

## **SPECIFIC RESEARCH GRANT PROGRAM – PROGRAM GUIDELINES**

The program permits, under certain conditions, a researcher to receive a research grant in lieu of salary through a mechanism which includes peer review. The purpose and objects of the expenditures proposed must be warranted in the context of the research outlined and may not be duplicated in any other grants received by the researcher. The grant may be used for all the purposes of a grant-in-aid of research, but not to supplement income of the principal researcher. This program covers only research activities and is not intended to cover projects directed at teaching or the development of teaching related skills. When the research grant has been established, the funds are no longer considered to be salary but constitute a research grant which is subject to the regulations of the program and the research-related policies of the University. Specific conditions relating to the program are outlined below.

In order for the program to qualify the research grant must explicitly and clearly meet the following conditions:

- 1) The amount of the research grant must be reasonable in relation to the reduction in employment duties related to ordinary research and teaching duties, in order to allow time to conduct the specific research contemplated in the research grant.
- 2) The application submitted must clearly define the research project and demonstrate that the related research is separate and apart from the employee's normal research work required under the terms of employment.
- 3) The research project must meet the research criteria established by CRA (e.g., the research is aimed at the discovery of new facts or reinterpretation of existing knowledge).
- 4) The unit responsible to review and approve the research grant must treat each application with the same care and scrutiny as applications for other research funds (e.g., academic peer review).

Grants awarded under this program are considered as taxable income. However, the grant payment will be treated as T4A income for tax purposes and accordingly, no income tax will be deducted by the University. The award recipient is responsible for reporting the income to the Canada Revenue Agency and declaring against it eligible expenditures. Please consult your tax advisor with respect to how this program may affect your personal tax affairs.

### **SUBMISSION DATES**

May 1

November 1

As expenses must be tied to a tax year (January 1-December 31), Specific Research Grants awarded in the November 1 competition will be funded for a full year starting the subsequent January 1. Grants made in the May 1 competition will start July 1 for 6 months (July 1 – December 31). At the time of adjudication, a conditional grant will be made for the subsequent 6 months (January 1 – June 30). Applicants receiving a grant from the May 1 competition will be required to file two returns with CRA, one for the July 1 –December 31 expenses and one for the

January 1 - June 30 expenses. Applicants to the November 1 competition will receive one 12 month grant and will report to CRA once. Applicants to the May 1 competition will receive two 6 month grants and will report to CRA twice. Only a single financial and narrative report will be needed to York University (see below).

## **ELIGIBILITY**

Faculty members or professional librarians, either full-time or part-time who wish to conduct research during any academic year may be eligible. Retired academic staff and Professors Emeritus are ineligible. Adjunct professors are not eligible to apply if they are hired solely to undertake teaching responsibilities.

All financial and narrative reporting (see below) must be completed to be eligible for a subsequent Specific Research Grant.

Only research activities that are not currently supported by external research funds are eligible to receive funding from a Specific Research Grant.

## **GRANT LEVEL**

When preparing a submission to the program, an applicant should request an amount with reference to the eligible expenses in accordance with Canada Revenue Agency Income Tax Folio and York's policies on research grant administration as outlined in Appendix A.

**The amount of research grant must be commensurate with the value of the reduction in the non-specific research component and/or teaching activities of the faculty member's normal responsibilities. This reduction must be documented in the application form and will serve the basis for adjudication in the event of an audit by CRA.** Awards to applicants will not exceed 50% of annual salary. Moreover, the University will not make any alterations with regard to salary payments already made to the applicant at the time of approval of the award; hence, the grant applied for may not be larger than the amount of unpaid salary less benefits remaining in the calendar year at the time of approval. An applicant whose application is approved will have his or her salary reduced by an amount corresponding to the total of the grant. Grant payments will be included with the regular monthly salary payment; the gross monthly amount of grant and salary (before deductions) may not exceed the normal gross monthly salary.

## **ELIGIBLE and INELIGIBLE EXPENSES**

An application should request funding for expenditures to be made in a single calendar year only. Expenditures to be made in subsequent calendar years will require subsequent separate applications.

Please note that according to the Canada Revenue Agency, research grant-related expenses must be incurred in the same calendar year in which the research grant is received in order to be deductible from the grant.

## **APPLICATION AND REVIEW PROCEDURES**

In completing the application, researchers should provide a description of the research activity which is sufficiently detailed for a determination to be made as to the reasonableness of the proposed expenditures in the context of the research to be carried out. **The applicant must clearly demonstrate that some component of his/her normal teaching activities and/or non-specific research responsibilities has been sufficiently reduced to accommodate the specific research being conducted.**

All applications must be approved by the Chair of the School (or the Dean of a non-departmentalized Faculty) which is responsible for the payment of salary to the researcher. Librarians should have the approval of the University Librarian.

Applications are to be submitted to ORS (attention Secretary, Specific Research Grants) by 4:30pm on May 1 or November 1. In the event the deadline falls on a weekend, the application will be due by 4:30pm on the Monday following the deadline date. Applications will be reviewed by a Peer Review Committee comprised of Associate Deans Research or delegates. A representative from ORS will act as Secretary to the Committee. Appeals to the Review Committee's decision may be made to the Chair of the Review Committee and, if necessary, escalated to the Associate VP Research.

The applicant and Faculty/Department will be informed by a letter of the result of the deliberations. Once an award is made, ORS will initiate the payment process as outlined in the award letter by notifying the Payroll Department. The amount of the research grant will be reflected as a reduction in the researcher's salary and will be reported on an income tax T4A slip. Thus, under this program the researcher's total payment will be divided into two components: 1) salary and 2) research grant.

## **LEAVING THE UNIVERSITY**

If, at any time during the term for which the grant has been made, the grantee ceases to be a member of the University and his or her salary ceases, the grant arrangement will terminate and salary and the grant amount are to be reconciled between the researcher and the University.

## **FINAL REPORT**

All grant recipients must submit a narrative and financial report to ORS on expenditures within one month (i.e. by January 31) of the end of the calendar year in which Specific Research Grant expenses were incurred. The financial report should compare budgeted with actual expenses.

Financial and narrative reporting must be completed in order to be eligible for a subsequent Specific Research Grant.

## **EQUIPMENT**

All equipment purchased with the awarded funds is the property and responsibility of the awardee and should not be purchased through the University's Purchasing Department.

## **TAX INFORMATION**

Please note that although the University approves a Specific Research Grant, 1) the question of the deductibility of expenses for income tax purposes must be in accordance with the Canada Revenue Agency regulations and such deductions should be claimed when the researcher files his or her personal income tax return; 2) any questions with respect to the eligibility of expense deductions must be resolved between the researcher and the Canada Revenue Agency. The researcher solely is responsible for any additional income tax which may become payable as a result thereof. Since it is the responsibility of the researcher to support claims for deductions to the Canada Revenue Agency, researchers should keep detailed records of research expenditures. The University is not in a position to offer any more detailed tax information than that which is contained in the Canada Revenue Agency Income Tax Folio [S1-F2-C3: Scholarships, Research Grants and Other Education Assistance](#), nor will the University assist the faculty member in the presentation of a case to the Canada Revenue Agency. Any questions about taxation regulations should be referred directly to the Canada Revenue Agency or to an external tax advisor.

## **PENSION INFORMATION**

All applicants receiving a Specific Research Grant will have an adjustment made to pensionable earnings and pension contributions as described in Appendix B. If you have any questions please contact Terisa Ducharme at extension 77564 or email [duchart@yorku.ca](mailto:duchart@yorku.ca).

## **EMPLOYMENT OF RELATIVES ON RESEARCH GRANTS AND CONTRACTS**

It is the policy of York University to endeavour to create and maintain a scholarly environment characterized by equitable conditions for all members of the community. In furtherance of that policy, the University does not permit grant and contract holders to employ a related person on grants or contracts administered by the University, except with the written permission of the University.

A person is a "related person" for the purpose hereof if he or she is the parent, child, brother, sister, sister or brother in law, spouse or spousal equivalent of the grantee.

For more information see: [Conflict of Interest Policy and Guidelines for Faculty and Librarians](#) (<http://www.yorku.ca/secretariat/policies/document.php?document=144>) and YUFA Collective Agreement section 3.02 (a): The parties also agree, however, that no employee and no officer of the University shall take part in formal procedures, discussions, or vote with regard to the determination of the terms and conditions of employment which apply specifically to a member of his/her immediate family.

## **Appendix A: Guidelines for Expenditures**

Applicants are encouraged to review Canada Revenue Agency Income Tax Folio [S1-F2-C3: Scholarships, Research Grants and Other Education Assistance](#)

Applicants are also encouraged to review [Research Grants Administration Handbook: \(http://www.yorku.ca/finance/documents/Grant\\_Administration\\_Handbook\\_July2011.pdf\)](#)

Together, these documents provide guidance on expenditures normally considered eligible/allowable and those that are normally ineligible. Please note that the financial administration of this award is between the applicant and Canada Revenue Agency. York University does not approve expenditures and any comments provided to the applicant on the budget are provided for information only.

**Travel:** These costs may include travel and accommodation costs to conduct field work, travel costs for visiting researchers, or travel costs to collaborate with peers. The purpose of the trip, destination, method of travel, persons or organizations visited, and cost must be specified in your application.

**Air travel** may be ticketed by a travel agency, air carrier, or travel website and a travel quote **must be attached.**

**Vehicle use** is an allowable expense. Please detail kilometers and destination. Standard university rates apply.

**Other travel expenses** such as shared vehicle use (i.e. a van rented between multiple individuals), taxis, bus, or other similar expenses are eligible.

**Meals** can be claimed with substantiated receipts.

**Accommodations** must have an official quote included in the budget and require an invoice to be submitted when expenses are claimed.

**Equipment purchases, materials, or supplies:** These are eligible provided these expenditures are directly related to the research objectives.

Supplies must be directly used in the research project.

**Books** must be directly used in the research project.

**Personnel:** If individuals are to be remunerated, applicants are advised to seek guidance from their financial advisors to ensure all legal and tax implications are understood.

### **Ineligible Expenses**

Retroactive expenses are ineligible.

Personal expenses not related to the conduct of the research.

## **Appendix B: Impact of Specific Research Grants on Pensionable Earnings**

Historically, faculty who reclassify a portion of their income into a Specific Research Grant in lieu of salary have continued to make pension contributions on the reclassified earnings. The reclassified earnings are identified on the pay statement as Specific Research Grant and reported to Canada Revenue Agency on a T4A as a Specific Research Grant.

Following an internal audit in 2007, the Pension and Benefits office has reviewed the definition of “earnings” in the York University Pension Plan (“the Plan”) to determine whether it encompasses salary reclassified for the purpose of funding Specific Research Grants. The Plan defines “earnings” as follows: “Earnings for any period means the amount of cash remuneration in respect of employment, other than honoraria, payments for overload teaching and T4 Other Earnings, as determined by the University for the purposes of the Plan.”

The definition of earnings does not include salary reclassified for the purpose of funding Specific Research Grants. **This means that any reduction in salary due to the awarding of a Specific Research Grant will result in a concomitant reduction in pension.**

In order to comply with the pension legislation and the York University Pension Plan Text, for new grants approved to start 1 May 2007 and later, reclassified earnings will not be eligible for pension contributions and will not be included in the final average earnings calculation.

If you have any questions please contact Terisa Ducharme, Associate Director, Pension and Benefits, at extension 77564 or email [duchart@yorku.ca](mailto:duchart@yorku.ca).