

# Contributions to Support the Urban Aboriginal Strategy

---

## Terms and Conditions

### 1.0 Introduction

---

#### Context

The Urban Aboriginal Strategy is a strategic framework implemented by the Department of Indian Affairs and Northern Development to address urban Aboriginal issues in the multi-jurisdictional and multi-stakeholder environment of Canada's urban centers. The Urban Aboriginal Strategy plays a unique role as a facilitator between government and stakeholders, able to coordinate efforts in order to respond to the needs of Aboriginal Peoples in seeking to participate in the economy. The Strategy is to fund and facilitate activities that lead partners to work together to implement identified priorities and approaches to increasing urban Aboriginal participation in the economy.

#### Scope

Aboriginal Affairs and Northern Development Canada has two contribution programs to support the objectives of the Urban Aboriginal Strategy. The two programs are Urban Partnerships and Community Capacity Support. The Urban Partnerships program works to increase urban Aboriginal participation in the economy by providing funding to projects that leverage partnerships and additional investments from other stakeholders. Through the Community Capacity Support program the Urban Aboriginal Strategy provides core-like funding to Friendship Centres and other urban Aboriginal organizations so they can have a stable base from which to deliver programs and services that increase urban Aboriginal participation in the economy. This stable base is also to be used to attract additional investments by being a platform from which other government programs, from all orders of government, can be delivered to the urban Aboriginal community.

Funding investments made through the Urban Partnerships and Community Capacity Support programs are guided by Community Strategic Plans and Regional Strategic Plans. These plans will be developed collaboratively by community and regional stakeholders. The following key stakeholders will be required to participate in the planning process: federal government, provincial/territorial government, municipal government and the urban Aboriginal community. In cases where one of these stakeholders is unwilling or unable to participate in the development of a Regional Plan, the process can continue. Certain activities not identified within a Community and/or Regional Strategic Plans may still be supported. These include: the development of said plans, supports for international partnerships, and national initiatives that benefit urban Aboriginal communities in more than two regions.

## 2.0 Legal and Policy Authority

---

Authority is provided under the following authorities:

- *Department of Indian Affairs and Northern Development Act, R.S.C., c. I-6, s. 4*

## 3.0 Purpose, Program Objectives and Expected Results

---

The objective for both Urban Partnerships program and Community Capacity Support program is to increase the participation of urban Aboriginal individuals, families and communities in the economy. This objective supports the Department's Program Alignment Architecture Strategic Outcome of "*Full participation of First Nations, Métis, Non-Status Indians and Inuit individuals and communities in the economy*".

The activities and outputs of the Urban Partnerships program are:

- investments in projects which support transitions to cities from reserves and northern and remote communities to attract additional investments to increase participation in the economy

In order to ensure investments in project attract additional investments, funding investments made through the Urban Partnerships and Community Capacity Support programs will be guided by Community Strategic Plans and Regional Strategic Plans developed collaboratively by community and regional stakeholders.

For the Community Capacity Support program the activities and outputs are:

- core-like funding for Friendship Centres and other urban Aboriginal organizations in order to have a stable base from which to deliver programs and services that support increased participation in the economy;
- wage subsidies for summer student employment and skills development

Investments made through Urban Partnerships and Community Capacity Support programs will reduce barriers to urban Aboriginal participation in the economy by achieving one or more of the following expected results:

- Urban Aboriginal community groups and organizations have enhanced capacity to be self-reliant in seeking partnerships with traditional and non-traditional partners; and
- Partners collaborate on policy, program, planning and project initiatives to improve socio-economic conditions for urban Aboriginal individuals, families and communities.

Measures have been included in the Performance Measurement Strategy and the Performance Management Framework of the Department to identify goals, monitor progress, and measure success.

## General

*In the Program Alignment Architecture, this authority is listed under The Government / The Land and Economy / Urban Aboriginal Participation.*

## 4.0 Eligibility

---

### Eligible Recipients

Urban Partnerships eligible recipients are:

- Incorporated not-for-profit organizations
- Aboriginal representative organizations
- municipal governments
- education authorities and institutions
- health authorities and institutions
- for-profit enterprises

For-profit enterprises will only be eligible to receive Urban Aboriginal Strategy transfer payment funds in those instances where the funds received do not contribute to a profit for the enterprise.

Community Capacity Support eligible recipients are:

- Friendship Centres and other Incorporated urban Aboriginal not-for-profit service delivery organizations that deliver programs and services to all urban Aboriginal individuals, commonly referred to as status-blind, who:
  - deliver at least 2 programs and services not already funded by Aboriginal Affairs and Northern Development Canada (or provide case management and referral services in partnership with 4 external programs and services when resources are not accessible to support the delivery of programs and services) that support urban Aboriginal participation in the economy; and
  - are accountable and transparent Aboriginal community institutions.

These transfer payment funds can be further distributed by recipients however; any entity receiving funds from a recipient must also qualify as an eligible recipient under these terms and conditions.

### Eligible Initiatives and Projects

Funding will be considered upon receipt of a proposal, which will be assessed as per the later section on Application Requirements and Assessment Criteria in these terms and conditions. All initiatives and projects must advance the objectives of the Urban Aboriginal Strategy. As well, all initiatives and projects must engage urban Aboriginal individuals or communities in the development, design or delivery in some demonstrable manner.

While funding investments made through the Urban Partnerships and Community Capacity Support programs are guided by Community Strategic Plans and Regional Strategic Plans, a project cannot be deemed ineligible if it does not align to a plan.

Urban Partnerships initiatives and projects eligible for funding support are:

- initiatives that support urban Aboriginal individuals and communities in reducing barriers to participation in the economy
- research on, and evaluation of, issues and initiatives pertaining to urban Aboriginal participation in the economy
- development, testing and piloting of approaches to urban Aboriginal participation in the economy
- initiatives that engage urban Aboriginal individuals and communities, and other stakeholders in addressing urban Aboriginal participation in the economy
- initiatives that support existing general programs and services that serve urban Aboriginal peoples to become culturally appropriate through partnerships with Aboriginal people

Urban Partnership investments must link to a strategic outcome and demonstrate the existence of a plan and/or partnership that will sustain the momentum generated by the investment. To that end, in order to be eligible, an Urban Partnerships initiative or project must have one or more of the following activities in the proposal:

- a partner or other stakeholder committed to continuing funding support to an initiative after the Urban Aboriginal Strategy provides short term bridge or phased-approach funding
- a partner or other stakeholder committed to considering the recommendations of feasibility study, performance evaluation, or other such analysis of findings that will result in a change in policy, program, service delivery or investments
- a partner or other stakeholder committed to considering to adopt the findings of an engagement, assessment, progress, research, evaluation, framework or other such directional documentation on urban Aboriginal matters

The Urban Partnerships program is not intended to provide ongoing operational support to organizations, or supplement a shortage of funding under another program or initiative of any level of government, or support an already successful program or initiative, especially as a repetitive delivery offering.

Community Capacity Support initiatives eligible for funding support are:

- operational supports for organizations in order for the organization to maintain a stable base from which to deliver programs and services, or provide case management and referral services for clients, that support urban Aboriginal individuals and communities in increasing their participation in the economy

The Community Capacity Support program is not intended to supplement a shortage of funding under another program or initiative of any level of government.

## 5.0 Type and Nature of Eligible Expenditures

---

Eligible expenditures are direct project costs and indirect administration costs that are incurred due to delivery of the eligible initiatives and projects outlined in the previous section.

Urban Partnerships eligible expenditures include:

- salaries and employee benefits
- professional fees
- honoraria
- travel and transportation
- meetings
- training and development
- equipment
- facilities
- translation and communications
- materials and supplies
- volunteer participation expenses

Urban Partnerships eligible administration costs:

- a portion of the costs of an administrator or other staff time required to support or oversee the project activities and/or administration of the agreement
- a portion of the organizational overhead and/or infrastructural costs applied to supporting the project activities and/or administration of the agreement to provide funding, such as office supplies and utilities
- costs for preparing financial and other reporting documentation required to be compliant with the agreement to provide funding

Urban Partnerships ineligible expenditures include, but are not limited to:

- stipends for payments in training, conferences/workshops
- compensation for the recipient's Board member's time in the administration of, or participation in, an initiative
- compensation for an individual's administration of, or participation in, an initiative where they are already receiving compensation (salary, honoraria or per diem) for the same period of time
- provision of food as an act of food security for individuals and families
- contingency/miscellaneous fees
- deficit recovery
- scholarships
- purchase of capital assets with a market value in excess of \$5,000 (excluding automobiles, land, or buildings).

The purchase of automobiles, land and buildings, including any associated costs, through Urban Partnerships program will only be considered in exceptional circumstances, must be cost-shared with another entity with Urban Aboriginal Strategy funding covering 50% or less of the total market value, and must be approved by the Minister. Exceptional circumstances will be determined by the Minister on a case-by-case basis.

Community Capacity Support program expenditures are eligible only if they relate to the delivery of programs and services seeking to increase urban Aboriginal participation in the economy.

Community Capacity Support eligible expenditures are:

- rent of a facility/space not owned by the recipient
- mortgage, property tax, mortgage insurance, and property insurance of a building owned by the recipient
- recipient salaries and benefits for positions that perform duties, such as those ordinarily performed by Chief Executive Officer, Chief Financial Officer, Executive Director, and/or Financial Director
- recipient youth programming position salaries and benefits
- electrical power, water, heat, and communications utility service expenses
- capital renovations on property owned by the recipient in order for the space to be safe, secure, accessible and cost-efficient

Community Capacity Support ineligible expenditures are:

- purchase of capital assets, automobiles, land, or buildings
- cosmetic capital renovations
- provision of food as an act of food security for individuals and families
- contingency/miscellaneous fees
- deficit recovery

For both Urban Partnerships and Community Capacity Support programs, provisions in funding arrangements will ensure that the Government will not become liable for a loan, lease or other contractual obligation entered into by a recipient to acquire these assets, will not allow for administrative costs exceeding 10% of the total direct project costs, and travel expenditures are not reimbursed at an amount greater than Treasury Board Travel Allowances at the time the funding agreement was signed.

## **6.0 Total Canadian Government Funding and Stacking Limits**

---

For both programs, the maximum level of total government assistance will not exceed 100% of the eligible expenditures. The repayment of any amount exceeding 100% will be calculated on a pro-rated basis to each source of funding. Recipients are required to disclose all confirmed and potential sources of funding during application for funding, and in the final reporting on revenue and expenditures if the proposal was funded. As this funding is a contribution, and not a grant, specific eligible expenditures will be articulated in a funding agreement. The Department will ensure that no other source of funding is contributing to the same expenditures. If it is found

another source of funding is contributing to the same expenditures the Department will deem those expenditures no longer eligible and recover any funding already provided for those expenditures under these terms and conditions.

## 7.0 Method for Determining the Amount of Funding

---

The amount of funding for the **Urban Partnerships** program is determined by completing an assessment of the proposed project objective(s), activities, and budget against these terms and conditions, then negotiating with the recipient the exact required amount of funding in order to achieve the proposed project objective. The Department will also ensure that the funding amount is appropriate, in view of funding from other sources.

The amount of funding for the **Community Capacity Support** program is determined by completing an assessment of the proposed activities and budget against these terms and conditions, then negotiating with the recipient the exact required amount of funding in order to achieve the proposed project objective. The Department will also ensure that the funding amount is appropriate, in view of funding from other sources.

The negotiated amount can be based on a formula identified in a Regional Strategic Plan, or negotiated, if that process is deemed to be more fair, transparent, and efficient than the assessment of proposals.

## 8.0 Maximum Amount Payable

---

When the Department issues funding the maximum amount payable to any one single project is \$3,000,000 a year and/or the maximum amount payable to any one single recipient is \$44,000,000 a year. A recipient may have more than one project as long as the total payable to the recipient does not exceed the maximum amount of \$44,000,000 per year.

When a recipient further distributes funding the maximum amount payable to any one single project is \$500,000 a year and/or the maximum amount payable to any one single entity is \$9,000,000 a year. An entity may have more than one project as long as the total payable delegated to it does not exceed the maximum amount of \$9,000,000 per year.

## 9.0 Basis on Which Payments will be Made

---

Payments will be made based on achievement of pre-determined performance expectations or milestones as identified in the funding agreement and/or reimbursement of eligible expenditures. When utilizing progress payments, as defined by the Policy on Transfer Payments, a claim for reimbursement must be submitted, identifying sources of project revenue and project actual expenditure, as per the funding agreement.

Where it is essential to the achievement of the proposed project objectives, and is identified in the funding agreement, advance payments may be made in accordance with the Policy on Transfer Payments. Advance payments will be based on need as identified in the forecast of cash flow in the funding agreement. In addition, a final accounting of eligible expenditures is always required.

## 10.0 Application Requirements and Assessment Criteria

---

This section reflects the requirements and criteria by which Aboriginal Affairs and Northern Development Canada will support program delivery.

In order to be considered for receipt of funding from Aboriginal Affairs and Northern Development Canada, an eligible recipient must complete an application form and submit it to Aboriginal Affairs and Northern Development Canada, along with a proposal that:

- describes the objective of the project and how it supports the objectives of these terms and conditions
- outlines the activities to be performed in pursuit of the objectives
- identifies the expected results within a specified time frame and the intended benefit for Aboriginal people, specifically identifying any connection to Urban Aboriginal Community Strategic Plans if possible
- outlines the role played, or to be played, by urban Aboriginal individuals and community in designing and delivering the project
- provides a detailed budget and cash flow statement
- discloses all sources of funds

Additional documentation may be requested by the Department to assess new funding recipients for the purpose of determining eligibility and suitability in being able to deliver on the objectives of the project.

Funding applications are assessed against the following criteria:

- priorities of the Government of Canada
- priorities of the Department
- completeness of the application
- objectives of the project and how the project will contribute to the objectives of these terms and conditions
- eligibility as per these terms and conditions
- who will benefit from the project
- assets and needs of the target beneficiaries and the community in which the project is to be delivered, particularly in relation to an Urban Aboriginal Community Strategic Plan
- role played by urban Aboriginal individuals and community in designing and delivering the project
- feasibility of the project, as well as outcomes achieved compared to the funding requested
- applicant organization's performance record in administering government funding agreements and achieving project objectives
- risk of project not being successful as proposed and risk of funds not being utilized as outlined in the funding arrangement and needing to be recovered from the recipient

## **11.0 Due Diligence and Reporting Requirements**

---

At a minimum, contribution recipients are required to submit annual financial reports or financial audits that account for the use of funding in accordance with the terms of the funding arrangement. A companion narrative report is also required to outline activities, results and outcomes achieved. The frequency of reporting may be increased based on recipient risk.

## **12.0 Official Languages**

---

Where a program supports activities that may be delivered to members of either official language community, access to services from the recipient will be provided in both official languages where Part IV of the *Official Languages Act* is applicable. In addition, the department will ensure that the design and the delivery of programs respect the obligations of the Government of Canada as set out in Part VII of the *Official Languages Act*.

## **13.0 Intellectual Property**

---

Where a contribution is provided for the development of material in which copyright subsists, conditions for shared rights will be set out in the funding agreement.

## **14.0 Repayable Contributions**

---

Provisions for repayable contributions do not apply.

## **15.0 Redistribution of Contributions**

---

Where a recipient delegates authority or further distributes contribution funding to an entity (an agency, i.e. an authority, board, committee, or other entity authorized to act on behalf of the recipient), the recipient shall remain liable to the department for the performance of its obligations under the funding agreement. Neither the objectives of the programs and services nor the expectations of transparent, fair and equitable services shall be compromised by any delegation or redistribution of contribution funding.

Recipients will have independence in the choice of those persons or entities to whom funds will be further distributed, with minimal guidance from the department, and will not be acting as an agent of the government in making distributions.

## **16.0 Other Terms and Conditions**

---

### **Transfer Payments to Aboriginal Recipients**

These terms and conditions will ensure that transfer payment programs for Aboriginal peoples and funding agreements with Aboriginal recipients address the elements in Appendix K: Transfer Payments to Aboriginal Recipients of the *Directive on Transfer Payments* (October 2008).

## Terms and Conditions Effective Date

These terms and conditions come into effect on April 1, 2014.

### 17.0 Glossary

Term	Definition
Participation in the economy	Participation in the economy means that Aboriginal Peoples have the skills, knowledge and training to secure, maintain and excel in a strong Canadian economy. It is generally accepted that increased participation in the economy is achieved by individuals having a suitable education, a skill set, life skills, self-advocacy skills and can access and utilize services/supports that reduce small challenges that create barriers, such as transportation and childcare.
Partnership	An informal or formal agreement between parties to work together
Mature Partnership	Where all parties are accountable for the results and risk something if the partnership is not successful
Sustain momentum	To continue to achieve results from the initial investment
Community Strategic Plan	Provides a vision to strive toward, identifying priorities and targeting initiatives to help make progress to realize the community's vision. The strategic plan sets out the challenges the community faces, identifies opportunities to make a difference, provides scope and context, sets clear priorities, and describes a roadmap to achieve specific results.
Regional Strategic Plan	Provides a vision to strive toward, identifying priorities and targeting initiatives to help make progress to realize the vision. The strategic plan sets out the challenges the stakeholders and communities in the region face, identifies opportunities to make a difference, provides scope and context, sets clear priorities, and describes a roadmap to achieve specific results.

Term	Definition
Activities	An operation or work process internal to an organization, intended to produce specific outputs. Activities are the primary link in the chain through which outcomes are achieved.
Outputs	Outputs are direct products and/or services that are generated by processes or activities, without specific reference to their ultimate purpose. They are usually within the control of the organization and provide evidence that an activity has occurred. They are a means to an end, with that end being the achievement of results.
Outcomes	Outcomes are the future state, how things will have changed or be different as a result of the activities and outputs
Initiatives	An undertaking that may or may not be a funded project.
Projects	A project has the following characteristics: it has a one-time set of activities or events; it has defined start and end dates; it has a set of objectives that are designed to be completed within the scope of the project; it includes an activity or activities designed to achieve project objectives; and it is delivered by a recipient, not a federal government department or agency.
Project Funding	Funding provided to an organization for a project (as defined above).