

 The University of British Columbia Board of Governors	Policy No.: LR5
Long Title: Research Grants During Periods Other Than Study Leave	
Short Title: Research Grants Policy	

Background & Purposes:

To set out the terms and conditions under which scholars at UBC may receive a research grant in lieu of salary during periods other than study leave.

1. General

- 1.1 The research grant during periods other than study leave program permits scholars to receive a research grant in lieu of salary through a mechanism involving peer review, under certain conditions as established by Revenue Canada. To be eligible, the purpose and objectives of the expenditures proposed must be warranted in the context of the research outlined. The grant may be used for all purposes of a Grant-In-Aid of research, but not to supplement income. In accordance with Revenue Canada guidelines, this program covers only research activities -- those involving critical or scientific inquiry aimed at the discovery of new interpretations or applications -- and is not intended to cover projects directed at teaching or the development of teaching- or research-related skills. When the research grant has been established, the funds are no longer considered to be a salary, but constitute a research grant.
- 1.2 Grants awarded under this program are regarded as taxable income. However, the grant payment is treated as T4A income for tax purposes and accordingly, no income tax is deducted at source by the University. The award recipient is responsible for reporting the income to Revenue Canada and declaring eligible expenditures against it.



PROCEDURES ASSOCIATED WITH THE RESEARCH GRANTS POLICY

Pursuant to the Regulatory Framework Policy, the President may approve Procedures or the amendment or repeal of Procedures. Such approvals must be reported at the next meeting of the UBC Board of Governors or as soon thereafter as practicable.

Capitalized terms used in these Procedures that are not otherwise defined herein shall have the meanings given to such terms in the accompanying Policy, being the Research Grants Policy.

1. General Revenue Canada Requirements

- 1.1 The type of research undertaken in the program must be of a type which is separate and apart from research work ordinarily expected under the researcher's terms of employment. Also, the non-specific research component of the researcher's normal duties of employment is to be reduced by a level reasonably corresponding to the value of the award. The signatures of the applicant, the Administrative Head of Unit and the Dean (or equivalent) on the application form attest to these requirements. See **Tax Information** below.

2. Eligibility

- 2.1 The Research Grant During Periods Other than Study Leave Program (RGnoSL) is available to individuals, both full- and part-time, whose terms of employment at UBC include the requirement to do independent research.

3. Application Procedures

- 3.1 Application forms for the RGnoSL are available from the Office of Research Services (Phone 604-822-6155 or 604-822-8584 or e-mail sat@orsil.ubc.ca)
- 3.2 In completing the application, researchers describe the specific research activity in sufficient detail to allow adjudication of the request by qualified assessors, and to justify fully the budget request in the context of the activity.
- 3.3 All applications must be approved by the Administrative Head of Unit (Department Head, or Dean in a non-departmentalized faculty, or University Librarian). Approval is for both the prospective research and the agreement to a reduction in non-specific research corresponding to the amount of the grant award, but not for responsibility or liability regarding tax issues.

4. Application Deadlines

- 4.1 Applications must be received in the Office of Research Services by April 1 or October 1. Awards take effect the following July 1 or January 1 respectively and are for a maximum of twelve months from the start date. Requests for successive awards are submitted annually. Applications received for each deadline date will be reviewed by a panel established by the Executive Committee for Research.

5. Adjudication

- 5.1 The panel established by the Executive Committee for Research will assess an application on the basis of the quality of the proposal, its description and justification, the justification of budget in relation to the proposal and the applicant's past research record. The panel may consult with the Head, Dean, Vice-President, Research and Innovation or Provost on eligibility and other matters.

6. Grant Payment

- 6.1 The researcher and Administrative Head of Unit are informed by letter of the result of the deliberation.
- 6.2 If an award is made, Research Services initiates payment. The amount of the research grant is reflected as a reduction in the researcher's salary and is reported on an income tax T4A slip. Thus, under this program, the researcher's total income is divided into two components: salary and research grant (income tax is not withheld from the research grant portion). Although the researcher's salary is reduced by the amount of the research grant, the University will continue to pay benefits on the full regular salary.

7. Expenses

- 7.1 According to Revenue Canada regulations, research grant-related expenses must be incurred in the same calendar year in which the research grant is received in order to be deductible from the grant. In some cases, research expenses may be incurred in the year immediately preceding or immediately after the year in which the grant is received. Please refer to Canada Taxation Bulletin IT-75R3, available from the Office of Research Services.
- 7.2 Travel costs are allowed for purposes essential to the research outlines. The Business Expenses Policy and Policy #84 (Entertainment) apply. According to Revenue Canada guidelines, researchers may claim only their own expenses for travel between home and the place at which they sojourn (temporarily reside) while engaged in research work, provided such travel is essential to the research. Traveling expenses for spouses and children may not be claimed. Researchers are not permitted to claim their own personal and living expenses, including meals and lodgings, which temporarily residing in a place while engaged in research. However, researchers are entitled to claim expenses for meals and lodgings while on brief trips in connection with their research.
- 7.3 Grantees who employ assistants must act as employers with all the responsibilities that entails. In particular, grantees are cautioned that statutory deductions for UIC and CPP must

be taken and remitted along with the employer contributions when paying a salary for an assistant or other research personnel. Such employer contributions may be charged to the grant.

8. Leaving the University

- 8.1 If at any time during the term of a RGnoSL the grantee ceases to be employed by the University or his/her salary ceases, the grant arrangement terminates.

9. Tax Information

- 9.1 Please note that, although the University approves a RGnoSL:

9.1.1 The question of the deductibility of expenses for income tax purposes must be in accordance with Revenue Canada regulations and such deductions should be claimed with the researcher files his or her personal income tax return.

9.1.2 Any questions with respect to the eligibility of expense deductions must be resolved between the researcher and Revenue Canada. The researcher is solely responsible for any additional income taxes which may become payable.

9.1.3 The researcher is not required to submit an accounting for these funds to the University, but since it is the responsibility of the researcher to support claims for deductions to Revenue Canada, researchers are advised to keep detailed records of research expenditures.

9.1.4 The University is not in a position to offer any more detailed tax information than that which is contained in Revenue Canada Interpretation Bulletin IT-75R3, nor will the University assist the faculty member in the presentation for T4A income or any research deductions to Revenue Canada.

9.1.5 Any questions about taxation regulations should be referred directly to Revenue Canada or to an external (personal) tax advisor.

9.1.6 When a researcher's non-salary income exceeds \$30,000 there may be liability for Good and Services Tax (G.S.T.). Researchers should seek independent tax advice.



EXPLANATORY NOTES REGARDING THE RESEARCH GRANTS POLICY AND ASSOCIATED PROCEDURES

Issued July 2019 by the Office of the University Counsel

The OUC has prepared these Explanatory Notes to provide context and background regarding the Research Grants Policy. These Explanatory Notes do not replace or supersede the content of the Research Grants Policy and its Procedures.

Policy Long Title: Research Grants During Periods Other Than Study Leave

Policy Short Title: Research Grants Policy

Policy Number: LR5

Responsible Executive: Vice-President, Research and Innovation

Responsible Board Committee: Finance Committee

Related Policies: GA2 - Regulatory Framework Policy
FM8 - Business Expenses Policy
#84 - Entertainment

History:

- The Research Grants Policy and Procedures were first approved by the Board of Governors in July 1995;
- The Research Grants Policy was updated in July 2019 to reflect a new policy identification system; it is currently identified as the Research Grants Policy, its long title is Research Grants During Periods Other Than Study Leave, and its number is LR5. The previous identification number for this policy was #35;
- The Procedures were updated in September 2019 to reflect current position titles.

Related Legislation: N/A