
RESPONSE TO THE OVERALL PERFORMANCE EVALUATION OF THE CANADA FOUNDATION FOR INNOVATION

The Canada Foundation for Innovation (CFI) has received a second positive *Overall performance evaluation*. BBMD Inc., the independent consulting firm that undertook this evaluation of the CFI, noted that the organization has a proven track record of efficiency and effectiveness. The firm reported strong successes for each of the CFI's expected results and a clear endorsement for the design and delivery of its funds, along with its overall business model, from a variety of stakeholders in Canada's research support ecosystem. The report also makes three observations and one recommendation.

Remaining responsive to the needs and expectations of stakeholders

BBMD Observation 1: As it is now doing, the CFI must continue to remain attuned and responsive to the needs and expectations of stakeholders, including ultimate recipients, other funders and end users including the private sector, as well as to any shifts or changes in the landscape of the research support ecosystem, that may affect the achievement of overall R&D outcomes, the CFI's contribution to them, and the CFI's approaches to addressing them.

The CFI is guided by a set of values and principles that direct the organization's decision making. Among these values, the CFI is "client-focused" and "consultative." The CFI recognizes the importance of stakeholder consultation and engagement and strives to both provide effective, efficient and innovative client services and to maintain an open dialogue with research institutions, their partners and other key stakeholders. The CFI will continue to ensure its clients' voices are heard and their views are reflected, where possible, in the design and delivery of its funds.

Advocating for long-term stable funding

BBMD Observation 2: The CFI's advocacy agenda is important and the CFI should continue to advocate for long-term stable funding for its support to enhancing the capacity of institutions, as well as for its own ongoing operations.

To receive funding from the CFI, institutions must ensure that their applications align with their institutional strategic research plan. Long-term, predictable funding for the CFI would help institutions improve their ability to deliver on their research priorities by allowing them to plan according to a multiyear funding cycle. It would also enable provinces to plan for their own investment in research infrastructure projects at their respective institutions. To achieve this, the CFI will continue to develop its advocacy strategies by engaging these key stakeholders and beneficiaries of long-term CFI funding.

Engaging with federal funding agencies

BBMD Observation 3: Linked to our first observation, the CFI should continue to stay abreast of the larger picture of funding needs and funding gaps through its strong ongoing stakeholder engagement and interactions with the federal funding agencies.

In the CFI's 2012-17 Strategic Roadmap, two of the six strategic directions — "sustaining the capacity of Canada's research enterprise" and "forging productive partnerships" — relate to this observation. The CFI occupies a unique niche in a complex federal science, technology and innovation support system. As such, it recognizes the importance of working with the federal funding agencies and other stakeholders to understand the needs, gaps and opportunities in the system in order to optimize available resources for funding recipients, and ultimately to maximize the benefits to Canadian society.

Making CFI's performance story explicit

BBMD Recommendation 1: In developing its next Performance, evaluation, risk and audit framework (PERAF), the CFI should consider including all aspects of the expected results in its funding agreements in the logic model, performance measurement framework and evaluation framework. Further, the CFI should consider adding to its logic model some immediate outcomes which go beyond "enhancing capacity" of recipient institutions, and add what the CFI achieves for its other stakeholders as well. Such outcomes could be derived from aspects now in the CFI's Strategic roadmap.

The CFI is required to refresh its PERAF by March 31, 2015, to ensure alignment with the 2014 *Contribution agreement*. Both aspects of this recommendation were carefully considered for the update.

The CFI operates under two funding agreements and one *Contribution agreement*.

- The 1997 (amended) *Funding agreement*, which includes four "national objectives;"
- The 2010 *Funding agreement*, which includes four "expected results;" and,
- The 2014 contribution agreement which includes slightly modified versions of the national objectives and expected results.

The "national objectives" are the objectives established by the Government of Canada that are to be achieved by the CFI, while the "expected results" are the results intended to be achieved by the recipients of CFI funding. These objectives and results are closely aligned and are interdependent.

To avoid overlap and repetition, not all of the national objectives and expected results were explicitly listed in the CFI logic model. Instead, we determined that it was much clearer to have some captured through more broad outcome and impact statements. As an organization, we are confident that all objectives and results are represented within the revised logic model. The CFI routinely collects data related to objectives and expected results, as well as our strategic priorities.