

NOVEMBER 30, 2007

**CANADA/FIRST NATIONS FUNDING AGREEMENT
NATIONAL MODEL
FOR USE WITH FIRST NATIONS AND TRIBAL COUNCILS
FOR
2008/2009**

CANADA/FIRST NATIONS FUNDING AGREEMENT

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF CANADA,

as represented by [/:ArrFedDeptFlowingFunds]

the Minister of Indian Affairs and Northern Development;

(hereinafter referred to as "Canada")

AND

THE [/:RecipientName] FIRST NATION, a "band" as defined in the *Indian Act*,

as represented by the Chief and Councillors of the [/:RecipientName] First Nation

(hereinafter referred to as "Council")

OR

THE [/:RecipientName] TRIBAL COUNCIL Inc./Ltd.

as represented by the Directors of the [/:RecipientName] Tribal Council

(hereinafter referred to as "Council")

WHEREAS:

- A. The Council wishes to provide certain programs and services to Members and Recipients as defined in this Agreement, and to be accountable for the provision of those programs and services;
- B. Canada wishes to transfer funds to the Council in accordance with the terms of this Agreement for the provision of those programs and services; and
- C. The Council and Canada agree that the above objectives can be realized by entering into this Agreement.

Note: If the Council wishes to include a reference to Treaties, the following are the clauses which have been authorized for use.

- D. Canada entered into Treaty No. [/:TreatyNo] with certain First Nations within the Province of [/:TreatyProvinceTerritoryOptional].
- E. The parties acknowledge the historical and contemporary importance of the treaties to the relationship between Canada and the First Nation(s) of [/:TreatyFirstNationSnameS].

Note: If the Council wishes to include a reference to the fiduciary relationship of Canada and First Nations, the following is the clause which has been authorized for use.

- F. Canada and the Council intend that nothing in this Agreement shall have the effect of, or be interpreted as, limiting or expanding any fiduciary relationship between Canada and First Nations people.

NOW THEREFORE the parties agree as follows:

1.0 DEFINITIONS

1.1 In this Agreement, unless otherwise provided:

Note: The following "Agency" definition is to be included where the Council is a First Nation.

"Agency" means an authority, board, committee or other entity authorized to act on behalf of the Council.

Note: The following "Agency" definition is to be included where the Council is a Tribal Council.

"Agency" means an authority, board, committee, Member First Nation or other entity authorized to act on behalf of the Council.

"Agreement" means this Canada/First Nations Funding Agreement and includes all Schedules provided in subsection 13.1.2, Notices of Budget Adjustment, Amending Agreements and any amendments to this Agreement made in accordance with subsection 4.3.3.

"Amending Agreement" means an amendment to this Agreement, in the form attached as Schedule "FED-3", and executed in the manner set out in subsection 13.1.3.

"Block Funded Service" means a service to be provided by the Council to eligible Members and Recipients as set out by a Federal Department in its respective Schedule to this Agreement.

"Block Funding" means funding transferred to the Council pursuant to this Agreement for the provision of Block Funded Services.

"Budget" means a plan for a Fiscal Year that includes the allocation by the Council of Block Funding to Block Funded Services, and where Targeted Funding is intended to be advanced by Canada in that Fiscal Year, the allocation of Targeted Funding to Targeted Programs.

"Cash Flow" means the cumulative periodic payments DIAND will make, on behalf of Canada, to the Council in accordance with Schedule "FED-1".

"Co-Management Agreement" means a written agreement, acceptable to both the Council and Canada, entered into between the Council and a Co-Manager.

"Co-Manager" means a qualified individual, partnership, corporation or Tribal Council, acceptable to both the Council and the Minister, that is contracted by the Council to assist the Council in, at a minimum, fulfilling its obligations under this Agreement and in remedying the default that gave rise to the requirement for the Council to enter into a Co-Management Agreement.

"Consolidated Audited Financial Statements" means the Council's annual consolidated financial statements prepared in accordance with subsection 4.6.3.

"Delivery Standards" means the minimum standards or requirements as set out by a Federal Department in its respective Schedule to this Agreement.

"DIAND" means the Department of Indian Affairs and Northern Development.

"Federal Department" means a federal government department which provides Block Funding or Targeted Funding, or both, pursuant to this Agreement.

"First Nation" means a "band" within the meaning of the *Indian Act*.

"Fiscal Plan" means a multi-year plan approved by Council at a properly constituted meeting which consists of the Budget for the Initial Fiscal Year of the Agreement and projected expenditures for each Subsequent Fiscal Year, and any amendments to that Fiscal Plan.

"Fiscal Year" means a one year period commencing April 1 of one calendar year and ending March 31 of the subsequent calendar year.

"Initial Fiscal Year" means the period commencing the date of this Agreement and ending the following March 31.

"Management Development Plan" means a plan developed by the Council, and approved by the Council and DIAND attached as Schedule "DIAND-4", which addresses any recommendations identified in the assessment of the Council's administrative, accountability and management practices undertaken prior to the execution of this Agreement and includes any amendments to that plan as agreed to by the Council and DIAND.

Note: *The following "Member" definition is to be included when the Council is a First Nation.*

"Member" means a person who is registered as an "Indian" within the meaning of the *Indian Act* and whose name appears on the band list of the Council.

Note: *The following "Member" and "Member First Nation" definitions are to be included when the Council is a Tribal Council.*

"Member" means a person who is registered as an "Indian" within the meaning of the *Indian Act* and whose name appears on the band list of a Member First Nation.

"Member First Nation" means a First Nation which is a member of the Council.

"Notice of Budget Adjustment" means a notice executed by DIAND, in the form attached as Schedule "FED-2", and provided to the Council which adjusts the level of Block Funding or Targeted Funding as set out in Schedule "FED-1".

"Recipient" means a person other than a Member who may be eligible for Block Funded Services or Targeted Programs, if any, as set out by a Federal Department in its respective Schedule to this Agreement.

"Remedial Management Plan" means a plan, developed by the Council and approved by the Minister (the relevant Federal Department), which reflects measures to be taken by the Council which are necessary to remedy a default under this Agreement.

"Subsequent Fiscal Year" means a Fiscal Year following the Initial Fiscal Year.

"Targeted Funding" means funding which may be transferred to the Council pursuant to this Agreement for the provision of Targeted Programs.

"Targeted Program" means a time limited and specific undertaking as set out by a Federal Department in its respective Schedule to this Agreement.

"Third Party Manager" means a third party, appointed by Canada, that administers funding otherwise payable to the Council and the Council's obligations under this Agreement, in whole or in part, and that may assist the Council to remedy default under this Agreement.

Note: *The following "Tribal Council" definition is to be included when the Council is a Tribal Council.*

"Tribal Council" means an organization established by a number of First Nations with common interests who voluntarily join together to provide advisory and/or program services to Member First Nations.

2.0 TERM

2.1 Subject to article 10.0 and section 13.3, the term of this Agreement will be from the [/:ArrMultiYearStartDateDay] day of [/:ArrMultiYearStartDateMonth], [/:ArrMultiYearStartDateYear] until the [/:ArrMultiYearEndDateDay] day of [/:ArrMultiYearEndDateMonth], [/:ArrMultiYearEndDateYear].

3.0 CANADA'S RESPONSIBILITIES

3.1 Provision of Funding

3.1.1 DIAND will transfer funding on behalf of all Federal Departments under this Agreement.

3.1.2 Subject to the terms and conditions of this Agreement, DIAND will transfer funding in an amount of [/:ArrangementAmountYear1Alpha] dollars (\$[/:ArrangementAmountYear1Numeric]) to the Council in the Initial Fiscal Year of this Agreement.

3.1.3 The funding referred to in subsection 3.1.2, includes [/:BlockFundingAmountYear1Alpha] dollars (\$[/:BlockFundingAmountYear1Numeric]) in Block Funding and includes [/:TargettedAmountYear1Alpha] dollars (\$[/:TargettedAmountYear1Numeric]) in Targeted Funding for the Initial Fiscal Year.

3.1.4 Subject to the terms and conditions of this Agreement, in each Subsequent Fiscal Year, DIAND will transfer the amount of Block Funding and Targeted Funding as set out by each Federal Department in its respective Schedule to this Agreement.

3.1.5 Block Funding and Targeted Funding to be transferred by DIAND to the Council will be transferred by way of installments in accordance with the Cash Flow.

3.1.6 Where the amount of Block Funding or the amount of Targeted Funding is changed in accordance with any Schedule to this Agreement, DIAND shall, by Notice of Budget Adjustment, amend Schedule "FED-1" to this Agreement

accordingly.

- 3.1.7 (a) If during the term of this Agreement a Federal Department introduces a new or enhanced program(s) or service(s) and the Council agrees to deliver the program(s) or service(s) in accordance with the terms of this Agreement, an Amending Agreement will be executed in accordance with subsection 13.1.3 and DIAND will, subject to the terms and conditions of the Amending Agreement, transfer to the Council an adjusted amount of funding to deliver the new or enhanced program(s) or service(s).
- (b) Where the new or enhanced program(s) or service(s) introduced under subsection 3.1.7 (a) are introduced by DIAND, the new or enhanced program(s) or service(s) will be funded by way of Targeted Funding regardless of whether the new or enhanced program(s) or service(s) would otherwise be eligible for Block Funding. Where the new or enhanced program(s) or service(s) introduced under subsection 3.1.7 (a) are introduced by a Federal Department other than DIAND, that Federal Department will determine whether the new or enhanced program(s) or service(s) will be funded by way of Block Funding or Targeted Funding.

3.1.8 The Council is entitled to retain any unexpended Block Funding, subject to any conditions set out by each Federal Department in its respective Schedule to this Agreement. The Council is responsible for expenditures in excess of the Block Funding transferred under this Agreement.

3.1.9 The Council's entitlement, if any, to retain unexpended Targeted Funding, and its responsibility for expenditures in excess of the Targeted Funding are set out by each Federal Department in its respective Schedule to this Agreement.

3.2 Funding Subject to Appropriations

3.2.1 Notwithstanding any other provision of this Agreement, the amount of any funding to be transferred to the Council, as otherwise calculated or payable pursuant to this Agreement, is subject to the appropriation of funds by the Parliament of Canada.

3.3 Provision of Information

3.3.1 A Federal Department will, at the Council's request, provide to the Council:

- (a) any fiscal management policies of that Federal Department relevant to the Block Funding and Targeted Funding provided for in this Agreement upon such policy becoming available to the public; and
- (b) any publicly available information or guidelines produced by that Federal Department relevant to the Block Funded Services or Targeted Programs in this Agreement.

3.4 Legislation and Government Publications

3.4.1 All references throughout this Agreement to legislation and particular government publications are deemed to refer to the legislation and government publication in force or issued at the time of the execution of this Agreement, and include any subsequent amendments or replacements thereof, as the case may be.

4.0 COUNCIL'S RESPONSIBILITIES

4.1 Representations and Warranties

4.1.1 The Council represents and warrants that:

- (a) the signatories to this Agreement have been authorized to execute and deliver this Agreement;
- (b) where the Council is a Tribal Council, it is a corporation duly incorporated and in good standing under the laws of Canada or of a province or a territory of Canada, as the case may be, as evidenced by the certificate of good standing issued by the appropriate authority and provided by the Council to Canada, and will remain in good standing at all times during the term of this Agreement; and
- (c) where the Council is a Tribal Council, it has the corporate power and authority to execute, deliver and perform its obligations under this Agreement.

4.2 Fiscal Plan

4.2.1 The Council will have a Fiscal Plan in place for the term of this Agreement.

4.2.2 In the event of an inconsistency or conflict between the Fiscal Plan and this Agreement, this Agreement will prevail to the extent of the inconsistency or conflict.

4.3 Management Development Plan

4.3.1 Where a Management Development Plan is required, the Council will implement the plan within the periods of time provided therein.

4.3.2 DIAND and the Council will meet to review the progress of the Council in implementing the Management Development Plan at such times as they agree is appropriate having regard to the provisions of the Management Development Plan but, in any event, they will meet at least once not later than six (6) months after the date this Agreement is executed.

4.3.3 DIAND and the Council may, by agreement in writing, amend the Management Development Plan, from time to time as they determine appropriate.

4.4 Responsibility for and the Provision of Block Funded Services and Targeted Programs.

4.4.1 The Council will provide the Block Funded Services and Targeted Programs in accordance with the terms and conditions of this Agreement including the Delivery Standards set out in the Schedules, applicable laws, and any written standards the Council may develop in accordance with subsection 4.4.2.

4.4.2 The Council may develop its own written standards for the delivery of Block Funded Services which standards will, at a minimum, meet the Delivery Standards as set out by each Federal Department in its respective Schedule to this Agreement.

4.4.3 The Council will advise the relevant Federal Department of any changes to the written standards that it develops in accordance with subsection 4.4.2 not later than thirty (30) days after approval by the Council.

4.5 Loans Policy

Note: *Only one of the following options is to be included in this Agreement.*

4.5.1 Subject to subsection 4.5.2, the Council may make loans from funds transferred under this Agreement provided that:

- (a) loans must be directly related to a specific Block Funded Service or Targeted Program funded under this Agreement and will not be made for personal use;

Note: *The following subsection (b) is to be included when the Council is a First Nation.*

- (b) the Council's loan policy is in writing and available to Members and Recipients upon request; and

Note: *The following subsection (b) is to be included when the Council is a Tribal Council.*

- (b) the Council's loan policy is in writing and available to Member First Nations, Members and Recipients upon request; and

- (c) all loans must be evidenced by an agreement in writing between the Council and each borrower.

4.5.2 The Council will not make loans from any Block Funding or Targeted Funding provided by a Federal Department which does not recognize the making of loans.

OR

4.5.1 The Council will not make loans from funds transferred under this Agreement.

4.6 Financial and Non-Financial Reporting

4.6.1 The Council will maintain financial records and prepare financial statements in accordance with generally accepted accounting principles.

4.6.2 The Council shall engage an independent auditor recognized in the province / territory in which the Council has its administrative offices and notify DIAND in writing of the appointment of the auditor at least two (2) weeks prior to the end of the fiscal year. The notice shall authorize DIAND to release revenue and trust information to the auditor for

purposes of completing the Audit.

4.6.3 The Council will prepare consolidated financial statements for the Initial Fiscal Year and for each Subsequent Fiscal Year and such financial statements will:

- (a) be audited by an independent auditor recognized in the Province / Territory in which the Council has its administrative offices;
- (b) be prepared in accordance with the *Year-end Reporting Handbook* issued by DIAND on behalf of Canada and as amended from time to time; and
- (c) be delivered to DIAND within one hundred and twenty (120) calendar days of the end of each Fiscal Year during the term of this Agreement.

4.6.4 DIAND shall provide the Council with notice of receipt and general comments within thirty (30) days of receiving the Consolidated Audited Financial Statements.

4.6.5 (a) The Council will submit to DIAND any information prescribed in the *Recipient Reporting Guide* issued by DIAND on behalf of Canada and as amended from time to time, on or before the dates specified therein.

- (b) The definition of "Recipient" in article 1.0 does not apply to the *Recipient Reporting Guide* referred to in subsection 4.6.5(a).

4.6.6 DIAND may, by written notice, extend the deadline for the receipt of the Consolidated Audited Financial Statements and for any information to be submitted under 4.6.5(a) in respect of funding provided by DIAND, in the event the Council provides written notice, prior to the due date of the Consolidated Audited Financial Statements or information as the case may be, of circumstances beyond the Council's control.

Note: *The following section 4.7 is to be included when the Council is a First Nation.*

4.7 Accountability to Members - Principles of Transparency, Disclosure and Redress

4.7.1 The Council will maintain a system of accountability to Members which provides for:

- (a) transparency and openness in the Council's decision making process including drafting and maintaining at all times a written conflict of interest policy available to Members which will, at a minimum, provide that:
 - (i) an elected official or employee of the Council will not benefit from that position, beyond the agreed upon compensation as a result of the position they hold; and
 - (ii) where an elected official or employee of the Council has a personal interest in the outcome of any decision to be made by the Council, and that interest gives rise to a conflict of interest, that conflict and the extent of the interest will be disclosed to the Council and the Council will determine whether that individual will take part in that decision;
- (b) disclosure of the Council's administrative procedures and policies by making the following documents readily available to all Members upon request and at no charge beyond the reasonable cost of reproducing the documents:
 - (i) this Agreement, including, any Schedule, any Notice of Budget Adjustment or Amending Agreement;
 - (ii) the Fiscal Plan, the Management Development Plan, the Remedial Management Plan, if any, and any amendments to such plans;
 - (iii) the Consolidated Audited Financial Statements, including the auditor's report;
 - (iv) completed evaluations of the Block Funded Services and Targeted Programs, if any, funded, in whole or in part, pursuant to this Agreement;
 - (v) written standards and any other policies or procedures of the Council relating to the provision of any Block Funded Services and Targeted Programs to Members; and
 - (vi) an annual report of the activities of the Council during each Fiscal Year;
- (c) redress for Members by ensuring that policies and procedures are in place to address disputes related to Block

Funded Services and Targeted Programs, which policies and procedures shall, at a minimum, provide for:

- (i) clearly defined and impartial dispute resolution mechanisms for initiating, presenting and resolving disputes including an opportunity for all parties to be heard;
- (ii) reasonable time frames within which disputes must be initiated and resolved;
- (iii) an appeal process; and
- (iv) appropriate remedies based upon the outcome of the dispute resolution.

Note : *The following section 4.7 is to be included when the Council is a Tribal Council.*

4.7 Accountability to Member First Nations and Members - Principles of Transparency, Disclosure and Redress

4.7.1 The Council will maintain a system of accountability to Member First Nations and Members which provides for:

- (a) transparency and openness in the Council's decision making process including drafting and maintaining at all times a written conflict of interest policy available to Member First Nations and Members which will, at a minimum, provide that:
 - (i) an elected official or employee of the Council will not benefit from that position, beyond the agreed upon compensation as a result of the position they hold; and
 - (ii) where an elected official or employee of the Council has a personal interest in the outcome of any decision to be made by the Council, and that interest gives rise to a conflict of interest, that conflict and the extent of the interest will be disclosed to the Council and the Council will determine whether that individual will take part in that decision;
- (b) disclosure of the Council's administrative procedures and policies by making the following documents readily available to all Member First Nations and all Members upon request and at no charge beyond the reasonable cost of reproducing the documents:
 - (i) this Agreement, including, any Schedule, any Notice of Budget Adjustment or Amending Agreement;
 - (ii) the Fiscal Plan, the Management Development Plan, the Remedial Management Plan, if any, and any amendments to such plans;
 - (iii) the Consolidated Audited Financial Statements, including the auditor's report;
 - (iv) completed evaluations of the Block Funded Services and Targeted Programs, if any, funded, in whole or in part, pursuant to this Agreement;
 - (v) written standards and any other policies or procedures of the Council relating to the provision of any Block Funded Services and Targeted Programs to Member First Nations and Members; and
 - (vi) an annual report of the activities of the Council during each Fiscal Year;
- (c) redress for Member First Nations and Members by ensuring that policies and procedures are in place to address disputes related to Block Funded Services and Targeted Programs, which policies and procedures shall, at a minimum, provide for:
 - (i) clearly defined and impartial dispute resolution mechanisms for initiating, presenting and resolving disputes including an opportunity for all parties to be heard;
 - (ii) reasonable time frames within which disputes must be initiated and resolved;
 - (iii) an appeal process; and
 - (iv) appropriate remedies based upon the outcome of the dispute resolution.

4.8 Accountability to Recipients - Principles of Transparency, Disclosure and Redress

- 4.8.1 The Council will maintain a system of accountability to Recipients which provides for:
- (a) transparency and openness in the Council's decision making process as it relates to those Block Funded Services and Targeted Programs which Recipients may be eligible for;
 - (b) disclosure of the Council's written standards and any other policies or procedures of the Council as it relates to the provision of any Block Funded Services and Targeted Programs which Recipients may be eligible for; and
 - (c) redress for Recipients affected by decisions of the Council that relate to those Block Funded Services and Targeted Programs which Recipients may be eligible for.

4.9 In the event of an inconsistency or conflict between the system of accountability established by the Council pursuant to sections 4.7 and 4.8 and this Agreement, this Agreement will prevail to the extent of the inconsistency or conflict.

5.0 EXCEPTIONAL CIRCUMSTANCES

5.1 In the event that exceptional circumstances occur during the term of this Agreement, the Council may return to the Federal Department whose Block Funded Services or Targeted Programs are affected by the exceptional circumstances to seek changes to the level of funding or to obtain assistance.

5.2 Section 5.1 is intended to address exceptional circumstances (including, but not limited to health, safety and socio-economic issues), which were not reasonably foreseeable at the time this Agreement was entered into and which have a significant impact on the Council's performance of the terms and conditions of this Agreement. In the event that a Federal Department agrees to change the level of funding, that change shall be made by way of an Amending Agreement.

6.0 DELEGATION

6.1 Parties may delegate

6.1.1 Subject to subsections 6.1.2 and 6.1.3, any party may delegate any or all of its non-statutory obligations under this Agreement to its duly authorized representative or agent, which in the case of the Council will be an Agency, by an agreement in writing.

6.1.2 Where a party has delegated any or all of its obligations pursuant to subsection 6.1.1, the delegating party will remain liable to the other party to this Agreement for the performance of all its obligations under this Agreement.

6.1.3 Where statutory authority to act on behalf of a Federal Department is delegated to the Council, as in the case of delegated authority under sections 53 or 60 of the *Indian Act* to administer lands, the Council may not delegate any or all of that authority to an authorized representative or agent.

6.2 Where the Council delegates

6.2.1 Where the Council delegates any or all of its obligations pursuant to subsection 6.1.1 to an Agency, the Council shall ensure that the Agency:

- (a) has a specified mandate, a clearly identified role and a defined relationship with the Council;
- (b) adheres to the accountability principles set out in this Agreement;
- (c) maintains financial records and prepares financial statements in a manner permitting the preparation of the Consolidated Audited Financial Statements by the Council;
- (d) upon the written request of a Federal Department, allows that Federal Department access to the premises and all records relating to any program or service delegated by the Council pursuant to this Agreement; and
- (e) provides to the Council its financial statements prepared in accordance with the requirements set out in the *Year-end Reporting Handbook* issued by the DIAND on behalf of Canada and as amended from time to time. Upon the written request of a Federal Department, a copy of the financial statements shall be made available to that Federal Department.

6.2.2 Without limiting the generality of subsection 6.2.1, where the Council delegates any or all of its obligations pursuant to subsection 6.1.1 to an Agency, the terms of the delegation will be evidenced by an agreement in writing executed by the Council and the authorized representatives of the Agency. Upon the written request of a Federal Department, a copy of the agreement shall be made available to that Federal Department.

- 6.2.3 An agreement of the nature referred to in subsection 6.2.2 will, at a minimum, provide that no agency, association, employer-employee, or joint venture relationship is created between the Agency and Canada.
- 6.2.4 Where the Council delegates any or all of its obligations pursuant to subsection 6.1.1 to an Agency, the Council will ensure that any Federal Department providing funding through this Agreement has reasonable access to the Council's records and premises and reasonable access to the records and premises of the Agency.
- 6.2.5 The Federal Department will notify the Council in writing at least two (2) weeks in advance of any requirement for access pursuant to subsection 6.2.4.

7.0 MANAGEMENT OF INFORMATION

- 7.1 Any Federal Department providing funding through this Agreement may have reasonable access to the Council's records and the Council will provide that access for the purpose of confirming any data which has been reported by the Council pursuant to this Agreement.
- 7.2 Subject to sections 7.3 and 10.3, the Federal Department will notify the Council in writing at least two (2) weeks in advance of any requirement for access to the Council's records pursuant to section 7.1.
- 7.3 If at any time during the term of this Agreement, a Federal Department has a reasonable belief, based on material evidence, that funds transferred under this Agreement are not being properly managed, the Council will provide the relevant Federal Department with access to its records or any Agency's records without delay.

8.0 WHERE SIGNATORY IS A TRIBAL COUNCIL

- 8.1 The Council will provide DIAND with a copy of the Band Council Resolution passed by each of its Member First Nations, which resolution shall state that:
 - (a) the Member First Nation authorizes the Council to enter into an agreement with Canada under which the Block Funding and Targeted Funding shall be paid to the Council and the Council shall provide the corresponding Block Funded Services and Targeted Programs to the Members of the Member First Nations; and
 - (b) the authorization given pursuant to section 8.1(a) shall not be withdrawn by the Member First Nation except upon written notice to the Council, which notice shall not take effect until the April 1st occurring after one (1) calendar year has lapsed from the date the Member First Nation has notified the Council in writing of its withdrawal, or at such other time as the parties may agree.
- 8.2 Where the Council receives notice of a Member First Nation's withdrawal, or notice of a First Nation's addition to the Council during the term of this Agreement, the Council will immediately provide DIAND with notice and will include with such notice a copy of the Band Council Resolution confirming the Member First Nation's withdrawal from, or addition to the Council.
- 8.3 The change in Council membership referred to in section 8.2 will not take effect until the April 1st occurring after one (1) calendar year has lapsed from the date Council has notified DIAND in writing of the change in membership, or at such other time as the parties may agree, and during that notice period the Council and any affected Federal Department(s) agree to meet to discuss the impacts of the change in membership on the continuing obligations of each of those parties under this Agreement.
- 8.4 Nothing in this section obliges any Federal Department to enter into any funding agreement with a former Member First Nation.

9.0 DEFAULT

- 9.1 The Council will be in default of this Agreement in the event:
 - (a) the Council defaults in any of its obligations set out in this Agreement;
 - (b) the auditor of the Council gives a denial of opinion or adverse opinion of the financial statements of the Council in the course of conducting an audit pursuant to subsection 4.6.3 or section 10.4 of this Agreement or its predecessor;
 - (c) Consolidated Audited Financial Statements of the Council, prepared in accordance with this Agreement or its predecessor, indicate that the Council has incurred a cumulative operating deficit equivalent to eight (8) % or more of the Council's total annual operating revenues; or

- (d) a Federal Department has a reasonable belief, based on material evidence, that the health, safety or welfare of the Members or Recipients is being compromised.

10.0 REMEDIES ON DEFAULT

- 10.1 For the purposes of article 10.0, the parties to this Agreement acknowledge and agree that, notwithstanding the reference to Canada, the remedies set out herein may be exercised by any one or more of the Federal Departments.
- 10.2 In the event the Council is in default, the parties will communicate or meet to review the situation.
- 10.3 Notwithstanding section 10.2, in the event the Council is in default under this Agreement, Canada may take one or more of the following actions as may reasonably be necessary, having regard to the nature and extent of the default:
 - (a) require the Council to develop and implement a Remedial Management Plan within sixty (60) calendar days, or at such other time as the parties may agree upon and set out in writing;
 - (b) require the Council to enter into a Co-Management Agreement with a Co-Manager;
 - (c) appoint, upon providing notice to the Council, a Third Party Manager;
 - (d) withhold any funds otherwise payable under this Agreement;
 - (e) require the Council to take any other reasonable action necessary to remedy the default;
 - (f) take such other reasonable action as Canada deems necessary, including any remedies which may be set out by a Federal Department in its Schedule to this Agreement; or
 - (g) terminate this Agreement.
- 10.4 In addition to the remedies available to Canada set out in section 10.3, where the Council defaults in its obligation to provide Canada with Consolidated Audited Financial Statements under the terms and conditions of this Agreement or its predecessor, Canada may:
 - (a) require that an independent auditor recognized in the Province / Territory in which the Council has its administrative offices be appointed immediately by the Council at the Council's cost and that the Consolidated Audited Financial Statements be delivered within a reasonable time as Canada may determine; or
 - (b) appoint an independent auditor recognized in the Province / Territory in which the Council has its administrative offices and in which case:
 - (i) the Council will provide the auditor appointed by Canada with full access to its financial records and provide such other information as the auditor may require to perform the audit; and
 - (ii) the Council will reimburse Canada for all costs incurred in having the audit conducted.

Note: The following subsection 10.5 is to be included when the Council is a First Nation.

- 10.5 In addition to the remedies available to Canada set out in section 10.4, where the Council defaults in its obligations to make the Consolidated Audited Financial Statements readily available to the Members, Canada may make the Consolidated Audited Financial Statements of the Council available to the Members.

Note: The following subsection 10.5 is to be included when the Council is a Tribal Council.

- 10.5 In addition to the remedies available to Canada set out in section 10.4, where the Council defaults in its obligations to make the Consolidated Audited Financial Statements readily available to Member First Nations and Members, Canada may make the Consolidated Audited Financial Statements of the Council available to Member First Nations and Members.

11.0 INDEMNIFICATION

- 11.1 The Council will save harmless and fully indemnify Canada, Her officers, Her Ministers, employees, servants and agents, successors and assigns from and against all claims, liabilities, and demands arising directly or indirectly from any act, omission, or negligence of the Council or any Agency, any breach of this Agreement by the Council (whether by the Council or any Agency) and performance or nonperformance (in whole or in part) of the Council's obligations under this Agreement, and any claims, liabilities and demands that may arise from the Council entering into any loan, capital lease or other long term obligation and such indemnification will survive the termination or expiration of this Agreement.

12.0 DISPUTE RESOLUTION

- 12.1 For the purposes of article 12.0, the parties to this Agreement acknowledge and agree that, notwithstanding the reference to Canada, the remedies set out herein may be exercised by any one or more of the Federal Departments.
- 12.2 The Process
- 12.2.1 Subject to section 12.4, in the event a dispute arises between Canada and the Council regarding the interpretation of a provision of this Agreement or the obligation of a party under this Agreement, the parties may choose to resolve the dispute in the manner set out below, or in such other manner as the parties may agree upon and set out in writing.
- 12.2.2 In the event that either party is of the opinion that a dispute exists between them regarding the interpretation of a provision of this Agreement or the obligation of a party under this Agreement, that party will give the other party written notice setting out:
- (a) that the party giving notice wishes to undertake the dispute resolution process provided for in this section; and
 - (b) a concise summary of the matter in dispute.
- 12.2.3 Canada and the Council will meet within five (5) business days of the date notice was given under subsection 12.2.2 (or at such other time as the parties may agree) to attempt to resolve the dispute.
- 12.2.4 Where Canada and the Council are unable to resolve the dispute following the meeting referred to in subsection 12.2.3, the parties will appoint a mutually acceptable independent third party within five (5) business days of that meeting (or within such other time as the parties may agree) for the purpose of assisting them in resolving the dispute; and if the parties cannot agree on the choice of the independent third party within five (5) days (or at such other time as the parties may agree) from the date of the notice of intent to attempt to resolve the dispute, then an independent third party will be chosen, upon application by the parties, by an independent centre or organization acceptable to Canada and the Council.
- 12.2.5 Where an independent third party is appointed pursuant to subsection 12.2.4, Canada and the Council will meet with him or her within five (5) business days of his or her appointment (or at such other time as the parties may agree) to attempt to resolve the dispute.
- 12.2.6 Canada and the Council will:
- (a) each bear their own costs arising from the dispute resolution process provided for in this article; and
 - (b) bear equally the costs of any independent third party appointed pursuant to subsection 12.2.4.
- 12.3 Admissibility in Legal Proceedings
- 12.3.1 Subject to subsection 12.3.2, any exchanges between Canada and the Council after one party has given the other notice that it wishes to undertake dispute resolution pursuant to section 12.2, including without limitation:
- (a) any minutes or other records of any meetings between Canada and the Council; and
 - (b) any admissions, discussion, or offers of settlement, whether made verbally or in writing by either party,
- will not be admissible in any legal proceedings unless otherwise required by law.
- 12.3.2 Evidence that is independently admissible or discoverable shall not be rendered inadmissible or non-discoverable by virtue of its use during the above noted process.
- 12.4 Exceptions to the Process
- 12.4.1 Disputes arising as a result of any of the following matters will not be dealt with under the dispute resolution process provided for in section 12.2:
- (a) Budget decisions of the Council made in accordance with the terms and conditions of this Agreement;
 - (b) the level of Block Funding or Targeted Funding allocated by a Federal Department to the Council;
 - (c) a review being conducted by a Federal Department pursuant to section 7.3;
 - (d) a decision by Canada that the Council is in default;

(e) any action taken by Canada pursuant to article 10.0; and

(f) matters of policy.

13.0 GENERAL

13.1 The Agreement

13.1.1 This Agreement constitutes the entire agreement between the parties and supersedes all previous negotiations, agreements, commitments and writing in relation to the subject matter of this Agreement.

13.1.2 The following Schedules are attached to and form part of this Agreement:

SCHEDULE "FED-1" Federal Departments Consolidated Cash Flow Statement

SCHEDULE "FED-2" Form of Notice of Budget Adjustment

SCHEDULE "FED-3" Form of Amending Agreement

SCHEDULE "DIAND-1" Block Funded Services to be provided by the Council and Delivery Standards

SCHEDULE "DIAND-2" Block Formula Adjustment

SCHEDULE "DIAND-3" Targeted Programs - Initial Fiscal Year

SCHEDULE "DIAND-4" Management Development Plan

SCHEDULE "HC-1" Health Canada terms and conditions

13.1.3 Subject to subsections 3.1.6 and 4.3.3, an Amending Agreement is required to amend this Agreement and will be executed in the following manner:

- (a) where an amendment is for the purpose of changing terms and conditions contained in articles 1.0 through 15.0 except for an amendment of the nature referred to in subsection 13.1.3(b) or (c), the Amending Agreement will be executed by the Council and all Federal Departments;
- (b) where an amendment is for the purpose of changing terms and conditions contained in a Federal Department's Schedule(s), and the Council and the relevant Federal Department have agreed upon the change, the Amending Agreement will be executed by the Council and DIAND;
- (c) where an amendment is for the purpose of adding a new Federal Department to the Agreement, the Amending Agreement will be executed by the Council, the relevant Federal Department and DIAND.

13.2 Assignment

13.2.1 The parties will not assign any of their responsibilities under this Agreement.

13.2.2 This Agreement is binding upon the parties and their respective administrators and successors.

13.3 Termination

13.3.1 Without limiting section 10.3, this Agreement may be terminated by either party upon written notice to the other party, stipulating the reason for termination, provided that before any such termination can become effective:

- (a) the parties will exhaust the dispute resolution process provided for in article 12.0, or any other process mutually agreed to in writing by the parties, in respect of any dispute that has arisen under this Agreement; and
- (b) the parties will mutually agree on a time frame to terminate the Agreement in a manner that will not jeopardize the administration and delivery of the Block Funded Services and Targeted Programs to Members and Recipients.

13.3.2 In the event of the termination of this Agreement:

- (a) the Council will provide to Canada all records and documents in order for Canada to regain effective control over the administration and delivery of the Block Funded Services and Targeted Programs, in accordance with the relevant Federal Department's policies and guidelines;
 - (b) the Council will provide DIAND with Consolidated Audited Financial Statements within one hundred and twenty (120) days of the date of termination, unless DIAND waives this requirement in writing;
 - (c) any unexpended funding transferred to the Council up to the termination date of this Agreement will be paid to DIAND by the Council, unless the Council and DIAND agree otherwise in writing; and
 - (d) any monies owed to the Council up to the termination date of this Agreement will be paid to the Council by DIAND, unless the Council and DIAND agree otherwise in writing.
- 13.4 Agency
- 13.4.1 Nothing in this Agreement creates or is intended to create an agency, association, employer-employee, or joint venture relationship between the Council and Canada, and the Council will not so represent itself.
- 13.5 Applicable Law
- 13.5.1 This Agreement will be interpreted in accordance with the laws of Canada and the applicable laws of the Province / Territory in which the Block Funded Services and Targeted Programs are delivered.
- 13.6 Headings
- 13.6.1 Descriptive headings are inserted solely for convenience of reference, do not form part of this Agreement, and are not to be used as an aid in the interpretation of this Agreement.
- 13.7 Waiver
- 13.7.1 No provision of this Agreement and no event of default by the Council or a Federal Department of any provision of this Agreement will be deemed to have been waived unless the waiver is in writing and signed by the other party.
- 13.7.2 The waiver by a party of default by the other party or of any provision of this Agreement will not be deemed to be a waiver of any subsequent default by the other party or of the same or any other provision of this Agreement.
- 13.8 Evaluation
- 13.8.1 The Council will provide information as may be required in order to allow the parties to formally evaluate the Agreement process. The Council may be invited to participate on a national committee, in conjunction with Canada, in order to plan and implement evaluations of the short and long term impacts of the Agreement. A set of criteria for the evaluation process will be established by the national committee to be used in any evaluation of this Agreement. The cost of the evaluation will be borne by Canada.
- 13.8.2 Any Federal Department may, individually or in conjunction with other Federal Departments, at any time during the term of this Agreement or within five years of its expiry or termination, carry out one or more audits or evaluations of the effectiveness of any or all of the programs and services funded under this Agreement, including those programs and services provided by Agencies, or of the Council's management practices in relation to this Agreement. In the event one or more Federal Departments decide to carry out one or more such audits or evaluations, the Council will cooperate in the conduct of any such audit or evaluation and provide the Federal Department or its representatives such information as those Federal Departments or their representatives require. The Council shall maintain accounting documentation regarding all funding provided by DIAND and any other Federal Department in a manner that will allow for audit.
- 13.9 Conflict of Interest Provisions Regarding Federal Officials
- 13.9.1 No member of the House of Commons, or the Senate of Canada will be admitted to any share or part of this Agreement or to any benefit arising from it.
- 13.9.2 No individual for whom the post-employment provisions of the *Conflict of Interest Act*, the *Conflict of Interest and Post-Employment Code for Public Office Holders*, the *Values and Ethics Code for the Public Service*, or the *Conflict of Interest and Post-Employment Code for the Public Service* apply will derive any direct benefit from this Agreement unless that individual is in compliance with the applicable post-employment provisions.

14.0 NON-DEROGATION

Note: If the Council wishes to include a reference to Non-Derogation, the Council may choose to include any or all

of the following clauses (14.1 (a) to (d)) which have been authorized for use.

14.1 Nothing in this Agreement shall:

- (a) be construed to diminish, derogate from, or prejudice any treaty or aboriginal rights of the [/:ArrFNNameORTCMemberFNNames];
- (b) be construed as modifying Treaty No. [/:TreatyNo] or creating a new treaty within the meaning of the *Constitution Act, 1982*;
- (c) prejudice whatsoever any applications, negotiations or settlements with respect to land claims or land entitlement between Canada and the [/:ArrFNNameORTCMemberFNNames]; or
- (d) prejudice whatsoever the implementation of any inherent right to self-government nor prejudice in any way negotiations with respect to self-government involving the [/:ArrFNNameORTCMemberFNNames].

15.0 NOTICES

15.1 Where any notice, request or direction is required to be given or made by either party, it will be in writing addressed to the party for whom it is intended at the addresses noted in section 15.4 and may be given or made by either party by their duly authorized representatives.

15.2 The notice referred to in section 15.1 will be effective by using any one of the following methods, and deemed to have been given as at the date specified for each method:

- (a) by personal delivery, on the date upon which the notice is delivered;
- (b) by registered mail or courier, on the date upon which receipt of the notice is acknowledged by the other party;
- (c) by facsimile or electronic mail, on the date upon which the notice is transmitted and receipt of such transmission by the other party can be confirmed.

15.3 Either party may change the address information referred to in section 15.4 by providing notice to the other party of such change.

15.4 Notices will be sent to:

- | | |
|---|--|
| <ul style="list-style-type: none"> (a) DIAND at:
[/:ArrNoticesRegionMailingInfo]
Attention: Director, Funding Services (b) the Council at:
[/:ArrNoticesRecipientPrimaryContactInfo]
Attention: Chief, President or Chairperson | <ul style="list-style-type: none"> (c) Federal Departments at:
[/:ArrNoticeFedDeptMailingInfo]
Attention: |
|---|--|

IN WITNESS of the foregoing covenants, this Agreement, has been executed by Canada and the Council by their duly authorized representatives.

SIGNED ON BEHALF OF HER MAJESTY THE QUEEN IN RIGHT OF CANADA, as represented by the Minister of Indian Affairs and Northern Development

by: _____
(Insert name and title)

SIGNED ON BEHALF OF [/:FirstNationName] or [/:TCRecipientName]

by: _____
(Insert name and title)

*If Tribal Council, insert after each signature:
I have the authority to bind the corporation*

in the presence of:

(Insert name and title)

by: _____
(Insert name and title)

Date: _____

by: _____
(Insert name and title)

as represented by the Minister of

(Ensure that relevant Federal Departments are included in the signature block)

in the presence of:

(Insert name and title)

Date: _____

by: _____
(Insert name and title)

by: _____
(Insert name and title)

by: _____
(Insert name and title)

by: _____
(Insert name and title)

by: _____
(Insert name and title)

by: _____
(Insert name and title)

by: _____
(Insert name and title)

by: _____
(Insert name and title)

by: _____
(Insert name and title)

by: _____
(Insert name and title)

in the presence of:

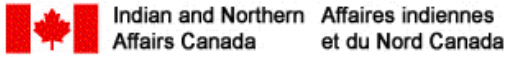
(Insert name and title)

Date: _____

Insert SCHEDULE "FED-1" INITIAL report here.

Note:

This report is automatically generated through FNITP.



SCHEDULE "FED-2"

Note: The regional NOBA form should replace this national form unless both forms are very similar. If major changes, legal advice should be sought.

FORM OF NOTICE OF BUDGET ADJUSTMENT

DATE:

COUNCIL NAME:

AGREEMENT NO.:

FISCAL YEAR:

NOBA NO.:

WHEREAS HER MAJESTY THE QUEEN IN RIGHT OF CANADA, as represented by the Department of Indian Affairs and Northern Development, hereinafter referred to as "DIAND" and the [/:RecipientName], as represented by the Chief and Councillors of the [/:RecipientName] First Nation *or* the Directors of the [/:RecipientName] Tribal Council, hereinafter referred to as the "Council", entered into a CFNFA effective as of the ___ day of _____, 200__ (the "Agreement");

AND WHEREAS the Agreement makes provision for changes in the amount of Block Funding or Targeted Funding to be transferred to the Council and for amendment to Schedule FED-1 - *Federal Departments Consolidated Cash Flow Statement* by DIAND upon notice by DIAND;

NOW THEREFORE, DIAND hereby gives notice as follows:

- 1.0 In accordance with subsection 3.1.6 of the Agreement, but subject to the provisions of the Agreement, DIAND replaces Schedule FED-1 - *Federal Departments Consolidated Cash Flow Statement* of the Agreement with Schedule FED-1 - *Federal Departments Consolidated Cash Flow Statement* set out in Appendix A to this Notice.
- 2.0 Subject to the terms and conditions of the Agreement, DIAND will accordingly transfer Block Funding *or* Targeted Funding to the Council for Fiscal Year ____ - ____ , in an amount of up to _____ dollars (\$_____).
- 3.0 This Notice forms part of the Agreement and is subject to the provisions of the Agreement.
- 4.0 All other terms and conditions of the Agreement will continue in full force and effect.

This Notice has been executed by a duly authorized representative of DIAND.

Authorized representative

Date

SCHEDULE "FED-3"

Note: The regional Amendment form should replace this national form unless both forms are very similar. If major changes, legal advice should be sought.

FORM OF AMENDING AGREEMENT

AGREEMENT NO.:

AMENDMENT NO.:

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF CANADA

as represented herein by the

[Insert relevant Federal Department]

(hereinafter referred to as "Canada")

AND

THE X FIRST NATION, a "band" as defined in the *Indian Act*,

as represented by the Chief and Councillors of the X First Nation

(hereinafter referred to as "Council")

OR

THE X TRIBAL COUNCIL Inc./Ltd.

as represented by the Directors of the X Tribal Council

(hereinafter referred to as "Council")

WHEREAS the parties entered into a [/:TypeArrangement], effective as of [/:ArrMultiYearStartDate] ("the Agreement") and wish to amend the Agreement in order to [/:ReasonsForModifications];

NOW THEREFORE, the parties agree as follows:

- 1.0 Subsection ___ of the Agreement is deleted and substituted with the following:
- 2.0 Subsection ___ of Schedule ___ is deleted and substituted with the following:
- 3.0 All other terms and conditions of the Agreement will continue in full force and effect.

This Amendment has been executed on behalf of the Council and Canada by their duly authorized representatives.

SIGNED, ON BEHALF
OF HER MAJESTY THE QUEEN
IN RIGHT OF CANADA

SIGNED, ON BEHALF OF THE
[/:FirstNationName]
or [/:TCRecipientName]

by: _____
Title: _____
(Print name and title)

by: _____
Title: _____
(Print name and title)

Date: _____

*If Tribal Council, insert after each signature:
I have the authority to bind the corporation*

by: _____
Title: _____
(Print name and title)

by: _____
Title: _____
(Print name and title)

by: _____
Title: _____
(Print name and title)

by: _____
Title: _____
(Print name and title)

by: _____
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(Print name and title)

by: _____
Title: _____
(Print name and title)

by: _____
Title: _____
(Print name and title)

by: _____
Title: _____
(Print name and title)

by: _____
Title: _____
(Print name and title)

Date: _____

In the presence of:

(Print name)

Date: _____

In the presence of:

(Print name)

Date: _____

SCHEDULE "DIAND-1"

DIAND

BLOCK FUNDED SERVICES TO BE PROVIDED BY THE COUNCIL AND DELIVERY STANDARDS

NOTE: *All administrative operational and business costs associated with the delivery of Block Funded Services are the responsibility of the Council and will be paid out of the Block Funding.*

SERVICE	DELIVERY STANDARDS
Provision of Tribal Council Services.	<p>The Tribal Council accepts responsibility for the delivery of advisory services in the following five areas in accordance with the requirements of Member First Nations and the <i>DIAND Tribal Council Funding Program Policy</i>:</p> <ul style="list-style-type: none"> (a) financial management; (b) band government; (c) economic development; (d) community planning; and (e) technical services.
Maintenance of Band Government systems.	<p>The Council will comply with the provision of the Canada Labour Code.</p> <p>The Council will make and remit all deductions from the wages of each employee required by law and will remit all payments due by the Council in respect of each elected official or employee of the Council to the proper authority.</p> <p>Pension plans established by the Council for the benefit of elected officials and employees of the Council must:</p> <ul style="list-style-type: none"> (a) be administered in accordance with the <i>DIAND Band Employee Benefits Program Policy</i>; (b) meet any requirement of the Canada Revenue Agency; and (c) where the pension plan is a registered pension plan, remain in good standing with the Office of the Superintendent of Financial Institutions Canada under the <i>Pension Benefits Standards Act, 1985</i>.
Registration of persons as "Indians" as defined in the <i>Indian Act</i> and maintenance of the list of persons who are members of the band pursuant to section 8 of the <i>Indian Act</i> , if the membership rules fall under section 11 of the <i>Indian Act</i> .	<p>The Indian Registry Administrator appointed by the Council will provide information required by DIAND for the purpose of maintaining the Indian Register and, where the band does not control its own membership rules under section 10 of the <i>Indian Act</i>, for the maintenance of the "band list" within the meaning of section 8 of the <i>Indian Act</i>, in accordance with the <i>DIAND Indian Registry Reporting Manual</i> and policies, as amended from time to time.</p>
Provision of kindergarten, elementary, and secondary education.	<p>The Council will ensure that registered Indian students ordinarily resident on reserve or on lands belonging to Her Majesty in Right of Canada and other students for whose education the Minister accepts funding responsibility have access to kindergarten, elementary and secondary level education programs and services comparable to the programs and services required to be provided in public schools generally in the province in which the service is being provided and ensure that the service is delivered to a standard sufficient to enable students to transfer within the school systems of the Province without academic disadvantage.</p> <p>Where access to instructional services is provided in a provincial school, or in a private or independent school recognized by the province as an elementary or secondary institution, the Council shall enter into and maintain a tuition agreement with each applicable school, school district, or school board which sets out the obligations of the parties with respect to the provision of instructional services; and make all payments as required by each tuition agreement.</p>
Provision of post secondary education.	<p>The Council will provide financial assistance for post secondary education to eligible treaty /registered Indians living on and off-reserve, ordinarily resident in Canada and in accordance with the Council's approved Budget, written guidelines or policies which are formally defined and made available to Members. Administrative decisions shall be subject to appeal through an established process to ensure equitable management of the program.</p>
Provision of income assistance.	<p>The Council will ensure that services for Members and other individuals living on reserve who are in need will be delivered in accordance with:</p> <ul style="list-style-type: none"> (a) an objective financial needs test without regard to the period of residency of the applicant; (b) a formally defined and publicly available benefit schedule specifying types of assistance available, rates of assistance and conditions and criteria for eligibility of the reference Province / Territory; (c) a process that ensures equitable treatment; (d) an administrative system that ensures confidentiality of applicant information;

	<ul style="list-style-type: none"> (e) a formally defined and publicly available process for the appeal of administrative decisions; and (f) its approved proposals, if applicable, for the National Child Benefit Reinvestment Program.
Provision of assisted living.	The Council will provide assisted living, as approved by DIAND, and in accordance with regional directives, as amended from time to time.
Management of reserve, designated and surrendered lands in accordance with the <i>DIAND Land Management Manual</i> .	<p>Where the Council has delegated authority under sections 53 or 60 of the <i>Indian Act</i>, the Council will administer lands in accordance with the <i>DIAND Land Management Manual</i>, as amended from time to time, and the terms of its delegated authority.</p> <p>Where the Council does not have delegated authority under sections 53 or 60 of the <i>Indian Act</i>, the Council will provide transaction services in accordance with the <i>DIAND Land Management Manual</i>, as amended from time to time.</p>
Provision of programs relating to economic development.	The Council will carry out activities in accordance with approved operational or work plans, including terms and conditions in plan approvals.
Construction of physical works (including the construction of housing, water, sewer, roads, bridges, fire protection, electrification, elementary and secondary education facilities, as well as public facilities to support administrative, recreational and cultural activities) in accordance with departmental level of service standards.	<p>The Council will at all times provide for the preservation of public health and safety and the environment (e.g. address drinking water advisories in a timely manner).</p> <p>The Council will ensure that the construction of a physical work (hereinafter referred to as the "Project"), listed in the Approved Capital Plan, which is the plan approved by DIAND, that identifies the Council's capital projects, scheduled by priority, with cost estimates that may be amended as data is refined covering a five (5) year period and contain funded and unfunded projects will be planned and implemented according to the following management principles:</p> <ul style="list-style-type: none"> (a) the Project will have a well defined and formally approved scope of work, schedule and budget; (b) a qualified project manager acceptable to the Council will be appointed to manage the implementation of the Project; (c) a feasibility study will be carried out in advance of construction of the Project commencing when deemed necessary by the Council. (d) the Project will be designed to meet all the applicable federal and provincial codes, protocols, standards and guidelines for the design, construction and operation of similar physical works, and in accordance with departmental protocols, guidelines and level of service standards, as may be amended from time to time; this includes the <i>Protocol for Safe Drinking Water in First Nations Communities</i>; (e) where the total estimated cost of the Project exceeds \$50,000 or not within the competence of a technician/technologist, the design of the Project will be approved and so certified by a professional engineer or architect licensed to practice as such in the province / territory where the facility is to be constructed; (f) the Project will be inspected and certified for compliance with applicable regulatory requirements by qualified inspectors at the various stages; and (g) the Council will have a policy that meets DIAND standards, on the use of the competitive tendering process to ensure best value, prudence, probity and sound contract management.
Construction of physical works (including the construction of housing, water, sewer, roads, bridges, fire protection, electrification, elementary and secondary education facilities, as well as public facilities to support administrative, recreational and cultural activities) in accordance with departmental level of service standards.	<p>Note: Where the Council has opted into the new community-based on-reserve housing program, the following section is to be added.</p> <p>The Council will have in place a multi-year community-based housing plan that addresses the following:</p> <ul style="list-style-type: none"> (a) maximizing the life expectancy of housing (through sound maintenance repair and insurance practices); (b) the rehabilitation of existing housing to an acceptable standard, such as the CMHC Residential Rehabilitation Assistance Program standards; (c) additions to existing houses and new construction to an acceptable standard, but not less than the National Building Code; (d) linkages to job creation, training/skills development and economic and business development; and (e) a resource plan. <p>The Council will provide annual updates to the community-based housing plan.</p> <p>Housing funds may be used for all housing related activities including maintenance and insurance, renovations, new construction, debt charges, training, management and administrative expenses.</p>
Operation and maintenance of physical works	The Council will at all times provide for the preservation of public health and safety and

<p>and assets under the care and control of the Council.</p>	<p>the environment (e.g. address drinking water advisories in a timely manner), and the protection of the investment in the physical works and assets under the care and control of the Council (hereinafter referred to as "Capital Assets").</p> <p>The Council will at a minimum adhere to all applicable codes, standards, protocols and guidelines for operation, maintenance and monitoring of facilities. This includes the <i>Protocol for Safe Drinking Water in First Nations Communities</i>.</p> <p>The Council will operate and maintain all Capital Assets by:</p> <ul style="list-style-type: none"> (a) developing and maintaining a current inventory of all Capital Assets; (b) developing and maintaining written up-to-date maintenance management plan and budget consistent with service standards for each Capital Asset that: <ul style="list-style-type: none"> (i) identify minimum performance standards for that Capital Asset; (ii) identify all maintenance activities to be conducted for that Capital Asset; (iii) assign responsibility and identify a schedule and a budget for those maintenance activities; and (iv) maintain a record of those maintenance activities and associated expenditures; (c) ensuring that satisfactorily trained personnel are available at all times to operate and maintain technical systems (e.g. for water and wastewater treatment plants, operators certified to the level of the plant are required); and (d) making arrangements for the provision of fire protection services for the community.
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SCHEDULE "DIAND-2"

DIAND

BLOCK FORMULA ADJUSTMENT

[REGIONS TO INSERT BLOCK FORMULA ADJUSTMENT]

SCHEDULE "DIAND 3"

**DIAND
TARGETED PROGRAMS
FOR THE [/:FiscalYear_1] FISCAL YEAR**

For the purpose of Schedule "DIAND-3", the following shall apply:

DEFINITIONS

"Deficit" means the amount by which funds expended by the Council exceed funds provided by DIAND and those provided by other sources for delivery of a Targeted Program or capital project, after all program terms and conditions have been fulfilled by the Council.

"DIAND Approved Capital Plan" means a plan approved by DIAND, that identifies the Council's capital projects, scheduled by priority, with cost estimates that may be amended as data is refined. It shall cover a five (5) year period and contain funded and unfunded projects.

"Funding Authority" means the rule established by the Treasury Board of Canada that DIAND must adhere to when funding a given program or service. Targeted Funding can be funded by way of the following funding authorities:

"Contribution" or **"CONTR"** means a conditional Transfer Payment for a specified purpose that is subject to being accounted for or audited for the purpose of determining adherence to terms and conditions of payment and for which unexpended balances or unallowable expenditures are to be reimbursed to DIAND; or

"Flexible Transfer Payment" or **"FTP"** means a conditional Transfer Payment for a specified purpose for which unexpended balances may be retained by the Council, provided that all program terms and conditions have been fulfilled by the Council. Any deficit remains the Council's responsibility.

"Surplus" means the amount by which funds, provided by DIAND and other sources, exceed eligible expenditures by the Council for the delivery of a Targeted Program or capital project.

"Transfer Payments" means payments made from budgetary appropriations for which no goods or services are received by the Crown.

1.0 GENERAL TERMS AND CONDITIONS

1.1 Any Surplus or other amount owing by the Council to DIAND is a debt due to the Minister. DIAND shall notify the Council in writing of any such amount owing and such amount shall be payable to the Minister at the time the written notice is given. The Minister may thereafter set off such amount against any amount payable by DIAND to the Council under this Agreement or any other agreement.

1.2 For each Targeted Program identified as a **Contribution**:

- (a) any Surplus shall be reimbursed by the Council to DIAND. Where there is more than one funding source for the Targeted Program, the Council shall reimburse DIAND a portion equal to DIAND's contribution to the Targeted Program; and
- (b) any claims eligible for reimbursement under the terms and conditions of this Agreement shall be reimbursed by DIAND to the Council.

1.3 For each Targeted Program identified as a **Flexible Transfer Payment**, any Surplus shall be retained by the Council provided that all terms and conditions of this Agreement have been fulfilled by the Council and any Deficit shall be the responsibility of the Council.

1.4 With respect to the Surplus amounts referred to in section 1.3, the Council may use non-capital Surplus amounts at its discretion and shall use capital Surplus amounts for projects on the DIAND Approved Capital Plan.

SCHEDULE "DIAND 3"

**TARGETED PROGRAMS TO BE PROVIDED
BY THE COUNCIL**

Note: the CFA National Model for use with First Nations and Tribal Councils may be referred to for delivery standards, reporting requirements and adjustment provision, where applicable.

PROGRAM	FUNDING AUTHORITY	TARGETED FUNDING	DELIVERY STANDARDS	REPORTING REQUIREMENTS	ADJUSTMENT PROVISION
BAND GOVERNANCE					
By-Laws	CONTR				
Training and Capacity - Elections	CONTR				
Training and Capacity - Lawmaking	CONTR				
RESOURCE DEVELOPMENT					
Interim Resource Development Agreement	CONTR				
CONSULTATION AND POLICY DEVELOPMENT - GOVERNANCE					
Consultation and Policy Development - Governance	FTP				
GATHERING STRENGTH - GOVERNANCE					
Centre of Excellence	FTP				
Capacity Building	CONTR				
Aboriginal Representative Organizations	FTP				
Strengthening Accountability	CONTR				
National Recognitions Instruments	CONTR				
SELF-GOVERNMENT IMPLEMENTATION					
Implementation of Self-Government Agreements	GRANT				
GATHERING STRENGTH - INSTITUTIONS					
Governance Transitions Centres	CONTR				
CLAIMS IMPLEMENTATION - CONTRIBUTIONS					
Claims Implementation - Contributions	FTP				
ESTABLISHMENT OF COMPREHENSIVE CLAIMS					
Comprehensive Claims Submission	CONT				
NEGOTIATION PREPAREDNESS					
Negotiation Preparedness	CONTR				
CLAIMS RESOLUTION CENTRE					
Claims Resolutions Centre Implementation	CONTR				
Claims Resolution Centre	CONTR				
ESTABLISHMENT OF CLAIM - SPECIFIC/SPECIAL					
Specific and Special Claims Submission	CONTR				
SELF-GOVERNMENT NEGOTIATIONS					
Negotiations	CONTR				
Fiscal Policy	CONTR				
Self-Government Policy	CONTR				
Framework Negotiations	CONTR				
Formal Agreement and Legislation	CONTR				
SELF-GOVERNMENT NEGOTIATIONS SUPPORT FUNDING					
Inherent Right	CONTR				
Pre-Implementation Funding for Self-Government Agreement	CONTR				
SELF-GOVERNMENT POLICY					
Research and Advice	CONTR				
CONSULTATION AND POLICY DEVELOPMENT - SELF-GOVERNMENT					
Inherent Right/Consultation	CONTR				
GATHERING STRENGTH - SELF GOVERNMENT NEGOTIATIONS					
Re-orientation of Self-Government	CONTR				
TREATY COMMISSIONS					
Treaty Commissions & Discussions	CONTR				
EXPLORATORY TREATY TABLES					
Treaty Policy Development	CONTR				
REGISTRATION AND MEMBERSHIP					

Registry Events	CONTR				
Consultation/Policy/Legislative Dev.	CONTR				
ESTATES MANAGEMENT					
Administration - Estates	FTP				
Consultation/Policy/Legislative Dev.	CONTR				
TREATY ANNUITIES					
Treaty Obligations	CONTR				
Consultation/Policy/Legislative Dev.	CONTR				
PROFESSIONAL AND INSTITUTIONAL DEVELOPMENT					
Training and Capacity - Registration and Membership	CONTR				
Training and Capacity- Protest Appeals	CONTR				
Training and Capacity- Estates	CONTR				
EDUCATION					
Instructional Services - Federal Schools	FTP				
Administration - Instruct Services - Federal Schools	CONTR				
Enhanced Teachers Salaries - Federal Schools	CONTR				
Devolution - Front End Funding - Federal Schools	FTP				
Low Cost Special Education - Federal Schools	FTP				
New Paths for Education	CONTR				
Parental and Community Engagement Strategy	CONTR				
Teacher Recruitment and Retention	CONTR				
Cultural/Education Centres	FTP				
Career Promotion and Awareness	FTP				
Science and Technology	FTP				
Student Summer Employment Opportunity	FTP				
Work Experience	FTP				
Federal Schools Special Education	CONTR				
Band Operated Special Education	CONTR				
Provincial Schools Special Education	CONTR				
Indian Studies Support Program - Special Program	CONTR				
SOCIAL DEVELOPMENT					
Disaster Evacuations/Special Circumstances	CONTR				
Child and Family Services					
Maintenance	CONTR				
Operations	FTP				
Development	FTP				
Maintenance - Flexible Funding Option - Foster	FTP				
Maintenance - Flexible Funding Option - Group	FTP				
Maintenance - Flexible Funding Option - Institution	FTP				
Family Violence	FTP				
Assisted Living - Disabled Initiative	CONTR				
Early Childhood Development	CONTR				
Gathering Strength-Social Development	FTP				
LAND MANAGEMENT					
Land Management Operational Support	CONTR				
Commercial Leasing	CONTR				
Land Management Purchases	CONTR				
Natural Resource Management	CONTR				
CLIMATE CHANGE					
Climate Change	CONTR				
FOREST FIRE SUPPRESSION					
Forest Fire Suppression	FTP				
LAND REGISTRY					

Surveys	CONTR				
CONTAMINATED SITES - NON-FCSAP					
Environmental Site Assessment - CSMWG Steps 1-4	CONTR				
Environmental Site Assessment - CSMWG Steps 5-6	CONTR				
Remediation - CSMWG Steps 7-9	CONTR				
Risk Management - CSMWG Steps 7-10	CONTR				
Monitoring once mediation is completed - CSMWG Step 10	CONTR				
CONTAMINATED SITES - FCSAP					
Environmental Site Assessment - CSMWG Steps 1-4	CONTR				
Environmental Site Assessment - CSMWG Steps 5-6	CONTR				
Remediation - CSMWG Steps 7-9	CONTR				
Risk Management - CSMWG Steps 7-10	CONTR				
Monitoring once mediation is completed - CSMWG Step 10	CONTR				
TREATY LAND ENTITLEMENT - CONTAMINATED SITES					
Environmental Site Assessment	CONTR				
Clean Up	CONTR				
Monitoring	CONTR				
RESERVE LAND ENVIRONMENT MANAGEMENT					
Training and Capacity Development	CONTR				
ECONOMIC DEVELOPMENT					
Procurement Strategy for Aboriginal Business	CONTR				
Aboriginal Workforce Participation Initiative	FTP				
Community Developmental Equity Program	CONTR				
Community Economic Opportunities Program	CONTR				
CAPITAL					
Major Capital	CONTR				
Housing (Gathering Strength)	FTP				
Water and Sewer (Gathering Strength)	FTP				
Implementing Immediate Investment in FN Housing On Reserve	FTP				

Insert "Schedule of Reporting Requirement Due Dates" initial report here.

Note: This report is automatically generated through FNITP.

SCHEDULE "DIAND-4"

MANAGEMENT DEVELOPMENT PLAN

Note: Here will be attached the Council's Management Development Plan, if any.

SCHEDULE "HC-1"

HEALTH CANADA TERMS AND CONDITIONS

Note: Here will be attached the Health Canada Terms and Conditions.