



NCE RCE

# RESOURCE MANUAL

Best Practices for Governance  
and Operations



Government of Canada  
Networks of Centres  
of Excellence

Gouvernement du Canada  
Réseaux de centres  
d'excellence

Canada

<b>ACKNOWLEDGEMENT</b> .....	<b>4</b>
<b>CHAPTER 1: GOVERNANCE</b> .....	<b>4</b>
<b>1.1 Establishing the Board of Directors and its committees</b> .....	<b>4</b>
Recruitment of board members.....	4
Roles and responsibilities of board members .....	5
First meeting.....	6
Policies for the board to consider and develop .....	6
Committees and subcommittees for the board of directors to consider .....	7
Conflict of interest management - issues to consider at the onset .....	9
First annual meeting.....	9
Information exchange with the board of directors .....	10
Long-term planning horizon.....	10
<b>1.2 Governing an Established Organization</b> .....	<b>10</b>
Ongoing meetings .....	10
Motions and decisions.....	11
Assessment of the board of directors.....	11
Succession and engagement of new directors .....	12
<b>CHAPTER 2: OPERATIONS</b> .....	<b>13</b>
<b>2.1 Establishing the organization</b> .....	<b>13</b>
Critical path for the creation of an NCE-funded organization.....	13
Creating structures and fulfilling obligations.....	13
<b>2.2: Ongoing Operations</b> .....	<b>18</b>
Cycle of operations.....	18
Ongoing responsibilities of the administrative centre.....	19
Strategic planning.....	19
Preparation for renewal or extension grant .....	19
Performance measurement.....	20
Adapting to change.....	20
Research management committee (RMC).....	20
Investment or commercialization committees .....	21
Ongoing engagement.....	22
<b>2.3: Transitioning from the Grant</b> .....	<b>22</b>
<b>CHAPTER 3: COMMUNICATIONS</b> .....	<b>25</b>
Public announcement of NCE funding .....	25
Crediting the Government of Canada as a funding source.....	25
Network/centre communications activities .....	26
Official languages .....	27
Communications support from the NCE Secretariat .....	27
Editorial guidelines .....	28
Contacts .....	28
<b>APPENDIX 1: TOOLS AND RESOURCES FOR GOVERNANCE</b> .....	<b>29</b>
Orientation package for board members.....	30
Model of a board of directors agenda.....	31
Sample agenda for annual board of director retreat .....	32
Example of a conflict of interest policy .....	33
Example of conflict of interest, confidentiality and non-disclosure agreement .....	37
Templates for board packages.....	39
Performance appraisals .....	44
Cover page for items for decision.....	48

Board competency matrix for prospective members.....	49
Board of directors evaluation.....	51
Directors self-evaluation.....	55
<b>APPENDIX 2: TOOLS AND RESOURCES FOR OPERATIONS .....</b>	<b>56</b>
Books, publications and resources.....	57
Negotiating a host agreement .....	58
Example of research project review guidelines .....	60
First research management committee meeting – sample agenda .....	66

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The NCE Secretariat has developed a resource manual for each of its programs. This manual has been adapted for the Business-Led Networks of Centres of Excellence Program (BL-NCE)

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## CHAPTER 1: Governance

### 1.1 Establishing the Board of Directors and its committees

The board of directors for a not-for-profit organization is the highest corporate decision-making body. It should not be the responsibility of the board to manage the organization's activities but rather to provide a framework in which the organization will operate. Establishing good governance is crucial to the success of a network or centre.

At the start of the network or centre, an interim board of directors should be identified, taking into account the necessary elements outlined in:

- the relevant program guide;
- NCE funding agreement; and
- reports from the expert panel and the NCE Standing Selection Committee or the Private Sector Advisory Board.

The reports will likely make recommendations for improvements to the business or strategic plan. The network or centre will need to be prepared to clearly explain how it decided to respond to these recommendations.

### Recruitment of board members

Membership of the board of directors must reflect the interests and concerns of the public, private and academic stakeholders involved in the network or centre, and selection of the right people is crucial to an effective governing body.

#### **General considerations when recruiting a board**

- Identify which skillsets will be necessary to help the organization to achieve success. See the [competency matrix in the appendix](#) for an example. In certain cases, representation from the host institution can be mandatory in the NCE funding agreement.
- At least one-third of the board must be made of independent members, (as described below).
- Be clear about the commitment and amount of time necessary, and identify the length of the term. In the initial board, staggered appointments of one to four years can ensure a smooth succession of membership.
- Institute a maximum term length for board membership.
- Gender and geographic diversity must be considered.

- Be mindful of potential conflicts of interest. Board members should not gain (or appear to gain) from their role on the board, either personally or professionally.
- Ensure that incoming members are properly briefed on the mission / vision and (if applicable) progress to date, possibly by means of an orientation package. A sample orientation package is [available in the appendix](#).

#### **What are independent members?**

Independent members are individuals who will not benefit directly from the activities of the NCE-funded organization, and who have no material relationship with the network or centre that could, either directly or indirectly, in practice or appearance, impair their ability to think and act in an independent manner that is in the best interests of the network or centre. It is at the discretion of the board to determine which individuals may be deemed independent members. The following situations could be considered material relationships, which would preclude an individual from being deemed an independent member:

- Currently being an executive, officer or employee of the NCE-funded organization or occupying such a position within the last three years;
- Receiving or having received, at any time, payments from the NCE-funded organization or one of its affiliates for services;
- Being a partner, executive, employee, officer or director of an entity doing business with the NCE-funded organization;
- Being, or having been, a partner, executive, officer or employee of a firm or affiliated company that has performed audit services for the NCE-funded organization in the last three years; or
- Being an immediate family member (e.g. father, mother, stepfather, stepmother, foster parent, brother, sister, spouse, common-law partner, child of a common-law partner, grandparent, grandchild, stepchild, father-in-law, mother-in-law) of a person in any of the above situations.

## **Roles and responsibilities of board members**

The expectation for the professional operation of an NCE-funded organization is no different from that for any other not-for-profit corporation. The directors' expectations for the management, therefore, must be as high as their expectations for the management of other corporations on whose boards they sit. This includes (but is not limited to) expectations regarding:

- The efficiency and efficacy of meetings of the board of directors;
- The level of engagement and professionalism of the directors;
- The professionalism and competence of management;
- The timing and frequency of communications, updates and sharing of material for board of directors meetings;
- The purpose, organization, level of detail, and clarity of the material provided in board packages and during board of directors meetings;
- The opportunities for directors to thoroughly discuss and provide direction to management regarding the organization's strategic direction, approaches and activities; and
- The responsiveness of management to the board of directors' input, suggestions, and requests for information.

The board has a responsibility to ensure the organization fulfills its obligations to the NCE, including meeting the objectives set out in the original application.

A board of directors can only be effective when:

- It is provided with timely, clear and complete information;
- It is engaged, aware of and "buys into" the mission, vision and operations of the organization;
- It is not solely in the position of receiving information, with opportunities for directors' expertise and experience to be used to the advantage of the network or centre; and
- It has a clear role to play (i.e. it is allowed to and expected to fully engage in discussions and make decisions about matters of importance).

The approach of a board of directors to its responsibilities can be at the macro level (policy), micro level (management), or a combination of both. Below are examples of some of the main responsibilities of the board:

1. Oversee the conduct of the organization and financial oversight: Board members should be able to openly and constructively participate and address issues and solve problems.
2. Create and enforce policies and procedures (conflict of interest, etc.)
3. Develop and oversee strategies, possibly including:
  - the overall strategic vision;
  - training plans ;
  - partnership strategies, and new partners; and
  - knowledge & technology transfer plans, and commercialization strategies (where relevant).
4. Develop a performance framework for the organization and monitor annual performance.
5. Develop, and implement a risk management framework.
6. Determine the mandate, membership, authority and termination of any network or centre committee.
7. Approve:
  - new members;
  - project applications (where applicable);
  - annual reports (to the NCE Secretariat and other funders), the corporation's annual report; and
  - annual budgets.
8. Lead annual performance evaluations of senior management, and performance of the board itself.
9. Nominate the chair and new members of the Board.
10. Act as ambassadors for the organization and be committed to its success.

## **First meeting**

Activities at the first meeting of the board of directors can include:

- Approval of the bylaws and the establishment and membership of board committees; discussion of the terms of reference for the committees and other more specific committees (such as the Research Management Committee or Commercialization Committee);
- Consideration of the appointment of a vice-chair, who could replace the chair when needed;
- Discussion of overall strategy and yearly operational plans;
- Discussion of policies (e.g. intellectual property management, conflict of interest);
- Discussion and further development of the organization's performance framework to measure the short and long term achievements to ensure success and risk management;
- Develop process for approval of projects from the original grant application, as applicable; and
- See the appendix for a model [agenda of a Board Meeting](#).

## **Policies for the board to consider and develop**

- Conflict of interest (must be no less stringent than the COI policy [in the program guide](#))
- Environmental review (must be aligned with the environmental review requirements in the program guide)
- Intellectual property (must be aligned with the working guidelines for benefit to Canada in the program guide.)
- Dispute resolution
- Statement of values and code of conduct / ethics
- Approval of new members
- Non-Disclosure
- Human Resources
- Travel
- Consent to Disclosure of Personal Information
- Financial authority delegation
- Open access to research results
- Privacy
- Harassment
- Communicating on behalf of the network / centre
- Partnerships

## **Committees and subcommittees for the board of directors to consider**

The number of committees should be carefully considered. If the structure is too complex it may impact on the efficiency of the governance. This may increase the number of meetings and members and staff workload. Essential committees are the audit, executive, research management, investment/commercialization and nomination committees. Other committees can be ad-hoc committees or their tasks can be done by the whole board.

### **Executive committee**

The role of the executive committee is to generally oversee the not-for-profit organization and to provide direction to staff on urgent matters between board meetings. The committee cannot dissolve or merge the corporation or make other decisions affecting the fundamental mandate or structure of the corporation where the whole board is needed. In most cases, this committee has the capacity to bind the organization to contracts and therefore its authority must be constituted through the bylaws. The board should determine a reasonable maximum threshold of financial spending authority for the executive committee. The full board should be notified at its next meeting of decisions or actions taken by the executive committee. Typically, this committee consists of between three to five directors, and may meet occasionally at the request of the chair or two of its members. The committee may also be tasked with reviewing nominations for the board (in the absence of a nomination committee), and setting the agenda for upcoming board meetings.

### **Audit and finance committees**

Each committee contributes differently to the oversight of the not-for-profit organization. The audit committee is typically concerned with the integrity of the corporation's financials, legal compliance, and supervision of accounting practices, as well as nomination of the auditor for the corporation and review of the audit reports. The finance committee, on the other hand, is more concerned with the mechanics of the corporate financial operations, and deals with budget and financial reporting to the board, procurement, cost controls, and assessment management. The same board members may sit on both committees; however it is recommended that these two committees be distinct from each other.

### **Nominating / governance committee**

The nominating / governance committee oversees board recruitment, removal and replacement of directors and may be tasked with finding candidates for the board, determining appropriate nominees and/or dealing with directors that are remiss.

The nominating committee should be primarily concerned with the long-term interests of the corporation, and balance those interests and the composition accordingly. In order to maintain the best interests of the not-for-profit organization, members of the nominating committee must not have close ties to staff or to particular factions of the board.

### **Research management (RMC) or knowledge mobilization committee (NCE) (mandatory committee for the NCE program)**

The management of the NCE-network's research or knowledge mobilization projects requires ongoing assessment of all activities. These committees provide recommendations to the governing body of the network on priorities and budget allocations. This function should be carried out by a committee usually chaired by the network lead and is composed of experts from the network as well as the user sectors, namely industry, government and any other groups deemed necessary by the board. The membership of this committee should reflect the multisectoral and multidisciplinary nature of the network.

The committee may review proposals, monitor the progress of the network projects, and make recommendations to the board on the activities, budget allocations, and the addition of activities or personnel involved in the network. This committee typically meets face-to-face two to three times annually and when more groundwork on policies and procedures is needed. Consideration should be given to staggering the length of term for each member in order to ensure a balanced succession of membership (i.e. two to four years). Similar to the provisions

offered to board members, an orientation package should be provided to members of this committee to facilitate the management of multiple projects. For additional details, see the [Research Management Committee section of this guide](#).

#### **International advisory committee**

Many NCE-funded organizations have established international advisory committees (standing or ad-hoc) that can advise the board on the organization's corporate strategic plan. The international committees have provided an opportunity for the organization to benchmark itself against international standards. Typically, these international committees are composed of recognized scientists and stakeholders.

#### **International review committee**

Networks have also established international review committees (standing or ad-hoc), with a similar composition to an international advisory committee. This committee is tasked with the review of the scientific merits of the research proposals. International review committees are particularly useful for avoiding conflicts of interest that can arise in the review of projects.

#### **Investment / commercialization committees**

Many NCE-funded organizations have established investment committees that monitor the progress of technology development and or investments. The committee provides advice and clear go-no/go mechanisms to ensure that investment returns are maximized. Typically, these investment committees are composed of venture capitalists, angel investors, entrepreneurs and industry representatives.

In some cases, the investment committee is dedicated to ensuring good returns on investment from centres or network who are in a mature stage as a step towards self-sustainability. For additional details, see the [Investment / Commercialization Committee section of this guide](#).

#### **Business development / tech transfer / knowledge translation / networking and partnerships committee**

Whatever name is provided to this committee, it should be comprised primarily of members from the stakeholder groups, i.e., industry, policy, legal experts with commercialization and/or knowledge translation experience. Responsibilities have included the review of the commercialization, partnership and knowledge translation strategies and activities and the provision of specific recommendations on commercialization strategies and partnerships to the board of directors, or funding of specific projects or activities.

#### **Ethics advisory committee (or conflict of interest committee)**

An ethics advisory committee may be essential in certain sectors. Boards of directors have typically established ethics committees to establish policy and procedures and resolve any ethical issues related to the organization's activities and advise the conflict resolution committee on issues of conflict of interest as required.

#### **Environmental review committee**

Boards of directors responsible for approving the proposals to be funded must ensure that an environmental review (if required) is in place and is being implemented. NCE-funded organizations can establish their own process according to their own situation, which could include the appointment of a sub-committee. The committee may advise on the development of an environmental policy and review process (and all environmental matters) and can review each proposal for funding for compliance with the *Canadian Environmental Assessment Act (CEAA 2012)*. Consult the program guide for more details.

#### **Highly qualified personnel (HQP) association / training and education committee**

The HQP associations or committees have been established to integrate trainees into the network or centre. The committee typically reports to the board of directors or to the research management committee (where applicable). Some roles for these committees have included developing specialized training strategies for graduate students, facilitating training and education in a given sector, increasing public awareness of the sector in Canada, and broadening the scope of trainees by providing multi-faceted training that crosses typical boundaries. Membership of this committee is typically composed of trainees, and representatives from the NCE-funded organization.

### **Legacy or sustainability committees:**

Some organizations have established legacy or sustainability committees. The committee provides advice and strategies to ensure that the network/centre secures a revenue stream, or leaves an imprint (legacy) on the Canadian landscape post NCE funding. Typically, these committees are composed of partners and have long-term planning horizons.

### **Additional committees**

Additional committees can be ad-hoc committees or permanent committees and should have terms of references which dictates their membership, roles, responsibilities and reporting structure. These must be approved by the board, and should be included in the organization's reference manual, bylaws and annual report and also posted on the organization's website. Generally these committees should make recommendations to the board which will make the final approval.

## **Conflict of interest management - issues to consider at the onset**

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

Members of the board of directors and its committees should update their declarations annually. In addition, if circumstances change during the period of their appointment, the member should immediately inform the chair of the changed situation. The declaration of conflicts of interest should also be a standing item on every board meeting agenda or any committee meetings. In instances where a member identifies himself or herself in a potential conflict of interest, the issue should be declared to the chair for discussion and deliberation. A member considered in real or potential conflict of interest shall recuse himself or herself from that part of the meeting during which related matters are discussed and/or voted on. This should be recorded in the minutes of the meeting.

### **Conflict of interest management – the research management or project selection committee**

The committee charged with reviewing projects and recommending adjudication of funds to the board, should be composed of members that range across sectors and disciplines to effectively manage the portfolio. As organizations develop, it often becomes impossible to manage conflict of interest without key structures and safeguards in place to manage and mitigate the risk. As a result, most networks now appoint an international review committee that is tasked with reviewing the excellence of the science. Some of them also use a college of reviewers or an outside committee. In these instances, the role of the RMC is to review the projects deemed fundable by the international board and recommend (if applicable) the inclusion of new partners or linkages when appropriate to ensure that the research projects are optimally managed to deliver a coherent program. An example of a [conflict of interest policy](#) is available in the appendix.

## **First annual meeting**

After the organizational meeting of the first directors, an organizational meeting of the members is required. The first directors of a corporation must call the first members' meeting within 18 months of the date of incorporation (i.e., the effective date on the certificate of incorporation). A liaison from the NCE Secretariat will be designated to attend all board and committee meetings, and will be available to provide advice and guidance.

Future annual meetings should be scheduled as soon as possible, possibly years in advance, to ensure that the corporate members are able to attend.

## **Information exchange with the board of directors**

The board of directors requires a complete picture of the organization in order to govern effectively. As a starting point, they must be fully aware of the expectations of the NCE, as well as the content of the original application and the funding agreement, both of which outline the expected outcomes. They must also be kept apprised of the ongoing feedback the organization receives from the NCE. It is critically important that boards are apprised on a regular basis of all matters affecting the organization, **including the problems, issues, risks and failures** – not just the highlights and achievements. The board of directors cannot provide effective guidance if it is not aware of the challenges being faced by management.

Communications with the board of directors is an area that many organizations struggle with. While scientific leaders may be skilled at reporting research findings, this does not easily translate into effective communications with a board of directors. There is a special skill to preparing material for the board of directors, including the development of appropriate templates and structures for this purpose. This is an area that is often overlooked in the collection of tasks faced by management, with insufficient time devoted to the development of optimized templates. Too often, boards of directors are also guilty of not giving sufficient direct feedback and/or requiring that management provide the needed information in a timely manner.

There are many ways to prepare and share information with the board of directors. Sample templates for board packages [can be found in the appendix](#). These are examples only and can be used as a starting point for preparation of Board packages; organizations must work with their board of directors to determine the best format to meet their needs. Complete Board packages should be made available to the board of directors a minimum of one week before each meeting.

The board of directors should provide regular feedback to management regarding the materials provided. At the end of each meeting, directors could be asked to comment on the format, structure, and content of the board package and the information presented at the meeting. On an annual basis, structured feedback should be provided as part of the board of directors' performance assessments of the senior management. In order to do this effectively, the board of directors must have previously set clearly defined performance expectations for both roles. Sample assessments for a scientific director and a network manager [can be found in the appendix](#).

## **Long-term planning horizon**

At the onset of the network or centre, it is imperative that the organization establish its long-term goals, its sustainability plan, and envisioned imprint or legacy on the Canadian landscape. The overarching goals of the organization will enable the board of directors, the executives, and the relevant stakeholders to develop the strategic plan and its revisions over the life of the grant.

It is recommended that the board devotes at least half a day per year, at a face-to-face meeting, to strategic planning (including the evaluation of performance, and long-term vision).

## **1.2 Governing an Established Organization**

### **Ongoing meetings**

A number of considerations are important for conducting successful and effective meetings. Some of them are included in the organization's bylaws and must be carefully implemented. A summary of key considerations is listed below:

- The board should follow standard legal guidelines for its functioning, described in the bylaws. Board members must sign the conflict of interest declaration and the code of conduct form if the organization has one. An example [is provided in the appendix](#).

- The board should meet at least three times a year (more at the start if needed). Teleconferencing and internet meetings are suitable avenues for board activities, but at least two face-to-face meetings per year are recommended. Meetings should be scheduled at least one year in advance.
- The board agenda should be prepared by the senior management, with input from the chair of the board and other relevant committee chairs.
- As previously noted, conflict of interest must be carefully monitored. The board must follow the policy that it developed. It is recommended that declaration of conflict of interest (real or perceived) be included as a standard item at the beginning of the agenda at every meeting, with a reminder of the policy and process, and people who declare conflicts be noted in the minutes. People who are in conflict with any decision to be taken by the board should, at a minimum, not participate in the discussion or ideally, step out of the room or the call.
- To promote or improve the participation and contribution of board members in discussions, the agenda, minutes of previous meetings and other reading material should be sent at least one week prior to the meeting. Minutes and documents related to past board meetings could be posted on a private section of the organization's website. Each member would be given private access. Some organizations also post useful reference documents such as past and present members list and affiliation, committee mandate, and manuals requested or recommended by board members.
- It is accepted as a best practice for all boards of directors to have an in-camera session scheduled at every meeting. This provides an opportunity for the directors to have an open discussion without staff present.
- Quorum is needed to hold a meeting and a majority is required to confirm a motion or a vote (generally defined in the bylaws).
- No director may send a representative to a meeting of the board of directors in such director's place, and no voting by proxy is permissible regarding any meeting of the board of directors.
- Any committee member may be removed by resolution of the board of directors.
- Constant improvement: It is also recommended that at the end of every meeting, the board quickly expresses its satisfaction or any possible improvement to the meeting preparation (such as agenda items and supporting documents preparation and presentation).
- For meetings held on a university campus or at a partner facility, it is possible to add a brief tour of the facility, a short visit to relevant labs and/or lunch presentations with investigators. A meeting with local partners or investigators or trainees can be planned the evening before the meeting to encourage communication with local receptor community representatives, and stakeholders.
- Follow-up to the meeting: Shortly after the meeting, draft minutes should be circulated to the members for comments, with a business arising table indicating the name of the person in charge and the expected delivery date.

## **Motions and decisions**

The board of directors should not just be presented with one option (e.g. a final "draft" document) and asked to approve it. At a minimum, they should also be presented with some background information, outlining the process that was undertaken to create the document (including consultations, if applicable), the rationale for the item being prepared as it was, and an outline of the risks or weaknesses associated with the item as presented. Ideally, the board of directors will be given the opportunity to contribute to the development of the item in the early stages, so that the organization benefits from the collective expertise and experience available. A sample template for a "cover page" to accompany an item presented to the board (document, policy, etc.) in the board package [is included in the appendix](#).

## **Assessment of the board of directors**

It is a best practice for a board of directors to undertake regular self-evaluation, to provide the opportunity for reflection and honest assessment of the level of engagement and efficacy of the board as a whole, and (optionally) for each director to undertake a confidential self-evaluation to assess his/her independent contributions to the board and to the organization. Consolidated results of the board of directors' evaluation should be shared and discussed with the entire board. This process is normally led by the chair of the board of

directors or the chair of the nominating or governance committee (or equivalent). This individual is also often responsible for engaging members whose attendance or participation in board of directors meetings has been lacking.

Samples of a [board of directors evaluation form](#) and a [director's self-evaluation form](#) can be found in the appendices. These can be tailored to address the needs of the network. It is recommended that the board of directors complete the first self-evaluation within 18 months after the establishment of the network or centre, and annually thereafter. These are often completed concurrently with the updating of conflict of interest declaration forms.

## **Succession and engagement of new directors**

The board should have a strategy for long-term management succession and member rotation. It is important to consider that the board should also include in its roles, the planning of succession for senior management, pending any turnover or retirement. Many boards of directors impose term limits at the onset to ensure rotation of members as the organisation evolves.

In discussing this succession planning, the board must envisage a process that will diminish the perception of conflict-of-interest in the planning of the appointment of such an individual. One good way to ensure that the best candidate is found is to advertise the position openly and consider multiple candidates.

Boards should regularly review their membership composition and size to ensure that it is conducive to effective decision making. It may be useful to periodically revisit a [board competency matrix](#).

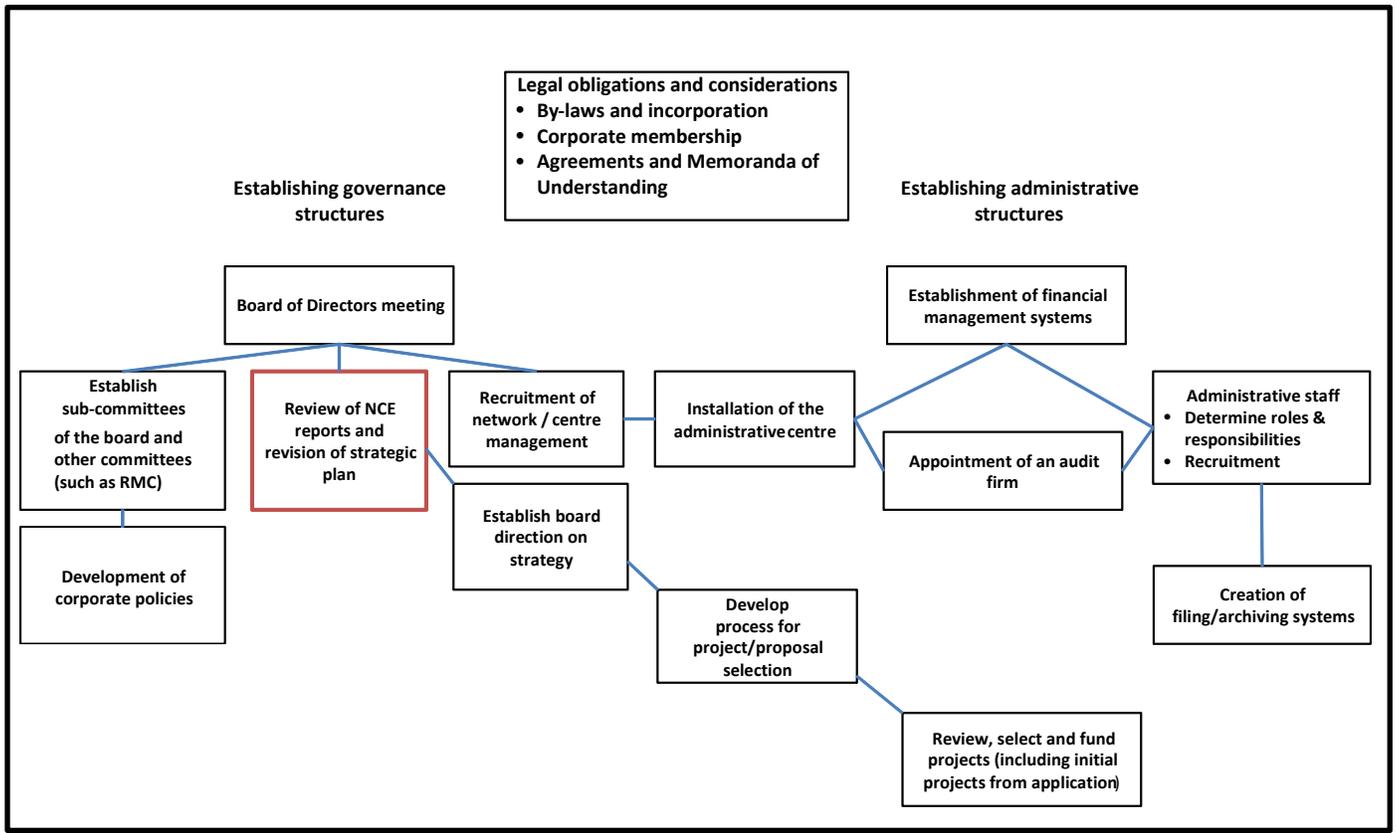
## CHAPTER 2: Operations

### 2.1 Establishing the organization

The administration workload and time commitments during the set-up period are significant, and should be mediated through the recruitment of qualified personnel. This section explores some of the major staffing, administrative and policy components necessary during this setup period.

It is recommended that the leadership of newly established networks and centres consult with other well-established networks and centres.

### Critical path for the creation of an NCE-funded organization



### Creating structures and fulfilling obligations

#### Bylaws and Incorporation

Before receiving funds, networks and centres must be incorporated as not-for-profit entities. During the development of the bylaws, the following points should be considered:

- NCE funding agreement stipulates that the board of directors should contain a minimum of 12 members, of whom a minimum of one-third will be [independent members](#).
- Corporate Membership: Conditions of membership, and the rights associated to members are typically included in the bylaws of the corporation. Details on corporate members are [available via the Corporations Canada site](#). The NCE program does not define membership criteria, since that is a matter for each corporation to decide.

An additional consideration will be obtaining liability insurance for directors and officers before the first meeting of the board of directors.

### **Actions to take when launching a network or centre**

- Branding following incorporation: registration of the name of the organization and its acronym, development of stationery, logo, internet domain name and backgrounder
- Creation of a general contact for the organization (e.g. general email and phone number)
- Launch of the organization: planning for the first meeting of stakeholders
- Development of short-term and long-term communications strategies
- Development of a public website
- Acknowledgement of NCE support through the communications activities
- Establishment of hiring and severance policies and packages (Note: Discretionary severance and separation packages are not an eligible expense, as stated in the program guide)

### **Important processes to develop to monitor the progress of the network or centre**

- Project selection and monitoring (see the [project selection template](#) in the appendix)
- Keeping track of HQP
- Tracking partnerships and the contributions to the organizations
- Capturing investments and follow-on investments from stakeholders
- Reporting system to track results and impacts

### **Accountability infrastructure**

The organization should have a strong, transparent accountability infrastructure, which includes (but is not limited to):

- Financial systems and appointed auditor; and
- Corporate filing and distributions lists.

NCE-funded organizations must ensure that their systems, and the systems of network members, are able to account for the receipt and expenditure of grant and matching dollars. Each network member should set up a separate account for the grant funding and track and report separately on cash and in-kind contributions and expenditures.

Detailed financial tables showing the revenues and expenditures for the NCE grant and its contributions should be provided to the board and the financial committee for review and approval on regular basis. Some networks and centres provide this at every meeting.

### **Agreements**

A newly established NCE-funded organization typically has a number of obligations to formalize through agreements. An overview of the most common agreements, and any associated best practices are available below.

#### *Funding agreement*

The NCE funding agreement between the NCE-funded organization, the host (if applicable) and the granting agencies sets out the terms and conditions of funding under the NCE suite of programs. It covers the program guidelines related to the use of the grant funds, governance, agreements with affiliates, and insurance.

The NCE funding agreement has been developed to be consistent with the NCE programs' objectives and cannot be changed. Templates of agreements [are available on the NCE web site](#).

#### *Network agreement (NCE and BL-NCE Programs)*

The purpose of a network agreement is to ensure the smooth management of the network and an understanding of expectations among participating institutions and network investigators. The standardized network agreement covers matters such as the obligations of the participating institutions and the network investigators, conflicts of interest, research ethics, and intellectual property management.

For NCEs, the network and the network's host institution must sign the network agreement and circulate it to the participating institutions for signature. When at least 75% of the participating institutions have signed the network agreement, copies of the signature pages must be sent to the NCE Secretariat. For BL-NCEs, all the partners must sign the NA before receiving any funds.

The network agreement, signed by the network and network host, must be circulated to the participating institutions for their signature. A separate copy of the network agreement is normally sent to each participating institution. A copy of the funding agreement must also be included for their information, including a copy of the network bylaws.

Each network investigator must read the section titled ("Obligations of Network Investigators"), sign and date the acknowledgement attached to the network agreement, and send a copy of this to the network administrative centre. The network administrative centre can authorize release of network funds to the individual network investigator only after four conditions are met:

- 1) The network investigator's institution has signed the network agreement.
- 2) The network investigator and institution are both eligible to receive funds from the granting agencies.
- 3) The network investigator has signed, dated and returned "Appendix A" to the network administrative centre.
- 4) The network investigator's project has undergone the appropriate reviews and the network has determined that no significant adverse effects are expected.

Each network investigator shall ensure that students and all other members of his or her research team have signed and dated a similar acknowledgement. Each network investigator is expected to keep the original of these signed acknowledgements. Obtaining these acknowledgements from students and team members is an essential step in avoiding potential disputes about intellectual property at a later date.

#### *Host agreement*

Networks or centres may have a host organization where the network's/centre's administrative centre is located. The responsibilities of the host organization typically include resources and support outlined in the host's letter of support. Required and suggested elements of the host agreement are [available in the appendix](#).

#### *Affiliate agreement*

It is important for the organization to consider how the relationships with its partners will be formalized and managed from the start of the project to avoid issues down the road. It is recommended that project-specific agreements be formulated to clarify the roles and expectations of participants (including time commitments, resource commitments, dispute resolution processes). The NCE Secretariat does not impose a standard format.

### **Staff positions to consider**

There is no fixed formula for the multifaceted skill sets of individuals composing the management team. One would expect experience with project management, strategic planning and implementation, as well as excellent diplomatic, communications and organizational skills. One individual of the team may require extensive entrepreneurship, business leadership and networking skills, as well as knowledge of intellectual property issues.

#### *Network director (for BL-NCE networks)*

The typical roles and responsibilities of a network director may include the following:

- Provide overall direction, coordination and management of the network's strategic plan

- Provide policy advice to the board and any committees established by it
- Propose and administer programs and budgets for the network
- Recommend new members to the board
- Propose a policy to the board for compliance with the requirements of the grant
- Ensure networks respect the requirements for certain types of research
- Liaise with the NCE Secretariat and granting agencies, non-governmental organizations and the private sector
- Communicate and promote the network's objectives and activities
- Communications and public affairs
- General management of the network's operation
- Supervision of administrative network personnel
- Oversee 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
- Manage intellectual property and commercialization issues
- Oversee organization of general meetings for the board of directors
- Chair the research management committee
- Provide progress reports as approved by the board of directors to the NCE Secretariat
- Promote research collaboration among individuals
- Promote the network to the scientific community, to the private and public sectors, and to the general public
- Conduct any other responsibility deemed necessary by the board of directors

#### *Financial officer / manager*

NCE-funded organizations need robust financial planning, monitoring and management. Although the host institution may provide some financial management resources to the organization, it is generally not sufficient for effective management of the not-for-profit organization. Typical roles and responsibilities of a financial officer/manager may include the following:

- Financial planning and monitoring
- Liaising with the host institution (if applicable) for financial transactions
- Ensuring that the proper financial systems are in place to manage the organization's funds
- Payments and reimbursements
- Quarterly and annual reporting
- Management of the organization's accounts, both NCE and non-NCE funds

#### *Business development and partnership manager*

The typical roles and responsibilities of a business development and partnership manager may include the following:

- Design and implement the marketing strategy of the organization to maximize the short, medium and long-term profitability, and to promote programs
- Develop, review and report on the business development strategy and ensure its strategic objectives are well understood and executed by the business development team
- Lead the business development team in sourcing, managing and implementing new business opportunities
- Build relationships with external partners in the private sector

#### *Communications manager*

The typical roles and responsibilities of a communications manager may include the following:

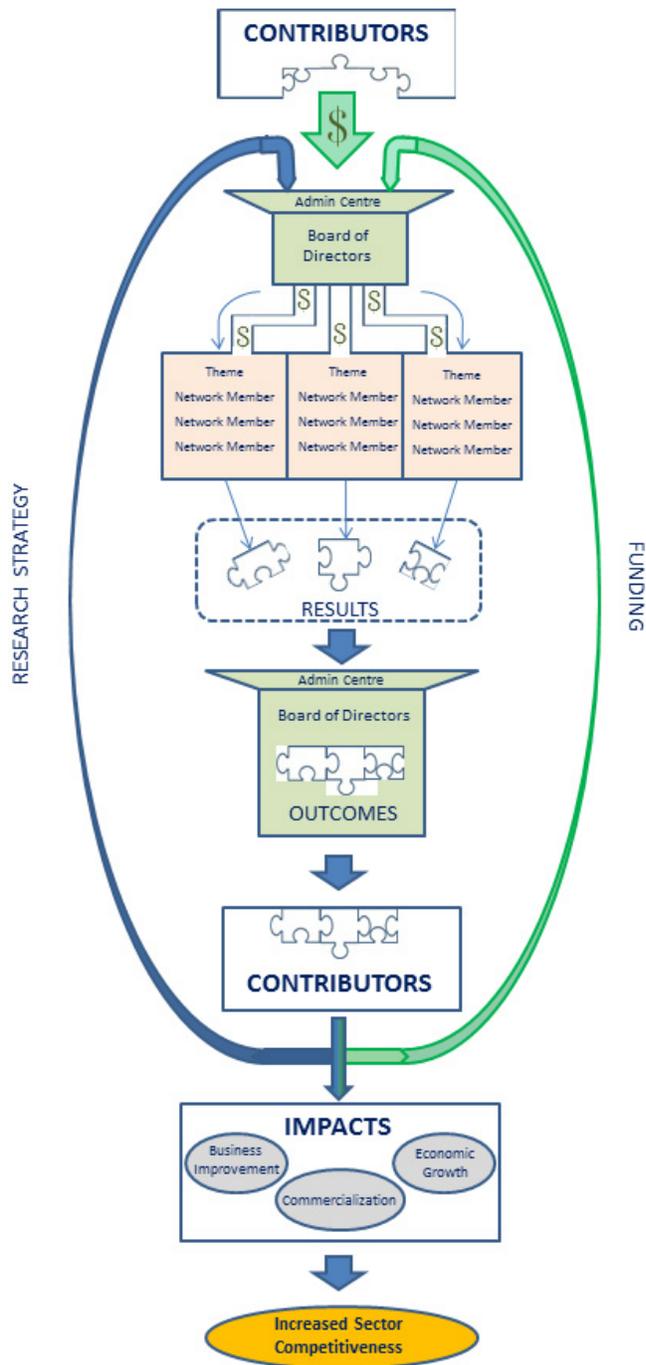
- Developing the communications strategy/plan to ensure that the appropriate messages, images, and communications tools are used to consistently represent the organization and its mandate
- Generating ideas for articles, news releases and events that showcase the impact of the network/centre's work
- Providing strategic advice in the event of an issue arising that could affect public perception of the network/centre

- Managing relationships and liaising with partners, national and local media, public relations agencies, news agencies, and event organizers to ensure project goals are met and timetable/budget parameters are kept
- Organizing interviews and managing the communication of official data
- Writing or editing internal and external communications materials

## 2.2: Ongoing Operations

### Cycle of operations

For a Business-Led NCE:



## **Ongoing responsibilities of the administrative centre**

- Implement communications, networking, partnerships, technology transfer, commercialization, training, and other strategies as approved by the board of directors;
- Draft budgets and program guidelines;
- Arrange for the disbursement of funds;
- Oversee financial systems to manage the organization's funds
- Oversee accounting / administration processes for non-NCE funds (it may not always be best for them to be held by the host, as it can lead to overhead charges)
- Prepare financial and other annual reports as required by the NCE Secretariat;
- Maintain books, files, and accounts;
- Provide administrative support to the board and other committees ;
- Facilitate the transfer of intellectual property;
- Assist in the preparation of publications, meetings and events;
- Track the progression of highly qualified personnel (if appropriate);
- Track the cumulative impacts of the organization;
- Maintain proper client relation management systems; and
- Provide the NCE Secretariat with up-to-date data concerning:
  - the names and full contact information of members of the board of directors;
  - the names and full contact information of the officials and participating organizations responsible for: agreements, administration, financial management and reporting, commercialization, technology transfer and communications.

## **Strategic planning**

It is important for the administrative centre to engage its board of directors and communities in strategic planning exercises throughout the life of the organization. A component of the organization's strategic plan should include a clear planning horizon for the organization. It is imperative for the board and other committees to work together to ensure that the program responds to the solution-driven mandate of the organization. As the organization matures it is important that all relevant stakeholders needed to deliver on the solution-driven mandate are sufficiently engaged.

Typically, networks and centres hold strategic planning sessions with their board of directors, relevant network/centre committees and their stakeholders. These can be done in various ways, including, but not limited to, national stakeholder engagement sessions or joint workshops with the board and research management committee that subsequently inform the strategy development.

## **Preparation for renewal or extension grant**

Networks and centres that have been successful in NCE competitions throughout their lifecycle commonly begin to prepare for an NCE review a year prior to the application deadline. The strategic plan should be done with both long-term goals, and with more immediate outcomes through specific five-year horizons. Stakeholder consultations and the development of an informed coherent strategic or business plan take time. Many NCE organizations finalize their application one to two months ahead of the deadline so that they can hold a "red team" review in preparation for the NCE expert panels. A red team is an independent group that will challenge the network or centre. This process prepares the centre/network representatives for the expert panel questions, but also enables clarifications to the application material prior to submitting the application to the NCE Secretariat.

## **Performance measurement**

NCE-funded organizations must provide a table indicating which performance metrics the organization will use to evaluate its achievements and to demonstrate the incremental value generated by the NCE investment. The table should clearly identify the organization's milestones and targets. The board and the committees should actively engage in monitoring before it is reported to the NCE Secretariat in order to address issues and develop solutions if any area is underperforming.

### **Risk Management Frameworks**

Networks and centres should have a clear articulation of the risks faced by the organization to design and implement procedures that minimize the impact of the losses that could occur. The framework should be used in a manner that enables feedback mechanisms when needed to ensure that risks are identified, managed and that the impacts are mitigated. (e.g.: change in leadership, external contact that can affect the stakeholders and the network-centre programs).

## **Adapting to change**

Networks and centres go through different phases as they evolve, each with different needs and characteristics. Lessons learned along the way include the need to establish trust early, recognizing that cultural change is difficult, understanding that failure can be constructive, and focussing early on legacy.

The ongoing evolution of a network's or centre's mandate may lead to various approaches to legacy. For example, a network may take advantage of the private sector partnerships and collaborative culture it has cultivated to spin off a CECR.

## **Research management committee (RMC)**

A Research management committee is a mandatory condition of NCE funding. The management of the research program requires ongoing assessment of all projects in order to provide recommendations to the board of directors regarding research priorities and budget allocations. While all research project funding decisions are the responsibility of the board, oversight of the research program is the responsibility of the RMC. The RMC is typically responsible for:

- Final recommendations for project selection and funding - For core research projects, the RMC can develop its funding recommendation from the external scientific review's fundable projects (if such a review exists). The RMC can then amalgamate project teams where synergies may be found, or strip away the less competitive elements of the proposal.
- Monitoring project progress – The network should not follow a “fund and forget model.” A key benefit of the network model is that it can manage the research program; many have developed very active mechanisms to managing and monitoring their research portfolio. The monitoring process can be done once to twice per year. Some networks do this in writing, while others request a face-to-face meeting with the lead investigators and the RMC. The monitoring process enables the RMC to recommend increased budgets where projects have progressed more rapidly than expected or to redirect or terminate funding if the progress is not satisfactory.

The success of the network in defining the scope of its research depends on its ability to deploy its pool of research funds well and on the ability of the network leaders and research group members to work together for a common purpose. As such, it is important that networks not simply assess the strength of their research projects, but the excellence of their research program as a whole. A successful network must integrate its research projects and themes into a coherent research program to address the network's solution-driven mission and goals. The networks can actively build on the Canadian research landscape by integrating and filling gaps where the “whole becomes greater than the sum of its parts.”

RMC members must reflect the multisectoral and multidisciplinary nature of the network's research program. Depending on the network's conflict of management strategies, the scientific director can be appointed as a chair

of the RMC, a member, or an observer. The network manager is a non-voting member and normally secretary of the committee. Other members of this committee will include a maximum of one leader from each research theme as well as additional members from the user sectors (industry and government) as approved by the board of directors, and one staff member of the NCE Secretariat, who shall be a non-voting observer.

The RMC membership is approved by the network's board of directors. The initial RMC membership must be sent to the NCE Secretariat for its information, and updates must be sent on an ongoing basis as changes are made throughout the life of the network. The committee membership structure should ensure a balanced succession of membership, and minimize conflict of interest.

### **RMC policies and procedures**

Policies and procedures for the management of conflict of interest, the evaluation of ongoing projects, the selection of new projects, and the invitation of new network investigators or other classes of participants should be clearly laid out and communicated to the network community. The process should be transparent. Policies and procedures must be approved by the board of directors before evaluation of projects. Example project review guidelines [are available in the appendix](#).

### **Research management peer review – Managing the network's research program**

A fair and transparent process ensures that the research community remains engaged in the network, and that the most multi-disciplinary research can be supported. Many networks have adopted a model where an external international scientific advisory board provides scientific review and input on the network's strategic plans. The external committee provides an independent assessment of the scientific merit of the network's core proposals by providing advice, and fundable/ non-fundable decisions to the RMC and the board. Alternatively, some networks enlist arm's-length external referees (individually or grouped by themes) to provide written peer review reports and use these reports as a tool in their RMC's scientific review process.

## **Investment or commercialization committees**

Effective management of the research and commercialization programs requires ongoing assessment of all projects in order to provide recommendations to the board of directors regarding priorities, progress, go/no go decisions, and budget allocations. The success of the network or centre in defining the scope of its portfolio depends on the ability of the network/ centre to deploy its pool of funds well and on the ability of the leaders to work together for a common purpose.

Investment and commercialization committee members should reflect the business acumen necessary for identifying promising technologies and investments. The members typically include members from the private sector with expertise in R&D, business, and commercialization, and one staff member of the NCE Secretariat, who shall be a non-voting observer. The membership of such committees must be approved by the board of directors,

### **Committee policies and procedures**

Policies and procedures for the management of conflict of interest, the evaluation of ongoing projects and investments and the selection of new projects and investments should be clearly laid out and communicated to the relevant stakeholders. The process should be transparent. Policies and procedures must be approved by the board of directors before evaluation of projects.

### **Merit review – managing the portfolio**

A fair and transparent process ensures that the network's or centre's community remains engaged. Management of conflict of interest is a key consideration throughout the life of the organization. As such, many networks and centres have adopted a model where an external advisory board provides the review and input on the portfolio's progress and new investments.

A key component of effectively managing the network's or centre's portfolio is to ensure that there is a clearly defined mechanism for monitoring the progress of each investment. The monitoring process can be done once to twice per year, either in person or by teleconference. The monitoring process enables the centres and networks to

understand their investments, and gives them the ability to recommend increased budgets where projects have progressed more rapidly than expected or to redirect or terminate funding if the progress is not satisfactory.

## **Ongoing engagement**

### **Collaboration within the network**

Given that the network's research needs to be divided into separate themes and / or projects, it is important to create and promote a culture of collaboration among researchers. The success of a network will strongly depend on its ability to focus different expertise and disciplines onto specific problems.

It is therefore encouraged for networks to create a platform for researchers to share results and discuss their approaches. This can be accomplished through board subcommittee meetings, scientific meetings such as an annual conference, webinars, or e-mail updates.

### **Researchers engaging contributors / industrial partners**

To ensure that research projects continue to target results that will be useful to the contributors / industrial partners, researchers and contributors are encouraged to engage with each other throughout the life of a project. This could be through a regular review mechanism, or other hands-on management approaches (such as the setup of a mentoring program).

### **Disseminating research results**

Following the completion of a project, the organization should disseminate the results as per the network agreement and other related agreements, to ensure the rapid uptake of results by the contributors / industrial partners.

## **2.3: Transitioning from the Grant**

The following section summarizes the comments and suggestions of participants with regard to ending Networks and Centres. These practices are only an overview. Networks or centres that remain active and transition to another model or funding mechanism may not need to alter incorporation or staffing activities. Networks and centres should continue to engage with their NCE Secretariat liaison if they need clarification or guidance on any aspect of the transition from the NCE grant.

### **Elements to be aware of**

- Time required
- Legal counsel suggestions
- Partners and stakeholder suggestions, input and needs

### **Retention and engagement of key players**

- Need to retain key administrative staff
- Loss of engagement of researchers/stakeholders
- Need to keep board members engaged
- Dealing with continuing HQP
- Dealing with the human factor
- Ensuring program legacy

### **Summary of identified best practices for the continued retention and engagement of key players as experienced by NCEs**

- Recognize the critical role played by the financial/administrative person and ensure that they are retained for the duration of the wind down process.
- If applicable, maintain good relations with the host university or organization throughout the process.

- Engage departing scientists/partners in ongoing industry-university activities, even in a peripheral way. Providing travel funds to strategic planning meetings can foster their continued engagement.
- Look for ways to embed commercial activities in ongoing professional organizations, or not-for-profits.
- Keeping board members engaged during the wind down or transitioning process is important to provide guidance, support and advice. Consider establishing a transitioning or legacy committee of the board.
- Be aware of the need to support students and HQP transition to complete their training after the network or centre winds down. Also look for continued support for students from industry partners, and internship opportunities.
- Consider ways to celebrate the network's or centre's successes and its impact and achieve a positive sense of transition or closure.

### **Wind-down**

- Consider that it takes time for wind-down activities to be completed and that there will be some residual tasks to be completed, after core activities wind-down.
- For planning purposes, start with the network's or centre's end date and work backwards.
- Consult widely with board of directors, legal counsel, and partners about strategic directions, and to identify typical wind-down activities.
- The network or centre should capture, document and circulate lessons learned and best practices about its processes, such as successful partnership approaches, good governance and administration practices, communication methods, intellectual property agreements, networking techniques, legacy initiatives, and other process lessons. The network or centre should rely on its NCE liaison to share best practices from other networks or centres.

### **Transitioning into a new model**

- Consider that it may take time to transition into a new model, which may require adjustments to priority activities.
- Communicate with network or centre staff and engage board members in transitioning processes, particularly if core priorities deviate from the initial plan.
- The network or centre should capture, document and circulate lessons learned and best practices about its processes, such as successful partnership approaches, good governance and administration practices, communication methods, intellectual property agreements, networking techniques, legacy initiatives, or any other relevant considerations.

### **Dealing with residual issues**

- Legal requirements for dissolution or transition
- Need for financial accountability
- Handling issues related to intellectual property, patents, and future royalties, and investment income
- Reporting to NCE
- Archiving administrative records
- Human resource requirements

### **Legal, financial and administrative issues**

While not comprehensive, the following list summarizes the best practices that were identified by study participants for dealing with residual Networks of Centres of Excellence legal, financial and administrative issues. These may provide some insight as networks or centres transition.

- The complexity will vary for legal requirements of dissolution. It is important to find out what wind down or transitioning requirements will be required for a particular network's or centre's configuration.
- Dissolution of the incorporated entity has a number of legal procedures involved for which legal support is required.
- Other contracts, including rental agreements and licenses, need to be terminated or amended.

- Assets may need to be transferred to a host or partner entity, in consultation with the NCE Secretariat. Arrangements for the use of future revenue need to be made. The network's or centre's legal counsel may suggest options such as trust funds or endowments.
- Intellectual property licensing agreements need to be examined carefully for ownership of shares and other future benefits.
- The network or centre will ensure that proper and accurate accounts and records, including but not limited to, contracts, invoices, statements, receipts and vouchers, in respect of the grant are kept for at least seven years after the expiration of the term and will, upon reasonable notice, make them available to a representative of the granting agencies for inspection and audit.
- The location of document storage also needs to be determined. In some cases, it may not be appropriate to house private documents or research rights with a university.
- Human resource regulations may vary in each province. Network or centre administrators need to be aware of relevant legislation for termination of staff.

## **CHAPTER 3: Communications**

Communications activities are a crucial component of any organization's success, and NCE-funded networks/centres are expected to place an appropriate priority on this area. This includes establishing a communications plan/strategy and appointing a staff person with the appropriate qualifications to manage these activities. This chapter outlines what networks/centres are required or encouraged to do, and describes the resources and support available through the NCE Secretariat.

Effective communications and consistent messages are vital to the way in which members and stakeholders of networks/centres conduct and share their work. Activities, results, and accomplishments need to be conveyed to both internal network/centre audiences and to external audiences, such as potential participants from all sectors, public policy makers, the media, and the general public.

Networks/centres are expected to develop a communications plan with objectives and activities designed to enhance interest in the network/centre and its activities, and to promote the network/centre and the relevant NCE program to a broad audience. Networks/centres are also requested to collaborate with NCE Secretariat communications staff for their communications activities directed to an external audience.

### **Public announcement of NCE funding**

After the conclusion of a competition, the process begins to notify applicants of the results and to prepare for a public announcement. Until the public announcement takes place, all those who know about the results are requested to keep the information confidential.

Note that this confidentiality does not preclude grantees from sharing information as needed in order to meet operational requirements. It is not intended to impede a network/centre from using its government funding in an optimal way. For example, networks/centres may need to finalize partnership agreements, hire staff or recruit members of their board of directors.

The announcement of funding being awarded to a network/centre is the prerogative of a federal minister (normally the Minister of Science, the Minister of Innovation, Science and Economic Development or the Minister of Health) or delegate, offering an opportunity to highlight the government's investment in research and innovation. The NCE Secretariat acts as the liaison with the appropriate minister's office, and makes recommendations about the timing and location of a public announcement event. On some occasions, the NCE Secretariat may recommend announcing the competition results solely via a news release. In either case, protocol dictates that the final decision about timing and process rests with the federal minister.

Once the public announcement is planned, NCE communications staff work closely with grantees to coordinate the venue, guests, speakers, scenario, media relations and other logistics. The event typically takes place at the headquarters of one of the grantees, with leaders from the other grantees being invited to participate. Once the public announcement has taken place, individual grantees may organize "rollout" celebrations or official launches at their discretion. Networks/centres are requested to keep the NCE Secretariat informed of these events, and NCE communications staff will provide help such as inviting dignitaries and publicizing the event through NCE channels.

### **Crediting the Government of Canada as a funding source**

Communications activities must acknowledge the contribution of the federal government in support of the network/centre's work. This may include reference to the federal government, the NCE and/or the appropriate federal granting agency.

In terms of visual identity, the [Federal Identity Program \(FIP\)](#) specifies that recipients of federal funding should use the flag symbol that appears below. The Canada Workmark may also be used to acknowledge federal funding.

The NCE symbol may be used under certain circumstances, at the discretion of the communications officer for the network/centre. For example, this symbol can appear on promotional material, web sites or banners as a complement to the FIP. Networks/centres are also encouraged to use one of the following tag lines in conjunction with the NCE symbol: “An initiative of Canada’s research granting agencies” or “The NCE is an initiative of CIHR, NSERC and SSHRC.”

Electronic files for all these images are available to download from [the NCE web site](#).

Note that once the funding agreement with a network/centre has expired, the use of any of these visual elements, or text references to federal government support, must stop.

### Flag symbol



### Canada wordmark



### NCE symbol



## **Network/centre communications activities**

Most networks/centres hire a dedicated staff person to manage communications. See the '[Establishing the organization](#)' section of this guide for details on their tasks.

In addition to crediting the Government of Canada as a funding source, networks/centres are requested to proactively share relevant information with NCE communications staff. This may include news releases, notices of upcoming events, impact stories and videos. NCE communications staff do monitor websites and social media accounts, but sharing the content directly will help ensure that the information is received.

It is also important that any issues that would potentially affect the network/centre, host institution, the NCE programs or Government of Canada be shared as early as possible with the NCE Secretariat.

The network/centre communications plan should be consistent with the organization's vision and mission, and describe the strategies that will be adopted in support of its main objectives. Activities can include:

- Facilitating internal communications such as information exchange among network/centre members;
- Stakeholder relations, focused on creating and sustaining partnerships;
- Promoting network/centre activities and outcomes to the general public, policy makers and the media; and
- Conducting outreach and education to its members and research community.

## **Official languages**

Given the national reach of the NCE, networks/centres are encouraged to publish their web sites and other materials in both official languages where possible and as appropriate for their audiences. They are also encouraged to strive to communicate with stakeholders in their preferred official language.

## **Communications support from the NCE Secretariat**

The NCE Secretariat conducts a wide range of communications activities, many of which help support network/centre communications activities. These are intended to increase the visibility of the NCE and its grantees, and foster connections between networks/centres. Specific activities and communication channels include:

[NCE website](#) – this is the central location for all NCE-related information and news. It includes a number of sections of direct relevance to network/centre communication activities:

- [Networks and centres in the news](#) – NCE communications staff monitor network/centre web sites and maintain a news feed that links back to those sites
- [NCE news](#) – relevant news from the NCE Secretariat, granting agencies and other sources
- [Impact stories](#) – longer stories that describe network/centre accomplishments in greater detail
- [Network and centre events](#) – a listing of events organized by networks/centres
- [Network/centre profile pages](#) – a summary of each network/centre's mandate, structure, key personnel and accomplishments

### [ExcelleNCE Newsletter](#)

- Published six times per year, this newsletter keeps the NCE community informed with the latest news from the NCE Secretariat, feature articles on successes and best practices, and news from the networks and centres.
- Stories are generally selected from a representative sampling of stories that appear in the "Networks and centres in the news" section of the web site.

### Social media

- NCE social media accounts share relevant news, events, and impact stories from NCE-funded organizations, as well as NCE-Secretariat news.
- Follow us on [Twitter](#) and [LinkedIn](#)
- A private LinkedIn group has been created for NCE leaders to connect with each other and share news, events and best practices. Request an [invitation here](#).

### [Annual highlights](#)

- Published annually, this is produced in print and on-line, with the intention of showcasing the achievements of NCE-funded networks/centres to decision makers and other external audiences.
- Stories are selected as a representative sampling of achievements from the full NCE portfolio, and can be drawn from information in the networks/centres' annual reports to the NCE Secretariat, the "Networks and centres in the news" section of the web site and other sources.

#### Webinars

- Approximately four times a year, the NCE communications staff organize a webinar on best practices for NCE communicators. Past presentations are [available here](#).

#### Other events

- The NCE Secretariat occasionally participates in innovation events such as the OCE Discovery conference. NCE-funded organizations have the opportunity to provide the Secretariat with light promotional material in this case.
- NCE communications staff may also be able to offer communications support for network/centre events, such as providing light promotional material and official NCE banners.

#### Liaison with government

- NCE communications staff can help connect you to resources within the federal government (including the granting agencies), or help follow-up on event invitations to the Ministers responsible for the NCE-program (Minister of Innovation, Science & Economic Development; Minister of Health; and Minister of Science).

## **Editorial guidelines**

Networks/centres are welcome to submit ideas and stories. Please check with NCE communications staff beforehand to ensure any submissions will meet the NCE's editorial guidelines and current needs.

In general, the NCE publishes three lengths of stories: short vignettes for the newsletter (approximately 50 words), longer vignettes with quotes for annual highlights (approximately 150 words) and feature stories (500 words or longer).

News headlines, events and videos are normally posted automatically with a title and a link back to the network/centre website. All other editorial decisions are based on a variety of factors:

- Relevance/interest of stories
- Balancing the exposure of the full portfolio of networks/centres over time
- Balancing the exposure of the full suite of NCE programs
- Balancing the exposure of the various sectors represented in the NCE portfolio

## **Contacts**

Contact information for [NCE communications staff](#) is found on the NCE web site.

## **Appendix 1: Tools and Resources for Governance**

[Contact the NCE Secretariat](#) for a copy of any of these tools as a Word document.

## **Orientation package for board members**

The network / centre should provide an orientation session and a documentation package for new board members. Suggested contents are below:

- The mission and objectives of the organization (parts of the original application, annual report, etc.);
- Bylaws;
- Board membership and an organizational chart;
- A description of the Board's responsibilities, and the time and location of future board meetings;
- A copy of the funding agreement and the program guide;
- A list of the network/centre administrative staff with their roles and contact information;
- A description of currently funded activities and a list of network/centre partners (if applicable);
- An explanation of how the original application and the commercialization strategy were developed;
- Reports from the NCE review panels on the evaluation of the original application;
- Financial statements, the approved financial plan and commitments; and
- Annual strategic plan, if applicable.

## Model of a board of directors agenda

Agenda item	Presenter	Item for:	Board package material (may include)
1. Welcome and approval of the agenda	Chair	Approval	Agenda
2. Declaration of Conflict of Interest	Chair	Discussion	Conflict of interest guidelines
3. Approval of the Minutes of the Board of Directors Meeting [date]	Chair	Approval	Minutes of last BOD meeting
4. Business arising	Chair or SD	Discussion	Table of action items created from discussion at last BOD meeting
5. Report of the Scientific Director a. Research portfolio b. Networking and partnerships c. KTEE* d. HQP* e. Management/Administrative Centre	SD	Discussion / Decision/ Information	One or more of the following: Status report Program performance Activity Reports Scientific Director's report
6. Report of the Chair	Chair	Information /Discussion	
7. Report of the Committees of the Board a. Executive Committee b. Governance Committee c. Nominating Committee d. Environmental Review Committee e. Etc.	Chair of Committee	Information /Discussion /Decision	Minutes of the relevant Committee meeting(s)
8. Financial report and budget	Chair of the Finance committee	Information /Discussion /Approval	Financial tables ( <i>use of figures and graphs is encouraged!</i> ) Minutes of the Finance committee meeting
9. NCE Update	NCE liaison	Information /Discussion	
10. Communications activities	Comms Director	Information /Discussion Decision	Report from the Communications Director
11. Other business	Chair	Information /Discussion /Decision	
12. Open discussion	Chair	Discussion	
13. Upcoming meetings	Chair	Decision	List of proposed upcoming meetings (dates and locations)
14. Board assessment	Chair of Governance Committee		Board of Directors assessment form
15. Meeting adjournment	Chair	Approval	
16. <i>In camera session</i>	Chair	Discussion	
Appendices			List of BOD members List of BOD Committees and their members Copy of recent strategic plan/ performance measurement plan

\* Note: these may be covered in reports of Committees of the Board if the network has such committees (i.e. HQP Committee, Investment Committee, etc)

## Sample agenda for annual board of director retreat

### Board of Directors Meeting and Annual Strategic Planning Session

Network  
 Dates  
 Location

Day	Time	Meeting	Room
One	1300-1400	Governance Committee	
	1400-1500	Nominating Committee	
	1400-1500	HQP Committee	
	1500-1700	Commercialization Committee	
	1500-1700	Finance Committee	
	1830	<i>Dinner</i>	
Two	800-900	Audit Committee	
	800-900	Executive Committee	
	900-1200	<b>Board of Directors</b>	
	1200-1300	<i>Lunch</i>	
	1300-1600	Board of Directors Strategic Planning / Strategic Review	
	<b>1800</b>	<b>Opening Reception of Annual Scientific Conference</b>	

## **Example of a conflict of interest policy**

### **Courtesy of the Canadian Stroke Network**

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

The NCE Steering Committee is the body ultimately responsible to the government and, therefore, to taxpayers, for the integrity of all the networks and their operations. The responsibility for implementing and managing the Conflict of interest Policy Framework to ensure that CSN operations and decisions are not biased by conflict of interest, is delegated to the CSN Board of Directors, which represents the highest authority in the management structure of the CSN. The CSN Boards of Directors are accountable to the NCE Steering Committee for the effective implementation and management of the conflict of interest policy framework.

Individuals participating in the CSN such as members of the Board of Directors and advisory committees who do not receive NCE program funds are recognized as playing a unique role in the CSN. They bring an important perspective as a result of their particular knowledge, often as representatives of organizations in the field of interest of the CSN. Nevertheless they are still required to disclose any financial interest or position of influence in any business in the same area of interest as the CSN, other than that of their main employer.

The conflict of interest policy is intended to enable the CSN Board of Directors and individuals to recognize and disclose situations that may be open to question and ensure that such situations are appropriately resolved. The policy builds upon and is complementary to those of the organizations making up the CSN Board of Directors, the CSN investigators and the CSN administrators.

### **Definitions**

**"Avoidance"** means refraining from, or withdrawing from, participation in activities or situations that place an individual participating in the CSN in a potential, apparent or actual conflict of interest relative to their CSN duties and responsibilities.

**"Conflict of interest"** means a situation where, to the detriment or potential detriment of the CSN, an individual participating in the CSN is, or may be, in a position to use research knowledge, authority or influence for personal or family gain (financial or other) or to benefit others.

**"Disclosure"** means the act of notifying in writing the CSN Board of Directors, through the CSN Executive Director, of any direct or indirect financial interests and positions of influence held by an individual participating in the CSN which could lead to a potential, apparent or actual conflict of interest.

**"Divestment"** means the sale at arm's length, or the placement in trust, of assets, where continued ownership or control by the individual participating in the CSN would constitute a potential apparent or actual conflict of interest with the participant's CSN duties and responsibilities.

**"Financial interest"** means an interest in a business in the same area as the CSN as described in Section 2.1 of this document.

**"NCE Steering Committee"** means the committee comprised of the three granting council Presidents and the Deputy Minister, Industry Canada, which has overall responsibility for the NCE Program.

**"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 CSN, an individual (including staff, researchers, directors and committee members) is obliged to disclose in writing (using the attached Conflict of Interest Disclosure Form) to the CSN Board of Directors, through the CSN Executive Director, any direct or indirect financial interests and positions of influence that could lead to a potential, apparent or actual conflict of interest. Examples include, but are not limited to, the following: founder, employee, or executive position; consultant or advisor; stock or ownership interest. 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 CSN committee or CSN Board meetings so that the committee or CSN Board is aware of the situation and can take appropriate action. To the extent that there may be a conflict between the CSN conflict of interest policy and a Participating Institution's policies, the more stringent requirements shall prevail.

## **Financial interest consists of:**

Any material stock option (e.g., 1%) 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 CSN Board of Directors 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 CSN 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.

## **Principles**

An individual participating in the CSN 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 CSN decisions, including committee decisions, if the declared potential conflict of interest could influence the decision or actions of the CSN. 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 CSN Board of Directors 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 CSN Board of Directors level and must be documented in writing. The CSN Board of Directors will determine the extent to which the question should be pursued and in such cases will consult the individual in question. If necessary, the party will be asked to respond in writing.

## **Non-compliance**

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

- Account to the CSN 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 CSN, **or**
- Take appropriate action as determined by the Board of Directors.

## **Review Process**

An individual may request in writing, within 30 days, a review of a CSN Board of Directors' decision on conflict of interest. In certain circumstances, the CSN Board of Directors may arrange for an independent third party appointed by mutual agreement of the CSN and Board of Directors, and failing such mutual agreement appointed by the NCE Program 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 CSN 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 Network. The ultimate decision on the resolution of the review rests with the CSN Board of Directors.

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

## **I. Conflict of Interest Guidelines**

### **PURPOSE**

These Guidelines are designed to assist members of the Board of Directors, officers, and other persons involved with the Canadian Stroke Network ("CSN") to understand and comply with conflict of interest requirements applicable to the CSN. These Guidelines are consistent with the Conflict of Interest Policy guidelines in Appendix K of the network agreement.

### **BACKGROUND**

Individuals who hold positions of trust in a corporation have a legal duty to act honestly and in good faith with a view to the best interests of the corporation. This duty is referred to as a "fiduciary duty".

As part of their fiduciary duty, directors and officers of a corporation have a duty to avoid actual or potential conflicts of interest between:

- their duties to the corporation; and
- their duties to others or their own self-interest.

Under the common law (the law as developed through judicial decisions over time), the prohibition against conflicts of interest is applied strictly. Any contract or arrangement entered into by a corporation in which a director or officer has an interest is voidable by the corporation, regardless of whether or not the contract or arrangement is to the benefit of the corporation. Furthermore, a director or officer who has profited from such a contract or arrangement must account to the corporation for such profits.

The CSN is a not-for-profit corporation organized under the *Canada Corporations Act* (the "CCA"). Directors and officers of the CSN are subject to the common law rules on conflicts of interest as set forth above. These rules are modified somewhat by the CCA, which permits directors of the CSN to have a conflict of interest provided that the director discloses the conflict and refrains from voting on the directors' resolution approving the contract or arrangement at issue.

Members of the Board of Directors of the CSN, officers and employees of the CSN, members of CSN advisory committees and researchers are also subject to the CSN Conflict of Interest Policy (the "Policy"), an exhibit to the CSN network agreement. A copy of the Policy is attached as Schedule "A" to these Guidelines.

### **PROCEDURES**

The procedures set out below are designed to assist individuals participating in the CSN to comply with the requirements described above.

### **Members of the Board of Directors and Officers**

At the time of his or her appointment as a member of the Board of Directors or as an officer of CSN, each new Board member or officer shall review the Policy. Following such review, the new Board member or officer shall complete the CSN's form of Conflict of Interest Declaration, a copy of which is attached hereto as Schedule "B" (the "Declaration"). In addition to the written Declaration, Board members shall declare their interests orally at a meeting of the Board.

Board members and officers shall make disclosure annually at the first Board meeting of the fiscal year, and thereafter from time to time as necessary. The Board Chair shall remind Board members of their obligation at the outset of each Board meeting. The secretary of the Board shall record disclosure of the interests of Board members and officers in the minutes of the meeting during which disclosure occurs.

Board members and officers shall update their Declarations annually. If circumstances change during the period of their appointment, Board members and officers shall immediately inform the Board Chair of the change in their situation.

A Board member in an actual conflict of interest shall absent himself or herself from that part of the meeting during which related matters are discussed, considered and/or voted on. The secretary of the Board shall reflect the absence of the Board member in the minutes.

A Board member who has a potential conflict of interest shall declare it and shall seek the advice of the Chair as necessary in exercising his or her discretion in regards to the potential conflict.

If any Board member objects that another Board member is in an actual or potential conflict of interest, or is not taking the appropriate steps to deal with the conflict, the Board Chair will call for a vote of the Board to determine the appropriate course of action.

Board members and officers shall also comply with all other provisions of the Policy which may apply to them.

#### **Staff, Researchers and Committee Members**

Staff members and committee members, upon joining CSN, and researchers, upon first being awarded a grant by CSN, shall also submit to the CSN a completed Declaration. All such individuals shall be required to update their Declarations, and to manage conflicts of interest, in accordance with the provisions of the Policy.

#### **MONITORING**

The CSN's Audit and Finance Committee will review the Guidelines, the Policy and the form of Declaration annually and will submit to the Board of Directors for consideration any recommendations for changes or revisions by the Board at the meeting of the Board immediately preceding the Annual General Meeting.

Effective: Date

## **Example of conflict of interest, confidentiality and non-disclosure agreement**

Courtesy of CIMTEC

### **Conflict of Interest, Confidentiality and Non-Disclosure Agreement**

**(Board of Directors)**

#### **Conflict of Interest**

I have been provided with a copy of the following documents:

- Conflict of Interest Policy
- Ethics and Business Code of Conduct Policy

I have read and understood these documents and I agree to abide by the provisions set out therein, including the requirement for disclosure of any conflict of interest and the observance of compliance measures.

I have completed the attached questionnaire and to the best of my knowledge, have disclosed all information relating to my affiliations.

Should I find myself in a situation that is, or could be perceived as, a Conflict of Interest before the next Board of Directors meeting, I will submit a revised declaration to the Director of Operations or Chair of the Board of Directors.

#### **Confidentiality and Non-Disclosure**

All documents provided to Directors in the course of carrying out their duties are stored in a secure manner to prevent unauthorized access. All such documents must be transmitted using secure techniques and when they are no longer required they must be destroyed in a secure manner, e.g. by deleting electronic data files, shredding paper documents or arranging for the return of same to CIMTEC.

All deliberations of the Board of Directors of CIMTEC and all information regarding the business of CIMTEC for which the directors have knowledge are confidential. Comments regarding CIMTEC business made by individuals during Board meetings or otherwise must never be discussed with, or disclosed by directors to, third parties. Decisions of the Board of Directors and management of CIMTEC are confidential until they are released officially through CIMTEC staff or as authorized by the Chair or Chief Executive Officer.

I have read this agreement and agree to take personal responsibility for complying with the provisions herein.

**Declaration of Conflict of Interest**

Give a brief overview of any companies you are currently employed by or affiliated with other than CIMTEC.	
List any direct or indirect financial interests and positions of influence that could lead to a potential, apparent or actual conflict of interest.	
Give a brief description of any ownership of equity or other financial participation in a corporation or other commercial entity (including stock options and shares).	
List any other Board of Directors you sit on.	
Briefly describe any participation in research, development, commercial venture projects or services that directly or indirectly compete with those of CIMTEC that you are involved with.	
Do you have any relatives who are involved in commercial or research ventures that could be perceived as conflicts of interest?  If, yes, please describe.	

**Agreement to Comply**

It is a condition of serving as a director of CIMTEC that I comply with the provisions of the Ethics and Business Code of Conduct Policy and the Conflict of Interest Policy of CIMTEC. No exemptions shall be permitted. Accordingly I agree to comply with both of these policies.

**Signature**

\_\_\_\_\_

Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

## **Templates for board packages**

There are numerous ways to present information in Board packages so that the Board of Directors has the information required to maintain oversight over the network/centre, provide strategic direction and sound decision making.

What is critical is providing a *contextual* overview of major activities undertaken and achievements since the last meeting. It is also important to include information on problems encountered or challenges faced. Regardless of the format chosen, the key aspect is that the report must be contextual; i.e. it must answer the question “why?” or “so what?”

- Why is a particular achievement noteworthy? Does it bring the network closer to its goals?
- Why was a particular activity undertaken? How does it (and did it) bring the network closer to its goal(s)?
- If a particular activity wasn't successful, why wasn't it successful? Is it a sign of a greater issue? If not, is it worth undertaking again?

**If this information is not provided, or if it is not clear that it is (or how it is) helping the network/centre achieve its goals, the Board should be asking these questions and making a judgement call as to whether more resources (time, money) should be put towards the activity.**

Some of the formats used by networks include status reports, program performance updates, activity reports, and reports from the Scientific Director. Some networks choose to use only one of these; some networks use a combination of two or more. On the following pages are descriptions and templates of some of these. There are numerous other examples available on-line, as well. While a network/centre, together with its Board of Directors, must develop the optimal format for its reports, it is important to keep in mind that the goal is clear, concise communication to allow the Board of Directors to be fully informed and for the network/centre to be able to benefit from the experience and expertise on the Board.

## Status Reports

Status reports provide a quick update on the progress towards goals. These might be broad goals, objectives or expectations set by the Board of Directors, milestones identified for the current fiscal year, or outcomes promised in the original application to the NCE (against which the network will be evaluated).

Options for status updates:

1. Status: on track, behind schedule, ahead of schedule
2. Status: Completed; Ongoing; New
3. Gap status: High (large gap relative to expectations); Medium (significant gap); Low (no/small gap)
4. Status: Close to plan; some risk to achievement; significant risk to achievement

Review of Expectations (BOD Expectations)	Status – Last Meeting*	Status – Current
<b>Priority Area 1*</b> (Expectation area 1) • Short, specific items or action items	On track	Behind schedule
<b>Priority Area 2</b>	Behind schedule	On track
<b>Priority Area 3</b>	Ahead of schedule	On track
<b>Priority Area 4</b>		

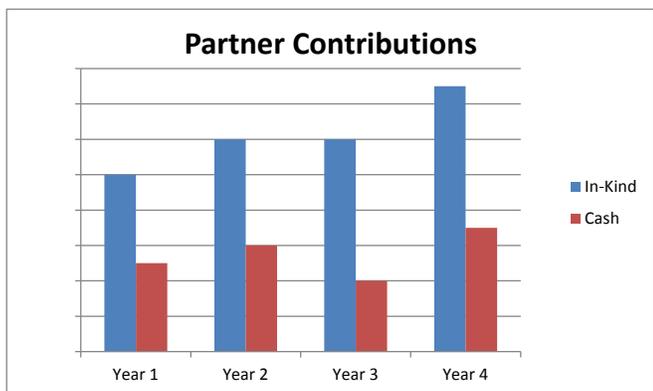
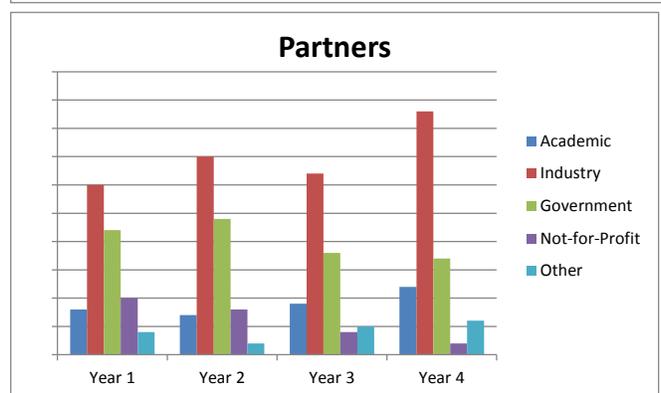
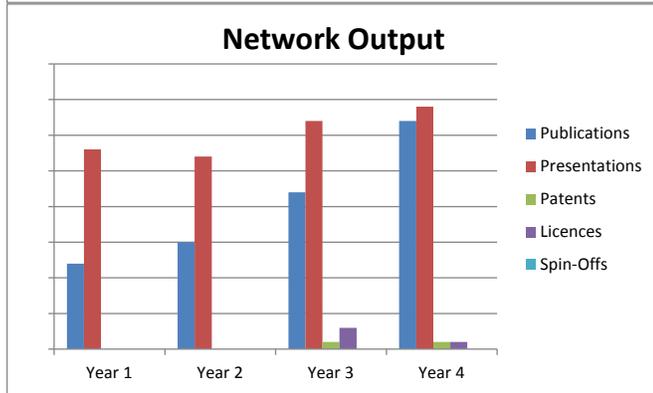
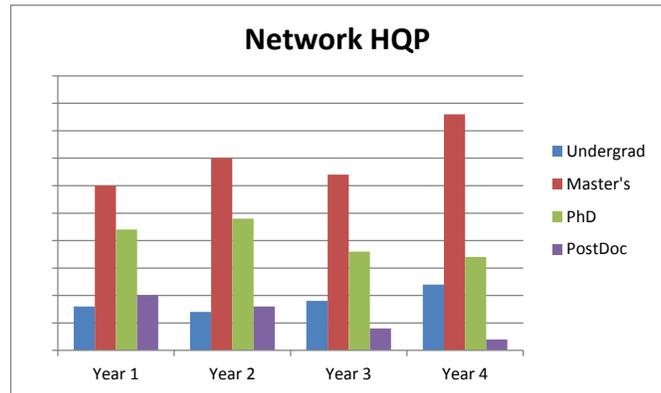
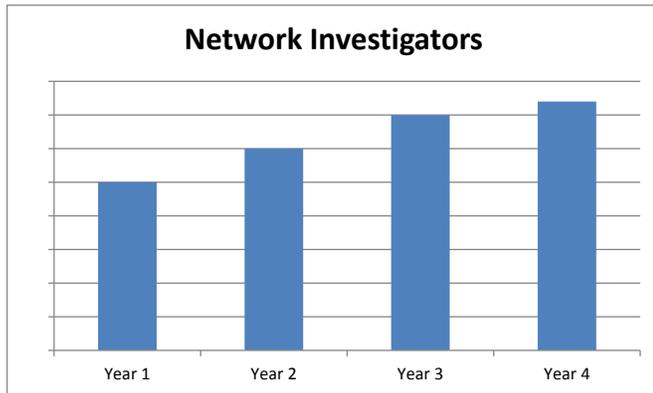
\* Examples: Research, Networking and Partnerships, KTEE, Management, HQP, Impact, etc.

Progress Towards Milestones – Current Fiscal Year	Status
• List of milestones organized by broad area/category (as set previously in strategic plan/performance management plan)	
•	
•	
•	

Progress towards Outcomes/Milestones from Original Application (NCE Evaluation Criteria)	Status – Last Meeting	Status – Current
<b>Management of the Network</b>		
<b>Development of HQP</b>		
<b>Networking and Partnerships</b>		
<b>KTEE</b>		
<b>Excellence of the Research Program</b>		
Addressing feedback from the Monitoring Committee, Selection Committee and Expert Panels		

## Program Performance

A “snapshot” of program performance can be useful to the Board of Directors, if the information conveyed within it is important, relevant, and related to the expected outcomes or goals of the network. Figures and graphs can be particularly useful for this, as they can demonstrate year-to-year trends. Some (fictional) samples are shown below.



## Activity Reports

Activity reports are generally dedicated to one priority area (e.g. Research, HQP training, KTEE, Networking and Partnerships, Network Administration). A complete Board package would, therefore, contain several activity reports. As an activity report is designed to provide an overview of activities, each should be concise (i.e. fit on one page).

Activity Report – Priority Area 1	
Activities Undertaken	<ul style="list-style-type: none"><li>•</li></ul>
Achievements	<ul style="list-style-type: none"><li>•</li></ul>
Issues (current or upcoming)	<ul style="list-style-type: none"><li>•</li></ul>
Actions required	<ul style="list-style-type: none"><li>•</li></ul>

## Scientific Director's Reports

The Scientific Director's Report provides the opportunity for the SD to provide an update on the network's activities, introduce topics for discussion, and request decisions from the Board of Directors.

Some networks choose to use the Scientific Director's report as their main format to convey information. In this case, the Scientific Director's report would need to include a *contextual* account of all activities, performance updates, and highlight any issues. Other networks choose to use a combination of status reports, performance updates, activity reports and/or Scientific Director's reports. In such cases, the Scientific Director's report would be concise, in order to avoid duplication or repetition of any information already presented.

In the latter case, a brief narrative would be appropriate. In the former case, a template like the one on the following page could be useful.

**Scientific Director's Report: Priority Area**  
(Note: There would be one report for each Priority Area)

**Action requested:** Make note of any decisions or recommendations the Board is asked to make here.

---

**Highlights:**

- High level description (no more than 5)
  - Achievements
  - Major advances towards goals
- 

**Summary:**

More detailed description, including:

- Relate activities to strategic plan, operational plan, performance measurement framework
- Goal of activities undertaken since last Board meeting
- Specific focus of activities
- How activities are progressing (on-time, delayed somewhat, seriously delayed)
- Organize specific details under appropriate sub-heading titles, which may include:
  - Board of Directors; Staffing Changes; Succession Planning (Network Management)
  - Research Project XX; New Funding Opportunity/Call for Proposals; RMC Meetings (Research)
  - Training Events; HQP Committee Meetings (HQP)
  - Events; Developing Partnerships (Networking and Partnerships)
  - Review of commercial/competitive landscape; KTEE Committee Meetings (KTEE)

For items requiring decisions:

- Brief summary of the context (e.g. brief overview of call for proposals, goal of funding call, application due date, number of proposals received/reviewed, date of RMC review, etc.)
- Brief project description (if appropriate – this can also go in Appendices)

**Recommendation (e.g. from RMC or sub-committee):** (Note – Minutes of the relevant meeting should be included in the Board package as well)

**Motion for decision:**

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**Next Steps:**

- Summary of activities to be undertaken in near future

**Action Required:**

Record any action required by the Board, if any. E.g.: *The Board is asked to consider xxx.*

---

## **Performance appraisals**

Courtesy of AllerGen

One key task of the board of directors for any organisation is to assess the performance of the organization's senior management on an annual basis. For an NCE network, this includes both the scientific director and the network manager/executive director. The form and procedure for this can vary according to the needs and preferences of the board of directors.

### **Performance appraisal of the scientific director**

For the scientific director (who is usually a voting member of the board of directors), the review may be conducted either by the board as a whole or by one its subcommittees (e.g.: Executive, HR, or Governance). The results of the assessments are always communicated to the full Board for approval. The performance appraisal process is important not only for the board to make a decision regarding the continuance of the scientific director, but also to offer constructive feedback and identify areas for improvement (for the SD) as well identify network objectives that may require additional resources to achieve.

Although the form and processes used for the appraisal may vary, it is important that the process be formal and thorough. There should be key objectives that the scientific director is expected to pursue on behalf of the network. These are identified by the board of directors and should be included in the job description. Specific objectives can be set on an annual basis as part of the performance appraisal process.

In many performance appraisal processes, the Scientific Director is required to complete a self-appraisal of his/her performance relative to the key objectives assigned to the position. The Scientific Director should provide quantitative data regarding performance and achievements relative to objectives wherever possible, and qualitative reports for other areas (i.e. strategic issues).

Separately, the committee involved in the process should also complete the performance appraisal of the scientific director.

Once completed, the SD sends the form to the appropriate committee which will compare it to their assessment, discuss it, and prepare a final performance appraisal to be shared with the entire board. The chair of the subcommittee (or the chair of the board of directors) will use the two versions of the performance appraisal form as the basis for a discussion regarding the perceived level of performance with the scientific director.

### **Performance appraisal of the network manager**

The performance appraisal process of the network manager is similar in many ways to that of the scientific director.

For the network manager, the review is usually conducted by the same subcommittee of the board of directors that assesses the scientific director. The network manager is also often required to complete a self-appraisal. However, in the case of the network manager, it is usually the scientific director and not the executive committee (or other committee) that performs the original independent assessment of the network manager's performance. The two independent appraisals can be sent to the committee or the scientific director can submit a "final" performance appraisal form to the executive committee following discussions with the network manager.

The executive committee may engage in further discussions with the network manager regarding the perceived level of performance and will then make a recommendation to the board of directors regarding the network manager's performance.

The following is a sample performance appraisal form for a scientific director. It can be adapted for the network manager by modifying the key objectives, as required.

**SAMPLE PERFORMANCE APPRAISAL AND DEVELOPMENT PLAN  
20XX-20XX**

<b>Scientific Director:</b>	<b>Date Completed: x</b>
<b>Position:</b> Scientific Director	

**PART I – To be completed independently by both the Scientific Director and the Executive Committee of the Board of Directors**

<b>KEY ACTIVITIES</b>	<b>PERFORMANCE SUMMARY</b>
<b>Major responsibilities, primary duties, important functions as listed on the position description.</b>	<b>Review each responsibility. Note major contributions over the past 12 months. Provide qualitative information where possible.</b>
<b>1. Strategic Leadership:</b> <ul style="list-style-type: none"> <li>i. Providing overall strategic direction and leadership to all board-approved programs and activities</li> <li>ii. Ensuring the network meets its board-approved strategic goals and objectives in a manner consistent with the NCE mission and mandate</li> </ul>	
<b>2. Research Leadership and Mentorship:</b> <ul style="list-style-type: none"> <li>iii. Providing leadership and guidance to the development of the network’s research program, the research management committee (RMC), and individual researchers</li> <li>iv. Providing leadership and a role model to network trainees and early career investigators</li> <li>v. Ensuring that network-supported research is aligned with the expectations of the NCE program for impact</li> </ul>	
<b>3. Networking, Partnership Development and Partner Relations</b> <ul style="list-style-type: none"> <li>vi. Facilitate networking within and external to the NCE to promote multidisciplinary and cross-sectoral collaborations</li> <li>vii. Develop strong partnerships and relationships with the network’s partners, funders and participants and promote collaboration among these groups</li> <li>viii. Liaise as appropriate with stakeholders including NCE Secretariat, CIHR, NSERC, SSHRC, ISED, Health Canada, Canada Foundation for Innovation, and provincial research funding agencies</li> <li>ix. Promote a collaborative team culture, and network ownership among all network researchers, partners and participants</li> </ul>	

<p><b>4. Communication and Fundraising</b></p> <ul style="list-style-type: none"> <li>x. Effectively communicate the network’s vision, mission, priorities and goals to internal and external communities</li> <li>xi. Promote knowledge mobilization and facilitate the identification of new commercial opportunities for network research results</li> <li>xii. Generate non-NCE funding support for the network</li> </ul>	
<p><b>5. Accountability</b></p> <ul style="list-style-type: none"> <li>xiii. Ensure ethical conduct, integrity and a high degree of professionalism and accountability in all network business, financial and research activities</li> </ul>	
<p><b>6. Supervision of the Network Manager</b></p> <ul style="list-style-type: none"> <li>xiv. Effectively supervise the performance of the network manager</li> <li>xv. Work with the network manager to ensure appropriate management of the administrative centre and network activities</li> </ul>	
<p><b>List special contributions made over the past 12 months:</b></p>	
<p><b>Performance goals for the next 12 months:</b></p>	
<p><b>Professional Development goals for the next 12 months:</b></p>	

**PART II – To be completed by the Executive Committee of the Board of Directors**

<p><b>EXECUTIVE COMMITTEE RECOMMENDATION TO THE BOARD:</b></p>          <p><b>Reviewed and approved by the Executive Committee</b></p> <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 40%;"> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <p>Name Chair, Executive Committee</p> </div> <div style="width: 40%;"> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <p>Date</p> </div> </div>
--

**PART III – To be completed by the Chair of the Board of Directors**

**DECISION OF THE BOARD OF DIRECTORS:**

**Approved by the Board of Directors:**

\_\_\_\_\_  
Name  
Chair, Board of Directors

\_\_\_\_\_  
Date

## **Cover page for items for decision**

A board of directors requires contextual information in order to support sound decision making. The following template may be used as a cover page for any items requiring a decision by the board of directors to present the information that will allow them to come to a decision. Note that the same template can be used for items for discussion.

---

**Agenda item:** x.x

**Date:**

**Subject:**

**Action:** Decision

---

**Issue:** Brief overview of the agenda item.

**Background:**

The background should be brief but have sufficient information to provide the context for the board of directors. It should include:

- The reason the “item” (document, policy, proposal, call for proposals, etc.) arose;
- The process undertaken to create the current version of the item;
  - Include consultations (with whom and over what time frame), if applicable;
- The rationale for the item being put forward as is; and
- Outline of risks or weaknesses associated with the item as presented.

**Appendices:**

Any additional information can be provided in appendices. This will include the item, if there is one.

Appendix 1: *e.g. Call for proposals for the 2016 special funding opportunity.*

**Motion:** To approve the *Call for proposals for the 2016 special funding opportunity.*

# Board competency matrix for prospective members

Courtesy of MaRS Innovation. M = Modest / Some Experience

Area of Competency	Incumbent Directors												Prospective Directors				
	Director 1	Director 2	Director 3	Director 4	Director 5	Director 6	Director 7	Director 8	Director 9	Director 10	Director 11	Director 12	1	2	3	4	Notes
<b>CORE Knowledge, Skills, Experience</b>																	
CEO/Enterprise Leadership	✓	✓	✓	✓	✓	✓	M	✓	✓	✓		✓					
Not for Profit organization	✓	✓	✓	✓	✓		✓	✓	✓	M	✓	✓					
Governance / Board	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓					
Financial		M		✓	✓	✓	✓	✓	✓	✓	✓	✓					
Scientific		✓	✓		✓			✓	✓	✓	✓						
Commercialization		M	✓	✓	✓	✓		✓	✓		✓	✓					
<b>DESIRED Knowledge, Skills and Experience</b>																	
HR / Compensation / Performance Management	✓	✓		✓		✓			✓		✓	✓					

Area of Competency	Incumbent Directors												Prospective Directors				
	Director 1	Director 2	Director 3	Director 4	Director 5	Director 6	Director 7	Director 8	Director 9	Director 10	Director 11	Director 12	1	2	3	4	Notes
<b>DESIRED Knowledge, Skills and Experience (cont'd)</b>																	
Legal/Regulatory						✓			M								
Operational/Organizational	✓	✓	✓	✓	✓	✓			✓		✓						
Strategic Planning	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓					
Relationship with (Relevant Industry #1)			✓			✓		✓	✓			✓					
Relationship with (Relevant Industry #2)			✓		✓			✓	✓		✓	✓					
Relationship with government	✓	✓				✓	✓		✓		✓	✓					
"Other" (Specify)																	

## Board of directors evaluation

Instructions: Directors are requested to complete the following evaluation and submit it to the [Board Chair/Chair of the Governance Committee/other]. Comments are encouraged to derive maximum benefit from the evaluation process. Individual Director's responses will be kept confidential and reported on a consolidated basis with no attribution to individual respondents.

### Part I: Review of Governance Practices

	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree	Not able to assess
<b>Strategic Direction: Mission, Goals, Strategies</b>						
1. The board has a clear understanding of the vision and mission of the network.	1	2	3	4	5	N/A
2. The board has a clear understanding of and participates in the setting of the strategy and objectives of the network.	1	2	3	4	5	N/A
3. The board has a clear understanding of the network's programs.	1	2	3	4	5	N/A
<b>Strategic Planning Process</b>						
The board has a strategic planning process in place that:						
4. Provides me with the material I need to stay current on any changing internal and external influences that may impact the network.	1	2	3	4	5	N/A
5. Allows the directors to play an active role in developing the strategic direction for the network.	1	2	3	4	5	N/A
6. Provides for timely and effective reviews and revisions by the board in consultation with network management, when warranted, to the strategic direction for the network.	1	2	3	4	5	N/A
7. Takes into account the outcomes promised by the network to the NCE.	1	2	3	4	5	N/A
<b>Performance Oversight: Monitoring Risk, Strategic and Financial Performance</b>						
8. The board regularly monitors the performance of the network to ensure that the strategic plan is being implemented and desired results are being achieved.	1	2	3	4	5	N/A
9. The board evaluates the network's performance on a regular basis by comparing the network's achievements to the operational plan.	1	2	3	4	5	N/A
10. The board regularly monitors the performance of the network to ensure that the terms of project or other approvals issued by the board are complied with.	1	2	3	4	5	N/A
11. The board is informed in a timely manner of significant issues, changes, risks or problems which could affect the network.	1	2	3	4	5	N/A

12. The board adequately oversees the financial performance and fiduciary accountability of the network.	1	2	3	4	5	N/A
13. The financial reports prepared by the network are sufficiently clear and contain sufficient detail to allow the board to assess the network's financial position.	1	2	3	4	5	N/A
The presentation of financial information would be improved by:						
14. The board receives adequate briefings on the principle risks of the network and its systems for identifying, managing and monitoring risks.	1	2	3	4	5	N/A
Comments:						
<b>Network Management Team: Performance Monitoring, Development, Succession</b>						
Note: The network management team includes the network's scientific director, the network manager/executive director, and the other employees of the administrative centre.						
15. The board has an appropriate process for regularly evaluating the performance of the network's management team (in particular senior management).	1	2	3	4	5	N/A
16. There are processes in place for assessing, training, and developing the management team.	1	2	3	4	5	N/A
17. The board regularly reviews and approves the succession plan for the network's management positions.	1	2	3	4	5	N/A
Comments:						
<b>Relationship with the Network Management Team</b>						
18. There is an open, constructive relationship between the board and the network management team with sufficient formal and informal contact.	1	2	3	4	5	N/A
How would you describe the working relationship between the board and SD? Between the Board and the network manager?						
19. The board and management team understand and respect each other's roles and responsibilities.	1	2	3	4	5	N/A
Comments:						
<b>Board Meetings</b>						
20. The board controls the agenda for its meetings.	1	2	3	4	5	N/A
21. The meeting agenda reflects the network's strategic plans and priorities.	1	2	3	4	5	N/A
22. <i>In camera</i> sessions, without the management team present, are held when appropriate.	1	2	3	4	5	N/A
23. The board chair effectively and appropriately leads and facilitates the board meetings and the policy and governance work of the board.	1	2	3	4	5	N/A
24. Packages for board of directors meetings (agenda and relevant material) are sent to directors sufficiently in advance to allow time for meaningful review.	1	2	3	4	5	N/A
25. The information in board packages is provided in an appropriate format with the right information for meaningful review (e.g. significant issues, trends and developments; context and background information for decision-making).	1	2	3	4	5	N/A
26. Oral presentations are appropriate in terms of length and content.	1	2	3	4	5	N/A

27. Board packages and board meeting presentations and discussions consistently reference the network's goals, objectives, and strategic plan to provide the right context for discussions.	1	2	3	4	5	N/A
28. Adequate time is spent on the right issues at board meetings.	1	2	3	4	5	N/A
29. The length of board meetings is appropriate.	1	2	3	4	5	N/A
30. The number and frequency of board meetings is appropriate.	1	2	3	4	5	N/A
If it is not appropriate, the frequency and timing that would be preferable:						
31. The location/venue of board meetings is acceptable.	1	2	3	4	5	N/A
Comment on the location of board meetings:						
<b>Stakeholder Communications</b>						
32. The board has processes in place to ensure the network has constructive dialogue and relationships with Network employees.	1	2	3	4	5	N/A
33. The board has processes in place to ensure the network has constructive dialogue and relationships with Researchers.	1	2	3	4	5	N/A
34. The board has processes in place to ensure the network has constructive dialogue and relationships with external stakeholders (private industry, government, international organizations, the public).	1	2	3	4	5	N/A
35. The board is made aware of the network's communications with key stakeholders (e.g. government policy makers, major partners, public, media)	1	2	3	4	5	N/A
Comments:						
<b>Board Culture</b>						
36. The board demonstrates ethical behaviour in the conduct of its business.	1	2	3	4	5	N/A
37. The board exhibits creativity and openness to new ideas.	1	2	3	4	5	N/A
38. The board can be described as strategic and forward thinking.	1	2	3	4	5	N/A
39. Board meetings are well attended, with near full attendance at each meeting.	1	2	3	4	5	N/A
40. Board members come to meetings prepared.	1	2	3	4	5	N/A
41. Views of all directors are taken into account in arriving at decisions. Discussion is open, frank, and tolerant of dissent.	1	2	3	4	5	N/A
42. All directors participate in important board discussions. If not forthcoming, their opinions are solicited by the chair.	1	2	3	4	5	N/A
43. The board has sufficient expertise and knowledge to ask key questions, challenge the management team, and make appropriate judgements regarding performance.	1	2	3	4	5	N/A
Comments:						
<b>Director Orientation and Ongoing Training</b>						
44. There is an appropriate orientation process (and package) for new directors.	1	2	3	4	5	N/A
45. Directors understand the legal requirements and obligations under which they act as a Board (i.e. by-laws, funding agreement)	1	2	3	4	5	N/A
46. Directors are provided with ongoing opportunities to learn about the network's programs and activities.	1	2	3	4	5	N/A
Suggestions for improvements:						

<b>Board Committees</b>						
47. The committee structure is appropriate. All committees are required (i.e. address issues of substance).	1	2	3	4	5	N/A
48. The delegation of responsibilities by to the board to its committees is appropriate.	1	2	3	4	5	N/A
49. All committees have adequate agendas and minutes for each meeting.	1	2	3	4	5	N/A
50. The frequency and length of committee meetings is appropriate.	1	2	3	4	5	N/A
51. Information packages for Committee meetings are appropriate (in terms of content and level of detail provided) and shared in a timely manner prior to meetings.	1	2	3	4	5	N/A
52. The executive committee reports to the board on all actions and decisions taken.	1	2	3	4	5	N/A
53. Information regarding committee discussions and rationale for recommendations is reported to the board.	1	2	3	4	5	N/A
<b>Overall Assessment of the Board's Effectiveness</b>						
54. My overall assessment of the current effectiveness of the board is:	1	2	3	4	5	N/A
Comments:						

**Part II: Appreciation and Accomplishments**

1. I particularly appreciate the following features of the board:
2. The board's most important recent accomplishments include:
3. The most significant decision the board made in the past year was:

**Part III: Board Issues and Recommended Actions**

1. The following issues should be addressed to improve the effectiveness of the board:
2. List the top three priorities requiring attention in order for the board of directors to function more effectively.

**Part IV: Network Issues**

1. The major risks facing this network are:
2. The board's most important priorities over the next 6, 12, 18 months will be:

## **Directors self-evaluation**

Instructions: Directors are requested to complete the following evaluation. It is a self-evaluation and does not need to be submitted; it will not be reviewed by anyone. This is a tool for directors to honestly reflect on their participation and role on the board of directors.

	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree	Not able to assess
1. I understand my accountabilities and responsibilities as a board member.	1	2	3	4	5	N/A
2. I understand the legal and fiduciary obligations of individual directors and the board as a whole.	1	2	3	4	5	N/A
3. I have a clear understanding of the vision and mission of the network.	1	2	3	4	5	N/A
4. I have a clear understanding of the strategy and objectives of the network.	1	2	3	4	5	N/A
5. I have a clear understanding of the network's programs.	1	2	3	4	5	N/A
6. I have a clear understanding of the way the network is managed.	1	2	3	4	5	N/A
7. I devote sufficient time in preparation for board meetings.	1	2	3	4	5	N/A
8. I attend a majority of board meetings.	1	2	3	4	5	N/A
9. I make a measured and appropriate contribution to board discussions and deliberations.	1	2	3	4	5	N/A
10. I stay informed about issues relevant to the network's mission and vision and bring such information to the attention of the board.	1	2	3	4	5	N/A
11. I am an ambassador for the network, speaking knowledgably about it to my contacts when appropriate.	1	2	3	4	5	N/A
12. I have sufficient knowledge of the network as a legal entity and not-for-profit corporation, as well as an understanding of its relationship with the NCE, granting agencies, and other federal departments.	1	2	3	4	5	N/A
13. I insist that we, as a board, receive the necessary information for decision-making.	1	2	3	4	5	N/A
14. I serve as a resource to the board and to network management.	1	2	3	4	5	N/A

## **Appendix 2: Tools and Resources for Operations**

[Contact the NCE Secretariat](#) for a copy of any of these tools as a Word document.

## **Books, publications and resources**

### **Governance:**

[Corporate Governance, A Guide to Good Disclosure](#)

[United Nations ESCAP: What is Good Governance?](#)

[Primer for directors of not-for-profit corporations \(Innovation, Science and Economic Development Canada\)](#)

Renz, An overview of non-profit Governance, 2004:1 (in Gill 2005 – See Governance for results , A director's guide to good governance Mel D. Gill, 2005, Trafford.

Robert's Rules of Order

### **Program Administration:**

[NCE Funding Agreements](#)

[NCE Program Guides](#)

[Tri-Council Financial Guidelines](#)

### **Other Best Practices:**

- [Archive of Best Practices Workshops on the NCE Web Site](#)
- [LinkedIn Discussion Group](#)

## **Negotiating a host agreement**

Networks or centres may have a host organization where the network's/centre's administrative centre is located. Host organizations could be Canadian universities and post-secondary institutions with a mandate for research and their affiliated institutions (including hospitals, research institutes and other not-for-profit organizations), or a private sector consortium.

The strong support of the president, CEO, and vice-presidents is very important for the effective establishment and operation of the network/centre.

When negotiating with the host organization, the needs and expectations of the network/centre must be detailed. With a university host, the elements presented below are usually discussed with the VP Research and VP Administration.

### **Required elements of the host agreement**

- Confirmation of the resources outlined in the host's letter of support (including cash and in-kind commitment)
- Specific details around providing:
  - Suitable accommodations (including furniture, space for offices, storage, meeting rooms)
  - Appropriate systems and services (including computers, communications, financial, recordkeeping)

### **Suggested elements of the host agreement**

#### *Employee-related elements*

- Who do employees work for? Outline of responsibilities should be clear (payroll, benefits, occupational health and safety)
- What are the host commitments in terms of:
  - Teaching release (if applicable)
  - Support staff commitments (# of FTE)
  - Stipends
- Who will be responsible for providing liability insurance?
- Staffing and space requirements. This element is commonly underestimated. Over time, an administrative centre may eventually require more employees; therefore, it is recommended that the network/centre obtain official statements and commitments regarding the quality and quantity of current and future space for all employees of the administrative centre.

#### *Facility-related elements*

- Who is responsible for paying for:
  - Utility costs
  - Maintenance & janitorial services
  - Security
  - Construction costs
- Confirmation that network/centre staff will have access to:
  - Library
  - Parking
  - Other host facilities

#### *Administrative needs*

Whether the network / centre will be able to draw from the host's:

- Human resources services
- Procurement and contract services
- Administrative assistance
- Mail services
- Administrative supplies
- Communications (website support, annual meetings / workshops, announcements, translation)
- Industry liaison office
- Technology transfer office
- Legal services

*Other elements to consider in a host agreement*

- How interest generated from the grant funds, and other funds, will be paid
- How non-NCE funds will be managed
- Indemnification
- A process for dispute resolution

# **Example of research project review guidelines**

Courtesy of ArcticNet

The following is an outline of ArcticNet's research program competition cycle for new research proposals. Research proposals are reviewed in a two-phase process. The first phase is based upon the Letter of Intent and the second phase involves review of a full proposal. Once funded, research projects and associated budgets are assessed annually through in-depth progress reviews. The network strives to ensure that its decisions are fair and objective and that they are seen as such. No committee member with a conflict of interest may participate in the review of a proposal (Appendix A).

## **1. NEW PROPOSALS**

### **1.1. Call for Letters of Intent**

Based upon recommendations from the Board of Directors, the Research Management Committee (RMC) identifies topics on which the network will solicit Letters of Intent for new research projects. The call for Letters of Intent is announced through the network website and university research offices, and is distributed to all network members and partners. The Letter of Intent must include: a) a statement of goals and objectives, b) a description of the project team, c) an outline of the research plan, d) the project timeline, e) a summary of the funding to be requested for the project, and f) background information including a summary of previous research.

### **1.2. Review of Letters of Intent**

The ArcticNet Administrative Centre receives the Letters of Intent (LOI), and verifies them for completeness. The Letters of Intent are then forwarded to the RMC.

The RMC reviews the Letters of Intent according to the published selection criteria (Appendix B), the relevance of the proposed work to the specified target area, the objectives of the network and the context of existing ArcticNet research. The RMC Chair will lead a discussion on each LOI. Following the discussion, the Chair seeks a consensus to place each LOI into one of three categories: a) LOIs whose authors are invited to submit a full proposal, b) LOIs whose authors are invited to resubmit a LOI after modification (this may include a recommendation to merge their LOI with that of another group...) and c) LOIs whose authors are not invited to submit a full proposal.

Applicants who have submitted Letters of Intent that pass the screening process are invited to prepare full proposals. Written advice is provided to applicants to guide them in the preparation of their proposal.

Applicants not invited to submit a full proposal receive a letter from the Executive Director on behalf of the RMC indicating the results of the review. Unsuccessful applicants will be encouraged to participate in other network activities, when it is considered appropriate and relevant by the RMC.

### **1.3. Review of New Proposals**

The ArcticNet Administrative Centre receives the proposals and verifies them for completeness. The proposals are then forwarded to both the External Scientific Review Committee (ESRC) and Research Management Committee.

#### *External Scientific Reviews*

The External Scientific Review Committee (ESRC) will provide separate independent assessments of each proposal using the criteria for Network Research Projects (Appendix A) and the NCE evaluation criteria (Appendix B). Each member of the ESRC is assigned to one or more themes which match their area(s) of expertise, and is asked to give specific comments regarding proposals falling therein.

#### *Research Management Committee Review*

The Research Management Committee will evaluate each proposal according to the Criteria for Network Research Projects, NCE evaluation criteria, network objectives, and advice from the ESRC.

### **1.3.1. Review Procedure for the Research Management Committee**

In preparation for the review, all members are expected to read all the material (Letters of Intent, invited proposals, ESRC review reports) to allow a comprehensive assessment of each application.

#### *During the meeting*

The evaluations proceed according to the agenda prepared by the RMC chair. The chair will invite theme leaders to initiate the discussion of each proposal within a given theme, followed by discussion of the proposal by the committee as a whole. The external reviews and overall envelope of funds available for distribution are taken into consideration in these discussions.

Following the general discussion, the chair seeks a consensus to place each proposal into one of two categories: a) proposal recommended for funding or b) funding not recommended. For proposals recommended for funding, the committee proposes a funding level.

If the total recommended funding exceeds the allocated budget, the committee may proceed with reallocations across projects or an across-the-board percentage cut to the preliminary funding allocations.

### **1.3.2 Preparation of the confidential reports**

After discussing each application, the committee's consensus comments (strengths and weaknesses) will be noted in point form. The lead applicant for each project may request this report from the executive director.

### **1.4. Funding Recommendation, Decision, and Notification**

Based on the Research Management Committee's counsel, the scientific director will recommend the research program to the Board of Directors for approval.

A notification of award will be sent to successful applicants. While proposals may include a multiyear budget for approval, funding is awarded on a yearly basis subject to progress review (see below). Awards may be granted with conditions, which will be communicated to the applicant by the Research Management Committee.

Successful applicants are required to sign an acceptance of award. This document will specify any revisions to the research plan that are requested by the Research Management Committee and specify conditions of participating in ArcticNet.

Applicants not recommended for funding receive a letter from the executive director on behalf of the committee indicating the results of the review. If appropriate, this document will encourage the applicants to participate in other relevant network activities.

### **1.5. Procedures for Appeals**

These procedures are based on NSERC's appeal procedure. An appeal of a decision on an ArcticNet proposal must be based on compelling evidence of error or discrimination in the review process. The appeal procedure is designed to ensure that the applicant has been treated fairly and consistently in the context of a program that has limited funds. ArcticNet strives to provide equitable treatment of applications and fair assessments in accordance with the selection criteria, and judges each case on its merits.

#### **1.5.1 Grounds for Appeals**

ArcticNet does not restrict the grounds for appeal. However, they generally fall into the following categories:

##### *Procedural Grounds*

- Relevant information not provided to the Research Management Committee (RMC) or relevant information not considered by the RMC;
- Conflict of interest rules not followed;
- Application improperly rejected as not appropriate to the program;
- Application reviewed by an inappropriate committee;
- Violation of NSERC funding policies.

##### *Scientific Grounds*

- Scientific disagreement between the RMC and the applicant(s);

- Evidence of bias against a "school of thought" or philosophy of approach.

The above examples are not exhaustive and are used only by way of illustration.

### **1.5.2 Appeal process**

Appeals are usually reviewed by external consultants who are senior members of the research community. This ensures an arm's length review by peers.

The appeal process is as follows:

- Appeals must be received by ArcticNet within two months of receipt of the decision letter.
- The onus is on the appellant(s) to demonstrate that an injustice has occurred. In most cases this is done in the context of the comments from the Research Management Committee. External referees review applications in isolation and not in the context of a competition for limited funds. It is important to note that the opinions expressed in reports from external referees are those of the authors; they do not necessarily reflect the view of the committee of ArcticNet.
- No new "source" material or information (e.g. papers published since the deadline date, illness or other extenuating circumstances) may be submitted by the appellant.
- As appeal letters come in, the executive director does a preliminary analysis to ensure that a sufficient case has been made.
- If the Executive Director judges that a sufficient case has not been made, a recommendation to dismiss the appeal (without sending it to an outside consultant) is made to the Board of Directors. The final decision to dismiss the appeal is made by the Board of Directors.
- For those appeals in which the Executive Director and the Board of Directors (BOD) are of the view that a sufficient case has been made, the appeal letters are forwarded to appeal consultants. Along with each appeal letter, ArcticNet staff will send the original proposal, all referee reports used by the RMC, any RMC comments, and any other relevant material or past correspondence.
- The consultant provides a written report to be sent verbatim to the appellant(s) and a recommendation to ArcticNet. The report should include an analysis that addresses the main arguments of the appellant(s), and should indicate the main elements leading to the consultant's recommendation. All reports should normally be completed and returned to ArcticNet by July 31.
- The BOD reviews the appeal and the analysis and recommendation from the consultant. The BOD will try to reconstruct a "competition" environment since all applications are assessed not only on their own merits, but in relation to other proposals and in the context of financial constraints.
- If the BOD disagrees with the consultant's recommendation or believes that elements of the appeal have not been adequately addressed, the BOD seeks further input from the consultant.
- The BOD makes a decision regarding the appeal.
- The executive director sends the appeal decision together with the comments that have been prepared by the consultant to the appellant, with a covering letter and a revised notice, if necessary. The level and/or duration of a grant may be subject to modification (increase or decrease) as the result of an appeal.

## **2. ANNUAL REVIEW OF FUNDED PROJECTS**

Even though most research projects are funded under a one to four year window, funds are awarded on an annual basis with projects and associated budgets subject to an annual progress review prior to renewal.

The progress of each funded project is monitored on an ongoing basis with an annual in-depth review. Each project leader completes an ArcticNet Research Project Progress Report (Appendix E) detailing the year's progress including major accomplishments, impediments to progress or change in direction. The report must also include a description of work planned for the next year, including the approach to be taken, a description of the research team including relevant partnerships and a listing of specific project milestones.

Each project is also required to report on the status of its budget for the current year, explaining any deviation from its funded budget proposal and budget justification. A justification is also required if the project expects to carry over funds to the following year's budget that exceed 20% of its current annual budget.

### **2.1 Review of Research Project Progress Reports**

The ArcticNet administrative centre receives the progress reports, verifies them for completeness and compiles them in a single document. The compiled progress reports are then forwarded to the Research Management Committee.

### **2.1.1. Review Procedure for the Research Management Committee**

The Research Management Committee will evaluate each progress report according to the original project proposal & budget, the criteria for network research projects, NCE evaluation criteria, and network objectives.

In preparation for the review, all RMC members are expected to read all the material (progress reports and Original Proposals) to allow a comprehensive assessment of each project.

#### *During the meeting*

The evaluations proceed according to the agenda prepared by the RMC Chair. The chair will invite theme leaders to initiate the discussion of each project's progress report within their theme, followed by discussion of the progress reports by the committee as a whole.

Following the general discussion, the chair seeks a consensus to place each project into one of two categories: a) projects recommended for continued funding at the requested level, b) projects recommended for continued funding with modifications to the budget requested and, c) projects that should be terminated.

### **2.1.2 Preparation of the confidential reports**

After discussing each progress report, the committee's consensus comments will be noted in point form. The project leader for each project may request this report from the executive director.

## **2.2. Funding Recommendation, Decision, and Notification**

Based on the Research Management Committee's advice, the scientific director will recommend the research program to the board of directors for approval.

A Notification of Award will be sent to the project leaders of renewed projects. While proposals may include a multi-year budget for approval, funding is awarded on a yearly basis subject to progress review. Renewed projects are required to sign an acceptance of award annually. This document will specify any revisions to the research plan that are requested by the Research Management Committee and specify conditions of participating in ArcticNet.

Awards may be granted with conditions, which will be communicated to the project leaders by the Research Management Committee.

Projects not recommended for renewal receive a letter from the executive director on behalf of the RMC indicating the results of the review. If appropriate, this document will encourage the applicants to participate in other relevant network activities.

## **2.3. Procedures for Appeals**

The procedures for appeal of a decision on an annual review of a funded project are the same as those for new proposals stated above under point 1.5.

## **Project Review Guidelines APPENDIX A - CONFLICT OF INTEREST**

The network will strive to ensure that its decisions are fair and objective, and that they are seen as such. No committee member with a conflict of interest may participate in the review of a proposal.

Conflict of interest occurs whenever a committee member:

- is the project leader or a co-investigator on the proposal;
- is at the same institution as the project leader on the proposal;
- is in a position to gain or lose financially from the outcome of the project;
- is a relative or close personal friend of the project leader on the proposal;
- has had long-standing scientific or personal differences with the project leader on the proposal;
- feels, for any reason, that she/he cannot provide an objective review of the proposal.

Any committee member who has such a conflict in regard to a proposal must declare a conflict of interest and leave the room for the duration of discussion and decision on that proposal. The chair is responsible for resolving any areas of uncertainty.

A copy of these guidelines is sent to all members of the External Scientific Advisory Board, along with the proposals they are asked to review.

## **Project Review Guidelines APPENDIX B - CRITERIA FOR RESEARCH PROJECTS**

### **Compatibility of a project with the overall objectives and research themes of the Network**

- The value added by a network approach
- The extent to which the proposed research fits into one or more of the Network's identified research themes
- The extent to which the proposed research contributes to the objectives of the Network

### **Merit of the research**

- Originality
- Anticipated significance
- Clarity of long and short-term objectives
- Suitability of proposed methodology
- Feasibility
- Quality of the research team

### **Contribution to the training of highly qualified personnel**

- Training strategies that promote multidisciplinary and multisectoral research approaches
- The ability to develop and retain outstanding researchers in research areas and technologies critical to Canadian productivity, economic growth, public policy and quality of life

### **Networking with ArcticNet partners and other organizations;**

- Integration of Inuit organizations and communities in the research
- Multidisciplinary and multisectoral approaches in the research program
- Optimization of resources through the sharing of equipment and research facilities, databases and personnel
- Presence, nature and extent of contributions from the private sector and federal, provincial, and territorial agencies, with the prospects for increasing commitments as the work progresses

### **Knowledge and technology transfer initiatives**

- Prospects for innovation and the implementation of effective public policy through collaboration with the public sector
- The potential to improve the impact of technology and knowledge transfer on the science and technology capabilities of private and public sector partners

### **Feasibility in terms of timeframe, resources availability and proposed budget**

- Justification for the level and duration of funding requested vis-à-vis the stated objectives

- Appropriateness of the overall budget, which includes funds requested from the network and the cash and in-kind contributions from other sources
- The adequacy of both physical and human resources needed to support the proposed research

## Project Review Guidelines APPENDIX C - NCE EVALUATION CRITERIA

[See the NCE program guide.](#)

## Project Review Guidelines APPENDIX D: ARCTICNET RESEARCH PROJECT PROGRESS REPORT

**Project number and title:**

**Family name of project leader:**

**Given name of project leader:**

**Full names of other network investigators involved in the project:**

Using the template below, describe the project's progress for year 2004-05 against the objectives, research plan and budget justification described in your funded project proposal. Explain any deviation from the original plan, describing impediments to progress or change in direction. Identify any major accomplishment to date.

### 1. Overview of 2004-05 research activities to date

**2. Innovation and excellence of research** - *Detail progress that shows innovative and/or leading edge advances in the research, including refereed journal publications and conference proceeding published in this review period.*

**3. Integration of network partners (Inuit organizations & communities, Public & Private sector...)**

**4. Networking and added value of a network approach** - *Describe your national & international networking activities intra and extra project within ArcticNet.*

**5. Training of HQP** - *Please list ArcticNet graduate students (MSc, PhD) and PDFs currently engaged in the research. Show how your training strategy is developing.*

**6. Budget** - *Describe the status of your current budget for this year. Explain any deviation from your funded budget proposal and budget justification. Please provide a justification if you expect to carry over funds to next year's budget that exceed 20% of your annual budget for 2004-05. **Note that ArcticNet can take back unjustified unspent funds exceeding 20% of your annual budget at the end of the fiscal year.***

**7. Overview of work planned for 2005-06** - *Describe work planned for next year (2005-06) including research team and partnerships. Explain any deviation from your funded project proposal. State milestones proposed for 2005-06. This update will be used for next year's progress report evaluation.*

**8. Budget justification for next year (2005-06)** - *Please provide an update and justify any modification to the budget justification presented for next year (2005-06) in your funded budget proposal. This update will be used for next year's progress report evaluation.*

## **First research management committee meeting – sample agenda**

1. Welcome
2. Approval of the agenda
3. Declaration of conflicts of interest
4. Background briefing on Networks of Centres of Excellence program
5. Presentation of the overall network strategic plan and NCE funding
6. Briefing on the funding agreement and network agreement
7. Network governance (role of the board, RMC members and network administrative centre)
8. Discussion to review overall network research strategy (in light of comments from the expert panel and NCE Standing Selection Committee); on establishment of guidelines and processes for call for proposals (e.g., letters of intent-LOI or full application-FA, budget and peer review guidelines); on establishment of network research program policies and procedures (e.g. environmental assessment, procedures for network project review and selection, progress report and new projects).
9. Expansion of initial RMC membership (to represent the multisectoral and multidisciplinary nature of the network; to deal with conflicts, etc.)
10. Discussion on needs and membership of other network committees
11. Other business
12. Dates and location of next RMC meetings