

Indian and Inuit Management Development Program Policy

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Authority

TB Decision (March 2005) - *Indian Government Support* contribution programs

Program Overview

Intended to facilitate effective community governance and the efficient delivery of services, *Indian and Inuit Management Development* is a proposal-driven program which supports good management practices and training within the band council and staff through the five elements of the program which include:

- (1) *Management Education* funding to post-secondary institutions for the development of pre-management courses for Indian and Inuit people wanting to pursue management training but lacking the prerequisite academic background;
- (2) *Management Development and Training* funding to bands for the identification of specific management requirements, development of plans to meet these requirements and to implement these plans;
- (3) *Orientation and Community Awareness* funding for councils, bands and community members to increase awareness of roles and responsibilities of, and services provided by, their local government (such as the design and presentation of a short orientation course for new Band Council members on local Indian government or a similar course for Band members on the role and responsibilities of their Council);
- (4) *Advisory Support* funding to bands to purchase the services of consultants or other professionals aimed at specific management needs; and
- (5) *Institutional Support* funding to contribute to: management training institutes to develop specialized training courses for individual Indian persons wishing to pursue careers in management and for band managers wishing to improve existing skills with the objective of improving bands' management capacities. It also aims to provide funding to Indian organizations to study the feasibility of establishing specialized local institutions to design and deliver management training to band members.

The *Indian and Inuit Management Development* program can be funded through a Contribution and a *Flexible Transfer Payment*.

This program policy applies to the contribution funded elements of the *Indian and Inuit Management Development* program. This program policy also applies to the *Flexible Transfer Payment* funded elements of the *Indian and Inuit Management Development* program, in conjunction with the *Flexible Transfer Payment* terms and conditions.

The *Indian and Inuit Management Development* budget allocated to the *Canadian Executive Services Organization, Aboriginal Services Division*, which is funded through a *Flexible Transfer Payment*, is managed by INAC Headquarters. The remaining *Indian and Inuit Management Development* funding is allocated by Headquarters to regions through formula-based regional global core budgets. Regional offices are responsible

for allocating program funds to eligible recipients. Delivery approaches vary among the regions. Bands, Inuit communities and other eligible recipients submit funding proposals to regional offices based on requirements specified in regions' training strategies. Regions fund approved projects through funding arrangements which specify each recipient's reporting requirements on the conduct and results of projects. Regional offices and the *Canadian Executive Services Organization* report to Headquarters on *Indian and Inuit Management Development*-supported projects. These reports are analysed to assess the use of funds related to program objectives and to gather quantitative and qualitative data to support program management.

Note: The Indian and Inuit Management Development Program Report will be revised for 2005-2006 to reflect the current DIAND Results Framework.

Objectives and Results

Indian and Inuit Management Development, as one of the programming components of the Departmental Results Framework, contributes to the ultimate goal of improving the quality of life and increasing self-reliance of band communities by strengthening and facilitating effective governance by local governments, which is essential to communities' socioeconomic development.

The objectives of *Indian and Inuit Management Development* are to:

- (1) increase awareness and knowledge among bands and Inuit communities of generally accepted practices of management;
- (2) improve the ability of communities to articulate their management capabilities and evaluate management development requirements; and
- (3) make available management training and development programs suited to the requirements of bands and Inuit communities.

The key results to be achieved through *Indian and Inuit Management Development* include the formulation, implementation and enforcement of band policies and regulations, the selection of representatives, and the efficient delivery of services to citizens in a manner that enhances social and economic well-being and is reflective of, and responsive to, their communities' needs and values. *Indian and Inuit Management Development* contributes to stable local governments which are accountable and transparent to both their citizens and to the federal government.

Eligible Recipients

In this submission "Inuit," within the scope of this program, refers only to the Inuit communities of Northern Quebec.

Eligible recipients for each of the program elements are:

Management Education

Accredited Canadian universities, management schools, or colleges including Indian post-secondary education institutions.

Management Development and Training

Indian bands, Indian organizations including tribal councils, and Inuit communities and organizations of Northern Quebec.

Orientation and Community Awareness

Indian bands, Indian organizations, including tribal councils, Inuit communities and organizations of Northern Quebec.

Advisory Support

Canadian Executive Services Organization, Indian bands or Indian organizations, including tribal councils, Inuit communities and organizations of Northern Quebec that can provide programs of management advisory services to local Indian/Inuit governments or organizations.

Institutional Support

Canadian colleges and universities, Indian and Inuit educational institutions, and Indian and Inuit organizations with a demonstrated capacity to plan, design and deliver management education programs and courses.

Stacking Provisions

Proposals for funding from each recipient shall address the requirement for the recipient to declare any and all prospective sources of funding for the program or project, inclusive of all federal, provincial, territorial or municipal government (total government assistance) and other sources that are expected to be received. The maximum level of total government assistance will not exceed 100% of eligible expenditures. In the event that the financial reporting shows more than one source of funding for the program or project in excess of \$100,000, then the repayment of any amount exceeding the total government assistance limit will be calculated on a pro-rated basis and recipient shall reimburse INAC the calculated amount.

Third Party Delivery

Where the recipient delegates authority or transfers program funding to an agency (e.g. a board, council, committee or other entity authorized to act on behalf of the recipient),

the recipient shall remain liable to the Minister and to its members for the performance of its obligations under the funding agreement. Neither the objectives of the programs nor the expectations of transparent, fair and equitable service shall be compromised by this delegation or transfer of funds.

Application Requirements

When a recipient hires staff or contracts with a consultant to work on the *Indian Government Support* program and the employee or consultant is a former public office holder he or she must respect and comply with the Conflict of Interest and Post-Employment Code for Public Office Holders and the Conflict of Interest and Post-Employment Code for the Public Service (2003). Recipients who are former public servants must respect and comply with the Values and Ethics Code for the Public Service. Where an applicant employs or has a major shareholder who is either a current or former (in the last twelve months) public office holder or public servant in the federal government, compliance with the Code(s) must be demonstrated.

Management Education

The education institution submits a funding proposal for the development of pre-management entrance and management courses/programs to the regional office. All funding proposals will include the details of the proposed course/program, budget, results reporting process and confirmation of support by the Indian and/or Inuit interested organization(s).

Management Development and Training and Orientation and Community Awareness

Eligible recipients must submit a project funding proposal to the regional office for completion of a management assessment, a new or updated management development plan, or activities identified in the existing management development plan. The proposal would include a proposed budget, and undertaking to report on the activities specified in the proposal, duly completed and signed by a quorum of council. Activities in the management development plan can include training, the design and implementation of appropriate management systems, and the development and dissemination of information by the band council to its electorate.

Tribal councils, Indian organizations and associations, and Inuit communities and organizations in Northern Quebec may also submit project proposals to the regional office. These project submissions must contain the same information as required for individual band submissions.

Advisory Support

Indian band and Inuit councils must submit funding proposals to the regional office which identify through their management development plans the activities which require management and technical advice and the related costs.

The *Canadian Executive Services Organization* advisory services are arranged through funding arrangements at Headquarters. The *Canadian Executive Services Organization* submits an annual program proposal and budget for the following fiscal year stating their program objectives and services to be rendered and undertaking to report on the activities specified in the proposal. Administration costs of this program are arranged through Headquarters.

Other such non-governmental developmental organizations must apply directly to the regional office stating their program costs, objectives and the services they propose to offer.

Institutional Support

The education institution submits a funding proposal for the planning, design, development, and delivery of Indian management courses and programs to the regional office. All funding proposals will include the details of the proposed course/program, budget, results reporting process and confirmation of the support by the Indian and/or Inuit organization(s).

Indian or Inuit organizations may submit a funding proposal to conduct a feasibility study for the establishment of a specialized local Indian management training institution to the regional office.

Eligible Expenditures

The *Indian and Inuit Management Development* program may contribute funds to support management development activities such as:

- development and implementation of management development plans;
- development of Indian and Inuit pre-management entrance and management education courses and programs by post-secondary institutions;
- development and implementation of community communication, orientation and awareness plans in order to provide management information to community members;
- management training of council and staff;
- purchase and or development, and implementation, of management systems; and
- purchase of professional, technical management support.

Maximum Amount Payable

Management Education

The maximum amount payable to an eligible recipient is \$150,000 in one fiscal year.

Management Development and Training

The maximum amount payable to an eligible recipient, is \$200,000 in one fiscal year.

Orientation and Community Awareness

The maximum amount payable to an eligible recipient, is \$200,000 in one fiscal year.

Advisory Support

The maximum amount payable to an eligible recipient is \$1.6 million in one fiscal year.

Institutional Support

The maximum amount payable to an eligible recipient is \$150,000 in one fiscal year.

Basis and Timing of Payment

Contributions are normally paid on the basis of achievement or performance objectives or as reimbursement of expenditures incurred. Payments are made based on a cash flow forecast from the recipient and will not exceed the payment frequency as set out in the Cash Management Policy (Policy on Transfer Payments, Section 7.6).

INAC contribution arrangements with Indian bands do not have explicit hold back provisions. Instead, recipients are advised in the agreement that: “funding otherwise payable under this Arrangement may be withheld by the Minister, if the Audit and reports are not provided by the Council to the Minister as required under this Arrangement or its predecessor. Any amounts so withheld shall be paid by the Minister to the Council, within forty-five (45) days of the submission of the reports.”

For all other recipients, INAC will hold back up to 20 percent of the funding allocated for this service, until the recipient submits final and acceptable financial and other reports according to the requirements set out in the contribution arrangement.

Funding Level Changes

Contribution arrangements contain a requirement that any payment made is subject to there being an appropriation by Parliament for the fiscal year in which the payment is made. This clause is based on section 40 of the *Financial Administration Act*, which also provides authority for INAC to cancel or reduce contribution arrangements and payment in the event that departmental funding levels are changed by Parliament.

All other recipients are advised through program literature, and when funding proposals are made and approved, that payments may be cancelled or reduced in the event that departmental funding levels are changed by Parliament. In these cases, the "level of funding changed by Parliament" clause is included in funding arrangements.

Annex 1

Indian Government Support Program

Summary

As bands and Inuit communities have assumed primary responsibility for the provision of programs and services to their members over the past two decades, five distinct but related programs have evolved as sources of support to their governments and public institutions. Referred to as the *Indian Government Support* programs, they include: *Band Support Funding, Band Employee Benefits, Tribal Council Funding, Band Advisory Services* and *Indian and Inuit Management Development*. These programs constitute the foundation for the development and maintenance of community governments, institutions and regional delivery organizations. Band governments, through an array of institutions and organizations, now directly administer 85% of INAC-funded programs and services including education, social assistance and social support services, housing and community infrastructure (source: Basic Departmental Data, 2003, p.69).

Objectives

The goal of *Indian Government Support* programming is to provide bands with assistance for the establishment and maintenance of effective local governance and administrative systems and the provision of programs and services to their members. *Indian Government Support* is provided for a variety of functions, including: pension and benefit regimes for eligible band employees; capacity development and training; and, where feasible and desirable, the regional administration of programs and services through tribal councils.

Annex 2

Definitions

Administrative staff: Staff who support both the Band Council and Program staff such as secretarial, clerical and financial management personnel.

Band Council or First Nation refers to the council of a band as defined in the *Indian Act*.

Band employees: For the purpose of the *Indian and Inuit Management Development Program*, “Band employees” is not defined as being all inclusive but rather is defined as those positions directly related to Band government. The program focuses on two distinctive eligible Band Staff classifications. These are administrative and program staff.

Canada/First Nations Funding Arrangement or *DIAND/First Nations Funding Agreement*: A five-year funding arrangement structured to include:

- (i) multi-year funding under the *Alternative Funding Arrangement* funding authority; annual targeted funding under *Contribution* funding authority and *Flexible Transfer Payment* funding authority; and
- (ii) funding from other government departments. The *Canada/First Nations Funding Arrangement* is an optional funding arrangement available to those First Nations and Tribal Councils who wish to have flexibility to design programs and apply allocated funds to programs and services that address community needs and priorities. The funding arrangement is conditional on meeting the entry criteria for *Alternative Funding Arrangement* eligibility and meet both the *Alternative Funding Arrangement* terms and conditions and certain specified minimum program requirements as outlined in this program policy are met, and who meet specific *Alternative Funding Arrangement* entry criteria.

Community: A location where band members reside and which is acknowledged to be a federal responsibility in whole or in part.

Comprehensive Funding Arrangement: The basic annual funding arrangement INAC uses to transfer annual funding to recipients for program delivery and which is structured to include the following authorities: Grant, Contribution and *Flexible Transfer Payment*;

Contribution: A conditional transfer in accordance with specific program terms and conditions and based on reimbursing for specific expenditures. Unexpended balances or unallowable expenditures are debts due to the Crown.

Contribution Arrangement: An arrangement INAC enters into which requires significant interaction between the department and eligible recipients for the management of specific programs or projects. Funding is based on reimbursing for eligible expenditures. Unexpended balances or unallowable expenditures are debts due to the Crown.

Department: The Department of Indian Affairs and Northern Development.

DIAND/First Nations Funding Arrangement: See *Canada/First Nations Funding Arrangement*.

Education and Training Institutions means any organization recognized and duly certified by a province for the provision of education and training courses and programs at the post-secondary level, and Indian controlled training institutions which may or may not be affiliated with certified Canadian Institutions of higher learning having the capacity to provide management development services to Indian bands.

Eligibility: To fulfil criteria as determined by the Department. (See individual Indian Government Support component program policies.)

Flexible Transfer Payment: A conditional transfer in accordance with specific program terms and conditions and based on a predetermined fixed amount of expenditure. Unexpended balances are not debts due to the Crown provided program terms and conditions have been met.

Funding Arrangement: The agreement under which funds are transferred to the Band and/or Tribal Council, including:

- (a) Contribution Arrangements;
- (b) *Alternative Funding Arrangements*; and
- (c) Any other mechanism authorized from time to time by Treasury Board.

Indian Band: As defined by the *Indian Act*.

Indian Government Support System: The authoritative source for *Indian Government Support* program data.

Information activities: These activities are intended to enable the band to convey to its electorate information pertaining to the civic affairs of the band. These would include information pertaining to the roles, responsibilities, tasks and services rendered and may take the form of publications, community meetings and workshops.

Inuit refers, in the context of *Indian and Inuits Management Development Program*, to the 13 Inuit communities of Northern Quebec.

Management Development Activity means an activity that is intended to improve the level of management knowledge and skills present within the band council and staff, including the introduction of new skills and knowledge. The management development activity may be classified into three categories:

- Training activities
- Information activities
- Management system development activities.

Management Development Plans: Documented plans developed by eligible recipients to identify the management needs of the band, Indian organization or Inuit community, and activities which can meet these needs.

Management system development activities: These activities include all activities which are intended to plan, design and/or implement appropriate management systems within a band council and its administration. These include financial, accounting and management systems, filing systems and others.

Program staff manage and deliver the programs and services of band councils, e.g. construction, welfare, social services, education can be identified as program activities. Program staff training in activities of a vocational, technical or professional nature should be considered for sponsorship under the employment services program of the Department of Human Resources and Skills Development Canada.

Service Delivery: The administration of any departmental service for which Indian organizations can be funded by the Department.

Service: Activity funded by Indian and Inuit Affairs Program, INAC.

Training activities: These activities are designed to increase the level of management, administrative and leadership skills of specific officials, or the governing body of an Indian band or organization. These activities may be delivered through post-secondary institutions, Indian Management Training Institutes, consultants, and by Indian people in accordance with Band Management Development Plans.

Tribal Council: An organization established by a number of bands with common interests who voluntarily join together to provide advisory and/or program services to member bands. This excludes district liaison councils, political bodies and single service agencies (e.g. education authorities, child welfare agencies, housing authorities).

Annex 3

Responsibilities and Procedures

1. Responsibilities

The development of the management capacity of an Indian band council or Inuit community council and staff is the responsibility of the band or Inuit community council. The activities to develop this capacity include the training of staff, the design and implementation of appropriate management systems and the development and provision of information by the band or Inuit community council to its electorate.

Band managers and their councils interested in participating in the program are responsible for the:

- (a) preparation of management development plans;
- (b) execution of the plans;
- (c) establishment of an accountability system to their membership for progress of the plan; and
- (d) provision to departmental regional officers of data on training activities undertaken by them.

Responsibility for the overall administration and performance of the *Indian Government Support* program is assigned to the Program Governance Directorate, Lands and Trust Services. The directorate is responsible for developing, preparing and circulating all program directives and operational procedures related to *Indian Government Support* programs and coordinating departmental activities in relation to departmental audit and evaluation recommendations.

The Director, Corporate Information and Management Directorate (CIMD) in Headquarters is responsible for the overall administration of the National Indian Government Support System (IGSS) which is used to determine eligible funding levels and performance reporting. The Director, CIMD, or his/her delegate, provides regional database support and training. The regions are responsible for gathering the relevant data and entering it in the system.

Regional offices are responsible for the funding, monitoring and support functions associated with the program. Regions ensure that all funding applications and annual reports comply with this program policy. Regions input the information into the regional database and submit this annually to Headquarters.

Headquarters Finance is responsible for managing the allocation process for the *Indian and Inuit Management Development* program.

2. Procedures

The *Indian and Inuit Management Development* budget allocated to the *Canadian Executive Services Organization* Aboriginal Services Division, which is funded through a *Flexible Transfer Payment* is managed by INAC Headquarters.

The remaining *Indian and Inuit Management Development* funding is allocated by Headquarters to regions through formula-based regional global core budgets. Regional offices are responsible for allocating program funds to eligible recipients. Delivery approaches vary among the regions.

Bands, Inuit communities and other eligible recipients submit funding proposals to regional offices based on requirements specified in regions' training strategies.

Regions fund approved projects through funding arrangements which specify each recipient's reporting requirements on the conduct and results of projects.

Regional offices and *Canadian Executive Services Organization* report to Headquarters on *Indian and Inuit Management Development*-supported projects. These reports are analysed to assess the use of funds related to program objectives and to gather quantitative and qualitative data to support program management.

The process for recipients to access *Indian and Inuit Management Development* resources varies depending on which element of the program is involved. The procedure to be employed for each element is as follows:

Management Education

A request for funds under the Management Education program component should be made to the regional office by September 30th of each year. Early requests for funds will enable all proposals to be reviewed and decisions made by HQ early in the post-secondary academic year to enable sufficient course planning and development time.

These requests will be reviewed prior to final decision in consultation with regional officials and Indian leadership.

Individuals who wish to attend the pre-management course should discuss their plans with their regional education counsellors, their Band Council and notify the university/college offering the program of their interest.

Financial assistance for students may be available on an application basis under the Department's Post-secondary Education Program by applying to First Nations or their administering organizations. Eligible expenditures may include tuition and other compulsory student fees, books, and supplies; travel and living allowances for funded students and their dependents.

Management Development and Training and Orientation and Community Awareness

Funds may be available to Indian bands and Inuit communities upon acceptance of their Management Development Plans by the regional office.

Funds will be available to tribal councils and Indian organizations and associations on a project submission basis to the regional office. The project submission must contain the same information as required for Band Management Development Plans.

Advisory Support

- (a) The band council or Inuit community should identify, as part of their yearly Management Development Plan, those activities which require management and technical advice and identify the related costs.
- (b) Advisory Support funds should be made available through the same agreement which provides management development and training funds.
- (c) *Canadian Executive Services Organization* advisory services are arranged through contractual arrangements at Headquarters.

Canadian Executive Services Organization retired businessmen volunteers serve as management councillors and advisors to bands and Inuit communities. Administration costs of this program are arranged through Headquarters.

- (d) In regions, other such non-governmental developmental organizations would apply directly to the regional office stating their program objectives and services to be rendered. These proposals will be reviewed in consultation with a regional committee comprised of Indian or Inuit and appropriate program representatives for the purpose of reviewing proposals and authorizing funding.

Institutional Support

- (a) Educational institutions should contact the regional office outlining the proposed course or program and the related costs.
- (b) The regional office, by October 30th of each year, assess from universities and colleges within their region, the number of Status Indians and Inuit registered in Indian management programs;
- (c) Indian or Inuit organizations who wish to conduct needs or feasibility studies for Indian or Inuit management training institutes should contact the regional office regarding the proposed study.

Dispute resolution

Disputes regarding the application of this program policy will be adjudicated, in the first instance, by the Regional Director General. If a satisfactory resolution is not achieved, the matter must be referred to the Director General, Governance, at Headquarters.

Annex 4

Frequently Asked Questions

When will the *Indian and Inuit Management Development* program be modernized?

Some work was done in 2004 to determine some of the issues which will require examination towards developing a proposal for a modernized *Indian and Inuit Management Development* program. The department completed a formal evaluation of the program in 2004. Treasury Board has approved a program funding authority to continue the *Indian and Inuit Management Development* program without any changes to the program's terms and conditions for three years from April 1, 2005 to March 31, 2008. During this period, the department will be taking action to address the evaluation findings including proposed program renewal options by:

- developing discussion papers and a consultation strategy jointly with its First Nation partners for program renewal;
- undertaking consultations with First Nations and other stakeholders;
- presenting proposed options for program renewal to the Minister; and
- implementing a renewed program by April 1, 2008.

Annex 5

Related Internet Links

Audit of the Tribal Council Funding (March 1997)
http://www.ainc-inac.gc.ca/pr/pub/ae/au/94-23_e.html

Band Support Funding Program Evaluation (2003)
http://www.ainc-inac.gc.ca/pr/pub/ae/ev/01-23_e.html

Canada/First Nations Funding Agreement National Model for use with First Nations and Tribal Councils for 2005/2006
http://www.ainc-inac.gc.ca/pr/pub/cana_e.html

CESO Aboriginal Services
http://www.ceso-saco.com/ab_services.htm

CESO Aboriginal Services Evaluation Summary Report (June 1998)
http://www.ainc-inac.gc.ca/pr/pub/ae/ev/96-25_e.html

Comprehensive Funding Arrangement National Model for use with Recipients other than First Nations and Tribal Councils for 2005-2006
http://www.ainc-inac.gc.ca/pr/pub/compnmr_e.html

Comprehensive Funding Arrangement National Model for use with First Nations and Tribal Councils for 2005-2006
http://www.ainc-inac.gc.ca/pr/pub/compfn_e.pdf/

Conflict of Interest and Post Employment Code for Public Office Holders
http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/mg-ldm/gfmo_e.asp

Conflict of Interest and Post-Employment Code for the Public Service
http://www.tbs-sct.gc.ca/archives/hrpubs/tb_851/cip_e.asp

Departmental Performance Report (DPR) 2003-2004)
http://www.ainc-inac.gc.ca/pr/est/index_e.html

DIAND/First Nations Funding Agreement National Model for use with First Nations and Tribal Councils for 2005/2006
http://www.ainc-inac.gc.ca/pr/pub/fundi_e.html

Evaluation of the Indian and Inuit Management Development Program (2004)
http://www.ainc-inac.gc.ca/pr/pub/ae/ev/03-08/03-08_e.pdf

First Nations National Reporting Guide (INAC)
http://www.ainc-inac.gc.ca/pr/pub/fnnrg/index_e.html

First Nations Profiles

http://sdiprod2.inac.gc.ca/FNProfiles/FNProfiles_home.htm

Gathering Strength Professional Development Program

http://www.ainc-inac.gc.ca/ps/lts/ppc_e.html

Indian Government Support Forms

http://ainc-inac.gc.ca/frm/pgd_e.html

Report on Plans and Priorities (RPP) 2004-2005

http://www.ainc-inac.gc.ca/pr/est/index_e.html

Report on Plans and Priorities (RPP) 2005-2006

http://www.ainc-inac.gc.ca/pr/est/index_e.html

The Indian Act

<http://laws.justice.gc.ca/en/i-5/74596.html>

Treasury Board Secretariat Transfer Payments Policy (2000)

http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/tbm_142/ptp_e.asp

Tribal Council Funding Program Policy Evaluation (June 1997)

http://www.ainc-inac.gc.ca/pr/pub/ae/au/94-23_e.html

Values and Ethics Code for the Public Service

http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/tb_851/vec-cve1_e.asp

Year-End Reporting Handbook for First Nations, Tribal Councils and First Nation Political Organizations

http://www.ainc-inac.gc.ca/pr/pub/yrh/yrh01_e.html