

## Chapter 32

### University of Regina—Protecting Interests in Research

#### 1.0 MAIN POINTS

Research is one of the core functions of the University of Regina (University). Research also plays a pivotal role in the University's ability to carry out its other core function, education, since a strong research program helps attract qualified professors, which in turn attracts students.

In 2013, we audited the University's processes to protect its interests (e.g., financial, reputational, ownership) as it fosters research and commercialization of research. By March 10, 2015, the University had made excellent progress in addressing the 26 recommendations resulting from that audit. It had implemented 13 recommendations and was actively working on clarifying expectations, further updating policies and procedures, and improving processes to protect research rights.

#### 2.0 INTRODUCTION

This chapter reports the results of our follow-up of recommendations we made in our *2013 Report – Volume 1*, Chapter 15, about the effectiveness of the University's processes to protect its interests as it fosters research and commercialization of research. In that Report, we concluded that while the University of Regina had many structures and processes in place for protecting its interests (e.g., financial, reputational, ownership) as it fostered research and commercialization of research, these structures and processes could be improved. We made 26 recommendations.

To conduct this review engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook – Assurance*. To evaluate the University's progress towards meeting our recommendations, we used the relevant criteria from the original audit. The University's management agreed with the criteria in the original audit.

We reviewed and assessed the information provided, discussed actions with key individuals, and tested certain processes where necessary.

#### 3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at March 10, 2015, and the University's actions up to that date. By March 10, 2015, we found that the University had implemented 13 recommendations, and was working on the remaining 13 recommendations.



### 3.1 Research Oversight Improved

We recommended that the University of Regina assess whether its organizational structure is effective to support the achievement of its strategic research goals and make any necessary changes. (2013 Report – Volume 1 (p. 184); Public Accounts Committee agreement December 9, 2014)

**Status – Implemented**

Effective January 2014, the University implemented a revised research organizational structure. The new structure creates a position for an Associate Vice-President (Academic and Research) to allow for effective communication between the academic (i.e., Deans) and research organizations of the University. We found the Vice-President (Research), Vice-President (Academic), and the Associate Vice-President (Academic and Research) met each month. The purpose of these meetings is to keep the University's academic and research streams informed about strategic research initiatives, major projects, and other ongoing issues.

We recommended that the University of Regina document in policy and enforce its requirement to centrally manage all research agreements to protect its interests in research. (2013 Report – Volume 1 (p. 185); Public Accounts Committee agreement December 9, 2014)

**Status – Implemented**

Effective March 31, 2015, the University updated its Research Cost Recovery Policy. The updated Policy clarifies that the Office for Research, Innovation and Partnership (Research Office) is responsible for reviewing and negotiating the terms of all research agreements and centrally managing all research agreements. In March 2014, the Board of Governors approved the Delegation of Authority, Senior Executive Policy. This requires the Vice-President (Research) or delegates to sign all research-related agreements. In addition, we found that Financial Services of the University notifies the Research Office of transactions that may be research related.

### 3.2 Clarification of Expectations Progressing

We recommended that the Board of Governors of the University of Regina receive and review regular reports on the University's Strategic Research Plan. (2013 Report – Volume 1 (p. 186); Public Accounts Committee agreement December 9, 2014)

**Status – Implemented**

Since spring 2014, the President has provided the Board of Governors with regular reports on the University's Strategic Research Plan as part of the President's update.

We found that the reports included updates on ongoing research initiatives on campus and existing performance measures (e.g., research funding).

We recommended that the University of Regina prepare action plans for review of the Board of Governors to support the University's strategic research direction. (2013 Report – Volume 1 (p. 186); Public Accounts Committee agreement December 9, 2014)

**Status – Partially Implemented**

In 2015, the University identified a set of action plans to assist with the realization of its research goals. It has also developed faculty research plans that align with the University's strategic research direction and provide a way for the University to monitor research that is ongoing in the various faculties across campus.

While the University has taken steps to prepare action plans supporting its strategic research direction, by March 10, 2015, it had not presented its action plans to the Board of Governors for its review. The University expects to do so during 2015-16.

We recommended that the University of Regina prepare more detailed performance measures and targets for approval by the Board of Governors to support measurement of progress towards the University's research goals. (2013 Report – Volume 1 (p. 186); Public Accounts Committee agreement December 9, 2014)

**Status – Partially Implemented**

In 2015, the University developed performance measures for each of the goals within the Strategic Research Plan. Examples of performance measures include the number of doctorate and masters degrees awarded, research dollars awarded, and the amount of campus space allocated to research. As of March 10, 2015, the Board had not reviewed and approved these measures.

By March 10, 2015, the University had not developed targets for each performance measure. The University expects the Board information items, to be prepared by the Vice-President (Research) beginning in May 2015, will incorporate this type of information.

We recommended that the University of Regina reassess its risks related to research and develop further mitigation strategies. (2013 Report – Volume 1 (p. 186); Public Accounts Committee agreement December 9, 2014)

**Status – Partially Implemented**

In January 2015, the University conducted interviews with key research stakeholders (i.e., Vice-President (Research), Associate Vice-President (Academic and Research), Director of the Research Office) to start a detailed assessment of research risks. It used



this information to develop a research-specific risk assessment and management plan, which included identification of the top-10 research risks facing the University (e.g., financial mismanagement, stakeholder relations). While the University had a plan for how it intends to develop appropriate risk mitigation strategies, it had not finalized its strategies to mitigate the identified research-specific risks.

### 3.3 Updates to Policies and Procedures Progressing

#### Research Policies

We recommended that the University of Regina regularly review and update its research policies, educate staff about the policies, and have senior staff sign off on an annual basis that they have read and understand the policies. (2013 Report – Volume 1 (p. 187); Public Accounts Committee agreement December 9, 2014)

**Status** – Partially Implemented

We recommended that the University of Regina ensure that intellectual property disclosures are completed in accordance with policy and communicate this requirement to staff. (2013 Report – Volume 1 (p. 187); Public Accounts Committee agreement December 9, 2014)

**Status** – Partially Implemented

Since our 2013 audit, the University has reviewed and updated a number of research policies (e.g., Conflict of Interest and Conflict of Commitment, Research Cost Recovery) and is working to update the rest (e.g., Intellectual Property, Research Centres and Institutes). It expects to have the rest updated by the end of 2015-16.

In 2015, the University updated its Intellectual Property disclosure form and hired a Technology Transfer Officer in its Research Office. This officer is responsible for making sure staff complete intellectual property disclosures in accordance with policy.

The Research Office is responsible for enforcing compliance with research policies. As of March 10, 2015, the Research Office had updated deans and directors about changes in policies, via an email, and held one faculty workshop. It plans to make updated policies publicly available on its website, offer periodic workshops to educate staff about the policies, and update staff monthly about work in the Research Office to remind staff about policies.

Also, in 2015, the University developed a declaration form for senior staff to sign each year. The form requires staff to indicate, in writing, that they have read and understand the University-related research policies. Management advised us that it expects to require staff to complete these forms each year starting in the spring of 2015. The Office of the Vice-President (Research) plans to track the completion of these forms by staff.

We recommended that the University of Regina update, communicate to its academic and administrative staff, and enforce its Policy for the Recovery of the Indirect Costs of Research and Service Contracts. (2013 Report – Volume 1 (p. 190); Public Accounts Committee agreement December 9, 2014)

**Status – Implemented**

The University updated its Research Cost Recovery Policy, effective March 31, 2015. The Policy is publicly available on the University's website. The University also communicated the updated Policy to staff via email. As noted previously, the Research Office is responsible for enforcing compliance with the Policy, and is positioned to do so through its role of negotiating and reviewing the terms of all research agreements.

We recommended that the Board of Governors of the University of Regina update its Policy on University of Regina Centres/Institutes to define the creation, classification, monitoring, and reporting requirements for institutes/centres. (2013 Report – Volume 1 (p. 190); Public Accounts Committee agreement December 9, 2014)

**Status – Partially Implemented**

In 2015, the University updated its Policy on University of Regina Centres/Institutes. The Policy sets out requirements for the creation and classification of centres and institutes. The Policy requires monitoring and annual reporting of centres and institutes but not interim reporting. Annual reporting may not be sufficient for large, complex centres and institutes or for those with past performance issues. As of March 2015, the University was considering how to incorporate interim reporting requirements within its policy.

Also, at March 10, 2015, the Board of Governors had not approved this Policy for implementation. Management advised us that it expects to seek Board approval in July 2015.

### **Intellectual Property Policies and Processes**

We recommended that the University of Regina define and the Board of Governors approve what constitutes specialized resources for the purposes of the University's Intellectual Property Policy in order to protect the University's rights to intellectual property. (2013 Report – Volume 1 (p. 188); Public Accounts Committee agreement December 9, 2014)

**Status – Partially Implemented**



We recommended that once the University of Regina defines and the Board of Governors approves what constitutes specialized resources, the University ensure that the definition is consistently used and applied. (2013 Report – Volume 1 (p. 188); Public Accounts Committee agreement December 9, 2014)

**Status – Not Implemented**

In 2015, the University developed a Specialized Resources Criteria Guideline. The University expects this guideline to facilitate discussion among deans and academic staff members to result in clearly defining specialized resources. Because, as of March 10, 2015, the University had not yet formally defined specialized resources, it was not consistently used or applied.

We recommended that the University of Regina ensure it has the expertise to assess the commercialization potential of intellectual property. (2013 Report – Volume 1 (p. 188); Public Accounts Committee agreement December 9, 2014)

**Status – Implemented**

In 2014, the Research Office hired staff with experience in commercialization. The University also documented a process to have a Commercialization Advisory Group review intellectual property proposals for alignment with the University's strategic interests and commercialization potential, and to determine the University's involvement in commercialization. This Group is to be comprised of individuals with expertise in commercialization.

We recommended that the University of Regina establish policies and procedures for evaluating when to pursue and when to discontinue commercialization efforts. (2013 Report – Volume 1 (p. 189); Public Accounts Committee agreement December 9, 2014)

**Status – Implemented**

In 2015, the Research Office developed processes to assist researchers in developing business cases. Business cases are to explain the related technology, its marketability, whether it is patentable, and its relation to the University's strategic plan. In addition, in 2015, it documented its process for the Commercialization Advisory Group. The Group is to review intellectual property proposals before the University proceeds with commercialization of intellectual property.

## Institutes/Centres

We recommended that the University of Regina take prompt action on Board of Governors' decisions regarding institutes/centres. (2013 Report – Volume 1 (p. 190); Public Accounts Committee agreement December 9, 2014)

### **Status – Partially Implemented**

As described earlier, the University updated its Policy on University of Regina Centres/Institutes. The draft policy requires all institutes and centres to receive various levels of approval before being established, with the Board of Governors being the final stage of approval for all new centres/institutes. The University expects to provide the Board with the updated policy for its approval in the summer 2015.

Since our 2013 audit, the University has created one Type I Centre<sup>1</sup> (Collaborative Centre on Justice and Safety) and one Type II Centre<sup>2</sup> (Institute of Environmental Change and Society). The Board appropriately approved the Type I centre, and the Faculty of Science appropriately approved the Type II Centre. We found that the classification (i.e., type) of both centres appeared appropriate.

However, we also found that as of March 10, 2015, management had not completed the transition of the Clean Energy Technologies Institute – CETI (formerly the International Test Centre for CO<sub>2</sub> Capture), into a Type I institute as approved by the Board in December 2011. That is, management had not established a budget, hired staff, and established governance or reporting structures to operationalize the new Institute as required by its governance documents (i.e., constitution). The Board did not receive interim reports about the delay in completion of this transition. As described earlier, the policy on centres and institutes should require interim reporting. The University was considering how to incorporate such requirements within its policy.

We recommended that the University of Regina review the classification and operations of all of its research institutes, assess their contribution to the University's strategic research goals, and take any necessary actions identified by the reviews. (2013 Report – Volume 1 (p. 193); Public Accounts Committee agreement December 9, 2014)

### **Status – Not Implemented**

As of March 10, 2015, the University had not reviewed the classification and operations of its research institutes. The University postponed the review of its institutes until after it implements an updated Policy on University of Regina Centres and Institutes.

<sup>1</sup> Type I Centres pursue areas of research that are of overall strategic importance to the University.

<sup>2</sup> Type II Centres bring together academic staff with a common interest in a specific research area or topic.



### 3.4 Signing Authority Updated and Enforced

We recommended that the University of Regina immediately confirm, document, and enforce its delegations to staff of research-related signing authority. (2013 Report – Volume 1 (p. 191); Public Accounts Committee agreement December 9, 2014)

**Status – Implemented**

The University's Signing Authorization Policy delegates to the Vice-President (Research) the authority to sign research contracts, and to further delegate this authority to other staff.<sup>3</sup> In March 2014, the University augmented its Signing Authorization Policy with a revised Delegation of Authority, Senior Executive policy. This Policy designates authority to certain staff to act on behalf of certain Executive members, including the Vice-President (Research), in their absence. For example, the Associate Vice-President (Academic and Research) may sign research-related contracts in the absence of the Vice-President (Research). For the five research-related contracts we examined, we found that the University complied with its research-related signing authority policies.

At March 2015, the University was also developing an Approval Authorities and Execution of Documents policy. It expects this Policy to document authority to enter into commitments, including expenditure approval limits by position. Management advised us that it plans to provide this policy to the Board for approval in fall 2015. We found the approval levels for research-related contracts or grants in this draft policy were similar to current practice except that an upper limit will be imposed on the Vice-President (Research) above which approval of either the President or Board of Governors will be needed.

### 3.5 Processes to Protect Rights Progressing

We recommended that the University of Regina centrally maintain complete and up-to-date information about all of its research initiatives and intellectual property (e.g., grants, contracts, partnership agreements, patents). (2013 Report – Volume 1 (p. 192); Public Accounts Committee agreement December 9, 2014)

**Status – Implemented**

The Research Office is responsible for centrally maintaining complete and up-to-date information about all of the University's research initiatives and intellectual property. It does this by reviewing and negotiating the terms of all research agreements, and by managing all patents and new intellectual property disclosures. To ensure it is aware of all research agreements, it communicated this requirement across the University in 2014 and set up a process for Financial Services to notify it of new research funding that may indicate a new research agreement. The Research Office also has processes to annually

<sup>3</sup> In October 2014, the Vice-President (Research) further delegated authority to the Director of the Research Office for signing research contracts or grants up to \$100,000.



confirm the existence and completeness of information about the University's centres and institutes with the Vice-President (Research) and the faculties.

We recommended that the University of Regina ensure that all staff follow its policy requiring declaration, at least annually, of any conflicts of interest or conflicts of external commitment. (2013 Report – Volume 1 (p. 192); Public Accounts Committee agreement December 9, 2014)

**Status – Partially Implemented**

We recommended that the University of Regina take action when it identifies conflicts of interest or conflicts of external commitment. (2013 Report – Volume 1 (p. 193); Public Accounts Committee agreement December 9, 2014)

**Status – Partially Implemented**

In 2014, the University advised staff that they must complete its conflict-of-interest and conflict-of-commitment declaration forms at least annually by set deadlines (e.g., June 2014 for out-of-scope staff, June 2015 for Administrative Professional Technical union employees). If a conflict exists, the forms require the staff and supervisor to ensure action is taken to mitigate the identified conflict. The Human Resources Department is responsible for tracking staff's completion of the declaration forms and follow up if the forms are not submitted on time.

We found that 41% of staff who were required to complete declaration forms had not done so by March 10, 2015. Also, 2 out of 10 declaration forms we examined did not contain evidence of review by the staff's supervisors; staff had not declared any conflicts on these forms. For the 10 declaration forms tested, we found declared conflicts, if any, were appropriately mitigated.

The University needs to ensure that all staff complete and their supervisors appropriately review the declaration forms, and appropriately mitigate conflicts if any are identified.

We recommended that the University of Regina regularly evaluate external directorships held by staff. (2013 Report – Volume 1 (p. 193); Public Accounts Committee agreement December 9, 2014)

**Status – Partially Implemented**

Although the University has required staff to document any external directorships held, as previously noted it has not received conflict-of-interest and conflict-of-commitment declaration forms from all staff. Without this information, it cannot evaluate the suitability of all external directorships held by staff. The two external directorships declared by staff that we tested included appropriate plans to mitigate any risks related to these external directorships.



We recommended that the University of Regina follow its policy to have external boards pass resolutions allowing University-nominated directors to share information with the University. Where such resolutions cannot be obtained, the University should consider not naming directors to these external boards. (2013 Report – Volume 1 (p. 192); Public Accounts Committee agreement December 9, 2014)

**Status** – Implemented

As of March 10, 2015, all external boards with University-nominated directors have provided the University with acknowledgements indicating that confidential information pertaining to the external entities may be disclosed to the University by the University-appointed on a need-to-know basis, provided that the University agrees to hold such information in confidence.

### 3.6 Agreements Strengthened

We recommended that the University of Regina strengthen its research agreements by including all relevant requirements to protect both researcher and University interests. (2013 Report – Volume 1 (p. 193); Public Accounts Committee agreement December 9, 2014)

**Status** – Implemented

In January 2015, the University analyzed and revised its research agreement template to include relevant requirements to protect both researcher and University interests. The University created a research agreement review checklist. It plans to use this checklist when entering into new agreements, including funding agreements, to confirm the agreement includes all relevant requirements. At March 2015, although the University had not yet finalized the template or checklist, we found that the five agreements we reviewed included the relevant requirements identified in the checklist.

### 3.7 Review of Patents Completed

We recommended that the University of Regina complete its evaluation of patents to support its decision to continue maintaining patents. (2013 Report – Volume 1 (p. 194); Public Accounts Committee agreement December 9, 2014)

**Status** – Implemented

The University hired a Technology Transfer Officer to help coordinate the evaluation of its patents. The officer evaluated the intellectual property portfolio to determine which patents the University wanted to maintain, further evaluate, or assign back to the researcher. The University also plans to evaluate the patents periodically, and has set the dates for the next evaluations.

### 3.8 Research Interests Monitored

We recommended that the University of Regina review and update research reporting requirements to ensure both senior management and the Board of Governors receive and review sufficient information to assess the success of the University's research strategies. (2013 Report – Volume 1 (p. 195); Public Accounts Committee agreement December 9, 2014)

**Status – Implemented**

The University has taken action to provide management and the Board with information to assess the success of the University's research strategies.

As described in **Section 3.2**, the President gives the Board regular reports on the University's Strategic Research Plan. Also, during 2015-16, management expects to give the Board, for its approval, action plans and performance measures that support the University's strategic research direction.

To remain informed about ongoing research initiatives throughout the University, the Vice-President (Research):

- › Attends bi-monthly meetings of all Associate Deans
- › Meets with the Director of the Research Office on a weekly basis to receive updates regarding research across campus (e.g., fulfillment of research agreements, performance of patents)
- › Plans to report significant issues about the University's research initiative to the University Executive Team and the Board of Governors, as necessary

We recommended that the University of Regina regularly monitor compliance with research-related policies and agreements. (2013 Report – Volume 1 (p. 195); Public Accounts Committee agreement December 9, 2014)

**Status – Implemented**

Programs to promote awareness of policies can lessen compliance issues resulting from a lack of staff knowledge of policies. Starting in 2015, the University requires senior staff to annually sign-off that they have read and understood the University's research policies. The University expects to monitor compliance of institutes and centres through its revised reporting and review processes as described in **Section 3.3**.

In 2015, the University created a Compliance Officer position, responsible for monitoring compliance with research policies including checking that research ethical standards are reviewed and approved before funds are released to the researcher.



The Research Office also helps monitor compliance. It reviews and helps negotiate agreements, which supports compliance with policies (e.g., use of the correct cost recovery rate) and helps ensure required reports are submitted to third-party agencies. Also, it monitors intellectual property through use of the intellectual property disclosure form developed in 2015 and the continued evaluation of existing patents.