



Government of Canada Gouvernement du Canada
Networks of Centres Réseaux de centres
of Excellence d'excellence

BUSINESS-LED NETWORKS OF CENTRES OF EXCELLENCE (BL-NCE)

PROGRAM GUIDE

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Natural Sciences and Engineering Research Council of Canada
Canadian Institutes of Health Research
Social Sciences and Humanities Research Council of Canada

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1. PRE-AWARD GUIDELINES

1.1 Background

The Business-Led Networks of Centres of Excellence (BL-NCE) program is a federal program administered jointly by the Natural Sciences and Engineering Research Council, the Canadian Institutes of Health Research and the Social Sciences and Humanities Research Council, Industry Canada and Health Canada. The program is managed by an NCE Steering Committee composed of the Presidents of the three granting agencies, the Deputy Ministers of Industry Canada and Health Canada, and the President of the Canada Foundation for Innovation (as an observer). Day-to-day administration is provided by the NCE Secretariat made up of staff from the three granting agencies.

Program Goal

The goal of the BL-NCE program is to fund large-scale collaborative research networks and support private sector innovation in order to deliver economic, health, social and environmental benefits to Canadians and encourage an Entrepreneurial Advantage.

Eligible Recipients

Recipient organizations eligible to receive BL-NCE grant funds are:

- Private sector networks composed of members who have signed a network agreement. The Network Members may include Canadian: not-for-profit organizations, universities, and private sector enterprises with substantial R&D operations or the potential to benefit from R&D.
- Eligible recipients must be (1) incorporated as a not-for-profit organization under Part II of the Canada Corporations Act; (2) have an

established Board of Directors; and (3) be signatories of a funding agreement with the NCE Steering Committee.

Research Target Areas

All Canadian industrial sectors are considered eligible for this program, although the NCE Steering Committee may identify research areas for BL-NCE program grant funds. The 2008 BL-NCE competition was open to five priority research areas as follows:

- Environmental science and technologies;
- Natural resources and energy;
- Health and related life sciences and technology;
- Information and communications technologies; and
- Management, business or finance.

The NCE Steering Committee will decide on the need to target areas for new BL-Networks prior to each competition, taking into consideration:

- the funding available;
- the broad areas already represented in the ongoing networks; and
- the need to promote or develop specific areas in accordance with national needs.

Expected Results and Outcomes

The program goal is accomplished by investing in business-led networks that yield the following benefits:

Research-Related Benefits

- Increase private sector investment in R&D and advanced technologies;
- Provide high quality post-graduate and post-doctoral training in innovative applied research and increase the business skills and know-how of the young researchers;
- Strengthen public-private sector collaboration, including links between

researchers and firms, to address significant research challenges that meet business needs; and

- Increase industry R&D capacity, including among small- and medium-sized enterprises (SMEs), and receptivity to the results of R&D.

Commercialization–Related Benefits

- Outline a clear path to market or business applications for the proposed research;
- Seek commercialization benefits that position Canadian firms in high value segments of production chains;
- Create, grow and retain companies in Canada that are able to capture new markets with new innovations;
- Accelerate the commercialization of leading edge technologies, goods and services in priority areas where Canada can significantly advance its competitive advantage; and
- Strengthen domestic collaboration that ensures that benefits spill over to a wide array of firms, sectors and regions of the country.

1.2 Program Criteria

To ensure that the program objectives are met, proposals are assessed against three criteria: Benefit to Canada, Track Record and Potential of the Applicants, and Strength of the Strategic Plan.

The three program criteria are described below:

Benefit to Canada

- The likelihood that the BL-Network will provide high quality graduate and postdoctoral training, in addition to business skills, in an innovative applied research environment and increase the business

skills and know-how of the young researchers.

- The potential to strengthen public-private sector collaboration, including links between researchers and firms, to address significant research challenges that meet business needs.
- The extent to which the BL-Network will contribute to increasing private sector R&D capacity, including among SMEs, and receptivity to the results of R&D.
- Evidence that the BL-Network will lead to commercial benefits that position Canadian firms in high-value segments of production chains.
- The opportunity offered by the BL-Network to create, grow and retain companies in Canada that are able to capture new markets with new innovations.
- The opportunity to accelerate the commercialization of leading edge technologies, goods and services in priority areas where Canada can significantly advance its competitive advantage in the global markets.
- The BL-Networks ability to strengthen domestic and international collaborations and ensure that benefits spill over to a wide array of firms, sectors and regions of the country.

More details on the guidelines associated with the “Benefit to Canada” criterion are available in Appendix A.

Track Record and Potential of the Applicants

- The achievements of the applicants and their ability to lead and direct the BL-Network’s research program.
- Identification and selection of the best possible expert researchers in academia, government and/or the private sector to carry out and achieve the research objectives.

- The ability of the private sector to assist in training and to potentially hire innovative and internationally competitive researchers in areas and technologies critical to Canadian productivity, economic growth, public policy and quality of life.
- The ability of the applicants to attract investment.

Strength of the Strategic Plan

- Excellence, focus and coherence of the research program.
- Outlining a clear path to market or business applications for the proposed research.
- The extent to which the BL-NCE can leverage funding from other government and non-government sources.
- The likelihood of the BL-NCE to stimulate support to continue beyond the four-year funding cycle.
- The effectiveness of the plan to manage, protect and exploit intellectual property resulting from network-funded research.
- The quality and appropriateness of the proposed organizational structure with suitable representation on the Board of Directors and management team.
- Evidence that the BL-Network has in place an accountability framework likely to result in effective leadership and sound financial decision-making.

Successful BL-Networks are evaluated against these same criteria at each review point during tenure of a grant, following the submission of their annual progress report and their final report.

1.3 Application Process

There is a maximum of one four-year funding cycle available to a BL-Network. To ensure that only excellent research is funded, the BL-NCE program uses a two-stage peer review process.

Stage I: Letter of Intent

Applicants submit Letters of Intent (LOI) describing the vision of the BL-Network in the context of the common needs of their respective sector over the next 5-10 years, the major R&D and commercialization challenges and barriers the network envisions, and how the proposed network will address these research challenges and barriers through innovative and competitive strategies.

The LOI also includes a description of the BL-Network structure, its operations, planned activities, required funding, potential members and financial (cash or in-kind) contributors, including their duties and respective contributions. The BL-Network needs to fully describe the expected research and commercialization benefits for the project period and beyond, and include letters of support from all funding organizations. The BL-Network should describe the involvement of companies in the BL-Network and the research providers from academia, government and the private sector, as appropriate.

The Private Sector Advisory Board (PSAB) assesses LOIs against the program selection criteria and recommends a short-list of applicants to the NCE Steering Committee for advancement to the second Stage: Submission of the Full Application.

Stage II: Full Application

A BL-Network full application consists of:

- i) the strategic plan addressing the BL-NCE program criteria;
- ii) biographies of key individuals involved with the network; and
- iii) summaries of all contributions that applicants secured through confirmation letters of expected cash and in-kind contributions.

The strategic plan describes the proposed activities of the BL-Network towards achieving the research, and commercialization-related benefits of the BL-NCE program. The onus is on the applicant to provide sufficient information to enable review committees to evaluate the relationship with other sources of support (held or applied for) and to recommend the appropriate BL-NCE funding level. The consequence of not providing adequate information to enable a selection committee to assess the relationship to other research support is that the committee can recommend that funding be reduced or denied.

Detailed contents of the strategic plan can be found in Appendix H.

For each competition, the NCE Steering Committee appoints Expert Panels composed of domestic and international experts. The Expert Panels provide a detailed evaluation of the strengths and weaknesses for each selection criterion and make recommendations on the appropriateness of the requested budget. The review reports are transmitted to the PSAB.

The PSAB reviews each application and the reports by the Expert Panels, the application's relevance to the BL-NCE program goal and objectives, as well as the proposed BL-Network's relevance to the target area. The PSAB transmits its funding recommendations to the NCE Steering Committee for final decision. The decisions reached by the NCE Steering Committee are final, with no appeal process. A confidential evaluation report for each application is made available to the corresponding group of applicants.

Given the multidisciplinary nature of the proposals, funding for a given network may come from more than one granting agency, and so the NCE Secretariat is the primary point of interaction for all BL-Networks.

1.4 Governance

Each BL-Network must have an administrative structure capable of managing a complex multidisciplinary and multi-organizational program. The NCE Secretariat must be notified if there are any major changes that would affect the general mission, research program and/or operations of the BL-Network. The BL-Network needs to define in writing the roles and responsibilities of the management team in the organization.

Board of Directors

Each BL-Network must appoint a Board of Directors that is the governing body with overall responsibility for the management and direction of the BL-Network, including for financial accountability. A detailed description of the roles and responsibilities of the Board of Directors can be found in Appendix B.

A member of the NCE Secretariat, also called a NCE liaison, is assigned to each BL-Network. This individual's role is to monitor the progress and oversee the accountability structure of the BL-Network so that it aligns with BL-NCE program funding requirements. The NCE liaison represents the primary point of contact for each BL-Network at the NCE Secretariat. The NCE liaison will have observer status in the BL-Network and will attend BL-Network Board of Directors and committee meetings. If the NCE liaison is not able to attend a Board of Directors or committee meeting, an alternate individual will be appointed by the NCE Secretariat and will attend the meeting in the liaison's place.

Funding Agreement

Following the announcement of the funding decision, and prior to the release of the first installment of the grant, a Funding Agreement is signed by representatives of one or more of the granting agencies and the BL-Network. The Funding Agreement outlines the terms and

conditions that apply under the BL-NCE program.

Network Agreement

Release of grant funds to Network Members by the BL-Network is conditional on the signing of a network agreement setting out the operating rules of the BL-Network and outlining the rights and obligations of its investigators and Network Members. Before any BL-NCE funds are provided to a Network Member, a copy of the signed network agreement must be sent to the NCE Secretariat. Matching funds provided by participating organizations will only be considered matching support if that recipient organization has signed a network agreement.

All researchers participating in the BL-Network must sign an acknowledgement stating that they will abide by the terms and conditions of the network agreement. No changes can be made to the body of a network agreement without the prior approval of the signatories of the network agreement.

A network agreement should contain, but is not limited to, five principal clauses that pertain to (I) knowledge dissemination, (II) management of intellectual property, (III) commercialization, (IV) sharing of costs and benefits and (V) equipment. A description of each of these areas of negotiation of the network agreement is described below:

I) Knowledge Dissemination

Normally, the results of research funded through public sources must be published or otherwise disseminated to the community in a timely manner. Since the BL-NCE program encourages the transfer of knowledge and technology to the user sector, and vice-versa, it may be necessary to obtain protection for intellectual property resulting from network-funded research prior to disclosure in a public forum. Provision for reasonable publication

delays (usually not exceeding six months and as much as possible precludes delays in students graduation process), or other arrangements, may be made to avoid jeopardizing the commercial potential through premature disclosure.

II) Management of Intellectual Property

The ownership and disposition of intellectual property arising from network-funded research must be governed by the arrangements described in the network agreement.

Intellectual property resulting from network-funded research must be promptly and concurrently disclosed by researchers to the BL-Network and the relevant Network Members.

The owners of intellectual property resulting from network-funded research, or the agent acting on their behalf, will consult with relevant stakeholders (network administrators, Network Members, and researchers) on issues of commercialization.

The BL-Network Members from university and their investigators should retain the right to use the knowledge or intellectual property generated for non-commercial purposes in future research and in teaching.

When selecting a receptor company for the exclusive license of the commercial rights of intellectual property resulting from network-funded research, the agent or owners of intellectual property will use reasonable and thorough efforts to maximize benefits to Canada in a national and international context, including the possible development of new Canadian receptor companies. Due diligence in efforts to maximize benefits to Canada depend in part on the nature of the research results that are being exploited, and on the window of opportunity. If there is evidence of negligence on the part of the BL-Network in performing due diligence, the NCE Steering Committee reserves the right to

impose sanctions as it deems appropriate. See Appendix A for “Benefit to Canada” working guidelines.

III) Commercialization

The Network Members’ contributions to the BL-Network must be recognized by allowing them access to the commercial exploitation of the intellectual property under terms commensurate with the nature and level of their contributions. The arrangements with each member must be reflected in a network agreement.

IV) Sharing of Costs and Benefits

Agreements made regarding the ownership of intellectual property resulting from network-funded research must take into account the BL-NCE program objective of creating linkages between private sector enterprises, academia and not-for-profit organizations. This implies a sharing of eventual benefits between members commensurate with their respective contributions, as well as the sharing of costs to protect the intellectual property.

V) Equipment

Provisions for leasing and for ownership of equipment acquired with BL-NCE funds must be included in the network agreement. These provisions should encompass details of contributions and planned use of equipment by Network Members and other organizations during and after the four-year funding cycle. The NCE Secretariat recommends that any piece of equipment that needs to be shared (or not) amongst different members should have only one owner. The NCE Secretariat recommends that the owner selects a fixed location for the equipment and, depending on the mobility of the said equipment, prepares a schedule for the accessibility of the equipment for the entire funding cycle of the BL-Network. The fate of the equipment after the BL-NCE program funding

cycle should also be part of the network agreement.

Compliance Requirements

I) Research Integrity

The BL-Network shall agree to comply with research integrity. Recognizing that the responsibility for high standards of conduct in research and scholarship rests with the individuals carrying out these activities, the Board of Directors will provide assurance to the NCE Secretariat that Network investigators adhere to the principles of the Tri-Council Policy Statement on Integrity in Research and Scholarship (see www.nserc-crsng.gc.ca/NSERC-CRSNG/Politiques-Politiques/tpsintegrity-picintegritie_eng.asp for details).

In addition, the BL-Network is advised to include on its Board of Directors at least one member with experience in ethics and research integrity (see Appendix B).

BL-Networks shall agree to:

- promote integrity in all research and scholarship;
- investigate all possible instances of misconduct in research or scholarship, including imposing appropriate sanctions in accordance with its own policies;
- report its findings to the NCE Secretariat when:
 - an allegation of misconduct has been forwarded to the BL-Network by the NCE Secretariat regardless of the outcomes of the inquiry(ies); and
 - an allegation of misconduct made directly to the BL-Network and involving, directly or indirectly, funds from the BL-NCE grant, has been upheld by the BL-Network.

II) Access to Information and Privacy

The BL-Network acknowledges that the Access to Information Act and the Privacy Act apply to the BL-NCE program. Information on the Acts and the use and disclosure of personal information are detailed in Appendix F.

III) Reporting to the NCE Secretariat

The BL-Network shall comply with all provisions under the Reporting Requirements section of this guide.

IV) Conflict of Interest

The BL-Network and its members must adopt a code of conduct in its bylaws for directors, officers, employees and committee members designed to prevent real or perceived conflicts of interest. Appendix C provides guidelines that can be used by BL-Networks to develop their own set of guidelines and policies.

V) Ethics

The BL-Network and its members must follow Tri-Council guidelines when performing certain types of research. More specifically, when applicable, the network will ensure that Network investigators obtain appropriate certification and/or approval regarding use of human subjects, human pluripotent stem cells, animals, biohazards, radioactive materials, licenses for research in the Canadian territories and controlled information in the conduct of Network research in accordance with the requirements of the BL-NCE program and the three federal granting agencies. In the event that the conducted research occurs within an institution that has not signed the Memorandum of Understanding on the Roles and Responsibilities in the Management of Federal Grants and Awards, the Board of Directors shall ensure adherence to the policies and guidelines in Appendix D as they apply through implementation of appropriate measures and

report on these measures in the strategic plan and annual progress reports (detailed above).

VI) Environmental Review

All recipient organizations must pay careful attention to environmental considerations in their decision to fund research. The BL-Network Boards of Directors shall establish a process for environmental review. BL-Networks should refer to Appendix E of this guide for more details of the policy and an example of the environmental review process. All research proposals to be funded shall be reviewed for potential environmental effects.

1.5 Network Management

Network Director

In the present document, the title 'Network Director' is used as the proposed title to designate the person responsible for providing strategic direction to the BL-Network. Other titles can be used by the BL-Network to refer to this position.

Each BL-Network has a Network Director who reports directly to the Board of Directors. A detailed description of the Network Director's roles and responsibilities can be found in Appendix B.

To manage the BL-NCE grant effectively, a BL-Network Director should dedicate at least 70 percent of his/her time to network-related activities.

Administrative Centre

The BL-Network needs to rely on an Administrative Centre. The costs associated with BL-Network activities, including the ones incurred by the Administrative Centre, are approved by the Board of Directors. The BL-Network Administrative Centre is also responsible for:

- receiving and distributing grants to Network Members;
- securing matching contributions from non-federal sources; and
- providing suitable support to assist the Network Director and BL-Network staff in their Network related roles and responsibilities.

The Administrative Centre can be hosted in any location. In addition to being hosted inside the facilities of the BL-Network itself, it could be located inside one of the BL-Network Members' organizations. Network Members have a shared responsibility in administering activities associated with affiliated investigators.

Role of the NCE Secretariat

The NCE Secretariat may participate in the resolution of technical, financial or administrative difficulties and may also provide advice and guidance related to the interpretation of the BL-NCE program objectives, rules and guidelines. Assistance may also be provided in the co-ordination of the network's activities with those of other networks or of other government-sponsored initiatives.

Research Collaborations and Contracts with Government Laboratories and Facilities

Participation in the form of research and development collaborations in the BL-NCE program by researchers from government laboratories is desirable. In accordance with the Financial Administration Act and Treasury Board guidelines, however, government researchers are not eligible to receive any BL-Network funds.

The BL-Networks may use contracts in order to access specialized facilities and services provided by government laboratories. Memoranda of Understanding that set up the terms for Specified Purpose Accounts may be used to support joint research projects. Money

deposited into these Specified Purpose Accounts by BL-Networks can come only from funds raised by the BL-Networks and not from federal funds, including the BL-NCE grant.

2. POST-AWARD GUIDELINES

2.1 Financial Administration

BL-NCE grants are administered by the NCE Secretariat and disbursed to the recipient(s) through installments to the BL-Network Administrative Centre and as per the funding agreement with the relevant granting agency(ies) (NSERC, SSHRC and/or CIHR). Payment of the grant will be released subject to appropriation by Parliament for the fiscal year in which payment is to be made.

The BL-Network Board of Directors must approve or have an established approval process for all research or commercialization project grants paid by the BL-Network Administration Centre. Grant payments are made to Network Members who administer the research accounts and not directly to the research investigators. Network Members are responsible for executing the selected research or commercialization projects on behalf of a BL-Network, and are required to sign the network agreement.

The BL-Network must have a control framework put in place by the Board of Directors to ensure that expenditures charged to the BL-NCE grants are for their intended purpose. Network Members must also have a control framework to ensure that expenditures charged to the research accounts are for the purpose intended by the grant.

A BL-Network may enter into research contracts with a Network Member. These contracts could be for the purposes of detailing deliverables, methods of payment, management of intellectual property or other matters.

The BL-Network has until April 1, 2013, to complete their planned activities. By August 1, 2013, the BL-Network will return to the NCE Secretariat the portion of the Grant not committed or expended before the date of April 1, 2013.

The BL-Network should refer to the Tri- Agency Financial Administration Guide for all financial administrative purposes. The Guide can be found at: www.nserc-crsng.gc.ca/Professors-Professeurs/FinancialAdminGuide-GuideAdminFinancier/index_eng.asp.

Matching fund requirements

The program will cover up to 50 percent of eligible direct costs of research activities. These expenses include salary of research staff, protection of intellectual property, equipment, material and travel.

The program will cover up to 75 percent of the eligible networking, commercialization and administration costs in support of the operation of the BL-Network. Such expenses include BL-Network Director, staff salaries, communications, travel, market study and prototype development costs.

The balance of the funding must come from contributions made by non-federal sources or federal sources as long as they respect the stacking provisions requirement. To be considered matching funds, the additional funding must be used to support expenses that meet the eligibility criteria of the BL-NCE program.

The BL-Networks must demonstrate that they have received the required level of matching funds from other sources globally on a yearly basis and not necessarily per funded activities. For details on eligible and non-eligible costs, please see section 2.1 of this guide entitled Financial Administration.

Stacking Provisions

If the total assistance from all government sources (federal, provincial and municipal), received or due, in respect of eligible expenses, exceeds 100 percent thereof, the granting agencies may recover the excess from the BL-Network or reduce any subsequent payments by an amount equal to the excess.

The maximum level (stacking limit) of total federal government assistance for this grant will not exceed 75 percent of the costs being covered. The BL-Network will reimburse the granting agencies the amount equivalent to the excess.

Use of funds

In order to assess the eligibility of costs, grantees should refer to the Use of Grant Funds section of the Tri-Agency Financial Administration Guide to determine which costs are eligible under the BL-NCE. This Guide can be found at: www.nserc-crsng.gc.ca/Professors-Professeurs/FinancialAdminGuide-GuideAdminFinancier/FundsUse-UtilisationSubventions_eng.asp.

Given the specific goals of the BL-NCE program, there are some exceptions regarding eligible and non-eligible expenses that are different from the guidelines presented in the Tri-Agency Financial Administration Guide. Those are specified in the table below.

Administration costs can be charged to the BL-NCE grant. Only those costs related to the actual administration of the BL-Network can be expensed against the BL-NCE grant. The BL-NCE funds will only cover a maximum of 75 percent of the eligible costs up to a maximum of 20 percent of the total BL-NCE grant. This includes the salary and benefits of the Network Director, network staff and specialized consulting services.

All research contracts involving the BL-NCE grant must ensure that the provisions of the network agreement, Funding Agreements and the Tri-Agency Financial Administration Guide are respected and that no related administrative costs are expensed against the BL-NCE grant. Only those costs related to the actual administration of the BL-Network can be expensed against the BL-NCE grant.

The BL-Network must use funds provided from other funding sources to pay for research contract related administrative or overhead costs. In such cases, the BL-Network Member must ensure that all funding sources at its disposal are tracked separately.

As indicated in the Tri-Agency Financial Administration Guide:

- BL-NCE grants may not be used to pay honoraria to Board of Director or other committee members to attend BL-NCE related meeting.
- costs incurred between the date of the grant announcement on the agencies' websites and the funding start of the grant are eligible. However, costs incurred for the recipient organization to meet the eligibility criteria of the BL-NCE program (for example incorporation cost) are not eligible.

In case of doubt and before committing any funds, please contact your NCE Secretariat liaison officer for further guidance.

Table of Exceptions to the Tri- Agency Financial Administration Guide for: Direct Cost of Research (up to 50 percent covered by the BL- NCE program)	
Eligible Costs	Non-Eligible Costs
<p>Equipment or facility</p> <p>Where capital equipment expenditures are vital to the success of a research project, the cost of that equipment may be considered an eligible expense, provided the equipment cost for which coverage is requested does not exceed \$1 million and at most 20 percent of the total eligible expenses for research costs.</p>	
<p>Materials and supplies</p> <p>No exception*</p>	
<p>Salaries and benefits of research staff</p> <p>No exception*</p>	<p>Cost of research done by a university researcher under a spin-off or "virtual" company.</p>
<p>Knowledge dissemination</p> <p>No exception*</p>	
<p>Intellectual Property</p> <p>Legal fees associated with intellectual property protection and negotiation.</p>	
<p>Travel</p> <p>No exception*</p>	

*Means no exception from the guidelines detailed in the Tri- Agency Financial Administration Guide

Table of Exceptions to the Tri- Agency Financial Administration Guide for:	
Cost of Administration, Networking and Commercialization (up to 75 percent covered by the BL-NCE program)	
Eligible Costs	Non-Eligible Costs
<p>Administration of BL-Network (up to a maximum 20 percent of overall BL-NCE budget)</p> <p>Salaries and benefits</p> <p>Subject to Board approval, BL-NCE grants may be allocated to cover the salary of BL-Network staff on the condition that contributions towards the remuneration (fixed or variable) from <u>all federal</u> sources does not exceed \$100,000 (including benefits). This maximum applies to all positions (including contracts) and shall be prorated on the basis of the proportion of time worked relative to the full time equivalent.</p> <p><i>For example, a BL-Network relying exclusively on federal funds from the BL-NCE program could use grant funds up to \$100,000 if the total remuneration of the employee was \$133,000 (\$133,000 x 75% = \$100,000). The balance provided by other non-federal funding sources.</i></p> <p>Contracting of professional services only where necessary to provide services and expertise not available within the BL-Network.</p>	<p>Honoraria</p> <p>As indicated in the Tri-agency Financial Administration Guide, BL-NCE grants may not be used to pay honoraria to Board of Director or other committee members to attend BL-NCE related meeting.</p>
<p>Costs related to networking</p> <p>Communications activities.</p> <p>Travel accommodation for BL-Network personnel, and members the BL-Network Board of Directors and committees.</p>	
<p>Costs to obtain liability insurance</p> <p>For members of the Board of Directors and BL-Network administrators.</p>	

Commercialization related costs

Market studies: subject to approval by the Board, to determine the appropriate market(s) and the market potential for a development.

Business plan development, consulting and technology evaluation.

Prototype development: subject to approval by the Board, provided that a member will share the costs of development.

Supporting Documentation

To find out about what documentation needs to be kept within the BL-Network as supporting documentation for financial administration purposes, please refer to the Supporting Evidence subsection of the Reporting section of the Tri- Agency Financial Administration Guide which can be found at:

www.nserc-crsng.gc.ca/Professors-Professeurs/FinancialAdminGuide-GuideAdminFinancier/Reporting-Rapports_eng.asp#supporting

2.2 Reporting Requirements

BL-NCE activities are subject to general monitoring by the NCE Steering Committee through the NCE Secretariat. The NCE Steering Committee is responsible for evaluating the effectiveness and performance of the BL-NCE program and reporting the results to the Ministers of Industry and Health, and the general public.

Some of the information included in the qualitative section of the reporting may be made public through the various publications and communications of the NCE Secretariat. Statistical and financial information will only be released publicly as an aggregate of the BL-NCE program. These reports will also be used in the evaluation of the BL-NCE Program.

Each BL-Network will provide:

- an annual progress report (including a yearly statement of all other sources of funding, received or applied for; and
- a final report.

BL-Network Members and investigators will also be surveyed during the entire BL-NCE funding cycle for program evaluation purposes. Network Members and investigators contact information lists will be updated as part of the annual progress report submissions in order to provide a seamless process.

Annual Progress Reports

The annual progress reports shall be submitted to the NCE Secretariat and approved by the Board of Directors no later than four months after each fiscal year's end. The first annual progress report will be due no later than August 1, 2010. Annual progress reports from the BL-Networks will be used as part of the BL-NCE program evaluation.

The data requested in the annual progress report is divided in three sections: (I) qualitative, (II) statistical and (III) financial.

A checklist for the reporting requirements and templates are available in Appendix G of this program guide and on the NCE website

respectively. The annual reporting templates will be distributed by the NCE Secretariat on an annual basis.

Final Report

The BL-Network shall provide to the NCE Secretariat, no later than four months after the end of the funded period, the BL-Network final report approved by its Board of Directors.

Final reports from the BL-Networks will be used by the NCE Secretariat as part of the BL-NCE program evaluation.

The report will elaborate on the BL-Network activities and the benefits to Canada. Please see details of the “Benefit to Canada” criterion in Appendix A.

The final report should detail the impacts of the BL-Network. Use the same template utilized for the annual progress report if applicable (web-based if available) and ensure that the complete four years of activities are included separately and compiled in the areas as follows:

- Increased private sector investment in R&D and advanced technologies demonstrated through trends in R&D investment of Network Members;
- Creation and growth of companies in Canada that are able to capture new markets with new innovations demonstrated through:
 - the number of companies which were created/experienced growth using the Network’s results/innovations; and
 - the number of jobs created within BL-Network;
 - enhanced private sector innovation demonstrated through:
 - evidence of impacts of network innovations on existing industries; and
 - evidence of new processes and practices that enhanced private sector innovation;

- Economic, social and environmental benefits to Canadians demonstrated through:
 - evidence of the impacts of BL-Network on national, international norms, regulations and policies; and
 - evidence of economic impacts.

For more details on reporting requirements, please contact the NCE representative responsible for liaising with your BL-Network.

Communications

BL-Network activities, results and accomplishments should be conveyed to external audiences, including potential participants from all sectors, public policy makers, the media and the public.

BL-Networks are strongly encouraged to produce all nationally targeted communiqués and publications, including their website, in both official languages. In addition, BL-Networks should strive to communicate with individuals in the official language of their preference, for example when recruiting members for peer review panels.

The BL-Network’s communications activities and messages must acknowledge the contribution of the federal government. The following sentence should appear in conjunction with the Canada Wordmark, which can be found at: <http://www.ic.gc.ca/eic/site/pt-te.nsf/eng/00055.html> on all publications, presentation materials and on the website: “This BL-Network is supported by the Government of Canada through a Networks of Centres of Excellence Program.”

The terms “Business-Led Networks of Centres of Excellence, Réseaux de centres d’excellence dirigés par l’entreprise,” are official marks of the Government of Canada. The Network shall identify itself as a Business-Led Network of Centres of Excellence and is permitted to use the name “Business-Led Networks of Centres of Excellence,” the name “Réseaux de centres

d'excellence dirigés par l'entreprise," and the acronyms "BL-NCE" and "RCE-E." The BL-Network must immediately cease using all official marks upon termination of this Agreement or dissolution of the BL-Network.

BL-Networks are expected to collaborate closely with the NCE Secretariat Communications staff for their external communications activities.

Appendix A: Benefit to Canada

Working Guidelines

A key BL-NCE program objective is to advance Canadian economic and social development. Accordingly, every effort must be made to have the results of network-funded research exploited in Canada, for the benefit of Canadians. Benefit to Canada is defined as incremental Canadian economic activity and improved quality of life in Canada. For example, maximum benefits would be derived from the creation of high-quality jobs in Canada, which should be an important goal of any commercialization activity.

The owners of intellectual property resulting from BL-Network research and/or commercialization activities, or the agent acting on their behalf, will consult with relevant stakeholders (BL-Network administrators, members, universities, and researchers) on issues of commercialization. When selecting a receptor company for the exclusive license of the commercial rights of intellectual property resulting from network research and/or commercialization activities, the agent/owners of intellectual property resulting from the network research and/or commercialization activities will use reasonable and thorough efforts to maximize benefits to Canada in a national and international context. Due diligence in efforts to maximize benefits to Canada depends in part on the nature of the commercialization activities that are being exploited, and on the window of opportunity.

The agent/owners of intellectual property resulting from network research and/or commercialization activities should take the following non-comprehensive list of possible benefits to Canada factors into consideration in exercising that due diligence:

- existing company in Canada with receptor capacity;
- expansion of an existing company in Canada;

- formation of a new company in Canada;
- joint ventures or strategic alliances with a company in Canada;
- co-manufacturing involving a company in Canada;
- cross-licensing or co-development with a company in Canada;
- establishment of a new subsidiary in Canada (R&D, manufacturing, sales, marketing, distribution);
- development and/or production in Canada by a foreign company (world product mandate).

Mechanism for Reporting Due Diligence

Within 30 days of a decision to pursue exploitation by a foreign company, and in advance of finalizing this decision, the agent/owner is required to report the decision to the BL-Network Board of Directors, and through the Network Board of Directors, to provide the NCE Secretariat the rationale and circumstances that led to the decision. The NCE Steering Committee reserves the right to impose sanctions as it deems appropriate, if there is failure to comply with these reporting requirements or negligence in performing the due diligence, on the part of the BL-Network.

Appendix B: Roles and Responsibilities of the Network Management

Board of Directors

The Board is accountable to the NCE Secretariat for the BL-Network grant. The membership of the Board should reflect the interests and concerns of the public, private and academic sectors involved in the BL-Network. In addition, the BL-Network Board of Directors should:

- consist of twelve members and is required to meet at least twice annually;
- one-third of the board members should be composed of independent members. Independent member is defined in section 1.1 (r) of the funding agreement;
- the NCE recommends that at least one member with experience in ethics and research integrity is included on the Board;
- because the BL-Network Director is an employee of the corporation and reports to the Board of Directors, it is recommended that he or she be a non-voting ex-officio member of the Board.

In all cases an NCE Secretariat staff member with observer status will sit on the Board of Directors of the BL-Network and also will attend meetings of the BL-Network's committees.

In exceptional cases and for a short period of time, the NCE Steering Committee retains the right to name one independent observer not employed by the granting agencies, in addition to the NCE Secretariat observer.

The names and affiliations of the members of the Boards of Directors are considered public information.

The BL-Network must advise the NCE Secretariat of any changes in membership of the Board during the course of funding. The NCE Secretariat must be notified if there are

any major changes that would affect the general mission, research program or other operations of the BL-Network.

BL-Network Director

In this document, the title 'BL-Network Director' is used as the proposed title to designate the person responsible for implementing and managing the contents of the BL-Network strategic plan. Other titles can be used by the BL-Network to refer to this position.

The Network Director is nominated by the Board of Directors. It is recommended that a minimum of 70 percent of the Network Director's time be devoted to the BL-Network over the course of the four-year funding cycle.

The BL-Network Director responsibilities include:

- providing overall direction, coordination and management of the BL-Network strategic plan;
- providing policy advice to the Board and any committees established by it;
- proposing and administering programs and budgets for the BL-Network;
- recommending new members to the Board;
- proposing a policy to the Board for compliance with the requirements of the grant;
- ensuring networks respect the requirements for certain types of research;
- liaising with the NCE Secretariat and granting agencies, non-governmental organizations and the private sector;
- communicating and promoting the BL-Network's objectives and activities;
- communications and public affairs;
- general management of the BL-Network's operation;
- supervision of administrative BL-Network personnel;
- overseeing the preparation of financial and other reports in accordance with this guide;

- technology transfer in co-ordination with the owner(s) of the intellectual property;
- managing intellectual property and commercialization issues;
- overseeing organization of general meetings for the Board;
- chairing the research management committee;
- providing progress reports as approved by the Board of Directors to the NCE Secretariat;
- promoting research collaboration among individuals;
- promoting the network to the scientific community, to the private and public sectors, and to the general public; and
- any other responsibility deemed necessary by the Board of Directors.

Appendix C: Conflict of Interest Policy Framework

Interactions between university researchers and the private sector are an essential feature of the BL-NCE program. For the objectives of the BL-NCE program to be achieved, many kinds of interactions among individuals participating in the BL-Network must occur. These interactions may lead to gains and benefits to the individuals participating in the BL-Network and are desirable and natural outcomes of being involved in the BL-Network. Such interactions, however, may place individuals participating in the BL-Network in a position of potential, apparent or actual conflict of interest.

The responsibility for implementing and managing the Conflict of Interest Policy Framework, to ensure that BL-Network operations and decisions are not biased by conflict of interest, is delegated to each BL-Network Board of Directors, which represents the highest authority in the management structure of the BL-Network. The BL-Network Board of Directors is responsible for the effective implementation and management of the Conflict of Interest Policy Framework. Individuals participating in the BL-Network such as members of the Board of Directors and advisory committees who do not receive BL-NCE grants are recognized as playing a unique role in the BL-Networks. They bring an important perspective as a result of their particular knowledge, often as representatives of organizations in the field of interest of the BL-Network. Nevertheless, they are still required to disclose any financial interest or position of influence, as described in Section 2.0 of this document, in any business in the same area of interest as the BL-Network, other than that of their main employer.

The Conflict of Interest Policy is intended to enable BL-Network Board of Directors and individuals to recognize and disclose situations that may be open to question and to ensure that such situations are appropriately resolved. The

policy builds upon, and is complementary to, those of the organizations that make up the BL-Network Board of Directors, the BL-Network investigators and of the administrators.

Definitions

- (a) "Administrative Centre" means the central administrative offices of the BL-Network;
- (b) "Avoidance" means refraining from, or withdrawing from, participation in activities or situations that place an individual participating in the BL-Network in a potential, apparent or actual conflict of interest relative to his or her BL-Network duties and responsibilities;
- (c) "Board" means the BL-Network Board of Directors that is responsible for the overall management of the BL-Network;
- (d) "Conflict of interest" means a situation where, to the detriment or potential detriment of the BL-Network, an individual or organization is, or may be, in a position to use intellectual property, research knowledge, authority or influence (real or perceived) for personal or family gain (financial or other) or for the benefit others;
- (e) "BL-NCE" means the federal Business-Led Networks of Centres of Excellence program;
- (f) "BL-Network" means a not-for-profit corporation funded under the federal Business-Led Networks of Centres of Excellence program;
- (g) "Network Director" means the grantee of the BL-NCE Grant who is a non-voting ex-officio member of the BL-Network's Board of Directors.
- (h) "Disclosure" means the act of notifying in writing the Board of Directors, through the Administrative Centre, of any direct or indirect financial interests and positions of influence held by an individual participating in the BL-Network that could lead to a potential, apparent or actual conflict of interest.

(i) "Divestment" means the sale at arm's length, or the placement in trust, of assets, where continued ownership by an individual participating in the BL-Network would constitute a potential, apparent or actual conflict of interest with the participant's BL-Network duties and responsibilities.

(j) "Financial interest" means an interest in a business in the same area as the BL-Network as described in Section 2.1 of this document.

(k) "NCE Secretariat" means the secretariat through which the federal Networks of Centres of Excellence program and the BL-NCE program are delivered.

(l) "NCE Steering Committee" means the committee which has overall responsibility for the BL-NCE program comprised of the three granting agencies' presidents and the Deputy Minister, Industry Canada, with the President of the Canadian Foundation for Innovation serving as observer.

(m) "Position of influence" includes any position that entails responsibility for a material segment of the operation and/or management of a business.

Disclosure

Upon joining the BL-Network, each individual is obliged to disclose in writing to the Board, through the Administrative Centre, any direct or indirect financial interests and positions of influence that could lead to a potential, apparent or actual conflict of interest (examples provided below). In addition, these submissions must be updated whenever the individual's circumstances change in a way that would necessitate a further disclosure. The individual also has the obligation to disclose any potential, apparent or actual conflict of interest when it arises during BL-Network committee or Board meetings so that the committee or Board is aware of the situation and can take appropriate action.

Board members and members of other committees of the BL-Network should identify their interests in all organizations working in the same sector as the BL-Network and explain the relationship of the organization(s) to the BL-Network.

Financial Interest

It consists of:

- Any material stock option (e.g., one percent) or similar ownership interest in such a business, but excluding any interest arising solely by reason of investment in such business by a mutual, pension, or other institutional investment fund over which the person does not exercise control; or
- Receipt of, or the right and potential to receive, any income from such a business, whether in the form of a fee (e.g., consulting), salary, allowance, interest in real or personal property, dividend, royalty derived from licensing of technology, rent, capital gain, real or personal property, or any other form of compensation or contractual relationship, or any combination thereof.

Management of Conflict of Interest

The Board or its conflict of interest sub-committee is charged with the responsibility of managing conflict of interest, and determining and implementing the appropriate course of action. This management system is based on disclosure, as described in Section 2. All disclosures constitute confidential information that will be available to the Board, or a sub-committee thereof, for the evaluation and resolution of any conflict of interest or allegations of conflict of interest brought before the Board or its conflict of interest sub-committee.

While it is recognized that it may be difficult to completely avoid situations of potential,

apparent or actual conflict of interest, complete avoidance or divestment may be required in certain cases. Such divestment should not consist of a sale or transfer of assets to family members or other persons for the purpose of circumventing the conflict of interest compliance measures as directed by the Board.

a) Principles

An individual participating in the BL-Network who is involved with, or has an interest in, or deals in any manner with a third party which might cause a conflict of interest, will not be present and participate in any BL-Network decisions, including committee decisions, if the declared potential conflict of interest could influence the decision or actions of the BL-Network. It is the obligation of the individual to declare such potential, apparent or actual conflict of interest before discussions take place so that the committee or Board is aware of the situation in order to ensure that the individual is out of the room when the discussion and decision process on the item in question are taking place. This course of action should be recorded in the minutes of the meeting.

Any question raised by an individual or company regarding the potential conflict of interest of an individual will be raised at the Board level and must be documented in writing. The Board will determine the extent to which the question should be pursued and in such cases will consult the individual in question. If necessary, the individual will be asked to respond in writing.

b) Non-compliance

If an individual is discovered to be in conflict of interest where disclosure and prior approval have not been sought or granted, the Board will require the individual to:

- account to the BL-Network for any gain or benefit made directly or indirectly, arising from an involvement with, or an interest in, or from dealing in any manner with a third

party that gives rise to a conflict of interest; and

- withdraw from the involvement; or withdraw from the BL-Network; or take appropriate action as determined by the Board.

Review Process

An individual may request in writing, within 30 days, a review of a Board's decision on conflict of interest. In certain circumstances, the Board may arrange for an independent third party appointed by mutual agreement of the BL-Network and the Board, and failing such mutual agreement, appointed by the NCE Steering Committee, to act as an intermediary to scrutinize scientific reports and budgetary information of research project(s) in which the individual participating in the BL-Network is involved. The intermediary would provide an opinion on the overall merit of the review, without divulging specifics of a proprietary nature to other members of the BL-Network. The ultimate decision on the resolution of the review rests with the Board.

In cases where there is a concern with respect to decisions or actions of the Board itself, this concern should be submitted in writing to the NCE Secretariat. The NCE Secretariat may request the Chair of the Board to respond in writing to the NCE Steering Committee. Following submission of the Chair's response, the NCE Steering Committee will decide on follow-up action.

Examples of Conflict of Interest

The following examples, although not comprehensive, illustrate situations that may lead to an indirect or direct conflict of interest:

- Employment in any capacity by another employer outside the participant's, administrator's or director's organization, corporation or company signing the network agreement, including self-employment;
- Holding an office that puts the individual in a position to affect decisions, such as

manager with executive powers, within a company, or member of a Board of Directors;

- Participating in a research contract, business contract or consultancy relationship with a company, or serving on the Board of a company;
- Entering into a research contract and/or business contract with a company in which the participant, or a member of the participant's immediate family, has a financial or other interest;
- Carrying out supplementary professional scientific or business activities in accordance with the disclosure requirements of the participant's or director's employing organization;
- Ownership of equity or other financial participation in a corporation (including stock options and shares). Participants, administrators and directors should abstain from activity in which they would have inside advantage (e.g., purchase of shares) based on the information they are privy to through membership in the BL-Network;
- Accepting gifts (other than some minor hospitality) or special favours for him or herself or a member of his or her family from private organizations with which the BL-Network does business;
- Influencing the purchase of equipment or materials for the BL-Network from a company in which the participant, the administrator or the director has a financial or other interest.

Conflict of Interest Guidelines for Expert Panels

The conflict of interest guidelines as adapted from NSERC and CIHR state that Expert Panel Members should not:

- be from the same university as the applicant(s).
- have been a research supervisor or graduate student of the applicant(s) within the past six years.

- be providing letters of support for the application.
- have collaborated with the applicant(s) within the past six years or have plans to collaborate in the immediate future.
- be an employee of a non-academic organization with which the applicant has had collaboration within the past six years.
- be in any other potential conflict of interest (e.g., personal, financial).
- Committee members who have an application before the committee shall absent themselves from that meeting of the committee.
- If Committee members:
 - are from the same immediate institution or company as the applicant, and who interact with the applicant in the course of their duties at the institution or company;
 - are a close personal friend or relative of the applicant;
 - have had long-standing scientific or personal differences with the applicant;
 - are in a position to gain or lose financially from the outcome of the application (e.g., hold stock in the company of an industry member or a competitor) or
 - for some other reason feel that they cannot provide an objective review of the application,

they must declare a conflict of interest and leave the room when such a proposal is up for review.

Appendix D: Requirements for Certain Types of Research

Guidelines and Policies

The policy statement associated with the requirements for certain types of research of the three granting agencies can be found at: www.nserc-crsng.gc.ca/NSERC-CRSNG/Politiques-Politiques/certaintypes-typercertaines_eng.asp. More specifically, here are the areas that the policy covers:

- Research involving human subjects shall meet the requirements of the Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans (see <http://www.ncehr-cnerh.org/en/> for details);
- Research involving human pluripotent stem cells is required to adhere to the Updated Guidelines for Human Pluripotent Stem Cell Research posted on the CIHR website (see <http://www.cihr-irsc.gc.ca/e/34460.html> for details);
- Research requiring the use of animals shall be conducted in accordance with the policies and guidelines of the Canadian Council on Animal Care: *Guide to the Care and Use of Experimental Animals* (Volume 1 and 2) and hold a valid Certificate of Good Animal Practice – GAP (see http://www.ccac.ca/en/CCAC_Programs/Guidelines_Policies/GUIDES/ENGLISH/toc_v1.htm and http://www.ccac.ca/en/CCAC_Programs/Guidelines_Policies/GDLINES/Guidelis.htm for electronic versions of Volume 1 and 2 respectively);
- Research involving biohazards must adhere to the standards outlined in the latest edition of Laboratory Biosafety Guidelines of the Public Health Agency of Canada (see <http://www.phac-aspc.gc.ca/publicat/lbg-ldmb1-04/index-eng.php> for details);
- Research involving infectious agents must adhere to the latest edition of the Laboratory Biosafety Guidelines prepared by the Public Health Agency of Canada (see <http://www.phac-aspc.gc.ca/publicat/lbg-ldmb1-04/index-eng.php> for details);
- Research involving radioactive materials must comply with all Canadian Nuclear Safety Commission (CNSC) regulations, recommended procedures, and safety precautions governing the use of such materials in Canada (see www.nuclearsafety.gc.ca/eng/lawsregs/index.cfm for details);
- Research activities having potential effects on the environment must adhere to the Environmental Review Policy for Networks Receiving NCE Funds (see Compliance Requirements in section 1.4 and Appendix E for details);
- Research involving controlled information must comply with all laws and regulations regarding Controlled Information, including but not limited to the Defence Production Act, Export Control Regulations, and the Controlled Goods Regulations before, during or after the tenure of a grant from the NCE. The BL-Network will ensure subsequent documentation required by the NCE Secretariat, including annual progress reports, final reports, and strategic plan, will not include information subject to restrictions or controls under the Export and Import Permits Act or its regulations, the Export Control Regulations or the Controlled Goods Regulations (see www.ssi-iss.tpsgc-pwgsc.gc.ca/dmc-cgd/apropos-about/legislation/rmc-cgr-eng.html for details);
- Research involving Aboriginal People must adhere to the CIHR Guidelines for Health Research Involving Aboriginal People (see www.cihr-irsc.gc.ca/e/29134.html for details); and
- Research performed in the Yukon, the Northwest Territories and Nunavut must be accompanied by the appropriate licences for all researchers. Research in the North should be governed by a set of ethical principles as described in the publications by the Association of Canadian Universities for Northern Studies titled - Ethical Principles for the Conduct of Research in the North (see <http://acuns.ca/website/ethical-principles>).

Appendix E: Example of Environmental Review Process

The BL-NCE and its members must perform environmental assessments. The Board of Directors should establish a process for environmental review, which is comparable to the process established by NSERC in fulfillment of its obligations, pursuant to the Canadian Environmental Assessment Act (CEAA). These are the environmental review requirements:

- An environmental review should be carried out on all projects selected for funding by the BL-NCE, and on funded projects when methodology changes significantly during the course of the funding period.
- Board of Directors may choose to carry out the environmental review themselves or to delegate this task, for example, by appointing a sub-committee or hiring consultants.
- BL-Network funds should only be released to Network investigators after their projects have undergone an environmental review and the BL-NCE has determined that no significant adverse effects on the environment are expected. The BL-NCE should make awards conditional on a favourable environmental review.
- If the Board of Directors or its delegate determines that the environmental effects of a project are significant, the BL-NCE shall comply with the Environmental Assessment Act dispositions to determine the faith of the project. In such cases, the result of the environmental review and the Board's decision shall be communicated to the Researcher(s) involved, to the NCE Secretariat and to the relevant Network Members.
- BL-Networks will report annually to the NCE Secretariat to summarize their environmental review process and the results of the reviews done.

Important note: What follows is an example of an environmental review process. While the steps may be adapted or modified according to its own situation, each BL-Network must set up its own process.

In most cases, the review will be straightforward and should be based on applicants carrying out a self-assessment of the proposal, comparable to NSERC's Form 101 Appendices A and B. The level of review will depend on the applicant's response and the complexity of the proposal. In principle, most laboratory research projects conducted indoors may be excluded from such assessment, provided that appropriate environmental protection procedures are in place, e.g., provisions for the treatment of effluent or disposal of hazardous waste.

1. For Projects conducted exclusively indoors, researchers must attest to that fact in their proposal. (For example, see page 1 of NSERC's Form 101 at www.nserc-crsng.gc.ca/OnlineServices-ServicesEnLigne/pdf/F101_e.pdf).

2. For Projects in which at least one activity takes place outdoors, BL-Network Investigators must complete the equivalent of NSERC's Environmental Impact Statement and the Canadian Environmental Assessment Act Pre-screening Checklist (Form 101, Appendices A and B, which can be found at www.nserc-crsng.gc.ca/OnlineServices-ServicesEnLigne/pdf/F101_e.pdf).

3. Environmental Impact Statements should be sent to and reviewed by the Network Board of Directors (or its delegate) for an assessment of potential environmental effects. If there are no significant environmental concerns, the proposal can be approved and funded by the BL-Network. If there are significant environmental concerns, a more thorough examination should be carried out by the researcher, preferably equivalent to a screening under Section 16 (1) (a) to (d) of the Canadian Environmental Assessment Act. This more detailed report is

submitted to the Network's Board. The Board, or its delegate, must review the detailed report and conclude whether or not the environmental effects are significant, even after proposed mitigation measures are put in place.

NOTE: BL-Network Investigators will sign the Environmental Assessment forms for research projects under their responsibility.

Appendix F: The Access to Information Act and the Privacy Act (ATIP)

The Access to Information Act (ATI) gives Canadian citizens and people present in Canada a limited right of access to information in federal government records. The Privacy Act gives these same individuals a limited right of access to personal information about themselves held in government records and sets out rules and fair practices for the management of personal information by federal institutions. All information collected and generated in the context of the Networks of Centres of Excellence (NCE) programs that comes under the control of the NCE Secretariat and the granting agencies is subject to these laws.

It is important to remember that the ATIP is intended to complement, not replace, established channels of communication. The NCE Secretariat promotes open, informal communication with the research community and with the public. Contact the NCE Secretariat before using the Acts.

The Access to Information Act

A requester seeking access to NCE Secretariat records under the Access to Information Act (ATIA) must write to the ATIP Co-ordinator at Natural Sciences and Engineering Research Council (NSERC) providing a precise description of the records sought and enclosing an application fee (\$5.00 at the time of this writing). Submitting a request does not guarantee that a requester will gain complete access to the requested records. The Act sets out specific exceptions and exemptions that apply in responding to such requests. For example, personal information about identifiable individuals or proprietary technical information submitted in confidence by researchers or companies would not be disclosed. Moreover, if a request requires a lengthy search or involves a large number of records, a requester could be

asked to pay additional fees to help cover the processing costs.

More information about the Act can be obtained from the NSERC Access to Information and Privacy Co-ordinator (see below), the ATIP web page (<http://www.tbs-sct.gc.ca/atip-airpr/index-eng.asp>) or from Info Source, a published register of federal information holdings available in most large libraries or at www.infosource.gc.ca.

The Privacy Act

The Privacy Act gives people in Canada certain rights with respect to personal information about them held by federal institutions. For example, institutions must inform people from (or about) whom they collect personal information, how it will be used, and to whom it will be disclosed. Personal information may be used only for the purposes for which it was originally collected or for uses consistent with that purpose. The Act also contains a procedure for requesting correction of inaccuracies in personal information.

Making a request under the Privacy Act is similar to making one under the ATIA, except that there are no fees associated with requests to access personal information. The Privacy Act sets out limits to the right of access similar to those contained in the ATIA. For example, unless otherwise set out in advance, a person requesting access to personal information about themselves would not be given access to personal information about another.

Use and Disclosure of Personal Information Provided to the NCE Secretariat

The decision-making processes related to applications received by the NCE Secretariat are subject to more publicity than traditional grant or scholarship applications made to individuals. Applicants, co-applicants and other participants, including members of Boards of Directors, managers and other key players, should be aware that their names and

affiliations will be accessible to the public. The NCE Secretariat routinely publishes and disseminates certain details about successful applications. These include: names and affiliations of applicants and co-applicants, the amount of the total award and any conditions attached to that amount, and summaries prepared by the applicant or by the Secretariat for public reference. The final reports of the NCE Secretariat selection committees or the Private Sector Advisory Board, providing an overview of a competition along with a summary of each application recommended for funding, are also publicly disseminated.

More detailed personal information about applicants and prospective administrators collected by the NCE Secretariat programs is used to review applications, to administer and monitor awards, and to promote and support research. Consistent with these purposes, applicants should also expect that personal information collected by the program might be used and disclosed in the following ways:

- i) As part of the review process, applications are disclosed to selection committees composed of experts recruited from the academic, private and public sectors. Applications may also be transmitted to external referees, to members of ad hoc review committees or to site visit committees for review. Individuals recruited by the NCE Secretariat programs to participate in these review activities are instructed to protect and to treat as confidential all information entrusted to them.
- ii) The substance of expert reviews and the comments of selection committees about a proposal are accessible to all co-applicants even though reviews may occasionally include comments about a particular co-applicant. Normally, NCE Secretariat staff provides these assessments as feedback to the principal applicant only; it is expected,

however, that he/she will share it with co-applicants.

- iii) The NCE maintains a separate database, for the information collected through the annual reporting mechanisms of the different NCE Secretariat programs. Information collected is available to members of the NCE Management and Steering Committees or their delegates who are affiliated with a granting agency or other partners of the NCE Secretariat, including Industry Canada, Health Canada, the Canadian Foundation for Innovation, the Canadian Institute for Health Research (CIHR), the Social Sciences and Humanities Research Council (SSHRC) and NSERC.
- iv) Because of the relationship between the NCE Secretariat and its partners, staff of the NCE Secretariat is usually aware of other applications submitted by the same applicants or groups to other programs within the partners. For the purposes of adjudication and award administration, selection committees may be provided with information of co-applicants' proposals and awards in all programs. In cases when, for example, there is a question of possible overlap in the support of the same research activity by two or more programs, an application submitted to one program may be used during the review of an application submitted to another program. NCE Secretariat staff may also disclose the contents of applications to program staff in the agencies for the purposes of determining the most appropriate source of funding, jurisdiction, or to monitor overlap in federal support.
- v) The NCE Secretariat and its partners may use personal information about applicants in their files and databases to identify prospective committee members and reviewers for specific grant

applications, planning and evaluation purposes, audits, and to generate statistics for these activities. The agencies may also use the information in their files and databases to generate distribution lists in order to disseminate publications and other information to the research community.

- vi) Data on the gender of applicants is collected by the NCE Secretariat on a voluntary basis only. While gender data on specific individuals is not used in the adjudication process, it may be used by the NCE Secretariat or its partners to promote the increased participation of a specific group in programs and on committees.

Applicants and participants in the NCE Secretariat programs are subject to the Tri-Council Policy Statement: Integrity in Research and Scholarship http://www.nserc-crsng.gc.ca/NSERC-CRSNG/Policies-Politiques/tpsintegrity-picintegritie_eng.asp and their personal information may be used and disclosed consistent with this policy.

Information Provided to the NCE Secretariat

Information provided to the NCE Secretariat is subject to the Access to Information Act and the Privacy Act. Grant applicants and recipients are encouraged to separate information not related to the grant from meetings and documentation available to the NCE Secretariat and its representatives. Furthermore, applicants and recipients should adopt the practice of labelling information as confidential when the information contains:

- (a) trade secrets;
- (b) financial, commercial, scientific or technical information considered confidential;
- (c) information that could result in a material financial loss or gain or impact a competitive position; and

- (d) information that could affect contractual or other negotiations.

Annual Reporting Information

Throughout the grant period, recipients of grants are required to provide information to the NCE Secretariat. The information collected is consolidated across the relevant NCE program(s) to generate statistical information, update operational requirements and identify best practices that may be used by staff and committees. Information used in public reports and publications is discussed with grant recipients in advance.

Non-disclosure and confidentiality agreements

Representatives of the NCE Secretariat will not enter into separate non-disclosure and/or confidentiality agreements.

For further information on the above Acts, please contact:

ATIP Coordinator
Natural Sciences and Engineering Research
Council of Canada
350 Albert Street
Ottawa, Ontario K1A 1H5
Telephone: 613-995-6214
Fax: 613-992-5337

Appendix G Annual Report Checklist

1. Statement of the Board of Directors	<input type="checkbox"/> Letter signed by the Chair of the Board of Directors (hard or electronic copy).
2. Summary of audits and evaluations.	<input type="checkbox"/> Summary of the results of audits and evaluations carried out during the fiscal year (hard or electronic copy).
3. Qualitative Report Template: <i>BL-NCE Qualitative Report 2010-11.doc</i>	<input type="checkbox"/> Completed qualitative report template (G1) (electronic copy only).
4. Statistical tables Template: <i>BL STATS 2010-11.xls</i>	Completed statistical tables (electronic copies only): <ul style="list-style-type: none"> <input type="checkbox"/> (G2) - General Network information: Network Members and participants; <input type="checkbox"/> (G3) - Network Research Personnel paid with BL-NCE funds or other funds, by affiliation, sectors, type, project and personal details; <input type="checkbox"/> (G4) - Publications and specialized training outputs; <input type="checkbox"/> (G5) - Links between researchers and private sector; and <input type="checkbox"/> (G6) - Acceleration of commercialization resulting from BL-Network funding.
5. University and Private Sector Statement of Expenditures Template: <i>BL-NCE-Financial SOA 2010-11.xls</i>	Completed financial tables (electronic and three (3) hard copies required): <ul style="list-style-type: none"> <input type="checkbox"/> (G7) - Summary of Expenditures and Contributions Sheet; <input type="checkbox"/> (G8) - Contributions to the BL-Network Sheet; <input type="checkbox"/> (G9) - University and Private Sector Expenditures of Matching Funds <input type="checkbox"/> (G10) - Private Sector Expenditures using BL-NCE Grant Funds; and <input type="checkbox"/> (G11a – G11j) – University Expenditures of BL-NCE Grant Funds (if applicable).
6. BL-Network Lists Template: <i>BL-NCE LISTS 2010-11.xls</i>	Completed list tables (electronic copies only): <ul style="list-style-type: none"> <input type="checkbox"/> (G12) - Board of Directors (current members); <input type="checkbox"/> (G13) - Other Committee (current members); <input type="checkbox"/> (G14) - Network Members and Other Participants;

	and <input type="checkbox"/> (G15) - BL-Network Staff.
7. Free Form Reports	<input type="checkbox"/> Report on matters of Conflict of Interest (electronic copies only). <input type="checkbox"/> Environmental reviews report (electronic copies only). <input type="checkbox"/> Report on compliance with requirements for certain types of research (if applicable) (electronic copies only).
8. BL-Network corporate annual report.	<input type="checkbox"/> Copy of the most recent annual report developed in accordance with the requirements of the corporation (if available) (electronic or hard copies).

Appendix H Strategic Plan Checklist

Strategic Plan Checklist	
1	<p>The following section identifies the essential components to be included in the BL-Network strategic plan.</p>
	<p>Section 1: BL-Network Goals</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive summary of the vision and mission of the BL-Network; <input type="checkbox"/> Description of the proposed goals for the BL-Network to be undertaken within the context of the Funding Agreement with a description of how the BL-Network intends to achieve these goals using specific objectives, timelines and milestones; and <input type="checkbox"/> A description of the BL-Network's goals vis-à-vis the training of Highly Qualified Personnel (HQP) over the duration of the project.
	<p>Section 2: BL-Network Road Map</p> <ul style="list-style-type: none"> <input type="checkbox"/> The BL-Network governance structure and the accountability framework that will be used to result in effective leadership and sound financial decision-making; <input type="checkbox"/> The anticipated results and indicators to measure the progress of the yearly activities; <input type="checkbox"/> Risk assessments and mitigation strategies and ongoing performance monitoring strategies; <input type="checkbox"/> The outputs of the BL-Network (including products or processes or others for export) outlined in a matrix that clearly defines how the funds and resources will be invested, what the activities are, and why they are crucial to bringing research to fruition for the benefit of Canada; <input type="checkbox"/> A technology roadmap for the products or services to be developed, including the model for the exploitation of technology, specifics of domain, timing, and involvement of SMEs, to allow judgment on the economic impact of the BL-Network; and <input type="checkbox"/> The project selection process describing in detail the process put in place to choose projects to be funded through the BL-Network as well as the process to identify additional Network Members. <input type="checkbox"/> A description of the partnerships between various levels of government and the private sector (for profit and not-for-profit) that will exist to complement the funding available through the granting agencies or other federal funding sources;
	<p>Section 3: Links between research and business plan</p> <ul style="list-style-type: none"> <input type="checkbox"/> Detailed clear links between the business plan (from the application) and the research program.

	<p>Section 4: Market intelligence</p> <ul style="list-style-type: none"> <input type="checkbox"/> A market description for the products, services (or others) to be developed; <input type="checkbox"/> The position of the proposed BL-Network and business sector in the market (provincial, national and international); and <input type="checkbox"/> A description of a clear path to market, including which Network Members will act as the pathway to market, what (if any) hurdles must be overcome to allow the sale of a product or process (or others).
	<p>Section 5: Financial position</p> <ul style="list-style-type: none"> <input type="checkbox"/> A budget of the planned expenditures for the activities in each fiscal year; <input type="checkbox"/> The expected revenues or financial impact (i.e., commercialization, licensing, intellectual property or others) of the proposed BL-Network; and <input type="checkbox"/> Describe the anticipated funding from other sources and the financial impact of these on the BL-Network.
2	<p>The following section details the accompanying information to include with the strategic plan: BL-Network policies, statements, and lists.</p>
	<p>Policies:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Dealing with issues of potential or perceived conflict of interests; <input type="checkbox"/> The handling of intellectual property; <input type="checkbox"/> Dispute resolution; <input type="checkbox"/> The ownership of equipment purchased with BL-NCE grant funds and where it will be housed. <p>Statements:</p> <ul style="list-style-type: none"> <input type="checkbox"/> The Process for ensuring research integrity; <input type="checkbox"/> How the requirements of certain types of research will be met; and <input type="checkbox"/> How the requirements for the environmental review of projects will be met. <p>Lists:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Network Members; <input type="checkbox"/> Network investigators; <input type="checkbox"/> Members of the Board of Directors; please identify the following members: ex-officio members, independent members, non-voting members, chair of BoD and sub-committee (if applicable) <input type="checkbox"/> Members of all other Network committees; <input type="checkbox"/> Network staff; <input type="checkbox"/> Organizations (public or private) providing funding; and <input type="checkbox"/> List of BL-Network current or anticipated goals, objectives and projects.