

FRASER BASIN INITIATIVE PROGRAM
CONTRIBUTION AGREEMENT

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF CANADA (“**Canada**”), as represented by the Minister of Fisheries and Oceans (the “**Minister**”)

AND:

PACIFIC SALMON FOUNDATION, a non-profit corporation incorporated under the Canada Corporations Act, Part II, (“**PSF**”)

WHEREAS:

1. The Minister and PSF share a common objective consistent with and in support of the Wild Salmon Policy to undertake activities within the Fraser River watershed that will augment scientific understanding of salmon populations, enhance relationships between diverse interests, conserve salmon and their habitat and improve sustainable fisheries management;
2. PSF, in collaboration with the Fraser Basin Council, has requested assistance from the Minister towards the costs associated with carrying out the Fraser Basin Initiative (“**FBI Program**”), which will support projects under the Fraser Salmon and Watersheds Program (FSWP);
3. The FBI Program will augment scientific understanding of salmon populations, enhance relationships between diverse interests and improve sustainable fisheries management and conserve salmon and their habitat in the Fraser River watershed;
4. The Minister wishes to assist PSF in carrying out the FBI Program and this assistance will be in the form of a maximum \$5 million cash contribution (“Cash Contribution”) under the terms and conditions set out in this Agreement; and
5. The Minister will also provide a maximum of \$5 million in-kind assistance towards projects under the FBI and FSWP to be described in a separate Memorandum of Understanding between the Minister and PSF.

THEREFORE in consideration of their respective obligations as set out below, the Minister and PSF (the “**Parties**”) agree to enter into this Contribution Agreement (the “**Agreement**”) on the following terms and conditions:

1.0 THE AGREEMENT

1.1 Entire Agreement

This Agreement is made pursuant to the FBI Program and constitutes the entire agreement between the Parties with respect to the Cash Contribution and supersedes all previous documents, negotiations, arrangements, undertakings and understandings related to the Cash Contribution. This Agreement includes:

Schedule A: FBI Program;
Schedule B: Eligible Costs;
Schedule C: Cash Flow Projection;
Schedule D: Interim Report; Schedule E: Final Report; and
Schedule F: Project Logic Model Template.

1.2 Duration of Agreement

This Agreement comes into force on the day that it is signed by both Parties and, unless terminated earlier in accordance with the provisions of this Agreement, shall continue in force until the later of:

- (a) March 31, 2011; or
- (b) The performance of all obligations set out in this Agreement.

The respective rights and obligations of PSF and the Minister relating to overpayments, indemnification, audit, evaluation and default shall survive the termination of this Agreement.

2.0 CONTRIBUTION

- 2.1 Subject to all of the provisions of this Agreement, the Minister will make the Cash Contribution to PSF to be used towards the Eligible Costs of the FBI Program.

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2.2 **Maximum Amount for each Fiscal Year**

For each federal government fiscal year (April 1- March 31) (“**Fiscal Year**”) the maximum amount of the Cash Contribution payable under this Agreement is as follows:

| <u>Fiscal Year</u> | <u>maximum amount</u> |
|--------------------|-----------------------|
| 2006-2007: | \$ 500,000 |
| 2007-2008: | \$1,125,000 |
| 2008-2009: | \$1,125,000 |
| 2009-2010: | \$1,125,000 |
| 2010-2011: | <u>\$1,125,000</u> |
| Total maximum: | \$5,000,000 |

2.3 **Appropriations and Departmental Funding Levels**

Payments under this Agreement are subject to there being an appropriation for the Fiscal Year in which any commitment under this Agreement would come due for payment. Payments may also be terminated or reduced in the event that departmental funding levels are reduced by Parliament.

3.0 **FBI PROGRAM**

3.1 PSF will carry out the FBI Program, including soliciting, evaluating, selecting, funding, monitoring and evaluating Ultimate Projects, as further described in Schedule A, in accordance with the Terms and Conditions of this Agreement.

3.2 PSF shall ensure that a clear, transparent, and open decision-making process, as described in Schedule A, is used to select the Ultimate Projects for funding.

3.3 **Ultimate Project Agreements**

PSF will enter into a legally binding and enforceable agreement with each Ultimate Recipient for an Ultimate Project approved for funding. The Ultimate Project agreements will be consistent with this Agreement, and will include the elements set out in Schedule A. Upon request, copies of these signed agreements will be provided to the Minister.

3.4 **Eligible Costs**

The Cash Contribution may only be used towards the following costs (“**Eligible Costs**”):

(a) **Administration costs**

costs incurred by PSF, in accordance with Schedule B (Eligible Costs) on or after October 6, 2006, for the administration of the FBI Program, to a maximum amount in each Fiscal Year of 10% of the aggregate of Eligible Ultimate Project Costs payable by PSF to Ultimate Recipients during that Fiscal Year (“**Eligible Administration Costs**”); and

Fraser Basin Initiative Program Contribution Agreement

- (b) **Ultimate Project costs**
costs incurred, in accordance with Schedule B (Eligible Costs) on or after October 6, 2006, by Ultimate Recipients in carrying out Ultimate Projects, to a maximum of \$500,000 per Fiscal Year per Ultimate Recipient (“**Eligible Ultimate Project Costs**”).

3.5 **Cost-Sharing Requirements**

PSF may use the Cash Contribution to fund Eligible Ultimate Project Costs to a maximum of 80% of the total costs of each Ultimate Project. The Ultimate Recipients will contribute or secure contributions from third parties of at least 20% of the total costs of each Ultimate Project. This 20% may consist of funds or in-kind assistance, including equipment, materials and volunteer services. Exceptions to this 20% requirement may be made, in accordance with Schedule A, for Ultimate Recipients which are First Nations or conservation-based non-profit organizations.

3.6 **Maximum Government Assistance**

Total federal, provincial and municipal government financial and in-kind assistance (“**Total Government Assistance**”) for the same Eligible Costs to which the Minister has contributed funding will not exceed 100% of such Eligible Costs (the “**Stacking Limit**”).

PSF confirms that the following federal, provincial or municipal government assistance in respect of the Eligible Costs has been requested or received by it:

Source

Amount

PSF will advise the Minister promptly of any such assistance provided during the term of this Agreement, and the Minister reserves the right to reduce the Cash Contribution by the amount of such additional assistance, provided that as a result of such additional assistance, the Total Government Assistance exceeds 100% of the same Eligible Costs to which the Minister has contributed funding. Any amount repayable by PSF as a result of a reduction is due upon receipt of a notice to repay the amount, and is recoverable as a debt due to the Crown. This provision also applies to the Ultimate Projects and PSF will ensure compliance by Ultimate Recipients.

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3.7 **Other Sources of Assistance**

PSF confirms that the following financial and in-kind assistance from sources other than federal, provincial or municipal governments, in respect of the Eligible Costs, has been requested or received by it:

| <u>Source</u> | <u>Amount</u> |
|---------------|---------------|
|---------------|---------------|

PSF will advise the Minister promptly of any such assistance provided during the term of this Agreement, and the Minister reserves the right to reduce the Cash Contribution by the amount of such additional assistance, provided that as a result of such additional assistance, the Total Government Assistance and financial and in-kind assistance from sources other than federal, provincial or municipal governments exceeds 100% of the same Eligible Costs to which the Minister has contributed funding. Any amount repayable by PSF as a result of a reduction is due upon receipt of a notice to repay the amount, and is recoverable as a debt due to the Crown. This provision also applies to the Ultimate Projects and PSF will ensure compliance by Ultimate Recipients.

4.0 **PAYMENT OF THE CONTRIBUTION**

4.1 **Reimbursement of Eligible Costs Incurred**

The Minister may reimburse PSF for Eligible Costs incurred based on the Interim Project Report set out in Schedule D (or such other content and form as the Minister may from time to time request) submitted by PSF and approved by the Minister, indicating performance achieved against milestones and the Eligible Costs incurred.

4.2 **Advance Payments**

The Minister may, if satisfied that it is essential to the successful completion of the FBI Program, issue an advance payment of the Cash Contribution, based on a cash flow projection for Eligible Costs provided by PSF, in accordance with Schedule C (or such other format as the Minister may from time to time request). The Minister may make subsequent monthly advances following approval by the Minister of a report, in the form set out in Schedule D (or such other format as the Minister may from time to time request), from PSF on the previous advance. Positive balances reported at the end of an advance period will be subtracted from cash flow projections for the next advance period. Where Eligible Costs incurred in an advance period exceed the amount advanced for that period, the Minister may reimburse that excess amount.

4.3 **Holdback Amount**

A holdback of 5% of the Cash Contribution payable in each Fiscal Year will apply, and be released with the final payment in respect of that Fiscal Year.

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4.4 Progress Reports

Where no claims or advance payment reports are provided by PSF in respect of any quarter of a Fiscal Year, then PSF will provide to the Minister a quarterly report in accordance with Schedule D (or such other format as the Minister may from time to time request) in respect of that period.

4.5 Annual Report

Within 60 days following the end of each Fiscal Year, PSF will provide to the Minister an annual report ("**Annual Report**") as set out in Schedule E (or such other format as the Minister may from time to time request).

4.6 Annual Workplans

Within thirty (30) days following the signing of this Agreement, PSF will provide an annual workplan ("**Annual Workplan**") in respect of the Fiscal Year 2006-2007. On or before April 30, 2007, PSF will submit an Annual Workplan in respect of the Fiscal Year 2007-2008. For each subsequent Fiscal Year, PSF will submit an Annual Workplan on or before March 15th for the upcoming Fiscal Year. Annual Workplans will include:

- (a) a list of priorities for upcoming rounds of Ultimate Project funding;
- (b) a description of the application and selection process for Ultimate Projects;
- (c) a description of the Selection Committee;
- (d) a list of Ultimate Projects approved for funding;
- (e) a projected budget and projected cash flow; and
- (f) An updated Logic Model describing how each project supports the FBI objectives and/or outcomes and a performance measurement framework that details the indicators and benchmarks that will be used to assess each element in the Logic Model. The Logic Model elements include Inputs, Outputs, Results, Immediate Outcomes and Ultimate Outcomes (Schedule F).

4.7 Final Annual Payment

Following receipt and approval of the Annual Report, the Minister will pay to PSF the amount, if any, by which the Eligible Costs incurred for that Fiscal Year exceed all payments, advances and reimbursements made by the Minister for that Fiscal Year.

4.8 Final Program Report

Within 90 days following the completion of the FBI Program, or the termination of this Agreement (whichever is earlier) PSF will submit to the Minister for approval a final report on the FBI Program (the "**Final Program Report**"), in accordance with Schedule E (or such other format as the Minister may request), and including the Annual Report for the final Fiscal Year of this Agreement. See Section 4.5.

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4.9 Final Payment

Following receipt and approval by the Minister of the Final Program Report, the Minister will pay to the Recipient the amount, if any, by which the total Eligible Costs as reported in the Final Report exceed all payments, advances and reimbursements made by the Minister under this Agreement.

4.10 Supporting Documents

All claims and reports provided by PSF under this Agreement will be substantiated by such documents, records and information as may be requested by the Minister, including invoices or any other documentation required to verify the expenditures and other information included in the reports. The Minister will have no obligation to make any payment of the Cash Contribution unless all requested information supporting documentation has been provided.

4.11 Debts Owed to the Crown

It is understood that the Minister may set off against any amount that may be payable to PSF pursuant to this Agreement, any amounts owing and in arrears by PSF to Her Majesty in right of Canada under legislation or other Contribution Agreements and PSF shall declare to the Minister all amounts outstanding in that regard when making any claim for payment under this Agreement.

4.12 Overpayments

Where for any reason the Minister determines that the amount of the Cash Contribution disbursed exceeds the amount to which PSF is entitled, PSF will repay to the Minister the amount of the overpayment promptly and no later than 30 days from notice by the Minister. Interest shall accrue on the unpaid amount in accordance with the *Interest and Administrative Charges Regulations* under the *Financial Administration Act*. Any such amount is a debt due to Her Majesty in right of Canada and is recoverable as such.

PSF will recover any overpayments to Ultimate Recipients. Whether an overpayment relates to Administration Costs or Ultimate Project Costs, the Minister may withhold an equivalent amount from amounts otherwise payable to PSF. Where no amounts are payable to PSF by the Minister, PSF shall repay the amount of the overpayment as set out above.

5.0 OTHER PROVISIONS

5.1 Environmental Requirements

The Minister will have no obligation to disburse all or part of the Cash Contribution unless PSF and the Ultimate Recipients satisfy all applicable environmental requirements of all regulatory bodies.

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5.2 Assets Acquired with Cash Contribution Funds

Any assets acquired by PSF for the purposes of the FBI Program or by an Ultimate Recipient for the purposes of an Ultimate Project are the property of that person, and may be retained by them following the completion of the FBI Program or Ultimate Project.

5.3 Official Languages

PSF will make the application documentation available in either official language if requested by a prospective applicant. PSF and the Minister will determine the official languages requirements for any public announcements or events for the FBI Program.

5.4 Intellectual Property

Title to intellectual property created by an Ultimate Recipient in carrying out an Ultimate Project will be held by that Ultimate Recipient provided that the Ultimate Recipient grants to the Minister an unrestricted non-exclusive license to use the intellectual property for all government purposes, unless otherwise agreed to in writing by the Minister. PSF shall ensure that this provision is implemented in respect of all Ultimate Projects.

5.5 Indemnification

PSF will indemnify and save harmless Her Majesty the Queen in right of Canada, and Her ministers, officers, employees and agents from and against all claims, demands, costs (including legal costs), losses, damages, actions, suits and proceedings, by whomsoever brought or prosecuted, caused by or related to any act or omission of PSF or any Ultimate Recipient, or any of their respective members, directors, officers, employees, agents, contractors, or anyone for whom PSF or the Ultimate Recipient is responsible in law, in carrying out this Agreement.

5.6 Public Communications

Before making any public announcements or other communications about the FBI Program, PSF will obtain prior approval in writing from the Minister.

6.0 DISPUTE RESOLUTION

If any dispute arises between PSF and the Minister in connection with or arising out of this Agreement, the Parties shall use their best efforts to settle any such dispute. If the Parties fail to reach an agreement within a period of thirty (30) days or such greater period as may be mutually agreed upon after such dispute arises, then they will agree to submit the dispute to mediation or non-binding arbitration by an unrelated person or persons, agreeable to both parties to this agreement.

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7.0 DEFAULT AND RECOVERY

7.1 Events of Default

Any failure by the PSF to satisfy a material term, condition, or undertaking of this Agreement shall constitute an act of default, entitling the Minister, acting reasonably, to:

- (a) suspend or terminate any obligation of the Minister to contribute to Eligible Costs including any obligation to pay any amount owing prior to the date of such suspension or termination; or
- (b) require PSF to repay all or part of the Cash Contribution forthwith upon demand, as a debt due to Her Majesty the Queen in Right of Canada, which may be recovered as such.

7.2 Remedy Period

Before exercising any remedy referred to in the preceding section, the Minister will give written notice to PSF of the condition or event which constitutes an event of default and PSF will have a period of 30 days following receipt of the notice to demonstrate to the satisfaction of the Minister that it has either corrected the condition or event complained of, or demonstrated that it has taken such steps as are necessary to correct the condition or event and so notified the Minister.

7.3 Failure to Meet Objectives

If the Minister determines that the objectives of the FBI Program, as specified in Schedule A are not being met, the Minister may provide to PSF thirty (30) days written notice to remedy the situation. Following that period, should the Minister determine that the objectives of the FBI Program are still not being met, the Minister may terminate this Agreement by providing a further one hundred and fifty (150) days written notice. Upon termination of this Agreement at the expiry of the one hundred and fifty (150) days period, PSF shall return to the Minister any contributions, made by the Minister, which are in excess of the Eligible Costs incurred by PSF or Ultimate Recipients up to the termination date.

7.4 Termination by PSF

PSF may terminate this Agreement at any time by providing to the Minister a one hundred and eighty (180) days notice in writing. Upon termination of this Agreement at the expiry of the one hundred and eighty (180) days period, PSF shall return any Cash Contributions made by the Minister which are in excess of the Eligible Costs incurred by PSF or Ultimate Recipients up to the termination date.

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8.0 PROGRAM EVALUATION

The Minister may carry out evaluations of the FBI Program and the effectiveness of this Agreement. PSF will cooperate with the Minister and ensure that the Ultimate Recipients cooperate with the Minister in the conduct of any evaluations, including providing access to records and such information as the Minister may request, either during the term of this Agreement, or within five (5) years after its expiration or earlier termination.

9.0 AUDIT REQUIREMENTS

- 9.1 PSF shall maintain all accounting records, including financial accounts, vouchers, and other records relating to this Agreement for a period of five (5) years following expiration or earlier termination of this Agreement. Upon request, PSF shall allow and assist the Minister, or any person designated by the Minister, to access and make copies of or take extracts from these records. PSF shall ensure that Ultimate Recipients also comply with these requirements.
- 9.2 The Minister, at his expense, may audit or cause to have audited the accounts and records of PSF and Ultimate Recipients to ensure compliance with the terms and obligations of this Agreement. PSF will make available to such auditors any records, documents, and information that the auditors may require, and will ensure that Ultimate Recipients also comply with these requirements.
- 9.3 The Minister may elect to rely on an opinion from PSF's external auditor regarding compliance with this Agreement, where such opinion is supported by audited financial statements and a statement of disposition of the Cash Contribution funds and is otherwise satisfactory to the Minister.
- 9.4 Any discrepancies by audit or otherwise shall be promptly adjusted between the Parties, including reimbursement of any contribution made by the Minister, which was not expended in accordance with this Agreement.

10.0 NOTICES

All notices, reports, and other communications under this Agreement shall be in writing and shall be delivered in the case of the Minister, to:

Regional Director
Policy Branch
Department of Fisheries and Oceans
Suite 200 – 401 Burrard Street
Vancouver, British Columbia
V6C 3S4

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And in the case of PSF to:

Executive Director
Pacific Salmon Foundation
300 – 1682 West 7th Avenue
Vancouver, British Columbia
V6J 4S6

or to such other address that either Party may designate by notice to the other.

11.0 GENERAL CONDITIONS

11.1 Amendment and Waiver

No amendment of this Agreement or waiver of its terms shall have any force or effect unless made in writing and signed by both Parties.

11.2 Prohibition on Assignment

Neither this Agreement, nor any part of this Agreement, nor any amount payable under this Agreement shall be assigned by the PSF without the prior written consent of the Minister.

11.3 Compliance with Laws

PSF will comply with all federal, provincial and municipal laws governing PSF or the FBI Program, including but not limited to statutes, regulations, by-laws and ordinances.

11.4 Senate and House of Commons

No member of the House of Commons or the Senate, either directly or indirectly, shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom.

11.5 No Conflict of Interest

PSF represents and warrants that no individual for whom the post-employment provisions of the *Conflict of Interest and Post-Employment Code for Public Office Holders* or the *Values and Ethics code for the Public Service* apply, will derive a direct benefit from this Agreement unless that individual is in compliance with the applicable post-employment provisions.

11.6 No Gifts or Inducements

PSF represents and warrants that it has not, nor has any person acting on its behalf, offered or promised to any official or employee of Her Majesty, for or with a view to obtaining this Agreement, any bribe, gift or other inducement.

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11.7 No Contingency Fee

PSF represents and warrants that it has not nor has any person on its behalf employed any person to solicit this Agreement for a commission, contingency fee or any other consideration dependent upon the execution of this Agreement.

11.8 Relationship of the Parties

This Agreement is a Contribution Agreement only, not a contract for services or a contract of service or employment, and nothing in this Agreement, or the parties' relationship or actions is intended to create, nor shall be construed as creating, a partnership, employment or agency relationship between them. PSF shall not make any representations to that effect, and shall indemnify and save harmless Her Majesty the Queen in right of Canada in respect of any claims arising from failure to comply with the foregoing.

11.9 Successors and Assigns

This Agreement is binding on the parties and their successors and permitted assigns.

11.10 Severability

Any provision of this Agreement prohibited by law or otherwise invalid or ineffective will be ineffective only to the extent of such prohibition or ineffectiveness and will be severable.

11.11 Long Term Obligations

PSF will have no claim against Her Majesty the Queen in right of Canada related to any loan, capital lease or long-term obligation it enters into in relation to this Agreement.

11.12 Lobbyist Registration

PSF confirms that any person lobbying on its behalf in respect of this Agreement and required to be registered pursuant to the Lobbyist Registration Act, R.S.C. 1985, c. 44 (4th supp.) is so registered.

11.13 Governing Law

This Agreement shall be governed by the laws in force in the province of British Columbia, and the laws of Canada applicable therein.

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IN WITNESS WHEREOF, the Parties have executed this Agreement in TWO originals through their duly authorised representatives.

PACIFIC SALMON FOUNDATION

**HER MAJESTY THE QUEEN IN
RIGHT OF CANADA, as represented by
the Minister of Fisheries and Oceans**

**Paul Kariya
Executive Director**

**Paul Sprout
Regional Director General
Pacific Region**

Date

Date

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Schedule A

FBI PROGRAM

1.0 Program Objectives

Consistent with the Wild Salmon Policy, the FBI Program objective is to provide funding for projects that will augment scientific understanding of salmon populations, enhance relationships between diverse interests, conserve and protect salmon and their habitat and improve sustainable fisheries management in the Fraser River watershed.

The overall contribution objectives for the funding are as follows:

To plan and undertake activities within the Fraser River watershed that will augment scientific understanding of salmon populations, enhance relationships between diverse interests, protect and conserve salmon and their habitat and improve sustainable fisheries management.

The four main thematic areas of the FBI Program are as follows:

- Improved Science for Decision Making;
- Stewardship and Habitat;
- Enhanced Fisheries Management Elements; and
- Collaboration and Relationship Building.

2.0 Eligible Ultimate Recipients

The following are eligible as Ultimate Recipients:

- BC Ministry of Environment;
- Fraser Basin Council;
- Pacific Salmon Endowment Fund Society;
- commercial, and recreational fishermen's associations;
- Aboriginal groups;
- local governments;
- industry associations (agriculture sector, forestry sector etc);
- community associations;
- conservation environmental non-governmental organizations; and
- academic institutions.

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3.0 **Eligible Ultimate Projects**

Projects selected for funding shall fall into one of the following four thematic areas, which support the DFO mandate in the Fraser River Basin:

- Scientific research and data collection related to the aquatic environment and salmonid habitat;
- Stewardship and habitat conservation and restoration in areas where the salmonid habitat is threatened;
- Stock assessment and catch monitoring to develop and promote responsible fisheries; and
- Development of partnerships or collaborative efforts that improve relationships amongst key stakeholders in the Fraser Basin watershed.

4.0 **Ultimate Project Selection Process**

The Ultimate Project selection process is coordinated by PSF program management staff, and the current process is set out below.

- (a) Applications are received by PSF by March 31, 2007 for Fiscal Year 2007-2008 and by November 1st prior to the start of subsequent Fiscal Years.
- (b) Applications are submitted to the Steering Committee, which is chaired by PSF and consists of:
 - one representative from DFO;
 - one representative from BC Ministry of the Environment;
 - one representative from the Fraser Basin Council;
 - two representatives from the PSF;
 - two representatives of First Nations in the Fraser River Basin; and
 - two others members chosen by all members above and agreed to by consensus.
- (c) The Steering Committee is supported by a technical review team appointed by the Steering Committee;
- (d) Project proposals are reviewed and evaluated by the Steering Committee. The Steering Committee will:
 - Assess eligibility of the Ultimate Recipients and Ultimate Projects; and
 - Provide to the PSF Board by April 15, 2007 for the Fiscal Year 2007-2008 and by February 14th prior to the start of subsequent Fiscal Years, a list of projects ranked according to evaluation of selection criteria (set out below) and annual priorities determined by the Steering Committee and approved by the PSF Board.

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- (e) The Steering Committee will also make recommendations to the PSF board of directors for exemptions to be granted to the requirement for a minimum contribution of 20% total project costs, where project applicants are First Nations or conservation-based non-profit organizations (see section 3.5 of this Agreement).
- (f) PSF will forward to the Minister the list of projects recommended for funding no later than April 30, 2007, for the Fiscal Year 2007-2008 and no later than March 15th prior to the start of subsequent Fiscal Years for confirmation by the Minister that the projects meet the eligibility requirements set out in this Agreement.
- (g) The Steering Committee will recommend projects for funding to the PSF board of directors for final funding decisions, to be made no later than April 30, 2007 for the Fiscal Year 2007-2008 and no later than March 15th prior to the start of subsequent Fiscal Years.
- (h) The Steering Committee may also recommend projects for funding to the PSF board outside of the scheduled project selection process, in order to ensure a full complement of projects in view of cancellations or terminations of previously approved projects.

4.1 **Ultimate Project Selection Criteria**

The criteria against which all project proposals will be assessed are as follows:

- 1. Emphasis on collaboration, coordination and integration;
- 2. Innovation and/or creativity including development/testing of new technologies;
- 3. Consistent with key themes of FBI;
- 4. Transferability - develop transportable tools/approaches (as opposed to micro level projects without relevance to other areas of watershed or province);
- 5. Benefit to the salmon resource including salmonid habitat;
- 6. Cost effectiveness;
- 7. Support Risk Management approaches; and
- 8. Public awareness / education.

- 4.2 The Steering Committee will review these criteria annually to ensure they are effective and refine if necessary.

5.0 **Ultimate Project Agreements**

PSF will enter into legally binding funding agreements with Ultimate Recipients including:

- (a) a project plan describing the project activities, timelines, budget, and Logic Model and Performance Measurement Framework that describes the inputs, outputs, expected results and outcomes with associated indicators and benchmarks;

Fraser Basin Initiative Program Contribution Agreement

- (b) the funding to be provided by the PSF, the contribution(s) (cash or in kind) by the Ultimate Recipient and other parties, eligible costs, and claims and payment procedures;
- (c) a costing memorandum consistent with Schedule B (Eligible Costs) and provisions for claims and payment of Eligible Costs;
- (d) a requirement to declare, at the start and at the end of the project, all other assistance (financial and in-kind) received or to be received for the project, including all levels of government (federal, provincial, municipal) assistance, with provisions for reduction of the contribution to the project, in the event that total government assistance exceeds 100% or other assistance is greater than anticipated.
- (e) evaluation, accountability and reporting requirements, including the provision of information necessary to enable PSF to fulfill its reporting requirements to the Minister under this Agreement;
- (f) official language obligations, in accordance with section 5.3 of this Agreement and environmental compliance requirements in accordance with section 5.1 of this Agreement;
- (g) a provision requiring the Ultimate Recipient to retain books, records and supporting documents relating to the project for a period of five (5) years following expiration or earlier termination of the agreement, and for PSF and the Minister to have access to such documentation for project auditing and program evaluation purposes;
- (h) appropriate provisions for dispute resolution and default and termination, including automatic termination in the event that this Agreement is terminated;
- (i) a representation and warranty that no individual for whom the post-employment provisions of the *Conflict of Interest and Post-Employment Code for Public Office Holders* or the *Values and Ethics Code for the Public Service* apply, will derive a direct benefit from the agreement unless that individual is in compliance with the applicable post-employment provisions;
- (j) a provision that funding to be provided by the Minister is subject to there being an appropriation for the Fiscal Year in which any commitment under the agreement would come due for payment. Payments may also be terminated or reduced if the Minister's payments to PSF are terminated or reduced in the event that departmental funding levels are reduced by Parliament; and
- (k) any other provisions required to enable PSF to comply with all of the Terms and Conditions of this Agreement.

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Schedule B

ELIGIBLE COSTS

A. Administration Costs

The reasonable costs in the following categories incurred by PSF for the purposes of carrying out the FBI Program:

- Salary, wages and other labour costs;
- Travel and related field expenditures, in accordance with Treasury Board Travel Directives;
- Professional services and consultant fees (including translation);
- Utilities (telephone, fax, and internet);
- Materials and supplies;
- Conference and meeting costs;
- Legal and bookkeeping fees;
- Communications, publishing and printing costs;
- Administration overhead;
- Equipment purchase or rental;
- Equipment repair or maintenance; and
- GST and PST (net of any refund to which PSF is entitled).

B. Ultimate Project Costs

Reasonable costs in the following categories incurred by an Ultimate Recipient for the purposes of carrying out an Ultimate Project:

- Salary, wages and other labour costs;
- Travel and related field expenditures, in accordance with Treasury Board Travel Directives;
- Professional services and consultant fees;
- Utilities (telephone, fax, and internet);
- Materials and supplies;
- Conference and meeting costs;
- Legal and bookkeeping fees;
- Communications, publishing and printing costs;
- Equipment purchase or rental;
- Equipment repair or maintenance; and
- GST and PST (net of any refund to which the Ultimate Recipient is entitled).

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C. Ineligible Costs

Capital costs (including capital leasing costs) are not eligible except for the acquisition of office equipment and other project equipment and only where expressly approved in the funding agreements between PSF and the Ultimate Recipients.

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Schedule C
CASH FLOW PROJECTION

For the _____ Fiscal Year

| MONTH | DFO Cash | DFO in-kind | Other Org Cash | Other In-Kind | Total |
|--------------|-----------------|--------------------|-----------------------|----------------------|--------------|
| April | | | | | |
| May | | | | | |
| June | | | | | |
| July | | | | | |
| August | | | | | |
| September | | | | | |
| October | | | | | |
| November | | | | | |
| December | | | | | |
| January | | | | | |
| February | | | | | |
| March | | | | | |
| TOTAL | | | | | |

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Schedule D
CONTRIBUTION INTERIM PROJECT REPORT

Fiscal Year: _____

Name of Recipient: _____

Name of Project: _____

Amount of Approved Contribution: _____

Funds Received to date: _____

 Detail of Work or activities completed to date;

| Approved Contribution | Year to Date Expenditures | Commitments | Forecast to Year end | Total Forecast for Project |
|-----------------------|---------------------------|-------------|----------------------|----------------------------|
| | | | | |

| Type of Expenditures | Funds received last Period | Expenditures last Period | Amount required for next Period |
|---------------------------------|----------------------------|--------------------------|---------------------------------|
| As applicable from Schedule "B" | | | |
| | | | |
| | | | |
| | | | |

 {Signing Authority}

 Date

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Schedule E

Annual and Final Report Formats

The annual and final reports will be submitted to DFO in the following minimum formats:

| Requirement | Annual Report | Final Report |
|--|---------------|--------------|
| Title Page | Yes | Yes |
| Table of Contents | No | Yes |
| Acknowledgements | Yes | Yes |
| Introduction / Background • Highlight goals and objectives statement | No | Yes |
| Project Summaries • Name of project and proponent including a brief summary of the project and its objectives • Summarize results of the project and whether or not they have been successful in meeting the planned results of the Results Management Accountability Framework Performance Measurement indicators detailed in the Workplan and Ultimate Project agreement • Financial summary including proponents, DFO funding, and proponent funding with percentages for each and a summary of Eligible Costs as defined in Schedule B – Ultimate Project Costs | Yes | Yes |
| Eligible Administration Cost Summary • Summary Statement of all Eligible Costs for Administration (as defined in Schedule B) incurred by PSF | Yes | Yes |
| Schedule • Financial Statement of Account showing all funds received from DFO, funds received from other sources, expenditures incurred, and any remaining funds not used | Yes | Yes |

The final report will summarize the results of the program and whether or not they have been successful in meeting the planned results of the Agreement (see below for table with results and indicators).

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| Planned Results | Indicator/Measure | Result |
|--|---|---------------|
| Increased scientific data | Number of projects approved supporting science work | |
| | Number of scientifically peer reviewed papers published in journals or given at workshops and /or conferences | |
| Improved Stewardship and Habitat | To be jointly developed | |
| Increased collaboration and better relationships among stakeholders and partners | Number of partnerships established | |
| | Participation of multi-discipline stakeholders in projects | |
| Enhanced Fisheries Management | To be jointly developed | |
| Increased public awareness about salmon | Number of hits on website | |

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Schedule F
Project Logic Model Template

| | Inputs | Activities | Outputs | Immediate Outcomes | Intermediate Outcomes | Final Outcomes |
|--------------|--------|------------|---------|--------------------|-----------------------|----------------|
| Description | | | | | | |
| Indicator(s) | | | | | | |