



OFFICE OF THE VICE-PRESIDENT AND PROVOST

November 23, 2001

Memorandum

To: Planning and Budget Committee

From: Adel Sedra, Vice-President and Provost

Item Identification

Allocations from the Canada Research Chairs Fund

Sponsor

Adel Sedra, Vice-President and Provost

Jurisdictional Information

The Planning and Budget Committee is responsible for approving allocations from the Canada Research Chairs Fund (CRCF). Terms of Reference of the Fund are attached.

Highlights and Resource Implications

Canada Research Chairs - excluding Medicine

In January 2001, the Planning and Budget Committee recommended for approval an allocation of \$3.4m from the CRCF to cover the salaries and benefits, research allowance and cluster support for 17 Chairholders approved in the first round of CRC competitions in September 2000. In three subsequent competitions held in December 2000, March 2001 and June 2001, the University submitted thirteen nominations. Eleven have been awarded and two were not accepted. One of the Chairs awarded was for an external appointment whose start date was to be July 1, 2002. The University recently learned that the approved Chairholder will now not take up the appointment. Approval for a recommendation regarding ten Chairs is being sought.

The total cost of the ten Chairs is \$2.0m: \$1.3m covers salaries and benefits and provides each Chairholder with a \$10,000 research allowance; \$.5m provides research cluster support; and \$.2m drops to the University's bottom line to cover university-wide costs. Cluster support averaged \$51,500 and ranged from \$18,000 to \$80,000. At least one-third of cluster support is earmarked for graduate student support.

The revenue from the government for the ten Chairs (five Tier I and five Tier II) is \$1.5m, requiring a University contribution of \$.5m to cover the total \$2.0m cost. Six of the ten Chairs were filled with internal candidates, allowing the CRCF to recover \$.8m in salaries, and contributing \$.3m to the Fund's surplus.

Of the \$2.0m expense for the ten Chairs, \$.2m flows to the University to support the University's central indirect costs, which are 16% of salaries and benefits. \$1.8m is recommended as an allocation from the CRCF to cover salaries, benefits, research, and cluster support of the Chairholders.

Table 1 shows the revenue and expense model as approved in *A Framework for Allocating Canada Research Chairs* as well as the results of the initial September 2000 competition and the three most recent competitions. The \$1.4m surplus in the CRCF results from the large number of internal appointments (19 out of 27.) As more external appointments are made, the unallocated balance will be required to top-up the government funding. The Financial Model assumes that two-thirds of the Chairs will be filled externally as opposed to the 30% experience to date.

Table 2A lists the ten Chairholders approved in the three most recent competitions.

Canada Research Chairs - Faculty of Medicine

The University's Financial Model created a separate pool within the CRCF to support Chairs established in the Faculty of Medicine and its affiliated teaching hospitals and research institutes. The Medicine pool contains only the government funding (\$19.4m for 64 Tier I and 66 Tier II Chairs.) There is no salary recovery at the University level for internal appointments. In accordance with the University's Financial Model, the University recovers a central indirect cost of 16% of the Chair's salary and benefits for campus-based Chairs. For Chairs based in affiliated teaching hospitals and research institutes, the comparable rate is 6%.

In April 2001, the Planning and Budget Committee recommended for approval an allocation of \$1.07m from the CRCF to the Faculty of Medicine in support of seven campus-based Chairholders and an allocation of \$2.2m in support of 16 Chairholders based in Hospital/Research Institutes.

Eight additional Chair nominations were submitted in the March 2001 competition and all were awarded. The University received \$1.3m for five Tier I and three Tier II Chairs, all of which are hospital based. The central indirect cost recovery at 6% is \$53,000. It is recommended that \$1.247m, which is the grant less the cost recovery, be allocated to the Faculty of Medicine.

Table 2B lists the eight Chairholders approved in the March 2001 competition.

Recommendation

That \$1.8m be allocated from the Canada Research Chair Fund to cover the salaries, benefits, research allowances and cluster support for ten Chairholders approved in the December 2000, March 2001 and June 2001 CRC competitions.

That \$1.247m (\$1.3m less \$53,000 indirect cost of 6% of salaries and benefits) be allocated to the Faculty of Medicine in support of 8 Chairholders based in Hospital and Research Institutes that were approved in the March 2001 CRC competition.

CANADA RESEARCH CHAIRS FUND (Revised, March 2001)

Terms of Reference

The purpose of the Canada Research Chairs Fund (CRCF) is to provide funding in support of clusters of academic activity established pursuant to the federal government's Canada Research Chairs program. Allocations to the University under the Canada Research Chair program (net of University central indirect costs as described below) will flow into the CRCF. Within the CRCF there will be a separate pool for funds that will support Chairs established in the Faculty of Medicine and its affiliated teaching hospitals and research institutes. Separate reports on expenditures from both pools within the CRCF will be brought forward to the Planning and Budget Committee for approval.

Source of Funds for the CRCF

The Canada Research Chairs Fund will be assembled as follows:

1. Government grants in support of Chairs at the University net of the University's central indirect cost, which is 16% of the salary and benefits of the Chair. (For example, the average \$150,000 per Chair breaks down as \$107,143 for salaries and benefits, \$25,714 as support for clusters and \$17,143 as University central indirect cost.)
2. Government grants in support of Chairs at the affiliated teaching hospitals and research institutes net of the University's central indirect cost of 6%.
3. Recovery of actual salary and benefits of existing university faculty members outside of the Faculty of Medicine who are appointed to Chairs.
4. Recovery of the nominal starting salaries of unfilled university positions outside of the Faculty of Medicine (\$65,000 plus standard benefits) which are converted to Chairs.

Allocations from the CRCF

Chairs established at the University

1. Allocations from the CRCF will be made on the basis of approved budgets for each cluster of Chairs and related activities. Examples of eligible costs include salaries and benefits of the Chairholders and technical and administrative staff in the cluster, graduate student support, equipment, specialized library resources, datasets and other research resources, travel, publication and other expenses related to dissemination, and departmental and divisional administrative costs. An estimate of the amount of graduate student aid available from the CRCF is presented in the budget projections and will be evaluated as we develop new Long-Range Budget Guidelines.
2. Funding for each Chair will include a research stipend of \$10,000, to be used at the discretion of the Chairholder for purposes such as the dissemination of research results and collegial interaction.

Chairs established at the affiliated teaching hospitals and research institutes

1. Funding in support of Chairs at the affiliated teaching hospitals and research institutes, net of the 6% for central university indirect costs, will be transferred to the affiliated teaching hospitals and research institutes.

Table 1

A Framework for Allocating Canada Research Chairs
Canada Research Chairs Financial Model
(\$ millions)

Canada Research Chairs Fund (CRCF) for University Chairs excluding Medicine

Revenue		
Government Grant for 121 Chairs		\$18.2
Recovery for internally awarded Chairs		5.3 *
Recovery for unfilled funded positions		2.5 *
	Total	\$26.0
Expense		
Salary, benefits and research allowances for Chairs		\$20.2
Support for research clusters		3.7
University-wide cost		2.1
	Total	\$26.0

* The University is contributing \$7.8m to the CRCF to meet the cost of the Chairs Program.

Results of Competitions for Canada Research Chairs excluding Medicine

Revenue and Expense are on an annualized basis at time of appointment

	Sep 2000 Competition	Dec 2000 Mar 2001 Jun 2001 Competitions	Total Competitions
Number of Tier I Chairs Awarded	12	5	17
Number of Tier II Chairs Awarded	5	5	10
Annualized Revenue			
Government Grant	\$2.9	\$1.5	\$4.4
Recovery for internally awarded Chairs	1.8	0.8	2.6
Recovery for unfilled funded positions	0.1	0.0	0.1
	Total	\$4.8	\$2.3
Annualized Expense			
Salary, benefits and research allowances for Chairs	\$2.5	\$1.3	\$3.8
Support for research clusters	0.9	0.5	1.4
University-wide cost	0.3	0.2	0.5
	Total	\$3.7 ¹	\$2.0
Unallocated balance of CRC Fund (revenue less expense)	\$1.1	\$0.3	\$1.4
Contribution from the University (expense less Govt. Grant)	\$0.8	\$0.5	\$1.3

¹ In January 2001, the Planning and Budget Committee recommended an allocation of \$3.4m from the CRCF.

TABLE 2A

**List of Chairholders approved in the December 2000, March 2001 and June 2001 Competitions
Funded from the CRC Fund for University Chairs excluding Medicine**

Cluster	Name	Competition	Tier	Budget Type (Internal=I) (Upgrade=U) (External=E)
Comparative & Evolutionary Genomics	Barrett, S.	Dec. 2000	I	I
Computational Technology	Zingg, D.	Dec. 2000	I	I
Literature Culture & Discourse	Portebois, Y.	Dec. 2000	II	E
Molecular Medicine	Utrecht, J.	Dec. 2000	I	I
Advanced Materials	Manners, I.	Mar. 2001	I	I
Comparative & Evolutionary Genomics	Cutler, S.	Mar. 2001	II	E
Mathematical Foundations	Elliot, G.	Mar. 2001	I	E
Comparative & Evolutionary Genomics	Zamble, D.	Jun. 2001	II	E
Literature Culture & Discourse	Mertins, D.	Jun. 2001	II	I
Neurobiology	Zelazo, P.	Jun. 2001	II	I

TABLE 2B

**List of Chairholders approved in the March 2001 Competition
Funded from the CRC Fund for University Chairs allocated to the Faculty of Medicine**

Cluster	Name	Competition	Tier	Budget Type (Internal=I) (Upgrade=U) (External=E)
Imaging Technologies in Human Disease & Preclinical Models	Pantev, C.	Mar. 2001	I	E
Inflammation, Infection, Trauma & Repair	Ohashi, P.	Mar. 2001	I	I
Molecular Medicine	Kerbel, R.	Mar. 2001	I	I
Molecular Medicine	Slingerland, J.	Mar. 2001	II	I
Neurobiology	Van Tol, H.	Mar. 2001	I	I
Neurobiology	Tyndale, R.	Mar. 2001	II	I
Population Health	Lye, S.	Mar. 2001	I	I
Proteomics, Bioinformatics & Functional Genomics	Durocher, D.	Mar. 2001	II	I