**Federal Indirect Costs Program**  
**(FFICR Funding)**

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

The federal Tri-Agency granting agencies are:
- Canadian Institutes of Health Research (CIHR)
- Natural Sciences and Engineering Research Council (NSERC)
- Social Sciences and Humanities Research Council (SSHRC)


**INDIRECT COSTS PROGRAM AT WESTERN**

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

Expenditure Categories:  

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

Costs are incurred in the administration of research awards granted by the Tri-Agencies. Expenses are varied and include utilities, maintenance of infrastructure for research, health and safety and ethics compliance, and central administration costs incurred to ensure adherence to regulations and policies of the granting Sponsors.
2013-14 Outcomes Report

Western received $10,955,264 for the 2013-14 fiscal year, allocated as follows:

- Facilities: $6,468,178
- Resources: $1,045,099
- Management and Administration: $2,830,942
- Regulatory Requirements and Accreditation: $260,830

Public Disclosure Requirement

1) Definition of the indirect costs of research

Used in conjunction with other funding sources, FFICR has helped Western provide and maintain cutting-edge laboratories, research materials, systems and support. This in turn, has eased our ability to attract researchers to our institution, including a number of Canada Research Chairs – three over the past year – from abroad.

Western has leveraged Indirect Costs to attract additional funding not only from traditional funding agencies but, notably, from industry. Research funding from corporations, for example, increased by
23 per cent last year as the University continues to attempt to diversify its funding sources, while at the same time increasing the competitiveness of Canadian companies. This funding source has increased more than 300 per cent over the past decade, to more than $15 million.

Indirect Costs funding plays an integral role in helping the University attain its tied research and teaching mandates. By removing or minimizing financial responsibilities due to other aspects of running the University, FFICR funding has contributed to the hiring of 30 tenure/probationary faculty positions over the past five years and helped provide them with start-up funds. In an increasingly competitive – nationally and internationally – research environment, both in terms of recruitment and funding, this has been important to Western’s continued success and growth.

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

*Research Facilities:*

In its most recent strategic plan, ‘Achieving Excellence on the World Stage,’ approved in early 2014, Western University set out ambitious goals to extend its reach and impact globally. At the core of many of these objectives is the need to nurture a research climate conducive to attracting and retaining the very best and brightest faculty and trainees, while offering infrastructure and tools that allow them to produce research that has global and local impact, and provides solutions to the world’s outstanding problems.

It goes without saying that in an increasingly competitive, mobile and international academic community, top researchers are drawn to environments that will most benefit their research programs and offer the best opportunity for success. Who can blame them? As part of ‘Achieving Excellence on the World Stage,’ the University has made clear its mission to cultivate clusters of strategic research strength by pairing top personnel with advanced facilities that allow Western to raise its profile among globally pre-eminent universities. FFICR funding is essential to supporting these efforts.

Impact from the Indirect Costs program extends beyond STEM disciplines, and, notably, has helped support facilities related to interdisciplinary initiatives that are well positioned to secure external support from a wide range of funding opportunities. One such example is in Western’s Faculty of Information & Media Studies, where four faculty members are very active in the Graphics, Animation and New Media (GRAND) NCE, while another leads the knowledge translation component of Preventing Violence Against the Lifespan (PreVAiL). FIMS scholars also continue to be active in interdisciplinary areas related to digital labour and digital humanities. The faculty is currently taking part in two research cluster proposals at Western – in Building Stronger Societies
and Big Data Synergy – which has been made possible in part through support from indirect costs resources.

Access to state-of-the-art infrastructure is, naturally, a primary concern at the Schulich School of Medicine & Dentistry, which endeavours to provide its scientists with the best opportunity to continue to achieve research excellence that improves health care for Canadians. In 2013-14, Schulich continued to use indirect costs funding to support existing core research facilities that serve researchers and trainees across a variety of disciplines. In particular, the School directs much of its FFICR allocation to maintenance and operations costs essential to providing ongoing access to core facilities like the London Regional Genomics Centre, London Regional Proteomics Centre, London Regional Flow Cytometry Centre, Molecular Pathology Core Facility and the Biological Mass Spectrometry Laboratory.

Research Resources:

Western’s ability to achieve ambitious objectives set out in ‘Achieving Excellence on the World Stage’ is heavily reliant on its ability to purchase, maintain and develop research-related materials, including publications, software and hardware. By providing researchers with assets central to discovery, we are better positioned to produce research with impact, and to cultivate a culture of advanced innovation.

Much of this investment is made in the University’s extensive library system, and increasingly, in digital resources that provide researchers with access to previously impossible-to-find primary and secondary sources – regardless of their location. FFICR funding also allows Western libraries to provide researchers with access to collections of specialized electronic products that cover a wide variety of research areas. Specifically, one highlight of this year’s acquisitions included Library Press Display, which provides access to current editions of a large collection of daily newspapers, and was requested by several faculties, including Law, Business, Social Science and Information & Media Studies.

Another highlight was the purchase of a 3D Building Data Package for London. Data provided by this package can be used in GIS or CAD software to develop models of a geographic area, and the software has been used, as an example, by the Faculty of Engineering to model the impact of flooding and by the History Department to create 3D models of historical landmarks.

Finally, Western Libraries also purchased a collection of Oxford Handbooks in e-book format. Although the libraries had previously been purchasing new collections of these handbooks, the collection was missing titles from previous years in need – and in demand – by researchers. Western’s collection of these handbooks is now complete thanks to this grant.
More broadly, teleconferencing capabilities have facilitated broader and faster collaborations and wireless Internet access has permitted researchers and students to work all over campus – alongside partners in other disciplines. Such technologies are particularly relevant as the University attempts to expand its influence locally and globally, particularly through collaborative means.

Management and Administration:

By allowing academics to dedicate a greater proportion of their time into research, FFICR’s investments in research administration contribute greatly to Western’s ability to foster a leading culture of innovation. Furthermore, they help the University forge important partnerships with academic institutions, industry and communities to encourage the translation of knowledge and discoveries for the betterment of Canadian lives.

Broadly speaking, this funding helps faculties across the university provide researchers with a number of support services critical to the efficient management of the research process, including accounting, rules and procedures guidance, human resources administration, information technology, research promotion and knowledge transfer. These services enable researchers to ensure that appropriate guidelines for grant funding are being followed, expenditures are managed, and human resource issues are taken care of on their behalf, allowing them to focus on their scientific work and increase productivity.

Specifically, FFICR funding provided salary support for Research Western and other units integral to the University’s research enterprise, including for 18 staff in Financial Services who support research at Western. Indirect costs funding allows the University to provide better, timelier, service to researchers across campus and helps the University become more efficient in processing an ever-increasing number of large-scale research projects.

This year, Financial Services also undertook an ambitious project that dramatically improves the way goods and services are acquired at Western. By implementing an e-procurement solution (electronic marketplace), the University will be able to streamline procurement processes and reduce processing costs. Associated savings will be passed on to the campus community, including researchers and research centres. In addition, this system employs an approval workflow that provides a means of capturing PI (or delegate) authorizations as required by many funding agencies.

In short, this grant plays an important role in supporting the ever-increasing administration of research, allows Western to increase its competitiveness in grant competitions, lessen the time burden placed on its researchers and celebrate some of its successes with external communities.
At the end of the day, this benefits the health, economic and social welfare of Canadians by providing researchers with the support they require to be successful.

**Regulatory Requirements and Accreditation:**

As part of its effort to take the next step as a globally recognized research institution, Western has consistently assumed a leadership role with regards to research ethics and animal care accreditation. Compliance has become an increasingly important – and time consuming – aspect of the research enterprise, and FFICR funding contributes to supports that lessen time burden for principal investigators, allowing them to focus more on their research programs.

Grant funding will not be released to institutions using animals in research and teaching if they are not accredited and in good standing at both federal (CCAC) and provincial (OMAFRA) levels. Similarly, international collaborators and industry partners require the same assurances if they are to engage with Western. It goes without saying, then, support for accreditation and ongoing regulatory compliance is critical to the University’s ability to maintain, and expand, its standing as a leading research-intensive institution.

Western also maintains two primary Research Ethics Boards (Health Sciences and Non-Medical) to review, approve and ensure on-going compliance (TPCS2, Health Canada, FDA and others) of research activities involving human participants at Western. These REBs also serve as the boards of record for London’s research and teaching hospitals. The REBs are supported by Western’s Research Ethics office, which currently employs four full-time Ethics Officers and two full-time administrative assistants. The office also coordinates with Research Development & Services to ensure grants requiring ethics approval are not released to investigators without appropriate certification or conditions in place.

In short, FFICR funding is an essential resource that allows Western to achieve accreditation and maintain its enterprise in a climate where there are ever-increasing concerns about privacy, ethics and compliance.

**Intellectual Property:**

Since its inception six years ago, WORLDDiscoveries – the business development and technology transfer arm of Western University and its two affiliated research hospitals – has contributed greatly to the research and commercialization objectives of its institutional clients and the region’s economy. Over this brief period, WORLDDiscoveries has:

- realized more than $26 million in commercial income for the region, one of the highest income contributions of any technology transfer office in Canada;
- contributed to the establishment of 18 new spin-off companies, the 2nd largest concentration of new spin-off companies created in Canada over the same period;
• secured and now actively maintain more than 120 license and option agreements;

• secured more than $4 million in new grants to support applied research endeavours at Western and the hospitals;

• maintained an active portfolio of more than 150 Issued Patents in approximately 40 countries worldwide; and

• established WORLDiscoversies Asia, the first international technology transfer office of its kind in mainland China, and first ever to sign 10 new license and option agreements with Asia-based private sector partners and researchers.

In 2013-2014, WORLDiscoversies enjoyed a particularly strong year, maintaining its year-over-year commercial income contribution of $5 million, while adding 11 new license agreements and 44 new issued patents to the portfolio. WORLDiscoversies also expanded its Asian operation by adding two additional personnel and a new satellite office in northwest China.

Funds provided through the Indirect Costs Program continue to support WORLDiscoversies in its commercialization efforts. FFICR monies underwrite the operation’s base budget and allow WORLDiscoversies to recruit and retain highly qualified business development managers and administrative support personnel.

These managers often then transfer their acquired skills into the private sector and/or establish companies of their own to help migrate new inventions to market. In all cases, WORLDiscoversies agreements return vital investment to the institutions and allow researchers to continue their work with capital generated from a marketplace that places an economic value on their inventions. WORLDiscoversies remains committed to this service proposition and will continue to use FFICR funds to support its market-driven mandate.

3) **Description of the impacts of the indirect costs grant at Western**

Western University has no specific issues with the administration of the Indirect Costs Program to report; in fact, the opportunity to leverage funds for the growing indirect costs of research has played an inestimable role in our ability to build successful research programs, assist researchers reach their goals and increase our ability to attract and retain high-calibre talent in Canada. In short, FFICR has helped close significant gaps.

With vastly improved infrastructure, we have made significant strides to increase partnerships with industry, including through more on-site research and development, including through development of the new Advanced Manufacturing Park, which has attracted more than $60 million, and anticipated restructuring of the University’s two other Research Parks. These collaborative partnerships provide unique opportunities for researchers, and provide industrial partners with a competitive advantage. Work at these facilities is also advancing efforts in several of Western’s strategic research areas,
including Wind Engineering & Natural Disaster Mitigation, Green Energy & Environmental Sustainability, and Materials & Biomaterials.

By modernizing our laboratories, we have been able to make more effective use of space and to provide better accommodations for researchers and graduate students. Upgraded management and administrative systems increase our accountability and allow us to improve research networks, capability, output and support. Systems and personnel within the central administrative departments have provided researchers with better levels of support by being strategically positioned to identify and develop the outstanding proposals that become funded research. FFICR helps us remain competitive, and to take a leadership role.

This program touches research at every level, from the identification of a funding program or the completion of a grant application to helping a researcher bring an idea to life. The University and its affiliates all agree that this grant is not only effective, but essential to furthering the knowledge capital essential to today’s society. Continued support from FFICR is necessary to maintain and grow core research facilities, which will allow us to sustain growth in the future. This is becoming increasingly important given demands placed on research administration and rising risks associated with data security.

The FFICR grant has allowed for new initiatives and for the reallocation of scarce resources to support the overall research enterprise. The University and its affiliates are much better positioned to support and enhance their research base, particularly in areas of key research strength and those identified as being areas of emergent research strength.