An excerpt from the letter of October 25, 2010 from NSERC Corporate Secretary:

"First, I would like to reiterate that NSERC has no authority to investigate an institution, and NSERC has no role to play in the institution's inquiry and/or investigation of an allegation against an individual, nor can we challenge the institution's findings or its decisions in such cases. In addition, NSERC has no authority to weigh the evidence presented in allegations against individual researchers or assess the merits of each party's submissions [see federal court's decision CFS vs NSERC 2008 FC-493]"