

COLLABORATION COORDINATION CONFEDERATION

Annual Report
2014 – 2015

CRKN
Canadian Research
Knowledge Network

RCDR
Réseau canadien de
documentation pour la recherche



The Canadian Research Knowledge Network (CRKN) is a partnership of Canadian universities, dedicated to expanding digital content for the academic research enterprise in Canada. Through the coordinated leadership of librarians, researchers, and administrators, CRKN undertakes large-scale content acquisition and licensing initiatives in order to build knowledge infrastructure and research and teaching capacity in Canada's universities. Together, CRKN's 75 university members represent over 1.2 million researchers and students.

OUR MEMBERS

Acadia University
Algoma University
Athabasca University
Bishop's University
Brandon University
Brock University
Cape Breton University
Carleton University
Concordia University
Concordia University
of Edmonton
Dalhousie University
École Polytechnique
de Montréal
HEC Montréal
Kwantlen Polytechnic University
Lakehead University
Laurentian University
MacEwan University
McGill University
McMaster University
Memorial University of
Newfoundland
Mount Allison University
Mount Royal University
Mount Saint Vincent University
Nipissing University
NSCAD University
OCAD University
Queen's University
Royal Military College
of Canada
Royal Roads University

Ryerson University
Saint Mary's University
Simon Fraser University
St. Francis Xavier University
The King's University
Thompson Rivers University
Trent University
Trinity Western University
Université de Moncton
Université de Montréal
Université de Sherbrooke
Université du Québec
• École de technologie
supérieure
• École nationale
d'administration publique
• Institut national de la
recherche scientifique
• Télé-université
• Université du Québec
à Chicoutimi
• Université du Québec
à Montréal
• Université du Québec
à Rimouski
• Université du Québec
à Trois-Rivières
• Université du Québec
en Abitibi-Témiscamingue
• Université du Québec
en Outaouais
Université Laval
Université Sainte-Anne

University of the Fraser Valley
University of Alberta
University of British Columbia
University of Calgary
University of Guelph
University of Lethbridge
University of Manitoba
University of New Brunswick
University of Northern
British Columbia
University of Ontario
Institute of Technology
University of Ottawa
University of
Prince Edward Island
University of Regina
University of Saskatchewan
University of Toronto
University of Victoria
University of Waterloo
University of Windsor
University of Winnipeg
Vancouver Island University
Western University
Wilfrid Laurier University
York University

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© Canadian Research Knowledge Network
301-11 Holland Avenue, Tower A
Ottawa, Ontario
Canada K1Y 4S1
Tel: 613.907.7040
Fax: 866.903.9094
Email: info@crkn-rcdr.ca
Web: www.crkn-rcdr.ca
Twitter: @CRKN_RCDR



MESSAGE FROM THE CHAIR

The Canadian Research Knowledge Network continues to build on the goodwill of the community and past success to support and advance Canada's research capacity. We have lead the adaptation of the university system to new methods of enhancing knowledge infrastructure and defined new collaborative models.

Improved governance has produced dividends as we reported our first surplus in seven years. This financial outcome was achieved while successfully renewing 17 licenses representing over \$50 million in license expenditure. Canada's



research intensive universities continue to face demands for improved research outcomes and knowledge mobilization in an era of funding constraints and shrinking budgets. We will need to look at ways to adopt our collaborative success to other endeavours.

The University of Calgary was proud to host the CRKN 2014 annual general meeting. Our university is very fortunate to house the Taylor Family Digital Library, deliberately situated at the heart of our campus, a placement that mirrors the vital evolving role of the library on campuses across the country.

I look forward to working with my colleagues at CKRN to advance the strategic plan's themes of Collaboration, Coordination and Confederation to further digital scholarship and advance research infrastructure for all CRKN members. Thank you everyone for the vital role you have played in making us a success.

Dr. Elizabeth Cannon
President and Vice-Chancellor,
University of Calgary
Chair, CRKN Board of Directors

The Canadian Research Knowledge Network continues to build on the goodwill of the community and past success to support and advance Canada's research capacity



AND THE EXECUTIVE DIRECTOR

2014-15 was another busy year for the Canadian Research Knowledge Network. We had our first full year devoted to the Integrated Digital Scholarship Ecosystem (IDSE) initiative, delivering a report on the first phase and restructuring our organization to best deliver results that support our objective of *Collaborating to Advance Digital Scholarship*.

The organization continues to strengthen its core work of *Expanding Content and Service Offerings* through the license renewal work of the Content Strategy Committee and we demonstrate our commitment to collaboration initiatives through our partnerships in SCOAP³, Canadiana Heritage and the new partnership with Érudit. Developing and enhancing service offerings such as the Journal Value Analytics and pursuing new content opportunities remains a priority.

We continue to focus our energy and attention on *Engaging with Members and Stakeholders*, and I have been fortunate to be able to visit and engage with many members both on their campuses and through other meetings and conferences. The AGM hosted by Dr. Cannon on the University of Calgary campus, was once again a highlight of the year; reflecting our ability as a community to wrestle with difficult issues, respectfully acknowledging our differences and working towards solutions.

We continue to strengthen CRKN sustainability by refining our governance and risk management activities, including the development of a risk register and conducting an HR review resulting in strengthening the environment for staff. Members responded favourably to the work of the Banding Task Group at the AGM and endorsed implementing banding on a subset of 2016 license renewals. I am delighted to report that CRKN has made great progress towards restructuring itself financially, this year reporting the first surplus since 2006-07. We continue to adjust the budget to the meet the demands of the strategic plan and the IDSE initiative.

I remain impressed with the commitment and professionalism of CRKN staff whose initiative and drive support all the goals of our strategic plan. We are well-served and well-supported by the Board in delivering results to the membership and we are fortunate to be supported by great volunteers for our various committees and task groups. I remain excited and optimistic for the future, and welcome our continued collaboration with the larger stakeholder community in the coming year. I hope to see many of you at the AGM in Ottawa in October 2015.



Clare Appavoo
Executive Director



COLLABORATE TO ADVANCE DIGITAL SCHOLARSHIP

During the year we continued to advance our newest strategic objective developing and furthering collaborations that foster a globally competitive digital scholarship environment for Canadian Scholars.

INTEGRATED DIGITAL SCHOLARSHIP ECOSYSTEM

The IDSE initiative continued to evolve as Michael Ridley, on secondment from the University of Guelph, and Sabina Pagotto, IDSE Project Analyst, presented the results of their work in the Final Information Gathering Report. The final report further developed the themes outlined in the preliminary report and presented recommendations for activities that CRKN can undertake to further the integration and advancement of the digital scholarship ecosystem in Canada. Themes included the changing role of the academic library, the value of alignment with the dynamic roles of stakeholders, and the importance of gaining support from senior academic administrative leadership.

The report along with the CRKN Board response was shared with the membership in mid-September, discussed at the AGM in Calgary and the recommendations were endorsed by the membership as complimentary to CRKN's evolving role and updated vision.

Based on member response, the Board committed to support the ongoing efforts towards IDSE with focused additional resources for at least the next two years within CRKN's existing multi-year budget model. With that commitment and through some staff restructuring, a new role was created and a Special Projects Officer for IDSE was recruited with an April, 2015 start date.

OTHER NATIONAL AND INTERNATIONAL COLLABORATIONS

CRKN staff actively engaged with the broader stakeholder community to explore opportunities for collaboration towards the IDSE, presenting at the Association of College and Research Libraries (ACRL) conference, at the Ontario University Purchasing Management Association (OUPMA), and participating in a panel at the CALJ meetings at Congress as well as attending other conferences such as OLA, ALA and ICOLC.

CRKN further advanced our engagement with Digital Humanities scholars, becoming active partners in the Implementing New Knowledge Environments (INKE) initiative.

Collaborating with the broader library community, Clare Appavoo along with other members of the academic and public library community participated in a CLA eBook Task Group.

CRKN continues to be actively involved in the international collaboration, Sponsoring Consortium for Open Access Publishing in Particle Physics (SCOAP³), with Clare Appavoo representing Canada at the Governing Council meetings, and serving as the Chair of the Executive Committee.



EXPAND CONTENT AND SERVICE OFFERINGS

LICENSING ACTIVITIES

During 2014, CRKN renewed 17 multi-year license agreements for digital STM and SSH content. Licenses that were renewed included: Sage Premier, Wiley Online Library, Gibson Canadian Publisher's Collection and EIU Viewswire and Country Reports.

Significant activities during the year included the renewal of the Elsevier Science Direct agreement, the expansion of the JSTOR Agreement post DCI-project, and discussions with Érudit on a collaborative partnership to support Canadian Scholarly publishing. CRKN also continued to act as the national contact point to the SCOAP³.

NEW CONTENT

During the year, CRKN worked with eBOUND and the Association of Canadian University Presses (ACUP) on a successful ebook offer to members. Of particular note was the agreement with OCUL and Scholars Portal to allow non-OCUL members to access the Canadian Publisher's Collection content on Scholars Portal, continued support for the Canadian Heritage project (a 10-year initiative to digitize and make accessible online Canadian archival collections), and further discussions with Canadiana and others to evaluate a project to digitize Canadian newspapers.

MODEL LICENSE TRANSLATION

In response to member request, the CRKN model license was translated into French in 2015, then reviewed and adjusted by members of the Content Strategy Committee and CRKN staff to ensure accuracy. While the English version will be used for licensing activities and is definitive, the French version is intended to be a useful reference aid. The Content Strategy Committee has also recommended the creation of a task group to undertake a systematic review of the Model License in time for the 2015 AGM.

CHANGES IN PARTICIPATION

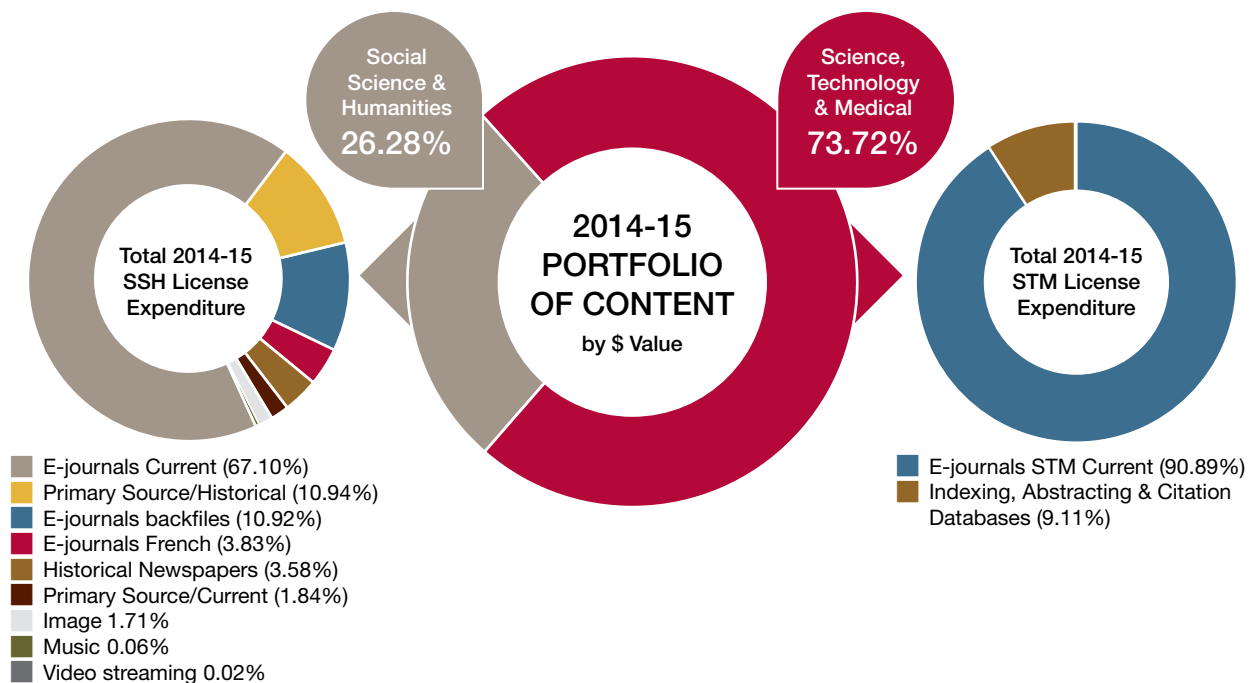
CRKN member participation continued to climb for new content offered, including the ACUP eBOUND Collection and the Royal Society of Chemistry ebooks, although this was offset by the decision by some members not to renew content offered under the DCI project. In total, member-license participation dropped from 2,510 in FY 2013-14 to 2,466 in 2014-15 – most significantly, with a number of members electing to opt out of licenses from the former DCI project.

ONGOING COMMUNICATIONS

Members were apprised of negotiation developments and other licensing activities via several tools, including frequent posts to the CRKN collections and directors listservs, license updates in the CRKN Newsbrief and recaps of all Content Strategy Committee meetings.

CUMULATIVE EFFECTS

Since its inception, and including the activities of its forerunner the CNSLP, CRKN has secured more than \$1.07B of content on behalf of its member institutions. One estimate suggests that if CRKN-licensed content were to be acquired on an institution-by-institution basis, costs to CRKN members would be over \$3 billion over the same time frame (both figures expressed in 2015 CAD). Participation in licenses has increased exponentially over the past decade from 64 members to 75, and from 7 licenses to 54 representing some 2,466 member agreements.



CRKN licensed products can be divided into two broad categories – Social Sciences & Humanities (SSH) and Science, Technology & Medical (STM). As collections are enhanced, increasingly diverse content have been made available in the form of databases, journals, e-books, videos, music, images, primary sources, newspapers, etc. Owing to favourable terms of the DCI Project, CRKN has many more SSH licenses than STM, but receives them for a lower cost.

ENGAGE MEMBERS AND STAKEHOLDERS

CRKN invests in different forms of member engagement. In response to member request for more specific details and outcomes of services, CRKN developed a third installment of the **Institutional Annual Review**, a customized dashboard for each of its 75 member institutions. This statement included a six-year history of member spend and membership fees, outlined individual contributions to specific content programs, described advantages of centralized negotiation & administration and charted the work of four task groups in addressing national issues.

Members found the content usage information useful in previous institutional annual reviews, and CRKN has responded with enhancements resulting in the third installment of the **Journal Value Analytics** tool using 2013 data. The document included title-level usage data for the three journal packages under renegotiation for the year (Elsevier, Sage Publications and Wiley-Blackwell) as an aid towards decisions regarding renewals. A consolidated annual CRKN Narrative and Dashboard was also updated using 2013-2014 data, charting CRKN progress against strategic objectives.

The 2014 AGM was one of CRKN's most attended ever, hosted by the University of Calgary - the first time that the AGM had been held on a member campus. Feedback from the event characterized it as one of the best ever, demonstrating that the AGM continues to be highly valued for networking, education and collaboration. AGM attendees indicated that they were very satisfied with the event.

FORMS OF ENGAGEMENT

CRKN offers many channels of engagement to advance national issues, share news and information, and foster interaction with and among members. CRKN hosted 16 product renewal teleconferences, and conducted 6 teleconferences and associated Personal Librarian Program outreach to support the work of the Banding Task Group. During the year, 19 surveys were issued in support of CRKN's licensing and negotiations activities, and four quarterly financial updates were issued to finance contacts at member institutions. The CRKN NewsBrief was issued 7 times during the year, as CRKN moved to a compressed, quarterly format in November 2014.

During the year, CRKN reached a modest milestone with over 300 twitter followers.

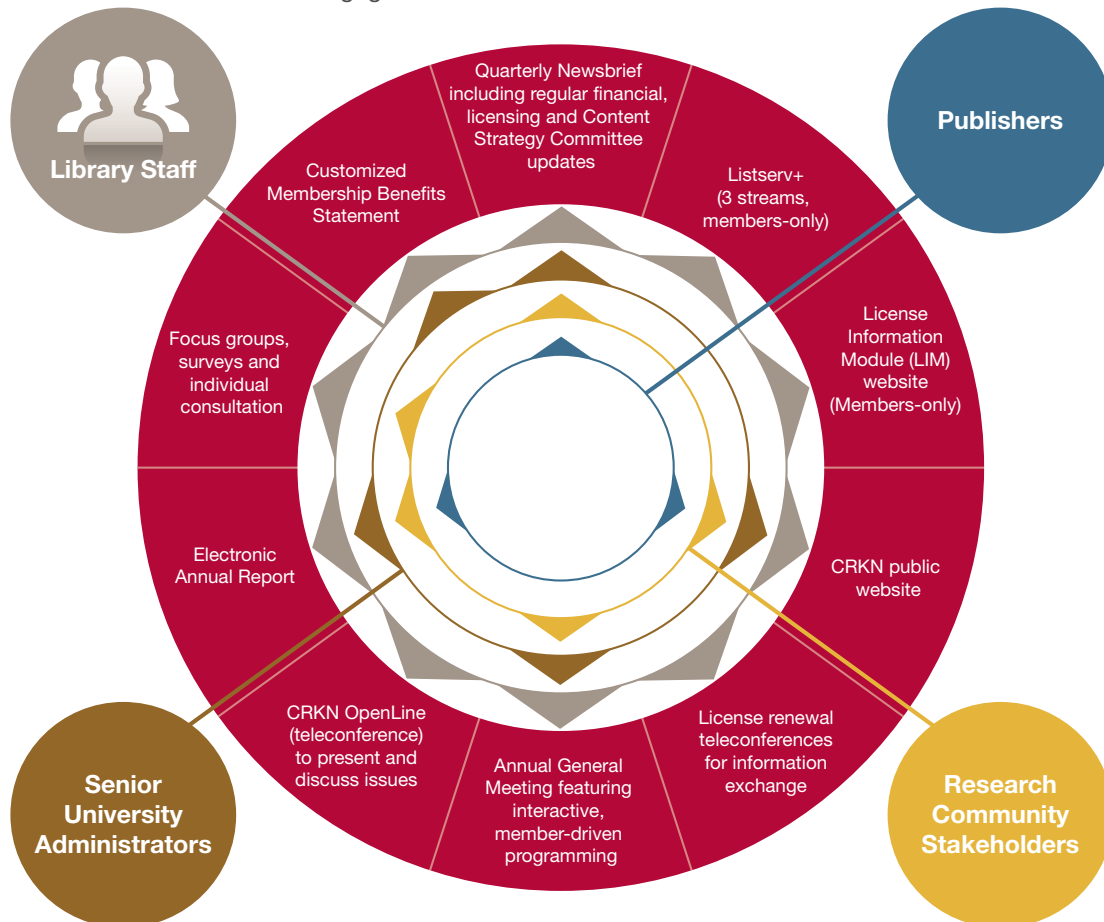
CRKN engagement is designed to share a variety of content, and facilitate a multi-layered dialogue with several different stakeholder communities – Library, Senior University Administrators, Researchers and Publishers.



Dr. Elizabeth Cannon welcomes Delegates to the 2014 CRKN AGM in Calgary

Member & Stakeholder Engagement

CRKN has fostered many channels of engagement with the communities it serves.



MAINTAIN AND STRENGTHEN SUSTAINABILITY

ORGANIZATIONAL CAPACITY

Through centralized negotiation and administration of licenses, CRKN leverages the time and expertise of the Content Strategy Committee, saving thousands of hours of member time.

CRKN continues to benefit from the time and diverse expertise of its member contributors. Over the past year, 46 individuals filled 59 roles on CRKN's Board, standing committees and task groups contributing a total of 1,910 hours over 52 meetings. These contributors are primarily drawn from the ranks of university librarians and their staff, but also include university researchers and senior administrators. CRKN's ability to continue to attract and retain high-quality volunteers remains a source of strength to the organization.

FINANCIAL RESULTS

CRKN's Finance & Audit Committee and Board continue to consider the budget within the context of a multi-year financial model to align financial planning with the strategic plan, strengthen decision-making, and increase predictability and transparency for CRKN members. CRKN is entering the fifth year of this multi-year model, designed to:

- reduce the organization's reliance on unpredictable interest revenue;
- increase revenue from membership fees and other sources in a planned and predictable way over several years;
- reduce and contain costs wherever possible; and,
- draw down unrestricted net assets with a series of deficit budgets as a bridging measure, within the parameters of the Net Assets Policy

CRKN is happy to report that it recorded a modest surplus in FY2014-15 – the first surplus in seven years.

RISK MANAGEMENT

The CRKN Board reviewed a systematic approach to developing a risk management plan as proposed in the 2013-2016 Strategic Plan (strategy 4.2), with the help of staff, the supervision of the Finance & Audit committee and with input from the CSC on risk identification.

Feedback from the Board was very constructive including assigning accountable staff and committees to individual risks and developing a concise dashboard that could be regularly reviewed as an ongoing Board monitoring activity. The Board has agreed to review and update its risk management plan as a standing item on their agendas, and has asked standing subcommittees to consider risk as a regular focus of their work.

FOREIGN EXCHANGE PROJECT

The bulk of content that is licensed by CRKN continues to be billed in USD avoiding potential exchange surcharges from vendors and providing better negotiation leverage, however this does expose members to significant foreign

exchange risk. Given the success of the previous foreign exchange project and with the support of the Finance & Audit Committee and the Board of Directors, CRKN once again offered members the opportunity to participate in the project and secure better rates for their USD invoicing. In total, 19 members elected to participate, with commitments in excess of \$3.7M USD to the project. Even after accounting for project fees, participants saved over \$116,000 by opting into the project.

STAFF COMPOSITION

CRKN worked during the year to adjust its staff complement, recruiting a bilingual member services officer from a member institution while adjusting staff responsibilities to better support the IDSE project. A dedicated IDSE Projects Officer was hired in early April 2015.



MEMBER RECOGNITION

The recipient of the Ron MacDonald Distinguished Service Award was celebrated at the 2014 Annual General Meeting in Calgary. **Carole Moore** was recognized for her demonstrated vision, leadership, and commitment to advance the goals and the knowledge infrastructure for the benefit of CRKN members including the formation of the CNSLP steering committee and serving as chair of the organization's first negotiating committee. This member recognition award, first conferred in 2010, honors the late Ron MacDonald, a key contributor to the development of CRKN's collaborative programs and services.



Carole Moore (left) receives the Ron MacDonald Distinguished Service Award from board member Leslie Weir at the 2014 Annual General Meeting, hosted on the University of Calgary campus.

COLLABORATION COORDINATION CONFEDERATION LOOKING TO 2016-2017

STRATEGIC PLANNING

CRKN continued to operate under its **2013-2016 Strategic plan**, and continues to develop its budget in alignment with the plan and its multi-year financial model. The membership re-endorsed the strategic objective to collaborate to advance digital scholarship through the pursuit of the IDSE project at the 2014 AGM.

COMMUNICATIONS AND ENGAGEMENT

During the year, CRKN became compliant with Canada's new anti-spam legislation (which came into effect on July 1, 2014). CRKN was also recognized locally and internationally for its strategic communications with awards from the international and Ottawa chapters of the International Association of Business Communicators.



Donna Bourne-Tyson and Carol Shepstone
at the 2014 AGM in Calgary.

GOVERNANCE

During the year, CRKN held elections to fill three positions on its Board of Directors:

- **Lorraine Busby** (Memorial University of Newfoundland) was elected for a three-year term as a University Librarian from the Atlantic geographical area, replacing Donna Bourne-Tyson (Dalhousie University).
- **Carol Shepstone** (Mount Royal University) was re-elected for a second three-year term as a University Librarian from the Western geographical area, and was also appointed to the position of Board Vice-Chair previously held by Donna Bourne-Tyson.
- **Christopher Callbeck** (University of New Brunswick, Saint John) was re-elected for a second three-year term as a researcher/administrator from a member institution, and was reappointed as Treasurer.

BOARD OF DIRECTORS

Dr. Elizabeth Cannon, Chair
(from October 2013)
President and Vice-Chancellor
University of Calgary

Lorraine Busby
(from October 2014)
University Librarian
Memorial University

Donna Bourne-Tyson, Vice-Chair
(to October 2014)*
University Librarian
Dalhousie University

Christopher Callbeck, Treasurer*
Assistant Vice President, Financial &
Administrative Services
University of New Brunswick,
Saint John campus

Robert Clarke*
University Librarian
Trent University

Richard Dumont*
General Manager, Libraries Branch
Université de Montréal

Daniel Godon
Library Director
Université du Québec en Outaouais

Todd Mundle
University Librarian
Kwantlen Polytechnic University

Carol Shepstone, Vice-Chair*
University Librarian
Mount Royal University

Raymond Siemens
Canada Research Chair in Humanities
Computing and Distinguished Professor,
Faculty of Humanities
University of Victoria

Leslie Weir*
University Librarian
University of Ottawa

*Member of the Executive Committee



BOARD OF DIRECTORS, MAY 27, 2015

Back row left to right: Carol Shepstone, Chris Callbeck, Richard Dumont, Todd Mundle, Robert Clarke, Daniel Godon, Leslie Weir

Front row: Clare Appavoo, Elizabeth Cannon

Absent: Raymond Siemens, Lorraine Busby

COMMITTEES

CONTENT STRATEGY COMMITTEE

Todd Mundle, Chair
University Librarian
Kwantlen Polytechnic University

Benoit Séguin, Vice-Chair
Library Director
Université du Québec à Trois-Rivières

Christine Hiller
Project Coordinator, Consortial Purchasing
Bureau de coopération interuniversitaire (BCI)

Louis Houle
Associate Director, Client Services, Sciences,
Health and Engineering
McGill University

Tony Horava
Associate University Librarian, Collections
University of Ottawa

Pamela Jacobs (from December 2014)
Information Resources Librarian
University of Guelph Library

Charlotte Innerd (to November 2014)
Head, Collection Development and Acquisitions
Wilfrid Laurier University

Elaine MacInnis
Agricultural Campus Librarian
Dalhousie University

Jo Anne Newyear Ramirez
AUL, Collection Development
& Management Programs
University of British Columbia

Lisa Petrachenko
Library Collections Management
University of Victoria

Peter Webster
Associate University Librarian,
Information Technology
Saint Mary's University



CONTENT STRATEGY COMMITTEE

Standing, left to right: Yanick Beaudoin, Lisa Petrachenko, Tony Horava, Elaine MacInnis, Jo Anne Newyear Ramirez, Peter Webster, Christine Hiller, Benoit Seguin, Louis Houle, Craig Olsvik

Sitting left to right: Monica Ward, Todd Mundle, Clare Appavoo, Pamela Jacobs

The CRKN Content Strategy Committee is established by the Board of Directors and is responsible for:

- developing and overseeing systematic means of needs analysis with members, to ensure meaningful consultation with regard to members' priorities, requirements and specifications for the identification, negotiation, implementation and perpetual access of electronic resources;
- maintaining an awareness of developments in the scholarly publishing landscape and potential opportunities to advance members' interests;
- developing objectives, principles, strategies, and specifications for vendor and open access negotiations and license agreements, for recommendation to the Board as appropriate;
- monitoring the execution of agreed-upon negotiations strategies by staff, and assisting/serving as a resource to the staff negotiator(s) according to the objectives established by the Board of Directors;
- evaluating the results of negotiations, and apprising the Board of progress, developments, issues and resulting contract terms achieved through negotiations;
- advising and assisting staff with effective implementation of resulting license agreements and access (including, for example, serials management and perpetual access details);
- contributing strategic insights and operations expertise from members' professional practice to support overall CRKN planning, program implementation and communications;
- working closely with other Committees to ensure alignment of committee objectives with respect to license fees and cost-sharing;
- Apprising the Board and staff of any policy and/or operational issues arising from the committee's work that may require delegation to another group or action elsewhere within the organization;
- Assuming such other responsibilities as from time to time may be delegated by the Board.



Left to right: Daniel Godon, Clare Appavoo, Chris Callbeck, Bill Kuurstra, France Paul, Trudy Pound-Curtis, Kathleen De Long

Absent: Ken Blonski

FINANCE & AUDIT COMMITTEE

Christopher Callbeck, Chair

Assistant Vice President,
Financial & Administrative Services
University of New Brunswick, Saint John campus

Kathleen De Long (to March 2015)

Senior Human Resources Officer (Learning Services)
University of Alberta

Daniel Godon

Library Director
Université du Québec en Outaouais

France Paul

Director of Technical Services,
Library and Archives Department
Université de Sherbrooke

Trudy Pound-Curtis

Assistant Vice-President,
Finance and Chief Finance Officer
York University

The CRKN Finance & Audit Committee is established by the Board of Directors and is responsible for:

- Advising the Board on all financial matters affecting CRKN;
- Overseeing and directing all aspects of the audit process;
- Ensuring that CRKN has an effective process in place to provide appropriate alignment of financial resources with strategic directions, including recommending the annual budget and annual membership fees to the Board;
- Advising the Board on specific matters relating to financial exigencies and financial agreements;
- Promoting transparency and accountability in all financial and planning activities of CRKN; and,
- Assuming such other responsibilities as from time to time may be delegated by the Board.



TASK GROUPS

SERIALS MANAGEMENT SUB-COMMITTEE

Serials Management Sub-Committee reports to the Content Strategy Committee, and work to ensure that title lists and link resolvers are collectively and proactively updated with best information, for the benefit of all CRKN members. All members of the sub-committee – having served three years already – have agreed to continue in their roles for another term.

The members of the Serials Management Sub-Committee are:

Linda Day,
University of Guelph (Chair)

Janice Adlington,
McMaster University

Jennifer Richard,
Acadia University

Lino Tremblay,
Université du Québec à Chicoutimi

Sandra Wong,
Simon Fraser University

BANDING TASK GROUP

The Banding Task Group reported directly to the Board of Directors. Following significant engagement through member teleconferences and its personal librarian program, the Banding Task Group developed a national banding solution, intended to provide a relative picture of CRKN members in comparison with one-another as agreed through member consensus. The bands proposed by the task group may be utilized by vendors as a means to develop fair pricing for each band as an alternative to providing a single price for the entire consortium.

A draft of the banding system was presented to the membership at the AGM in October; the session was the most highly regarded of the event. The recommendations of the group were adopted by the Board of Directors in February, 2015.

The members of the Banding Task Group were:

Todd Mundle,
Kwantlen Polytechnic University (Chair)

Guy Bilodeau,
Bibliothèque de l'Université Laval

Ian Gibson,
Brock University

Chris Nicol,
University of Lethbridge

Jocelyne Thompson,
University of New Brunswick

Caitlin Tillman,
Head, Collection Development,
University of Toronto

CONTENT DEVELOPMENT TASK GROUP

The Content Development Task Group reported to the Content Strategy Committee. The group was formed to develop a standardized process and set of criteria to solicit and evaluate both new content and existing licenses. The task group presented their initial findings and solicited feedback from the membership at a series of teleconferences, culminating in a final report which was finished in May and approved by the Content Strategy Committee in June.

The CDTG Final Report was presented to the Board at their June meeting. Implementation of the report's recommendations is complete, while the processes recommended by the group are ongoing. Members received an update on progress at the Annual General Meeting in October.

The members of the Content Development Task Group were:

Charlotte Innerd (Chair),
Wilfrid Laurier University

Jean Blackburn,
Vancouver Island University

Christine Hiller,
Bureau de coopération interuniversitaire

Andrew Waller,
University of Calgary

Weijing Yuan,
University of Toronto

STAFF



STAFF, AUGUST 2014

Standing, left to right: Monica Ward, Kim Silk, Bill Kuurstra, Craig Olsvik, Yanick Beaudoin, Nazia Bundhoo

Seated: Ken Blonski, Clare Appavoo

Clare Appavoo

Executive Director
Tel: 613-907-7029
cappavoo@crkn.ca

Yanick Beaudoin

Member Services
& Licensing Officer
Tel: 613-907-7032
ybeaudoin@crkn.ca

Ken Blonski

Director of Operations
Tel: 613-907-7030
kblonski@crkn.ca

Nazia Bundhoo

Office Administrator
Tel: 613-907-7036
nbundhoo@crkn.ca

Bill Kuurstra

Finance Officer
Tel: 613-907-7037
bkuurstra@crkn.ca

Craig Olsvik

Senior Content & Licensing Officer
Tel: 613-907-7033
colsvik@crkn.ca

Kim Silk

Special Projects Officer - IDSE
Tel: 613-907-7034
ksilk@crkn.ca

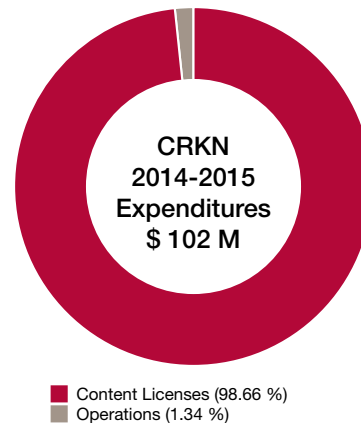
Monica Ward

Senior Content & Licensing Officer
Tel: 613-907-7031
mward@crkn.ca

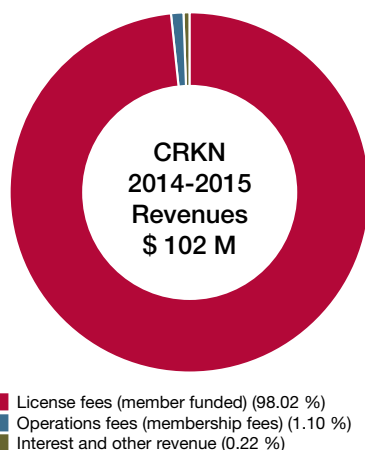
FINANCIAL HIGHLIGHTS

The majority of CRKN's expenditures are dedicated to the purchase of licensed digital content. As shown below, Operations – including administration, salaries and benefits, professional fees, and governance – account for \$1.37 million or 1.34% of CRKN's expenditures. The organization works to efficiently leverage its activities to achieve its strategic objectives.

CRKN operates a lean administration focused on efficiency, best practises and good governance. CRKN's primary revenue source is derived from member funded license fees. Note that, because the bulk of CRKN's licensed content is settled in USD, CRKN's license revenues (and member's license expenses) are significantly impacted by changes in the value of the Canadian dollar. CRKN obtains the bulk of its funding for its operations through membership fees and interest revenue.



Figures correspond to the audited financial statements year ended March 31, 2015.



Figures correspond to the audited financial statements year ended March 31, 2015.

Nearly 99%, or more than \$100M of expenditures for the 2014-2015 fiscal year consisted of electronic content licensing fees. As CRKN recovers 100% of its license expenditures from its membership, these amounts exactly offset CRKN's license revenues. The remainder of CRKN's is for organizational operations, including salaries and benefits, professional fees, governance and administration. Note that, as the bulk of CRKN's licenses are negotiated in USD, CRKN's content license expenditures fluctuate based on the relative strength of the CAD.

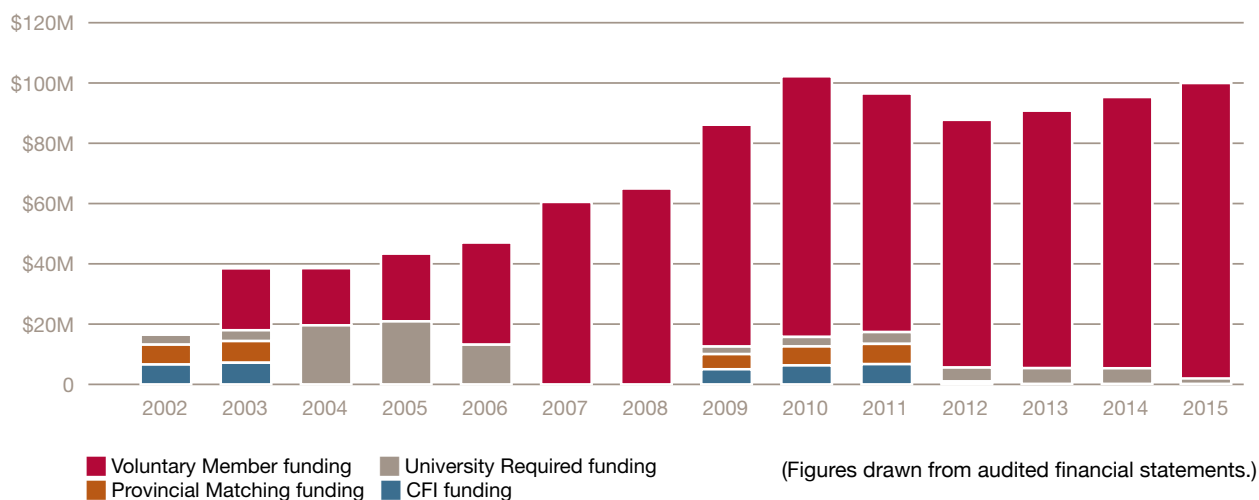
CRKN revenues for the fiscal year of 2014-2015 were \$102M derived from content license fees, membership fees, and miscellaneous income.

FUNDING PARTNER

The Canada Foundation for Innovation (CFI) investment has been instrumental in establishing a collaborative knowledge infrastructure in support of CRKN’s mandate to increase access to digital research content. In 2001 CFI invested \$20 million in support of the Canadian National Site Licensing Project, with a further \$30 million matched by provincial governments and member institutions. In 2009 CFI invested again in the DCI Project (\$19.1 million) with provincial and member institution matching (\$29 million).

CRKN members continue to invest in high value content, creating additional value through advantageous licensing term and collaborative interdisciplinary research.

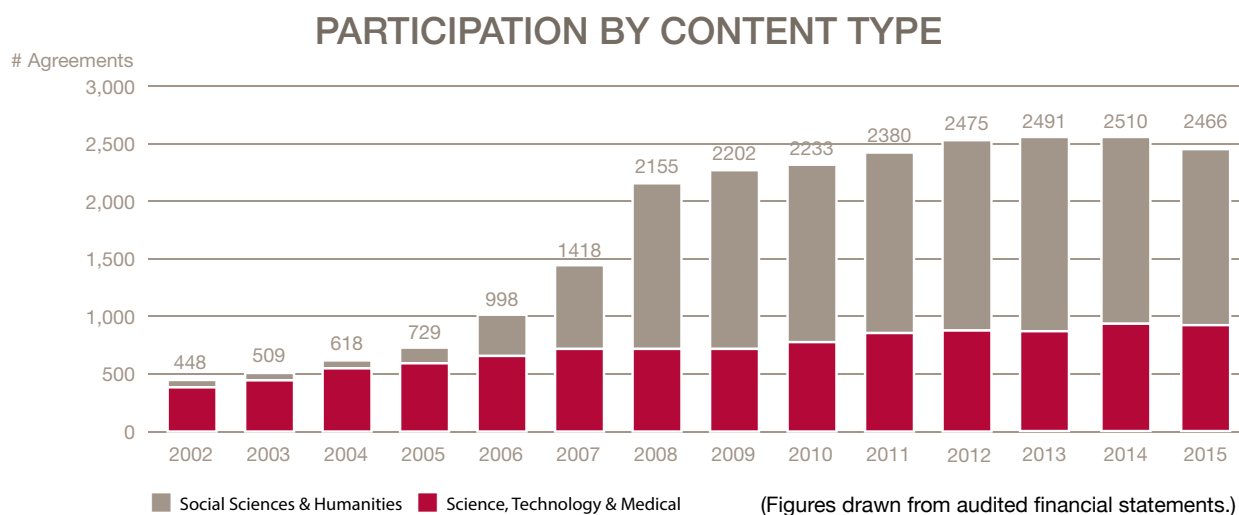
CFI SEED MONEY LEVERAGES SUSTAINED INVESTMENT



While license participation has steadily increased over this organization’s history, favorable exchange rates and the low recurring costs of the DCI Project masked growth in licensing activity in 2012-2014, a situation which has reversed in 2015. This chart demonstrates the value of consortial purchasing and the multiplier effect of CFI’s initial investment.

CHANGES IN PARTICIPATION

In 2015 CRKN supported 59 licenses with participation through 2,466 member agreements, up from 54 licenses and 2,510 agreements in 2014. The change is due largely to members opting out of portions of the content from the former DCI project, and to CRKN licensing some incremental, smaller collections. Participation has increased significantly from 32 licenses across 1,418 agreements in 2007 before the DCI Project, with the most significant growth with Social Science & Humanities (SSH) content.



Note: These figures represent the number of member-license agreements, and include one-time-only purchases combined with multi-year licenses for CRKN's 75 members.

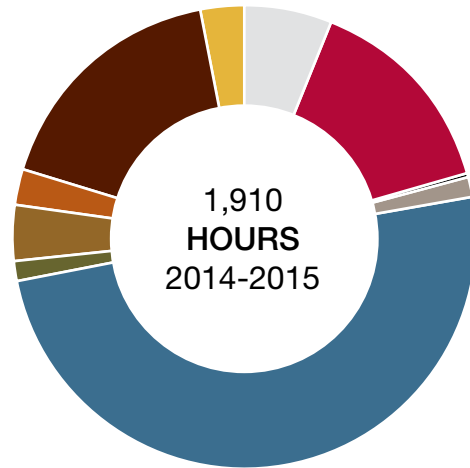
ADVANTAGES OF CENTRALIZED NEGOTIATION AND ADMINISTRATION



- Membership Services time (12%)
- CSC time on renewals (6%)
- CSC meeting & prep time (26%)
- CRKN time on negotiations (20%)
- CRKN meeting and prep time (25%)
- CRKN post-purchase admin (11%)

One of the ways that CRKN achieves impact is by reducing or eliminating redundant activities on behalf of members. Through centralized negotiation and administration, and by leveraging the contributions of time and expertise of members, these savings can be passed along to members. The different tasks performed to renew and administer licenses are presented here, including the support of and leverage of the Content Strategy Committee. These activities do not include governance or task group support.

MEMBERSHIP TIME CONTRIBUTIONS IN 2014 - 2015



- Executive Committee (28)
- Serial Management Sub-Committee (329)
- Banding Task Group (117)
- Content Development Task Group (26)
- Model License Task Group (46)
- Finance & Audit (76)
- Board of Directors (279)
- Content Strategy Committee (947)
- CARL OA Working Group (7)
- Stakeholder Engagement Committee (56)

Time contributions from 46 members carrying out 59 roles including the Board of Directors, Standing Committees and goal-driven task groups comprised a total of 1,910 hours in and around 52 meetings.

Summary Financial Statements of

**CANADIAN RESEARCH
KNOWLEDGE NETWORK**



Summary of financial statements of

**Canadian Research
Knowledge Network**

March 31, 2015

Canadian Research Knowledge Network

March 31, 2015

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Independent Auditor's Report on Summary Financial Statements

To the Members of
Canadian Research Knowledge Network

The accompanying summary financial statements, which comprise the summary statement of financial position as at March 31, 2015 and the summary statement of revenue and expenses for the year then ended, and related notes are derived from the audited financial statements of the Canadian Research Knowledge Network (CRKN) for the year then ended.

We expressed an unmodified audit opinion on those financial statements in our report dated June 26, 2015.

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations applied in the preparation of the audited financial statements of CRKN. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of CRKN.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with the established criteria disclosed in Note 1 to the summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, *Engagements to Report on Summary Financial Statements*.

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of CRKN for the year ended March 31, 2015 are a fair summary of those financial statements in accordance with the established criteria disclosed in Note 1 to the summary financial statements.



Chartered Professional Accountants, Chartered Accountants
Licensed Public Accountants


June 26, 2015

Canadian Research Knowledge Network

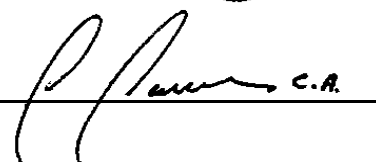
Summary statement of financial position as at March 31, 2015

	2015	2014
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	10,920,594	11,527,255
License and operations fees receivable	8,857,082	1,158,989
Government remittances receivable	409,344	299,114
Accrued interest	-	3,072
Prepaid licenses	78,789,040	68,421,250
Prepaid licenses - DCI sustainability period	-	667,259
Other prepaid expenses	53,020	43,782
	99,029,080	82,120,721
Capital assets	76,451	109,857
	99,105,531	82,230,578
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	18,088,057	10,443,548
Government remittances payable	242,027	204,048
Deferred revenue for license fees (Note 3)	78,869,747	69,052,210
Deferred revenue - DCI sustainability period	-	667,259
	97,199,831	80,367,065
Commitments (Note 5)		
Net assets		
Invested in capital assets	76,451	109,857
Internally restricted (Note 4)	758,494	742,053
Unrestricted	1,070,755	1,011,603
	1,905,700	1,863,513
	99,105,531	82,230,578

On behalf of the Board of Directors



Administrator



Administrator

See the accompanying Notes to these financial statements.

Canadian Research Knowledge Network

Summary statement of revenue and expenses year ended March 31, 2015

	Budget 2015	2015	2014
	\$	\$	\$
	(unaudited)		
Revenue			
License fees	72,000,000	100,101,504	88,272,067
License fees - DCI sustainability period	667,259	667,259	4,618,297
Operation fees	1,185,946	1,185,955	1,140,333
Interest	177,000	194,303	262,787
Other	29,310	32,224	39,163
	74,059,515	102,181,245	94,332,647
Expenses			
Licenses	72,000,000	100,101,504	88,272,067
License fees - DCI sustainability period	667,259	667,259	4,618,297
Salaries and benefits	784,042	800,311	722,056
Professional fees	221,240	151,857	219,058
Insurance	7,266	7,087	7,045
Administration	196,842	188,417	182,137
Telecommunications	18,060	17,981	18,446
Meetings and conferences	86,770	83,911	96,935
Meals, travel and accommodations	106,370	77,684	106,723
Amortization of capital assets	63,516	43,047	99,067
	74,151,365	102,139,058	94,341,831
Excess (deficiency) of revenue over expenses	(91,850)	42,187	(9,184)

See the accompanying Notes to these financial statements.

Canadian Research Knowledge Network

Notes to the summary financial statements

March 31, 2015

1. Basis of presentation

The summary financial statements are derived from the complete set of financial statements of CRKN and they meet the recognition and measurement principles of Canadian accounting standards for not-for-profit organizations. A listing of the significant accounting policies is described in the full statements, including financial instruments, revenue recognition, capital assets, and use of estimates.

2. Nature of activities

The Canadian Canadian Research Knowledge Network (CRKN) was incorporated on April 1, 2004 under the Canada Corporations Act, and continued on November 8, 2013 under the Canada Not-for-Profit Corporations Act. Through coordinated leadership of librarians, researchers, administrators and other stakeholders in the research community, CRKN undertakes large-scale digital content acquisition and licensing initiatives in order to build knowledge infrastructure and research and teaching capacity in Canada's universities.

3. Deferred revenue and corresponded deferred expenses for license fees

Deferred revenue relates to amounts received or receivable from members for license fees for future fiscal years. CRKN matches its license revenue and corresponding license expenses monthly to the period to which the license pertains:

	2015	2014
	\$	\$
Balance, beginning of year	69,052,210	64,195,066
Contribution received during the year	109,919,041	93,129,211
Contribution recognized as revenue	(100,101,504)	(88,272,067)
Balance, end of year	78,869,747	69,052,210

4. Capital management

CRKN manages its capital to ensure that there are sufficient financial resources in place to deliver on the priorities set by the Board of directors. CRKN does not have any short-term or long-term debt.

CRKN follows a budget monitoring and modification policy to routinely and systematically evaluate financial results to budget and, as required, inform the Finance & Audit Committee and Board of deviations.

CRKN also employs a net assets policy (as amended during the year ended March 31, 2015) to govern management of net assets and to ensure responsible stewardship of organizational equity on behalf of members. In particular, the policy specifies a minimum and maximum limit to unrestricted net assets, and formally restricts net assets equivalent to one half of its operation budget each year. For the year ending March 31, 2015, the Board of Directors approved a transfer of \$16,441 (2014 - \$2,636) from internally restricted to unrestricted net assets to comply with the net assets policy and ensure sufficient funds for operational contingencies.

5. Commitments

CRKN has commitments for the rental of space through to March 31, 2017 and for the rental of office equipment through to September 30, 2017. Minimum lease payments for the rental period are \$256,009 and \$19,745, respectively.

CRKN also has commitments for the purchase of licenses denominated in CDN, GBP and USD through 2018 (and corresponding commitments from its members to participate in those licenses). At March 31, 2015, CRKN has a commitment for the purchase of \$13,892,766 USD through the use of forward contracts to settle license obligations on behalf of its membership.