of DC, unless otherwise documented in writing.
- 4.9. Researchers and project team members must not have any financial or personal interest, direct or indirect, in any transaction charged against any research fund, including [grants](#) from any funding agency.

## **5. Procedure**

### **5.1. Administration**

5.1.1. For each grant or award or third-party contribution, DC will:

- maintain a separate fund;
- ensure that each expenditure and charge made to the grant or award or third-party contribution account is authorized appropriately;
- keep complete and accurate records on the use of agency funding, including verifiable audit trails with supporting documentation for each transaction, for at least seven years unless otherwise specified;
- withhold or withdraw approval of expenditures that contravene either the funding agency's or DC's policy, or a term of the grant or award;
- consult with the respective funding agency if uncertain as to the funding agency's financial requirements;
- promptly process eligible and approved payments from project accounts;
- provide adequate financial and administrative support to its researchers to ensure sound management of funds;
- in the event of a transfer of grant or award funds from DC to another administering institution, ensure that the transfer complies with the provisions of the funding agency's applicable financial policies, guidelines and procedures;
- provide regular and timely financial reports on the use of agency funds and comply with agency requirements related to ongoing financial monitoring; and

- upon reasonable notice, allow funding agency representatives and/or the Auditor General of Canada access to its facilities to carry out monitoring reviews and compliance audits, and provide them with access to all accounts, records and other information related to a grant or award, as well as respond fully and accurately to any inquiries for the purpose of verifying adherence to their requirements.

## 5.2. Budget

- 5.2.1. The maximum allowable budget in a project for operating, equipment and supply costs is 20% of the grant received unless otherwise specified.
- 5.2.2. The maximum allowable budget in a project for overhead and administrative costs is 20% of the grant received unless otherwise specified.
- 5.2.3. During the tenure of a grant, any deviation less than 20% from original budget will be properly documented and reallocated based on project requirements.
- 5.2.4. In case of any deviation more than 20% of the original budget, DC will seek approval from the respective funding agency if required, and, where applicable, will consult the respective external partner before the execution of the change, and will properly document all the related information.

## 5.3. Hiring and Salary

- 5.3.1. Technical and professional staff carrying out applied research, research administrators, research associates, post-doctoral fellows, business development personnel and technology and/or knowledge transfer personnel are eligible for salaries and non-discretionary benefits.
- 5.3.2. Students carrying out applied research as research assistants are eligible for salaries with non-discretionary benefits.
- 5.3.3. In cases where DC assigns work to a full-time faculty member to conduct applied research projects, and that workload assignment results in a cost to replace the full-time faculty member, grant funds, where permissible, will be utilized to offset those incurred costs. Additional information about compensation transfer practices are available through the Office of Research Services, Innovation and Entrepreneurship (ORSIE).
- 5.3.4. Where permissible by the funding agency, a salary research allowance may be provided to a not-for-profit organization to account for time dedicated to the research project.

## 5.4. Project Expenses

5.4.1. Detailed guidelines on acceptable expenses are available through the Office of Research Services, Innovation and Entrepreneurship (ORSIE).

5.4.2. Categories of expenses that are eligible for reimbursement, unless prohibited by the funding agency, include but are not limited to:

- travel;
- subsistence;
- electronics;
- equipment;
- training;
- memberships;
- supplies;
- networking and collaboration activities; and
- technology transfer and knowledge mobilization.

### 5.4.3. Project Extension and Termination

5.4.3.1. For a project extension, DC will send a written request to the respective funding agency's Program Manager before the expiry date of the grant. This written request will briefly state why the extension is required and will provide a concrete closing date for the project.

5.4.3.2. If the request for an extension is not approved, DC will use the fund as per the guidelines provided by the funding agency.

5.4.3.3. In the case of grant termination due to College's ineligibility, unsatisfactory project progress, unwillingness of the external partner to participate, or failure on the part of the company to provide the required cash contribution and/or documentation, DC will not make any new commitments or expenditures from the grant account after the date of termination. Further, such failures on the part of the company may result in the denial of further collaborations.

### 5.4.4. General Research Fund

5.4.4.1. DC will transfer all eligible residual balances to the General Research Fund (GRF) as prescribed by the funding agency and authorized in writing.

#### 5.4.5. In-Kind Contributions

- 5.4.5.1. [In-kind](#) contributions must indicate the role of external partner personnel, the number of hours to be devoted to the project, the hourly rate of compensation used to assess the value of the in-kind contribution, and how the total value was calculated.

### 6. Roles and responsibilities

- 6.1. The Executive Vice-President, Academic, and the Chief Financial Officer are responsible for overseeing the implementation of this policy and procedure.
- 6.2. The Dean, Research Services, is responsible for ensuring an appropriate assignment of resources and administrative support for effective financial management of research funds. The Dean, Research Services also provides support, information, training, and advice to individuals involved in financial activities relating to research.
- 6.3. Applied research managers are responsible for ensuring that all project budgets within their scope of responsibility are managed appropriately and in accordance with this policy and procedure.
- 6.4. The Finance and Ethics Compliance Coordinator is responsible for managing the day-to-day responsibilities of research funding.
- 6.5. All employees associated with funded research are responsible for ensuring all research-related financial transactions are properly reviewed and executed.

### 7. Accessibility for Ontarians with Disabilities Act considerations

Accessibility for Ontarians with Disabilities Act (AODA) standards have been considered in the development of this policy and procedure and it adheres to the principles outlined in the College's commitment to accessibility as demonstrated by the Multi-Year Accessibility Plan.

### 8. Non-compliance implications

- 8.1. Failure to comply with this policy and procedure may result in damage to internal and external relationships, financial loss, property damage, reputational harm, legal action and/or a diminished ability to achieve the mission of Durham College.
- 8.2. Failure to comply with this policy and procedure may jeopardize the College's status as an eligible institution to receive funding from funding agencies.

## **9. Related forms, legislation or external resources**

- Tri-Agency Guide on Financial Administration
- Tri-Agency Framework: Responsible Conduct of Research
- Tri-Council Policy Statement on Ethical Conduct for Research Involving Humans (2018)