

Ontario-China Research and Innovation Fund

Guidelines FY2016-17

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Please note that applications to this program are currently closed.

A. Program Overview

Successful Ontario applicants will be eligible to receive a maximum of \$250,000 per project from OCRIF to fund the Ontario portion of the project.

Objectives

To be considered for funding, projects must present a clearly-identified research focus. Networking and exploratory activities will not be supported under this program. Each project must identify a key added value that the Chinese partner(s) will contribute to the project.

Priority Fields

The current call for proposals will accept project applications focusing on the following research theme:

- Biomaterials

Future calls for proposals may focus on other priority areas, including advanced health technologies, pharmaceutical research and manufacturing, bio-economy and clean technologies, digital media, information and communication technologies, and agriculture and food testing.

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B. How Funding Works

Ontario Centres of Excellence (OCE) and Ministry of Science and Technology (MOST) will conduct parallel application processes. Ontario-based organizations apply directly to OCE. China-based organizations apply directly to MOST.

Tenure of Grant

Project terms should not exceed three years and are non-renewable.

Grant Amount

Successful Ontario applicants will be eligible to receive a maximum of \$250,000 per project from OCRIF to fund the Ontario portion of the project. Additional project funding will be provided to the corresponding Chinese applicant on each project by MOST to fund the China portion of the project. (e.g., the maximum grant amount to be received by a project is \$250,000 in Ontario and \$250,000 in China, to a total of \$500,000).

- For a project to be considered for funding under OCRIF, each project's lead Chinese partner must apply directly to MOST
- OCRIF funding is conditional on the corresponding Chinese applicant receiving funding approval from MOST
- Funds will be disbursed annually – based on successful reporting – at 40 per cent, 25 per cent, 25 per cent, and 10 per cent of the total of grant amount
- Ontario anticipates that four projects will be funded through a 2016 Call for Proposals
- Ontario's financial assistance must not exceed 50 per cent of the Ontario portion of eligible project expenditures. Ontario applicants must identify sources of matching cash and/or in-kind contributions for the remaining 50 percent of project costs
- Letters of support from each funding partner must be included along with the application confirming both the amount of matching funding and the intended use of the contribution

Matching Contributions

Matching contributions can consist of both cash and in-kind contributions. In-kind contributions are non-cash resources and are to be listed as part of a project's overall budget. Applicants must be able to verify the value of in-kind contributions with independent third party valuations.

In-kind contributions must:

- Be essential to the implementation of the project
- Represent an item or service that would otherwise have to be acquired with cash
- Be priced at the lesser of fair market value or the actual cost to the donor

In-kind contributions can include:

- Equipment or related warranties
- Materials and expendable supplies
- Software and databases/datasets
- Use of space or facilities
- Salaries (including benefits) of professional, technical, analytical, or project-specific administrative personnel donated by the private sector partners
- Access to unique databases or high performance computing services
- Travel (costs may be limited), including per diems paid to private sector partner employees or contractors, for essential, time-limited off-site work related to the project

Ineligible in-kind contributions include:

- Donations in the form of goodwill
- Services that are usually performed for free
- Salaries and benefits of staff not directly related to the project
- Salaries and benefits of personnel who usually act as volunteers
- Overhead costs incurred by private sector partners contributing personnel time
- Standard discounts – academic or otherwise
- Equity in an emerging private sector company

For more information on eligible and ineligible expenses please refer to the OCRIF Eligible Expenses Guidelines.

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C. Eligibility

Eligible Ontario Applicants

Funding is open, on a competitive basis, to:

- Ontario publicly-assisted universities
- Ontario colleges of applied arts, science and technology
- Not-for-profit research institutes affiliated with an Ontario university
- Consortia of the above, with one institution as lead applicant, assuming responsibility and accountability for the consortium
- Other Ontario not-for-profit research institutions at the discretion of OCE.
- Technology companies

Ontario applicants should direct their China partners to apply directly to MOST for funding.

Research Team Structure

A lead Ontario applicant must form a dedicated team, including at least one lead China partner and at least one Ontario-based private-sector partner. Each research team is to be structured as follows:

- Two Principal Investigators, one from Ontario and one from China, who will represent the project and be responsible for the management of the application and for the project's internal scientific management. The Principal Investigators must be from an Eligible Applicant organization. Please refer to the above Eligible Ontario Applicants section for details.
- Each Principal Investigator will be responsible for managing the project and reporting on the scientific and financial aspects to the granting agency in their respective jurisdiction. Principal Investigators in Ontario will report to OCE, while Principal Investigators in China will report to MOST.

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D. Evaluation and Project Activation

Review Procedure

Applications will be assessed under a three-step process:

1. All Ontario applications will be evaluated by OCE for completeness, compliance with program criteria and eligibility.
2. Ontario and China will independently review applications. Applications that meet the program criteria and eligibility will then be evaluated by independent scientific peer reviewers who will assess the project's scientific merit, quality of research and project management characteristics.
3. Based on the first two steps, the Ontario-China Working Group on Science and Technology Cooperation from MRIS and MOST will make joint decisions on successful projects to receive funding.

MRIS and MOST reserve the right to select project proposals that are mutually agreed upon. Final decisions will be communicated through letters to the Principal Investigators identified in the applications.

Evaluation Criteria

Projects will be ranked using the following criteria, which are applicable to the reviews in both Ontario and China:

OCRIF Evaluation Criteria	Scored out of 100
<p>1. Collaboration foundation and capability</p> <p>Do the Ontario and China Principal Investigators (PIs) and other senior level investigators have relevant qualifications and expertise in the research field? Does each project partner have the relevant expertise required to contribute to the project? Have the Ontario team and the China team established a mutually agreed upon collaboration platform and communication channel? Is each project partner able to commit resources to ensure achievement of the project objectives?</p>	15
<p>2. Rationale for collaborating with China</p> <p>Is collaboration with China urgent and necessary? Will the collaborative team solve a relevant problem that is able to address a strategic need for Ontario and China and generate mutual benefits? Are there complementary strengths between the Ontario and China partners?</p>	15
<p>3. Research plan and scientific excellence</p> <p>Is the research plan and methodology appropriate? Will the research generate scientific breakthroughs and innovations? Is there any long and/or short-term commercialization potential of the research? Are there key steps that will lead to the potential commercialization of the research outcomes?</p>	30
<p>4. Results sharing and intellectual property protection</p>	10

OCRIF Evaluation Criteria	Scored out of 100
Is there a mechanism to protect, manage and share research results and intellectual property rights emerging from the collaborative project?	
<p>5. Potential benefits for Ontario and China</p> <p>Are there any potential scientific benefits for Ontario and China? Will the project generate economic development benefits in commercialization, investment attraction and new, high value job creation? Is there potential for talent attraction and retention? Are there any potential social and/or other benefits?</p>	15
<p>6. Project implementation feasibility</p> <p>Are the research project milestones and deliverables appropriate to achieve project objectives? Is there qualified and appropriate project management capability to manage international research collaborations on time and within budget? Is the lead organization able to provide project resources, including staff and financial, legal and communications support to implement the project? Is the project funding sufficient to carry out the project? Is the project budget allocation appropriate to achieve the project objectives?</p>	15

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E. Funding Agreement and Project Reporting

Applicant's Agreement

If selected to receive a grant under OCRIF, Ontario applicants must enter into an agreement with OCE, which will include conditions such as:

- OCRIF funds can only be applied to the project's eligible expenditures incurred after both parties have signed an agreement.
- Project activities and deliverables cannot be changed without the written approval of OCE.
- Projects may be subject to an audit.
- Any good and/or service to be purchased in relation to the Ontario side of the project, with a value of more than \$25,000, must go through an open procurement process before the applicant purchases the good and/or service. [See the BPS Procurement Directive for more information.](#)
- Progress reports must be submitted every year including progress on project deliverables, results, budget, and partner contributions. Reporting templates will be provided.
- Ten per cent of the total grant amount will be held back subject to all reports having been received.
- Actual project resources and expenditures will be reviewed on a regular basis and may result in an adjustment in the payment level in subsequent years.

- Projects will be required to acknowledge the Government of Ontario's support.
- The provision of an indemnity and the requirement to maintain commercial general liability insurance.

[Download a template of the full Funding Agreement](#)

Reporting

Annual Progress Reports:

1. Annual Progress Reports will be required detailing:
 - The significant accomplishments and performance measures of the project
 - Achievement of milestones and deliverables as set out in the above project plan
 - An updated budget, which is to be submitted annually as part of regular reporting
- The Applicant will receive a notification and the reporting template forty-five days prior to the due date.
- Funds will be dispersed annually by direct deposit based on a reconciliation of year-to-date expenditures versus budget estimates, following the completion and positive review of project reporting.

Note: Applicant *MUST* retain all proof of purchases, receipts, and other relevant documentation relating to eligible expenses.

Final Report:

2. A Final Report will be required at the end of the project detailing:
 - The significant accomplishments and performance measures of the project
 - Achievement of milestones and deliverables as set out in the above project plan
 - An updated budget, which is to be submitted annually as part of regular reporting
- The Applicant will receive a notification and the reporting template forty-five days prior to the due date.
- If an extension is required, it must be requested via OCE's online AccessOCE system.
- Ten percent (10 per cent) of the total OCRIF grant will be held back until the final report is received.

All required final reports by all partners must be submitted within 30 days of project completion in order for reimbursement, and to maintain good financial standing with OCE.

Retrospective Project Reports

3. Applicants will be required to complete a brief retrospective survey on an annual basis three years from the end date of the project. The retrospective survey is mandatory for OCE to fulfil its contract with the Ministry.



ONTARIO-CHINA RESEARCH AND INNOVATION FUND (OCRIF)

Eligible Use of Funds:

Eligible expenses include costs and activities directly related to achieving the objectives for which the OCE funding was awarded. All procurement activities must conform to [Broader Public Sector Accountability Act \(BPSAA\)](#).

In-kind Contributions:

In-kind contributions are auditable and essential in carrying-out the project and must be thoroughly documented and justified. In-kind contributions may be cash equivalent goods and/or services, which represent an incremental expense that a project partner would not normally incur, and would have to be purchased using project funds, if not donated. In-kind contributions may include the project partner's personnel time; (providing direction, and participating in the project), services, access to special equipment, and supplies required to execute the project. Personnel time cannot exceed \$100 per hour, to a maximum of \$5,000 per month.

Retroactive Expenses:

OCE will acknowledge expenses after the approval date. In cases where an application is not approved and activated, expenses are incurred at the risk of the applicant.

Institutional Overhead:

This is an ineligible expense unless otherwise stated.

Capital Costs:

Capital items (fixed assets) include equipment, testing tools, and instruments that have residual values as determined by Generally Accepted Accounting Principles (GAAP) at the end of the funding period. The eligible expense items allowed by OCE are the cost of utilization/depreciation of capital item (fixed assets) specifically required for the delivery of the eligible project. The prorated cost should be entered under "Operating Expenses" along with the justification.

Notes:

GAAP is a collection of commonly-followed accounting rules and standards for financial reporting. The purpose of GAAP is to ensure that financial reporting is transparent and consistent from one organization to another.

Residual Value of an asset, the estimated amount that it will be worth at the end of funding period.

Depreciation is the systematic reduction in the recorded cost of a fixed asset.

Travel outside of the province of Ontario requires pre-approval from OCE by way of a formal request including a justification.



TRAVEL AND LIVING:

Eligible Expenses	Ineligible Expenses
<ul style="list-style-type: none"> ✓ Travel expenses are explicitly project-related, represent the most economical option (economy fare, and standard hotel room) 	<ul style="list-style-type: none"> ✗ Meals and incidental expenses ✗ Reimbursement for airfare purchased with personal frequent flyer points programs ✗ Commuting costs between residence and place of employment ✗ Passport and immigration fees

SALARIES AND BENEFITS:

Eligible Expenses	Ineligible Expenses
<ul style="list-style-type: none"> ✓ Incremental salary and benefits for employees of the company working on the project activities, to a maximum specified in the funding agreement with OCE (specify position and employment status) <p>Additional Limits & Conditions:</p> <ul style="list-style-type: none"> ✓ Salaries and benefits must only be claimed in proportion to the amount of time spent working directly on Project activities ✓ The company shall be required to maintain timesheets or appropriate records for all employees working directly on the project <p>For Colleges Only:</p> <ul style="list-style-type: none"> ✓ Project management/administrative expenses up to 10% of OCE contribution 	<ul style="list-style-type: none"> ✗ Costs related to proposal development (including staff) ✗ Administrative (or management) charges and fees (with the exception of colleges) ✗ Release time allowance for individuals with salaried academic research appointment



OPERATING EXPENSES:

Eligible Expenses	Ineligible Expenses
<ul style="list-style-type: none"> ✓ Cost of usage of research equipment, software, computers and communication equipment (up to maximum 10% of the project cost) ✓ Cost of direct materials, necessary for specifically identified activities and measured as having being used for, the completion of the project ✓ <u>Materials used for prototypes</u>; configuring, testing production processes, systems, and training employees ✓ Sub-contractor and consultant fees if approved by OCE management prior to the start of the project and if procured in accordance with the BPSAA Procurement Directive ✓ Costs of developing web-based information, including website maintenance fees ✓ Cost involved in providing personnel with training and/or development in novel techniques required for the project for their role(s) ✓ Honoraria for guest lecturers ✓ Rent/lease costs paid on directly related project occupied space 	<ul style="list-style-type: none"> ✗ Expenses of a personal nature ✗ Costs related to staff awards and recognition ✗ Monthly parking fees ✗ Cost of research and development ✗ Costs of moving ✗ Meals and entertainment expenses, gifts and alcoholic beverages ✗ Expenses associated with lobbying or government relations activities ✗ Costs not directly associated with meeting the deliverables and milestones as specified in the funding agreement with OCE ✗ Tax expenses (including but not limited to sales taxes, tax filing, income taxes) ✗ Cost of basic utility services ✗ Allowance for interest on invested capital, bonds, debentures, bank or other loans together with related bond discounts and finance charges ✗ Tangible capital costs such as, but not limited to, land, buildings, vehicles, equipment ✗ Cost of clinical trials ✗ Infrastructure costs