



## DEPARTMENT OF ECONOMIC DEVELOPMENT AND TRANSPORTATION

### GRANTS AND CONTRIBUTIONS POLICY

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#### **POLICY STATEMENT**

The Department of Economic Development and Transportation (“EDT” or the “department”) of the government of Nunavut (the “government”) is committed to a grants and contributions approval process that is accountable, easy to understand, fair, transparent, and reflective of community-based needs and Inuit Societal Values.

The activities funded under this grants and contribution policy (“the policy”) support the mandate, activities, and goals of the department.

#### **INUIT SOCIETAL VALUES (ISV) GUIDING PRINCIPLES**

This policy is guided by the following Inuit Societal Values:

- a) *Qanuqtuurniq*— Being innovative and resourceful: this policy shows the department’s commitment to supporting the participation of Nunavummiut in the development and growth of Nunavut’s economy.
- b) *Inuuqatigiitsiarniq*— Respecting others, relationships and caring for people: the grants and contributions available in this policy support the values, knowledge, beliefs and cultural distinctiveness of Nunavummiut;
- c) *Tunnganarniq*— Fostering good spirits by being open, welcoming and inclusive: this policy promotes transparency as all roles and responsibilities, the funding evaluation, and award process are clearly defined ;
- d) *Piliriqatigiinniq/Ikajuqtiigiinniq*— Working together for a common cause: funding will be managed in a manner consistent with the *Financial Administration Act* and the *Financial Administration Manual*, ensuring accountability of government funds;
- e) *Pilimmaksarniq/Pijariuqsarniq*— Development of skills through observation, mentoring, practice, and effort: all partnerships take into consideration economy, efficiency and effectiveness and will respect Inuit Qaujimajatuqangit in strengthening Nunavut’s economy; and
- f) *Pijitsirniq*— Serving and providing for family and/or community: partnerships are administered in a way that is accountable, sustainable, and responsive to the needs of Nunavummiut.

#### **APPLICATION**

This policy applies to eligible recipients of funding under this policy, and other levels of government that support the goals and objectives of the department.

## **DEFINITIONS**

Audited Financial Statement – a financial statement prepared by an accountant registered under either the *Chartered Professional Accountants Act*.

Contribution – a conditional transfer payment made to a recipient from whom the government will not receive any goods or services directly in return, expect to be repaid, or expect any form of financial return as would be expected in an investment. Contribution payments are conditional on performance or achievement and are subject to audit or other reporting requirements.

Contribution Agreement – a contractual agreement outlining the terms and conditions for a conditional transfer payment made to a recipient from whom the government will not receive any goods or services.

Grant – a transfer payment made to a recipient from whom the government will not receive any goods or services directly in return. A grant is a discretionary payment without financial accountability requirements; however other reporting may be required.

Municipal Corporation – a community-governing body incorporated under the *Cities, Towns and Villages Act* (tax based) or the *Hamlets Act* (non-tax based).

Nunavummi Nangminiqagtunik Ikajuuti (NNI) Regulations – a set of rules providing for preferential treatment in public procurement of Inuit firms, Nunavut businesses and contractors employing Inuit, local or Nunavut labour as set out in the *Nunavummi Nangminiqagtunik Ikajuuti Regulations*, R-023-2017.

Nunavut Resident – an individual who has spent the last twelve (12) months ordinarily residing in Nunavut, maintains a physical residence in Nunavut, and when requested can provide documentation supporting the residency. Proof of residency include, without limitations, a valid Nunavut Healthcare Card and/or other accepted proof such as a Nunavut General Hunting License, a Nunavut Driver's License and a lease or rental receipt.

Schedule of Revenue and Expenses – an un-audited financial report of revenue and expenditures pertaining to a project and signed by the funding recipient.

Society – a society registered under the *Societies Act* (Nunavut) or a not-for-profit corporation registered under the *Canada Not-for-profit Corporations Act*.

## **ROLES AND RESPONSIBILITIES**

### Minister

The Minister of Economic Development and Transportation is accountable to the Executive Council for the implementation of this policy.

The Minister tables annually in the Legislative Assembly a summary of contributions and grants detailing the name of each successful applicant, amount of each

contribution, the type of project being supported, and community.

### Deputy Minister

The Deputy Minister of Economic Development and Transportation is accountable to the Minister for the administration of this policy.

Appeals will be reviewed by the Deputy Minister or designate. The Deputy Minister shall not assign a designate that is, or reports to, the original decision making authority. The Deputy Minister or designate will make final decisions regarding appeals under this policy.

The Deputy Minister establishes clear and transparent procedures and criteria for the allocation of funds under this policy, including specification for:

- Application procedures
- Funding guidelines
- Terms and conditions
- Appeal procedures

### Directors

The Director of Corporate Services of the department is responsible for the financial administration of all grant and contribution programs. Within their mandate, program directors approve or deny all grant or contribution applications.

## **PROVISIONS**

### Financial Conditions

- (a) All provisions contained in the *Financial Administration Act* and the government's *Financial Administration Manual* shall apply to the administration of all grants and contributions issued by the department.
- (b) Prior to the issue of payment, the recipients of a contribution shall sign a conditional Contribution Agreement which contains their project goals and objectives, guidelines for allowable expenditures, completion timeline, reporting and accounting requirements, and any other information requested in the attached schedules for each contribution category.
- (c) Where the required financial reporting is not submitted, the recipient will not be eligible for further funding until the required financial statements indicating that the contribution was expended are submitted, or any amount unaccounted for is repaid.
- (d) Recipients must repay any surplus project funds, disallowed expenses, overpayments or unexpended balances to the government within 30 days of the receipt of an invoice from the government. These amounts constitute debts due to the government.

- (e) Recipients cannot carryover surplus funds from one fiscal year to the next fiscal year unless otherwise stated.
- (f) Under the terms of this policy the government's liability is limited to the amount of funding authorized. As a result, the government will not be responsible for any shortfalls or deficits incurred by the funding recipient.
- (g) Funding in one fiscal year does not guarantee funding in subsequent years.
- (h) The government reserves the right to conduct an audit of any project funded through a grant or contribution program.
- (i) All recipients of contribution assistance must permit the department access to the project site or premises, to inspect all books and other financial statements related to the project, and to obtain any other information necessary for ensuring compliance with the Contribution Agreement or evaluating the success of the project.
- (j) Funding allocated to recipients is based on eligibility and the merits of the project and organization. The budget allocated to the project or organization cannot exceed the program budget provided by the department.

#### General Conditions

- (a) All applicants for funding must disclose if they have applied for funding for the same project from other sources; the total funding for a project may not exceed 100% of the project's eligible costs.
- (b) All applicants for funding must advise the department if they have any outstanding amounts owing to the government, under legislation or an agreement. Such amounts may be set-off against amounts owing to the government.
- (c) Where applicable, projects funded under this policy must meet the necessary approvals by regulatory, municipal and other authorities. This may include meeting health and safety standards, support from community or regional councils, or any other approvals deemed necessary for the project to proceed.
- (d) Recipients must acknowledge the financial support provided by the department in any publication or media coverage arising from their project or activity.
- (e) The government may terminate, suspend or reduce the scope of the agreement if the recipient fails to comply with the terms of the agreement.
- (f) In reviewing and prioritizing applications, the department will consider an applicant's previous record of compliance with reporting and other requirements or commitments made under prior agreements.

- (g) The *Access to Information and Protection of Privacy Act* applies to all aspects of funding under this policy, and of the content, financial management, and general performance of any agreement signed under this policy.
- (h) Recipients must provide communications with and services to the public in Inuktitut, together with any other language used, if any, that are necessary to ensure compliance with section 3 of the *Inuit Language Protection Act* (Nunavut).

#### **APPEAL**

- (a) An applicant for a grant or contribution has the right to appeal a denial of funding.
- (b) Appeals will be reviewed by the Deputy Minister of EDT or designate. The Deputy Minister or designate will make final decisions regarding appeals under this policy as outlined in the schedules of this policy.

#### **FINANCIAL RESOURCES**

In compliance with section 46 of the *Financial Administration Act*, R.S.N.W.T. 1988c.F-4, as duplicated in Nunavut pursuant to the *Nunavut Act (Canada)*, it is a statutory condition that an expenditure pursuant to this policy will be incurred only if there is a sufficient uncommitted balance in the appropriated item for the fiscal year in which the expenditure is required under the agreement.

#### **PREROGATIVE OF CABINET**

Nothing in this policy shall in any way be construed to limit the prerogative of the Executive Council to make decisions or take action respecting the department grants and contributions programs outside the provisions of this policy.

## GRANTS AND CONTRIBUTIONS

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## **SCHEDULE 1: NUNAVUT MINE TRAINING FUND**

### **Purpose**

To maximize the employment opportunities for Nunavummiut from mining and related activities, the *Mine Training Fund* will provide accountable contributions to develop, coordinate, and execute mine training initiatives for Nunavummiut.

### **Program-specific definitions**

#### Mine Training Roundtable (*the Roundtable*)

Committee responsible for allocating Mine Training Fund to training projects for Nunavummiut. The Roundtable is to include representation from territorial and federal government, industry, Inuit organizations, Training Organizations and Funding Organizations.

#### Mine Development

On-site activities of mining construction directly related to the commencement of commercial production.

#### Mineral Exploration

The act or process of work involved in the exploration of land for the purpose of identifying mineral resources.

#### Mineral Extraction

The commercial production phase of a mine's lifecycle.

#### Reclamation

The process of returning mine sites to viable and self-sustaining ecosystems that are compatible with a healthy environment and human activities.

#### Trainee

A Nunavut Resident who is enrolled in a mine training program.

#### Training Organization

An organization which provides training to prepare Trainees for employment in Mineral Exploration, Mine Development, Mineral Extraction or Reclamation.

#### Training Partnership

Co-operative arrangement between two or more members of the Mine Training Roundtable made to serve a common purpose in support of mine training initiatives in Nunavut.

### **Eligibility**

Eligible recipients of program funds are Training Organizations, as defined in this policy and the criteria for the Nunavut Mine Training Fund.

Eligible Training Partnerships are projects that provide training to prepare Nunavut residents for employment in Nunavut.

Eligible costs include costs directly associated with delivering a training program, as well as travel, accommodation and per diem costs for Trainees.

Eligibility is determined by the Mine Training Roundtable. The Coordinator will maintain a record of the rationale for all eligibility decisions.

## **Roles and Responsibilities**

### Minister

The Minister will:

- (a) approve Training Partnerships recommended by the Mine Training Roundtable; and
- (b) table annually in the Legislative Assembly a summary of contributions detailing the amount of each contribution, the partners involved, the number of Trainees, the type of training initiative supported, and the community where each training initiative was held.

### Mine Training Roundtable

The Mine Training Roundtable will assess training needs, solicit proposals, and facilitate training partnerships. The Mine Training Round Table will perform due diligence on proposed Training Partnerships and will recommend dispersals from the Nunavut Mine Training Fund for Ministerial approval.

### Coordinator

Mine Training Coordinator employed by the department (or designated departmental staff acting as Coordinator). Acts as secretary to the Mine Training Roundtable.

## **Review**

The Mine Training Round Table will review proposals and recommend dispersals from the Nunavut Mine Training Fund for DM approval.

## **Supporting Data**

Training Organizations will provide a proposed curriculum and budget for each Training Initiative brought before the Roundtable.

## **Accountability**

Recipients are required to submit a report to the Mine Training Roundtable on the outcomes and benefits achieved by the supported initiatives.

This report will include:

- (a) A schedule of revenue and expenses of the project to include:
  - i. funding sources
  - ii. % of funds expended in Nunavut
- (b) data on trainees:
  - i. Number training positions offered



- ii. Number of applicants
- iii. Number graduates
- iv. Age
- v. Sex
- vi. Nunavut Inuit or not
- vii. Community

On an annual basis the Mine Training Round Table will submit a report to the Minister detailing the projects that were supported.

**Amount**

The maximum contribution is \$200,000 per recipient

**Payment**

Payments will be issued in installments, as per the terms of the Contribution Agreement.

**Term**

Contributions are once per fiscal year only, with a reporting period from April 1st to March 31st of each government fiscal year.

## **SCHEDULE 2: POLICY ON PROGRAM PARTNERSHIPS (PPP)**

### **Purpose**

The department supports the development of healthy communities through business development, organizational development, and community capacity building.

The Policy on Program Partnerships establishes the general terms and conditions by which partnerships with the department will be established with communities, not-for-profit corporations, societies, government agencies, and non-governmental organizations for:

- (a) Business Development
- (b) Organizational Development
- (c) Community Capacity Building

### **Program-specific definitions**

#### Community Economic Development Officer

Normally an employee, or where circumstances dictate, a contractor of a Nunavut municipal government responsible for the delivery of community economic development programs within the community. The Community Economic Development Officer must have a job description that is approved by the department.

#### Community Economic Development

A process by which communities are assisted in initiating and generating their own solutions to common economic problems through an integration of economic, social, and environmental objectives.

#### Nunavut Nangminiqactunik Ikajuuti Regulations (NNI Regulations)

Government of Nunavut contracting regulations for the procurement of goods and services as articulated in Article 24 of the *Nunavut Agreement*.

#### Partnership

Co-operative arrangement between the department and a community and/or non-governmental agency made to serve a common purpose, in which the department and its partner share resources, responsibilities, and decision-making.

### **Eligibility**

Contributions will be provided only when the partner and the department have entered into a formal and binding partnership agreement describing the conditions under which they will meet the objectives of the agreement. The criteria for contributions to eligible partners are detailed in the attached Schedules A, B and C.

### **Roles and Responsibilities**

#### Minister

The Minister shall delegate authority to approve partnership agreements to the Deputy Minister or designate of EDT.

### Department

The department head, or their designated lead senior official, shall develop guidelines for each of the schedules listed in this policy, and establish the terms and conditions of the partnership agreements.

Where a departmental budget line for a grant or contribution program administered under this schedule does not specify a recipient organization, the department may issue a call for proposals and institute a competitive process to administer the funds for that budget line.

### **Review**

The funding proposal is reviewed by EDT program and financial staff and recommendations are made to the Deputy Minister or designate.

### Deputy Minister of EDT

The Deputy Minister of EDT or designate will review and make final decisions on appeals under the Program.

### **Accountability**

#### Accountability Requirements

- (a) The partnership agreement shall state that the Minister remains accountable to Nunavummiut for the delivery of all programs and services under the partnership agreement.
- (b) The partnership agreement shall acknowledge that the relationship between the Minister and the partner is at arm's-length, and that the day-to-day operation of any business directly or indirectly related to this agreement will remain under the management of the partner organization.
- (c) The partnership agreement shall identify a duly authorized lead official from the department who will represent the department's interest in the development and implementation of the Agreement.
- (d) The partnership agreement shall identify a duly authorized lead official from the partner who will represent the partners' interest in the development and implementation of the agreement.
- (e) The partnership agreement shall state that when the partner delivers programs on behalf of the department the partner will observe the highest standards of ethical conduct to maintain public trust and confidence.
- (f) The partnership agreement shall ensure that both partners maintain accurate accounts and records of the revenues and expenditures including all invoices, receipts and vouchers relating to business conducted under the auspices of this agreement, and shall ensure that all financial affairs are undertaken according to generally accepted business and accounting principles.
- (g) Partnership agreements will be monitored and evaluated on their performance, the terms of reference for which will be jointly developed by the partners and included in the partnership agreement.

**Amount**

The total cumulative amount awarded to organizations under this program cannot exceed the contribution budget established annually in the Main Estimates – Summary of Grants and Contributions.

**Payment**

Payment will be made to facilitate the implementation of partner organization's mandates, normally on a quarterly or biannual basis.

**Term**

The department may conditionally approve multi-year partnership agreements, subject to the availability of funds in future years.

## PPP Schedule A: Business Development Programs

### Purpose

To provide core funding to partners delivering *Business Development Programs* on behalf of the department, with the following objectives:

- (a) To stimulate and support business development in Nunavut with partners who deliver complementary programs and services.
- (b) To better integrate programs and reduce duplication of services between business development programs and services of the department, and those offered through other levels of government.
- (c) To simplify decision-making for business development programs in Nunavut.
- (d) To improve access to and communications about, business development programs available in Nunavut.
- (e) To improve and increase training available to businesses and entrepreneurs in Nunavut.
- (f) To provide accurate data and analysis of public investments in business development in Nunavut.

### Eligibility

Societies registered under the *Nunavut Societies Act* or a not-for-profit corporation registered under the *Canada Corporations Act* for the purposes of delivering business programs in Nunavut or in a Nunavut region.

### Partnership Agreement

Partnership agreements for business development shall adhere to the principles of this policy and the objectives outlined in Schedule A. In addition all partners shall provide current and accurate data and planning documents stipulated in the partnership agreement to monitor services and performance in areas where the partnership is expected to achieve results.

## PPP Schedule B: Organizational Development Programs

### Purpose

To provide core funding for *Organizational Development* to organizations delivering programs on behalf of the department, with the following objectives:

- (a) To support the development of Nunavut organizational capacity by assisting individuals working in an economic sector to organize for common cause, representation, and mutual support.
- (b) To provide an effective instrument for the delivery of training by the organizations that will benefit from these programs.
- (c) To stimulate and support sector development through the delivery of complementary programs and services for individuals working in that sector.
- (d) To increase funding available for the development of an economic sector through the support of a non-governmental agency with access to a broad range of funding sources.
- (e) To improve communications and information about the development of a specific economic sector.

### Eligibility

Societies registered under the *Nunavut Societies Act*, and not-for-profit corporations registered under the *Canada Corporations Act* for the purpose of delivering industry-wide programs in Nunavut or in a Nunavut region.

### Supporting Data

Any partnership agreement shall adhere to the principles of this policy and the objectives outlined in PPP Schedule B. In addition all Partners shall provide current and accurate data and planning documents stipulated in the partnership agreement to monitor services and performance in areas where the partnership is expected to achieve results.

## PPP Schedule C: Community Capacity Building

### **Purpose**

To provide contributions for *Organizational Development* to organizations delivering programs on behalf of the department, with the following objectives:

- (a) To facilitate and strengthen community-based economic development in Nunavut through partnerships with Nunavut's municipal governments.
- (b) To support funding for a Community Economic Development Officer.
- (c) To support communities in the implementation of community economic initiatives.
- (d) To strengthen and support the participation of Nunavut communities in economic development opportunities.
- (e) To support implementation and monitoring of the *NNI Regulations*.

### **Roles and Responsibilities**

#### Deputy Minister of EDT

The Deputy Minister of EDT or designate will develop guidelines for eligible activities recognized to support community economic development.

#### Municipal Councils

Municipal Councils will designate responsibility for allocating program funding to projects that they deem to have value for the community, and that meet the eligibility criteria of departmental program objectives.

### **Eligibility**

Eligibility is limited to municipalities in Nunavut incorporated under the *Cities, Towns and Villages Act* or under the *Hamlets Act*.

### **Supporting Data**

Any partnership agreement shall adhere to the principles of this policy and the objectives outlined in PPP Schedule C. In addition all partners shall:

- (a) Provide an approved job description for the community economic development officer as well as an annual plan outlining their expected activities.
- (b) Provide current and accurate data stipulated in the contribution agreement to monitor services and performance in areas where the partnership is expected to achieve results.

### **SCHEDULE 3: SCIENCE EDUCATION ENABLING PROGRAM (SEEP)**

#### **Purpose**

The *Science Education Enabling Program* (SEEP) is intended to support students' interest and enrolment in school math and science courses, and encourage them to pursue further education, skills development and careers in math, science and technology.

The SEEP establishes the general terms and conditions by which the department will encourage and motivate students to excel in academic studies in math and science through:

- (a) Math and Science Awards Fund (Schedule A)
- (b) Independent Science Programs for Youth (I-SPY) Fund (Schedule B)

#### **Program-specific definitions**

##### Qualifying Science Program

A science-oriented extra-curricular program that provides opportunities for Nunavut youth to engage in learning science in a practical and hands on approach. Activities must take place in Nunavut.

##### Nunavut Students

Eligible students in Nunavut up to the maximum age of 21 years.

#### **Eligibility**

Eligibility is limited to Nunavut Students.

Eligible areas of focus include mathematics, technology, geology, computer science, engineering, biology, chemistry or physics.

#### **Roles and Responsibilities**

Director of Minerals & Petroleum

The Director of Minerals & Petroleum or other qualified staff of the department will review and approve the application.

#### **Appeal**

Applicants who are denied a grant under the Science Education Enabling Program may appeal the denial to the Deputy Minister of EDT or designate, who may award a grant to the applicant if a review indicates that this policy was incorrectly applied with respect to the applicant's file, or if additional information exists that would result in a different decision.

The onus is on the applicant to demonstrate that this policy was incorrectly applied in the review of the application and the decision to deny a grant, or in cases where additional information exists the onus is on the applicant to provide the additional information promptly and completely.



## SEEP Schedule A: Math and Science Awards Fund

### Purpose

The *Math and Science Awards Fund* supports students' interest and enrolment in school math and science courses, and encourages them to pursue further education, skills development and careers in math, science and technology.

### Eligibility

Eligibility for grants under the program is restricted to students in Nunavut schools who are enrolled in grade eight, ten or twelve. Eligible students will demonstrate some or all of the following:

- (a) A good level of understanding in math and/or science;
- (b) Good work habits and school attendance;
- (c) A genuine interest, motivation and dedication to learning math and/or science; and/or
- (d) Significant growth or improvement in math and/or science.

### Supporting data

Eligible schools must submit a completed Math and Science Awards Program Application Form for each recipient. The application form will require the signature of the principal and the recipient, and must be submitted to the department four (4) weeks prior to the school's awards or graduation ceremonies. It will include:

- (a) Relevant school information; and
- (b) Recipient's personal information and qualifications.

### Review

The Director of Minerals & Petroleum or other qualified staff of the department will review the application and provide a letter of response to the applicant within 30 days.

### Amount

The program will provide \$800 annually per school and distributed as follows:

- (a) The grade eight recipient will be awarded \$175;
- (b) The grade ten recipient will be awarded \$275; and
- (c) The grade twelve recipient will be awarded \$350.

The awards are to be presented during the school's end-of-year or graduation ceremony and will be accompanied by a letter of congratulations from the Minister.

### Payment

Grants are provided in a lump sum payment.

## **SEEP Schedule B: Independent Science Programs for Youth (I-SPY) Fund**

### **Purpose**

The Independent Science Programs for Youth (I-SPY) Fund will provide funding support to develop and carry out science-based extra-curricular programming for Nunavut youth.

### **Eligibility**

Eligibility for grants under this program is restricted to Not-for-profit Organizations, as defined in this policy, that deliver extra-curricular, Qualifying Science Programs for Nunavut youth.

Eligible costs include costs associated with holding or attending science-related events, and the purchase of equipment or supplies required for the operation of an extra-curricular science program.

Eligibility is determined by the Director of Minerals & Petroleum.

### **Supporting data**

An applicant must submit:

- (a) A signed application form; and
- (b) A proposal which demonstrates that the program to be delivered will engage students in science activities, generate interest in science among students, and promote careers in science.

Additional requirements:

- (a) Proposals must provide sufficient detail to allow the department to assess the educational, scientific and motivational value of the program, and the resources required to deliver it; and
- (b) All grant recipients must sign an agreement agreeing to the terms of the grant prior to issue of the payment.

### **Accountability**

Recipients are requested to disclose in their annual financial statements the details of grants received under this program, including amount, purpose, and disposition.

After completion of the project, recipients will be requested to report on the use of project funds, student participation, and the educational benefits realized by participants.

### **Review**

Each year one or more calls for proposals will be sent to each school and stakeholder organization at times set out in the procedures established by the Minister.

The assessment of new applications from past recipients will take into account the recipient's previous use of funding, as substantiated by project reporting.

**Amount**

Total grants provided under this program will not exceed \$50,000 annually. This program will fund a percentage of the eligible costs of delivering an extra-curricular science program.

The maximum annual grant is normally \$5,000 per recipient, with exceptions possible for projects which involve students from more than one community.

The percentage of eligible costs funded by this program will be 75% for Iqaluit, Rankin Inlet, Cambridge Bay and Baker Lake; 80% for decentralized communities; and 85% for all other communities.

The department may divide the annual amount allocated to this program into amounts in order to support activities at different times of the year, such as summer science camps or science club or science fair activities during the school year. Any such apportionments will be set out in the procedures established by Minister. Grants are provided in a lump sum payment.

**Payment**

Grants are provided in a lump sum payment.

## **SCHEDULE 4: SMALL BUSINESS SUPPORT PROGRAM (SBSP)**

### **Purpose**

The department is committed to supporting small businesses and community-based economic development by providing assistance to new and existing small businesses through investment in new business attraction, retention and expansion.

The *Small Business Support Program* establishes the general terms and conditions by which small business support and entrepreneur development funding will be provided by the department through:

- (a) Small Business Opportunities Fund (Schedule A)
- (b) Entrepreneur Development Fund (Schedule B)
- (c) Sustainable Livelihood Fund (Schedule C)

### **Program-specific definitions**

#### Nunavut Business

A business which complies with the legal requirements to carry on business in Nunavut, and meets any of the following relevant criteria:

- (a) Is a limited company with at least 51% of the company's voting shares owned by Nunavut Residents, or
- (b) Is a corporation without share capital with at least 51% of the members being Nunavut Residents, or
- (c) Is a cooperative with at least 51% of the residents' voting shares owned by Nunavut Residents, or
- (d) Is a sole proprietorship, the proprietor of which is a Nunavut Resident, or
- (e) Is a society with at least 51% of the memberships owned by Nunavut Residents, or
- (f) Is a partnership, the majority interest in which is held by Nunavut Residents and in which the majority benefits accrue to Nunavut Residents, or
- (g) A business listed in the *Nunavummi Nangminiqagtunik Ikajuuti* Business Directory.

The business must also:

- (a) Maintain a registered office in Nunavut on an annual basis for the primary purpose of operating the subject business;
- (b) Maintain a Resident Manager within Nunavut; and
- (c) Undertake the majority of its day-to-day operations within Nunavut.

#### Nunavut Small Business

A Nunavut small business includes any of the following:

- (a) Nunavut Business, typically with less than \$500,000 in annual gross sales or fewer than 10 employees.
- (b) The Nunavut-based individual or business in a joint-venture or partnership of a corporation.
- (c) Artist, craftsperson or performing artist who makes all or part of their income

through the sale of products they produce or plan to produce.

- (d) Renewable resource harvester who earns part or all of their income from the sale of renewable resource products they harvest, or plan to harvest from available commercial quotas, agriculture, or similar sources.

### **Accountability**

Applicants must submit a final project report which must include at minimum:

- (a) Copies of receipts for approved incurred project costs;
- (b) Schedule of revenues and expenses; and
- (c) Final reporting on project outcomes.

### **Review**

The department will review applications and provide a preliminary response to the applicant within 15 working days of receipt.

### **Payment**

Payments will be issued in installments, as outlined in the terms of the Contribution Agreement.

### **Term**

Contributions are normally once per fiscal year only, with a reporting period from April 1st to March 31st of each government fiscal year. The department may conditionally approve multi-year projects, subject to availability of funds in subsequent years.

### **Appeal**

In the event that an applicant is not satisfied with the application decision, the applicant may appeal to the department head in writing no later than 30 days following the date that the applicant has received notification of the decision. Grounds for appeal will only be considered if:

- (a) New information which affects the applicant's demonstrated need, viability or proposed benefits becomes available after an application has been submitted, and a decision made; or
- (b) Cause to believe that the provisions of this policy and the criteria for the SBSP were not fairly and adequately applied.

## **SBSP Schedule A: Small Business Opportunities Fund**

### **Purpose**

The *Small Business Opportunities Fund* supports new and expanding small businesses managed by capable entrepreneurs who have identified promising business opportunities. The fund provides accountable contributions to offset costs associated with a wide range of planning, start-up, expansion, and marketing activities. The fund also provides assistance for small businesses facing viability or wind-down challenges.

### **Eligibility**

Nunavut Small Businesses and Residents. Applicants may be required to show proof of capability through completion of business skills training or past business success.

### **Eligible activities**

Financial Assistance may be provided for the following eligible activities:

- (a) Costs associated with business planning, feasibility and engineering studies, legal and regulatory costs, and other pre-establishment or pre-expansion development costs. Assistance is limited to a maximum of 75% of eligible costs.
- (b) Access to professional services to support the Nunavut interest within a partnership or joint venture. Assistance is limited to \$5,000 per recipient.
- (c) Establishment of demonstration or pilot projects to test the application of new technology such as the purchase of equipment and materials, leasing of equipment and/or facilities, and contracted costs of technical support. Assistance is limited to a maximum of 80% of eligible costs.
- (d) Acquisition or development of capital assets such as buildings and land, equipment, leasehold improvements, and site development costs. Assistance is limited to 50% of total eligible costs.
- (e) Assistance to fill gaps in working capital for small businesses during start-up or major expansions. Maximum assistance is limited to \$25,000.
- (f) Market development and product launch into new markets, including support for trade show participation and developing/maintaining contacts in local and export markets. Assistance is limited to a maximum of 70% of eligible costs.
- (g) Access to professional services to identify problems prior to developing a recovery plan or to develop a recovery plan. Assistance is limited to a maximum of \$25,000 of eligible costs.

### **Supporting Data**

Applicants must submit a completed and signed application form, as well as supporting information required to assess eligibility and need. This may include:

- (a) For business research/planning assistance, a plan outlining the activity and including a detailed budget, schedule and cost quotations.
- (b) For demonstration/pilot projects, a development plan which outlines the scope and intent of the project, including a detailed budget, schedule, cost quotations, and any supporting technical documentation.
- (c) For capital asset acquisition/development, the business rationale for the acquisition should be provided, along with a detailed budget, schedule of

activities, cost quotations, and any supporting documentation deemed appropriate.

- (d) For market development assistance, a three-year marketing plan which shows how the proposed contribution will help the applicant to penetrate a new market or market a product.
- (e) In the case of wind down assistance, an undertaking from the principal shareholders that the business will actually be wound down.
- (f) All applicants are expected to indicate the outside services to be used in the project, including consulting fees, printing, translation, freight, legal and other contracts.
- (g) Historical financial statements may be requested.

Applicants may be required to submit additional information, if requested, appropriate to the nature and amount of the requested assistance.

**Amount**

A recipient may access funding under this schedule which shall not exceed \$100,000.

**Payment**

Payments will be issued in installments, as outlined in the terms of the Contribution Agreement.

**Term**

Contributions are normally once per fiscal year, with a reporting period from April 1st to March 31st of each government fiscal year. The department may conditionally approve multi-year projects, subject to availability of funds in subsequent years.

## **SBSP Schedule B: Entrepreneur Development Fund**

### **Purpose**

The *Entrepreneur Development Fund* supports the acquisition of foundational entrepreneurship and business skills by Nunavut residents and businesses by improving the availability of on-going assistance to small business operators. The fund will also help to build the capacity of Nunavut organizations and business service-providers to deliver services and training in the areas of entrepreneurship capacity, business aftercare or tourism safety and risk management.

### **Eligibility**

Nunavut Businesses, Residents and Organizations.

### **Eligible Activities**

Financial Assistance may be provided for the following eligible activities:

- (a) Establishment of business aftercare programs by Nunavut organizations. Assistance is limited to a maximum of 80% of the additional cost for program delivery.
- (b) Where no relevant services are offered by Nunavut organizations, purchase by individual businesses for required aftercare services from other sources of entrepreneurial, management, and business capacity support is eligible. Assistance is limited to a maximum of 70% of eligible costs.
- (c) Eligible activities must fall into one or more of the following categories: entrepreneur development, business aftercare, or tourism safety and risk management.

### **Supporting Data**

Applicants must submit a completed and signed application form, as well as supporting information required to assess eligibility and need. This may include:

- (a) For Nunavut Organizations delivering services, a detailed plan of the entrepreneur development, business aftercare, or tourism risk management program to be delivered. This plan should outline the rationale and benefits of the program, identify the anticipated clients who will use the services, identify the qualifications of the people who will provide services, and provide a detailed budget.
- (b) For individuals and businesses, a description of the services to be acquired on the 'open market', the business rationale for seeking these services, the qualifications of the service-provider, and a detailed budget.

### **Amount**

A recipient may access funding under this schedule which shall not exceed \$100,000.

### **Payment**

Payments will be issued in installments, as outlined in the terms of the Contribution Agreement.



**Term**

Contributions are normally once per fiscal year, with a reporting period from April 1st to March 31st of each government fiscal year. The department may conditionally approve multi-year projects, subject to availability of funds in subsequent years.

## **SBSP Schedule C: Sustainable Livelihood**

### **Purpose**

The *Sustainable Livelihood Fund* provides access to small-scale contributions for tools, equipment and other expenses necessary for operation in the small business, arts and crafts, community-based tourism, and traditional economy sectors. The purpose of the program is to support small businesses, which employ others, self-employed entrepreneurs, arts and crafts producers, or commercial renewable resource harvesters.

### **Eligibility**

Small Businesses, self-employed entrepreneurs, outfitters, guides, adventure tour operators, arts and crafts producers, or commercial renewable resource harvesters.

### **Eligible Activities**

Financial assistance will be limited to the following eligible items:

- (a) Assistance in overcoming immediate problems involving legal or accounting expenses or to assist with required minor capital expenditures or extraordinary costs which, if not provided, may threaten the continued viability of the business. Minor capital items may also be funded where required and beneficial and where other sources of funding are unavailable.
- (b) Assistance to arts and crafts producers and renewable resource harvesters for the purchase of tools and equipment to assist them in increasing their level or quality of production and income or defraying overall costs of operation.

### **Supporting Data**

Applicants must submit a completed and signed application form. Applicants will be expected to provide the following:

- (a) indication of need, including disclosure of any other funding to be applied for or received;
- (b) demonstration of commitment to the future of the business activity;
- (c) estimated income and employment generation;
- (d) cost quotations for goods or services to be purchased;
- (e) application for a license (Nunavut outfitters and adventure tour operators); and,
- (f) other relevant information related to the proposal requested by the department.

### **Amount**

Maximum assistance available is \$10,000 for the lifetime of the applicant, or \$5,000 per application. Where exceptional need can be demonstrated, the limit per application may be increased.

### **Payment**

Payments will be issued in installments, as outlined in the terms of the Contribution Agreement.

### **Term**

Contributions are normally once per fiscal year only, with a reporting period from April 1st to March 31st of each government fiscal year. The department may conditionally approve multi-year projects, subject to availability of funds in subsequent years.