Federal Indirect Costs Program
(FFICR Funding)

The Indirect Costs Program was created in 2003 by the Federal Government to support postsecondary institutions with the hidden costs of research. The annual allocation to each institution is based on a three-year rolling average of Tri-Agency revenue.

The federal Tri-Agency granting agencies are:

- Canadian Institutes of Health Research (CIHR)
- Natural Sciences and Engineering Research Council (NSERC)
- Social Sciences and Humanities Research Council (SSHRC)

Indirect Costs Program: http://www.indirectcosts.ca/home-accueil-eng.aspx

INDIRECT COSTS PROGRAM AT WESTERN

The Vice-President (Research) oversees allocation of Indirect Costs funding to cover expenses within the Program’s five eligible expense categories.

Expenditure Categories:

Indirect Costs funding play an integral role in helping the University attain its tied research mandate, and supports its objective to become one of the world’s top research universities. By removing or minimizing financial responsibilities due to other aspects of running the University, FFICR funding contributes to the hiring of tenure/probationary faculty positions, and helps provide them with start-up funds. In an increasingly competitive – nationally and internationally – research environment, both in terms of recruitment and funding, this has been important to Western’s continued success and growth.

Costs are incurred in the administration of research awards granted by the Tri-Agencies. Expenses are varied and include utilities, maintenance of infrastructure for research, health and safety and ethics compliance, and central administration costs incurred to ensure adherence to regulations and policies of the granting Sponsors.

Eligible and ineligible expenses for the Indirect Costs Program are defined at: http://www.indirectcosts.ca/administer-administrer/expenditures-depenses-eng.aspx
2014-15 Outcomes Report

Western received $11,118,623 for the 2014-15 fiscal year, allocated as follows:

- Facilities: $6,434,723
- Resources: $917,771
- Management and Administration: $3,152,422
- Regulatory Requirements and Accreditation: $258,727
- Intellectual Property: $354,980

Public Disclosure Requirement

1) Definition of the indirect costs of research:

Indirect Costs Program funds assist universities, colleges, and their affiliated research hospitals and institutes in maintaining a world-class research environment by helping:

- Maintain modern labs and equipment;
- Provide access to up-to-date knowledge resources;
- Provide research management and administrative support;
- Meet regulatory and ethical standards; or
- Transfer knowledge from academia to the private, public and not-for-profit sectors

...to benefit Canadians economically, socially and culturally.
At Western, the opportunity to leverage funds for the growing indirect costs of research has played an inestimable role in our ability to build successful research programs, assist researchers reach their goals and increase our ability to attract and retain high-calibre talent in Canada. In short, the program continues to help close significant gaps.

2) Description of the Indirect Costs Program and how Western allocates its ICP grant under each of the defined expenditure areas:

Research Facilities:

To become a globally respected institution, Western University must continue to foster, nurture and support excellence in training and research across disciplines. In both its campus-wide strategic plan, ‘Achieving Excellence on the World Stage’ (2014), and its Strategic Research Plan Summary (2011), Western clearly reiterates its vision to coalesce strengths in established research areas that will advance its mission to be counted among the very best research intensive universities – not only in Canada, but internationally. These areas include, but are not limited to: Neuroscience/Brain & Mind, Imaging, Materials & Biomaterials, Planetary Science & Exploration, Musculoskeletal Health, Green Energy & Environmental Remediation, Philosophy of Science and Wind Engineering & Natural Disaster Mitigation.

The high demand for, and cost of, modern, future-focused equipment and facilities that empower many of its researchers to support this mission, however, provides challenges – particularly when ongoing costs are considered. This point is further exacerbated by near-constant needs for expansion and space renovation, or maintenance necessitated by the high rate of obsolescence inherent to many modern technologies. For this, the Indirect Costs Program is indispensable.

Over the past year, for example, Western allocation of a portion of indirect cost funds to capital funding projects, not only allows the University to develop and modernize facilities, but to be more proactive in efforts to save money moving forward. To these ends, the Indirect Costs Program contributed funds to various energy conservation initiatives designed to conserve power and water across research facilities on campus, thus allowing the University to actualize real savings and to more efficiently allocate resources moving forward. The program also provided more than $500,000 of the $3.4 million required to replace the out-dated West Substation, which powers a significant cross-section of campus. Without stable electrical infrastructure, many research programs would be at risk.

At the Faculty level, Indirect Costs support was particularly important to the Faculty of Science, which allocated funds to modernize laboratories, including an extensive renovation of the Biotron Experimental Climate Change Research Facility. This work satisfied requirements for a metal dust-
free and HF-compatible facility for geochemical analyses of meteorites and return samples from future space missions. Updates were made necessary to support Audrey Bouvier’s recent appointment as Canada Research Chair in Planetary Materials, which is a seamless fit with Western’s identified research strength in Planetary Science & Exploration.

Access to state-of-the-art research infrastructure is also critically important to Schulich School of Medicine & Dentistry researchers, whose efforts contribute greatly to the global prominence of several of Western’s strategic research areas. Last year, the School continued to use the indirect costs grant to support various core research facilities, like the London Regional Genomics Centre, London Regional Proteomics Centre, Molecular Pathology Core Facility, London Regional Flow Cytometry Centre, London Regional Cell and In Vitro Molecular Imaging Facility and the Biological Mass Spectrometry Laboratory. These facilities are accessible by all faculty members and provide much-needed services to numerous departments, institutes and research groups.

Access to such facilities allows researchers to conduct their work more collaboratively and efficiently; their continued financial viability is critical to the institution’s success – and to Canada’s innovation agenda and health-care system more broadly. As an example from the past year, researchers and trainees from more than 50 Schulich School of Medicine & Dentistry laboratories employed the services of the London Regional Proteomics Centre, whose services were also used by researchers from an additional 26 laboratories from other faculties and external sites.

Similarly, Lawson Health Research Institute – the research arm of Western’s affiliated teaching hospitals – uses this funding to support basic research facilities infrastructure for ICES@Western, Lindros Legacy Tower, Gerald C. Baines Centre for Translational Cancer Research and the vivarium, which supports animal research. As utilities costs are a major consideration, this grant is essential to Lawson’s ability to provide operational research space; without it, the organization would be unable to produce the volume and quality of research it currently undertakes. Lawson also used program funding to centralize administration into one space, which has allowed the institution to provide a higher calibre of support to its researchers and funding and granting agencies.

Thanks to the Indirect Costs Program, all faculties – not just those in traditional STEM-based disciplines – benefit from the ability to update laboratories and core facilities, to support technical staff and operations, and to provide ongoing maintenance and services costs.

**Research Resources:**

Western’s ability to purchase, maintain and develop research-related resources – including publications, software and hardware – plays an increasingly important role in fostering an environment conducive to internationally competitive scholarship and innovation. Digital resources, in particular, provide researchers and trainees with more efficient access to a greater
array of much-needed scholarly materials, including primary sources, but often necessitate parallel hardware upgrades.

By providing access to a vast collection of specialized electronic products spanning a variety of research areas, Western Libraries, in particular, benefits tremendously from Indirect Costs Program allocations. A highlight of last year’s acquisitions was Browzine, which organizes articles found in open access and subscription databases, unites them into complete journals and arranges them on a common newsstand. The result is an easy, familiar and researcher-friendly way to browse, read and monitor scholarly journals across disciplines. Given the rapidly evolving nature of campus libraries, this tool helps provide meaningful services and supports to scholars.

In last year’s Indirect Costs Program report, Western Libraries highlighted its purchase of Library Test Display, which provides access to current editions of a large collection of daily newspapers. This resource received such widespread acclaim the University increased its level of use from three to 8,000 simultaneous users last year. While originally requested by researchers in the faculties of law and social science, and the Ivey Business School, its use is now widespread across campus.

With the purchase of Psychiatry Online Premium, faculty members in health sciences, medicine and psychology have also benefited from access to essential information resources on a single platform. This platform provides one-stop access to information related to psychiatric diagnoses, treatment, guidelines, latest research and breaking news. From one single location, researchers can search across all books and journals to find the most relevant content more easily.

To address increased activity and sophistication of scholarship within the faculty, Western’s Faculty of Education last year purchased SuperLab, a tool for building experiments. Faculty members would not normally have access to this specialized product, which allows researchers to be more productive and to explore new avenues of discovery. Often used in the area of applied linguistics, the software is now available to all graduate students, staff and faculty.

Overall, hardware acquisitions and upgrades, and software licensing fees, continue to be the most significant cost drivers in this category across campus. More broadly, though, support for video- and teleconferencing capabilities have facilitated broader and faster collaborations, and wireless Internet access has permitted researchers and students to work all over campus – alongside partners in other disciplines.

**Management and Administration:**

The Indirect Costs Program continues to play a critical role at all stages of the research lifecycle at Western, including by supporting grant facilitation, purchasing and financial accounting – both at
the faculty level and centrally. As such, it helps the University and its faculties to streamline processes, identify efficiencies, improve the quality and volume of grant applications and ensure compliance with myriad policy and reporting requirements. Furthermore, this grant helps the University forge partnerships – with industry, governments and communities – that encourage the translation of knowledge and inventions to better Canadian life, health, society and economies.

While the vast majority of Western’s faculties – and its affiliated university colleges – have by now established research officer positions with the program’s assistance, the Faculty of Health Sciences, specifically, strategically uses this role to participate in, and facilitate, the peer review process for Tri-Council grants. This initiative has contributed substantially to the faculty’s ability to increase its research funding year over year. As importantly, the role also actively mines funding opportunities beyond Tri-Council sources, which allows researchers to spend more time on their studies, instead of seeking funding. The faculty would not be able to support this full-time position without Indirect Costs Program funding and, without it, would anticipate dramatic downturns in levels of support offered to faculty members, research funding and information flow.

The affiliated hospitals have found financial reporting to external funding agencies is becoming more rigorous – both in terms of frequency and complexity. To manage these challenges, Lawson has used the grant to hire two new financial assistants within its finance team. This has increased the level of financial support and contributes to timely and effective grant management and reporting. Given current challenges in the granting environment, Lawson also used this grant to support hiring two additional grants development officers who assist researchers with grant writing and review; the organization hopes to improve its success rate and volume of funding. Finally, program provides partial support for Lawson’s communications and external relations staff, who provide the necessary outreach and public relations support to research endeavours.

Broadly speaking, this funding helps faculties across the university provide researchers with a number of support services critical to the efficient management of the research process, including accounting, rules and procedures guidance, human resources administration, information technology, research promotion, knowledge transfer and public outreach. As referenced above, benefits of Indirect Costs funding are particularly evident in the level of support a growing number of faculty research officers are able to provide for the ever-increasing demands of research administration.

Public outreach is also a key component of knowledge translation. The Faculty of Education, for example, continued its community speaker series, “Let’s Talk About Education,” which invites the London community to learn about the results of recent research projects. Program funding covers the costs of parking, advertising and refreshments associated with this event. Other faculties have also used this funding to host similar symposia and other public-facing research days.
Centrally, the Indirect Costs program is particularly relevant to research administration through Research Western, Research Finance and Procurement Services, all of whom work together to ensure all aspects of pre- and post-award functions are performed efficiently and according to policies and guidelines. This funding, for example, directly supports 19 staff members in Financial Services who support Western’s research enterprise. This past summer, Financial Services implemented an e-Procurement solution that dramatically improves the way goods and services are acquired at Western, streamlines the procurement process and reduces processing costs. This system uses an approval workflow that captures Principal Investigator (or delegate) authorizations as required by many of our funding agencies. Associated costs are passed on to the community, including researchers and research centres.

Regulatory Requirements and Accreditation:

Western has proactively and strategically invested in people and mechanisms to mitigate compliance and safety risks from research. The University is committed to addressing and managing risks, guidelines and regulations arising from increasingly complex research programs; in fact, the University has consistently assumed a leadership role with regard to research ethics and animal care accreditation, and policies that minimize risks to the safety of its participants and researchers.

To these ends, the major cost driver for this category of Indirect Costs Program expenditures is human resources. At the end of the day, it’s the analytical eye of University staff members who support the increasing number and complexity of regulatory requirements and reporting needs. This funding benefits both new positions and ongoing training to ensure up-to-date knowledge and expertise.

Western’s department of Animal Care & Veterinary Services (ACVS), which reports to the Vice-President (Research), is responsible for the institution’s Animal Care and Use program, which includes Western, London Health Sciences Centre, and its affiliated colleges and institutes. In order to use animals in research and teaching, the University must be accredited and in good standing federally (CCAC) and provincially (OMAFRA) – otherwise, grant funds cannot be applied for or, if in non-compliance, may not be released to researchers. International collaborators and industry partners require the same and will not otherwise engage with the University. Continued support for accreditation and ongoing regulatory requirements is, frankly, critical to Western’s ability to maintain its role as a leading research-intensive university.

Regulatory compliance is one of ACVS’s two primary responsibilities – with research support and development being the other. Meeting regulatory requirements requires considerable physical infrastructure and labour, with labour inflation at more than two per cent annually serving as the
major cost driver. This funding is an essential resource that allows Western to achieve and maintain accreditation and ongoing compliance.

Funding has also allowed Western to support animal care committee members’ attendance at CCAC workshops, which has resulted in greater awareness of, and ability to proactively prepare for, forthcoming regulatory changes.

Furthermore, it has allowed staff to undertake a full and detailed review of our animal care committee operations, policies and procedures to ensure they are current and appropriate. Grant funds are an essential investment in Western’s ability to achieve accreditation, maintain ongoing compliance, and achieve national, international and industry collaborations.

**Intellectual Property:**

Without the ability to effectively transfer innovation to market, many great ideas derived at our universities and research institutes would never see light of day, thus limiting their potential effectiveness to the world. To create efficiencies and leverage economies of scale, Western and its affiliated institutes merged technology transfer offices several years ago, becoming WORLDiscoveries, which serves as the region’s business development arm for researchers and their inventions. To date, this initiative has been an unmitigated success.

Its mission is two-fold: to encourage and promote innovation, and to identify and facilitate the protection, development and timely transfer of innovative research products and services for the use and benefit of organizations, their faculty, staff, students and society as a whole.

In 2014-15, WORLDiscoveries continued to be a leading Canadian commercialization office, as measured through the following metrics:

- Earned more than $5.7 million in commercial income, highest in the organization’s history;
- Secured more than a half million dollars through its WORLDiscoveries Asia initiative;
- Completed 16 licence/option agreements;
- Successfully issued 54 patents worldwide; and
- Continued to manage a portfolio of more than 100 active partnerships.

Advancing patents, licensing agreements and spin-off companies can involve significant up-front expenditures in the form of legal costs, marketing costs, patent transfer and agent costs, and other administrative costs. Funds provided for use in this area are critical to the successful transfer of innovation to viable products and processes. IP personnel are available to assist researchers with the technology transfer process and administration, but they are also critical to identifying potential opportunities researchers would otherwise overlook.
The Indirect Costs Program is vital to the continued success of WORLDIscoveries’ mandate. These funds provide financial support needed to employ highly motivated and experienced business development/support staff and provide them with the adequate resources (e.g., patent and market databases) that allow them to do their jobs to a high standard. This level of professional expertise and support gives clients (inventors and companies) the necessary assurance and confidence that WORLDIscoveries is their innovation collaborator of choice. WORLDIscoveries is committed to its purpose and continues to wisely invest indirect cost funds to strengthen its local and global impact.

Description of the impacts of the indirect costs grant at Western

By leveraging FFICR funding with other funding sources, Western is able to provide cutting-edge laboratories, research materials and resources, systems and support. This, in turn, improves the University’s ability to attract researchers, including Canada Research Chairs. Top-calibre researchers, students and postdoctoral fellows are, quite naturally, attracted to environments that are most conducive to fostering their success. These opportunities have a compounding effect when combined with University investments in internal programs like the Western Clusters of Research Excellence and Western Research Chairs, which seek to plant Western’s flag in specific areas of identified interdisciplinary strength.

Thanks, in part to Indirect Costs Program funds, Robarts Research Institute, for example, has been able to provide a world-class research environment for scientific exploration of neurological, cardiovascular and musculoskeletal diseases. This has allowed the Institute to fill its prestigious Rorabeck Chair, recruit two new scientists and begin recruitment of a new scientific director over the past year.

Western’s Libraries, too, provides access to tools and resources that facilitate research and play an important role in the University’s capacity to attract researchers. Quite frequently, new researchers praise the collection Western Libraries has compiled and, in some cases, have made the decision to come to Western based on the quality research tools they have been offered.

And the end of the day, researchers are more likely to be drawn to environments where the right combination of human assets, infrastructure and support facilities, operational support and administrative support provided through Indirect Costs of research funding is critical to attracting new grants. In short, having infrastructure and available support makes researchers’ proposals more attractive and more likely to be funded. By removing some of the burden of time and administration, researchers are freed up to do what they do best: advance knowledge and develop new policies, technologies and solutions to some of the world’s greatest challenges.
As a specific example, this funding helps provide Robarts with the unique capability to house science that focuses on many different diseases and produces research results with impact through scientific groups in imaging, molecular brain research, vascular biology, immunology and clinical trials. This, in turn, allows Robarts scientists to attract grants from numerous funding agencies, sponsors and private donations. This is made possible by providing the appropriate infrastructure and support to Robarts scientists. Administrative support is essential to completing detailed and accurate grant applications that can be produced for submission to agencies – and to provide them with the best chance for success.

Indirect Costs of research funding plays an integral role in helping the University provide the best experience for its researchers and its students – both of whom are at the core to the Western’s mission. By removing or minimizing financial responsibilities due to other aspects of running the University, program funding has contributed to the hiring of seven new tenure/probationary faculty positions over the past year and helped provide them with start-up funds. In a research environment that has become increasingly competitive – nationally and internationally – both in terms of recruitment and funding, this has been important to Western’s continued success and growth.

This competitiveness has also carried-over in terms of graduate students, where Western has committed to doubling graduate enrolment. The Indirect Costs Program has allowed the University to redirect funds to provide graduate student support, graduate expansion initiatives and graduate student space and facilities, which helped Western increase its graduate enrolment by 226 last year. University investments of allocations to support graduate expansion are critical to training the next generation of researchers and for developing the nation’s knowledge capital.

Both graduate students and researchers have benefited in many ways from improved research infrastructure provided by the Indirect Costs Program. In addition to advantages discussed throughout this report, the program has helped Western redirect funds to expand and enhance IT infrastructure, and to provide additional staff positions that support research activities in the faculties. These positions have helped marry research with funding opportunities and have streamlined processes that facilitate the continued momentum of the research enterprise at Western.

The ability to provide a world-class environment for research requires investments, particularly given the highly transient nature of academics and their trainees today. Western is pleased to report that many of its groups supported through indirect cost funds have been recognized for excellence over the past year, including, among others:
• Six scholars elected to the Royal Society of Canada and three members of the RSC’s College of New Scholars. Applications were prepared by administrative staff supported by indirect costs funds;
• Killam Prize, E.W.R. Steacie Memorial Fellowship and Brockhouse Canada Prize recipients;
• A Robarts Scientist led the Canadian Consortium on Neurodegeneration in Aging (CCNA);
• A Robarts Scientist received the MICCAI Enduring Impact Award; and
• Various other researchers were recognized for their achievements through national and international awards, published high-impact papers and with the covers of distinguished journals.