

# **First Nations Child & Family Services & Jordan's Principle Capital Delivery Guide:**

**To Support the Funding of Capital and Other Related Costs Based on the  
Canadian Human Rights Tribunal  
Orders Dated November 16, 2021  
(Amended January 18, 2022)**

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Indigenous Services  
Canada

Services aux  
Autochtones Canada

Canada

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## OVERVIEW: Approach for Implementing 2021 CHRT 41

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### First Nations Child and Family Services (FNCFS) Program

The [FNCFS Program](#) oversees and provides contribution funding to support the holistic and culturally appropriate delivery of prevention services (including early intervention and least disruptive measures), protection services, post-majority support services, First Nations Representative Services and capital funding. In order to prevent and respond to child maltreatment, and to support family preservation and well-being, including cultural and linguistic connections for First Nations children, youth and families on reserve or in the Yukon.

Details related to capital funding under the FNCFS Program can be found in Chapter 1.

### Jordan's Principle

[Jordan's Principle](#) ensures that First Nations children living in Canada can access the products, services and supports they need, when and where they need them.

Details related to capital funding under Jordan's Principle can be found in Chapter 2.

### Objective

This Capital Delivery Guide describes Indigenous Services Canada's (ISC) approach to implementing the 2021 CHRT 41 order on capital and explains how funding requestors can access capital funding to meet their service delivery standards and/or programming needs. The approach for implementing 2021 CHRT 41, was designed to enable First Nations, FNCFS agencies and First Nations authorized Jordan's Principle service providers with access to capital funding in a way that is streamlined, timely, addresses actual needs, and minimizes administrative burden. ISC will exercise a "reconciliation first" approach when receiving, processing and assessing capital requests in a common sense manner that meets the needs of service providers.

### Implementation of Canadian Human Rights Tribunal (CHRT) Orders Related to Capital

Timeline:

- *On January 26, 2016, the CHRT ruled that Canada's provision of FNCFS and Jordan's Principle was discriminatory on the prohibited grounds of race and national or ethnic origin. The ruling specifically noted capital as one area requiring redress.*
- *On August 26, 2021, the CHRT issued a 'letter-decision' pertaining to issues that had been before the CHRT for some time, including major capital.*
- *On November 16, 2021, the CHRT issued an order related to capital under 2021 CHRT 41 which was amended on January 18, 2022 to reflect an agreement reached by the parties to the CHRT complaint and Canada.*

The 2021 CHRT 41 order requires Canada to fund the full cost of the planning, purchase and construction of capital assets needed to support the delivery of FNCFS and/or to support the delivery of

approved services under Jordan's Principle. Further details on how a request for services for Jordan's Principle and infrastructure can be submitted are contained in Chapter 2.

Per the order, ISC will also provide funding to conduct capital planning activities where appropriate, including capital needs assessments, feasibility studies, and any other required documentation as part of the funding determination process.

ISC will fund eligible costs incurred on or after August 26, 2021. Claims for reimbursement related to expenses incurred by the requestor in one fiscal year can be submitted until September 30 of the following fiscal year. Should additional time be required, requestors are asked to advise ISC as soon as possible and provide a justification for that additional time. Requestors can access funding for capital projects that are underway or that the requestor advises are ready to proceed.

This Capital Delivery Guide should be read with the 2021 CHRT 41 order and the terms and conditions outlined in the funding agreement. If there are material differences between the 2021 CHRT 41 order and ISC's terms and conditions and/or your funding agreement and/or this guide and/or any other policy or practice related to the 2021 CHRT 41 order, the order will prevail.

As there are two components to capital, both under the FNCFS Program and under Jordan's Principle, please read each section carefully.

### **Principles**

ISC will apply the following principles when assessing the eligibility of requests:

- capital assets support the delivery of FNCFS and Jordan's Principle funded services and promote substantive equality and culturally appropriate services, given the distinct needs and circumstances of the First Nation, including their cultural, historical, and geographical needs and circumstances;
- the purchase, construction or renovation of the capital asset must be underway or "ready to proceed";
- the costs are generally recognized as necessary to purchase, construct or renovate the asset, or as appropriate to conduct pre-capital planning for a capital asset;
- recognize generally accepted accounting principles, generally accepted public sector procurement practices, and relevant federal, provincial, and local laws and regulations; and,
- a funding approach for the life cycle needs of the capital asset is provided.

### **Service Standards and Communication with Funding Requestors**

ISC will send notifications to the funding requestor in writing as their capital funding request progresses through the assessment process.

**Upon ISC receiving a capital funding request submission the 30-business day clock will begin and ISC will respect the following service standards:**

- Within 2 business days of receiving the Capital Funding Request Submission
  - ISC Headquarters will send a 'Confirmation of Receipt' message in writing to the funding requestor

- Should, upon initial assessment any information be missing from the Capital Funding Request Form or the submission, ISC will notify the requestor in the Confirmation of Receipt message
  - As much as possible, ISC will support the requestor in gathering any missing information
- If ISC requires additional information to support a funding decision on the request, ISC will provide the requestor with a detailed list of required information in writing and the 30-business day clock will be placed on pause until the outstanding information is received and the clock resumes.
- ISC will request the additional information in writing via email on three separate occasions at least two weeks apart over a minimum duration of six weeks. Should no response be received by email, attempts will be made by other means (phone, fax, contacting other individuals within the organization) within the timelines indicated above to obtain the requested information.
- Should the requestor fail to provide the information, or communicate their intention to provide the information within four weeks, ISC will close the application and advise that a new capital project can be submitted once the required information is available.
- ISC will inform the requestor in writing via email when the submission is complete and no further documentation is required. This notice will also inform the requestor of how many days remain on the 30-business day clock.
- ISC will notify the requestor in writing of the funding decision.
- ISC may not need the full 30-business days to reach each funding decision – it will vary based on the circumstances of each project.
- If the 30-business day service standard for the full funding decision cannot be met because of the level of project complexity or exceptional circumstances, ISC will notify the requestor in writing, providing the rationale for the needed additional time.
- If ISC is not able to make a full funding decision to move ahead with construction or purchase because the project is not “ready to proceed”, ISC will make a funding decision at the current phase of the project life cycle that supports the pre-capital planning and/or design phases of the project.

### **Assessment Process and Documentation Required to Support a Capital Funding Request**

- The capital funding request and assessment process outlined in this Guide has been designed to be adaptable to various types of requests that will come forward, their varying degrees of complexity and the different phases of project readiness in the capital project lifecycle:
- Straightforward funding requests (e.g., a vehicle purchase or replacement of windows for FNCFS agencies) and/or requests allowable under Jordan’s Principle processes outside of 2021 CHRT 41 (e.g. vehicles) will be assessed and processed through existing internal mechanisms and will not be subject to this Capital Funding Request and Assessment Process.
- Where the funding request seeks support for a major project (e.g., construction of a new building), the project will need to complete the approval phases of the capital project life cycle which includes: Pre-Capital Needs Assessment, Feasibility, Planning (including geotechnical and environmental studies) and Approvals; Design; Construction; and Completion. The number of phases that each capital project must undergo depends on the type of proposal and its level of complexity.
- Where relevant, existing ISC program policies and other federal policies will be used to support the implementation of eligible capital requests. In cases where requests do not fall within these

policies, ISC will work with the funding requestor to identify requirements based on industry standards and best practices.

- If a funding request does not fall within the scope of the 2021 CHRT 41 order, to the greatest extent possible, ISC will help the requestor determine if there are other potential federal sources of funding that could be accessed to support the project.

**Ongoing Guidance Available from ISC Throughout the Process**

ISC officials will support funding requestors through the funding request process and the capital project phases to help ensure that eligible capital requests are funded and completed. The end of each chapter in the Capital Delivery Guide contains contact information should guidance or support be needed.

## CHAPTER ONE: FIRST NATIONS CHILD AND FAMILY SERVICES PROGRAM

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### 1. SCOPE

This chapter supports the implementation of the 2021 CHRT 41 order as it relates to the FNCFS Program. It provides First Nations and FNCFS agencies with guidance on how to request and access capital funding to support the delivery of FNCFS programming on reserve, on Crown land, or in the Yukon. In this context, FNCFS encompasses the activities and services funded through the FNCFS Program as outlined in Section 3.3.

Under 2021 CHRT 41, First Nations and FNCFS agencies can access funding from ISC for capital projects that are underway or that the First Nations or FNCFS agencies advise are “ready to proceed” to support the delivery of FNCFS funded services or activities. Per the order, ISC will also provide funding to recipients to conduct capital needs assessments and feasibility studies.

In keeping with the evolution of the long-term reform of the FNCFS Program, this document may evolve over time. Any changes will be communicated to First Nations and FNCFS agencies in advance. Regardless of the changes made to this Guide, capital funding requests determined to be eligible prior to any changes will continue to be eligible. Funding commitments for projects underway will not be terminated due to any policy changes. Depending on the nature of the changes, funding requestors can resubmit any previously denied capital funding requests that may have become eligible as a result of the changes. The Government of Canada will also review past capital funding requests in light of the changes, and proactively reach out to requestors who may subsequently become eligible.

### 2. OBJECTIVE AND PRINCIPLES

ISC officials will support requestors through the funding request process and the capital project phases, including providing guidance and helping to gather required documentation to ensure that eligible capital requests are funded and completed.

#### **Principles for Capital Related to First Nations Child and Family Services**

In addition to the overarching principles outlined in the Overview section of this Guide, when assessing the eligibility of capital funding requests related to the FNCFS Program, ISC takes into consideration the following items, none of which is, by itself, determinative of the request:

- capital assets support the delivery of FNCFS funded services and activities to First Nations children, youth and families on reserve, on Crown land, and in the Yukon;
- where appropriate, First Nations and associated FNCFS agencies jointly planned and identified the capital project as being in alignment with community FNCFS needs to support the delivery of services and activities;
- First Nations or FNCFS agencies demonstrate how they envision the asset fitting within their existing long-term FNCFS-related plans and objectives for the delivery of services and activities through the program funding;
- the documentation demonstrates value for money, taking into consideration the community’s circumstances, including the geographical location of the capital project; and



- construction or purchase of off reserve property is eligible where there is no suitable property available on reserve for construction, or where off reserve construction is more accessible for First Nations children, youth and families on reserve and in Yukon to receive services.

### 3. ELIGIBILITY

#### 3.1 Eligible Funding Requestors

- FNCFS agencies, societies or other provincially/Yukon delegated child and family service providers
- First Nations\* on reserve, on Crown land, or in the Yukon that are recognized as Bands within the meaning of the Indian Act
- First Nations\* that have concluded a self-government agreement, but have not exercised child and family services jurisdiction

\*NOTE: First Nations includes authorities, boards, or other entities created by First Nations for the purpose of providing social services or health care.

#### 3.2 Ineligible Funding Requestors

First Nations who have entered into a coordination agreement under the framework provided in *An Act respecting First Nations, Inuit and Métis children, youth and families* are not eligible for capital funding through this process. For such First Nations, funding will be provided through the grant mechanisms established under the Act. However, as per the agreement-in-principle for the long-term reform of the FNCFS Program, these First Nations will not receive less funding than they would have received under the reformed approach for the FNCFS Program.

#### 3.3 Eligible Activities

To be eligible, a capital asset must support the delivery of services or activities for at least one of the following funding streams outlined in the FNCFS Program's [Terms and Conditions](#):

- **FNCFS - Prevention:** Services delivered by First Nations or delegated agencies that support the safety and well-being of First Nations children, youth, young adults and families, in an approach that is culturally appropriate, in the best interests of the child and provided on the basis of substantive equality. The goal of prevention services is to reduce the likelihood of child maltreatment, including by addressing the structural drivers and underlying root causes of the over-representation of First Nations children and families in the child welfare system, such as poor housing, poverty, racism and intergenerational trauma manifested as substance misuse and intimate partner violence, through a service approach that recognizes historical and contemporary disadvantage, and contextual and cultural differences of First Nations Peoples.
- **FNCFS - Protection and Guardianship:** Services delivered by provincially delegated service providers that respond to child maltreatment, provide guardianship and/or custody services including alternative care, and support family preservation, reunification, and well-being, including cultural and linguistic connections, for First Nations children, youth and families.

- **FNCFS - First Nation Representative Services:** Services delivered by First Nations or First Nation authorized service providers that represent the collective interest of the First Nation as well as its families and children whenever a society, agency, person, or entity may be involved in a First Nation family's lives because of child welfare or child protection concerns. For more information on First Nation Representative Services please visit the ISC webpage: [First Nation Representative Services information \(sac-isc.gc.ca\)](https://www.sac-isc.gc.ca)
- **FNCFS – Post-Majority Support Services:** Post-majority support services are services for First Nations youth aging out of care and young adults who were formerly in care, up to and including the age of 25, or consistent with the age as defined in provincial or territorial legislation, whichever is greater. For more information on post-majority support services please visit the ISC webpage: [Post-majority support services for First Nations youth and young adults \(sac-isc.gc.ca\)](https://www.sac-isc.gc.ca)

### 3.4 Eligible Assets

Capital assets are pieces of property, buildings, spaces, or vehicles that are intended for long-term use. Eligible assets that support the delivery of services or activities listed in Section 3.3 include:

- Assets that are fit for purpose, meaning that they support the delivery of eligible activities or services funded under the FNCFS Program, for instance by providing a safe, accessible, adequate, confidential, or culturally appropriate and age-appropriate location, space, or area to provide or support such services.
- Vehicles where not already eligible through the existing claims on actual process as per 2018 CHRT 4 (refer to Sections 3.7 and 3.8 for further clarity).
- Housing for personnel delivering FNCFS in First Nations where there are no available accommodations and this creates a challenge in attracting and retaining qualified staff. Consideration of whether suitable accommodations are available within a reasonable distance of the community (i.e., short-term or long-term accommodations) should also reflect the nature, scope and duration of the personnel's responsibilities in service delivery.

#### 3.4.1 Location of Assets Off Reserve

Construction or purchase of off reserve property is eligible where there is no suitable property available on reserve for construction, or where off reserve construction is more accessible for First Nations children, youth and families ordinarily resident on reserve and in Yukon to receive services.

#### 3.4.2 Ownership of Assets

Capital assets located on or off reserve or in Yukon will be owned by the funding recipient. If a First Nation is a funding recipient, the First Nation has the option of having the asset owned by their holding company or incorporated entity.

#### 3.4.3 Multi-Purpose Assets

Assets serving multiple purposes, for example, the delivery of FNCFS funded services and activities along with unrelated activities, will be proportionally funded. The project documentation must include the details of the multi-purpose asset as part of the feasibility study to substantiate the most effective way to provide FNCFS funded services and activities. Note that a funding decision on the capital request will only reflect the portion of a multi-purpose asset that is intended to support FNCFS funded services and

activities. Funding for the remainder can be sought under other ISC programs, such as Jordan's Principle, or other Government of Canada programs, through official application processes, where applicable.

#### **3.4.4 Joint Assets with other First Nations or FNCFS Agencies**

More than one First Nation or FNCFS agency can jointly submit a capital funding request for an asset that fulfills a common need.

#### **3.5 Eligible Project Costs (up to completion of construction)**

- capital needs assessments
- capital feasibility studies
- environmental assessments or reviews
- land assessments
- design costs
- land purchase
- purchase, new construction, renovation and replacement of assets
- operation costs for the duration of the project
- insurance for assets
- initial furniture, information technology and other equipment fit for purpose to furnish new spaces
- site preparation, lot servicing and site clean-up after construction
- construction of services from the building to the property line, including connection to the main distribution systems for water, sewer, electrification, gas and solar power at the edge of the property
- upgrades to site access enabling access to the building or other assets such as structures to support land-based learning and programming
- up to 15% of the total capital project cost for administration costs related to: the development of a capital funding request, project management/coordination, travel and other project implementation and oversight activities
- professional fees (e.g., technical personnel, legal fees for contract and tender review, bookkeeping/audit fees, architects, consultants, and contractors to design, develop, complete, or monitor the project, and engineering, manufacturing or building of capital project facilities and structures)
- municipal taxes for buildings and land located off reserve
- financing costs incurred by funding recipients who took out loans to move forward with their capital project (only eligible for capital projects that were underway as of August 26, 2021).

#### **3.6 Eligible Operations and Maintenance Costs (ongoing operations once construction is complete)**

The preservation of the functional integrity of FNCFS-funded assets is a priority. All assets should be:

- maintained to achieve their full design life, including regular inspections, preventative maintenance, and repairs when required; and
- operated to ensure their proper day-to-day functioning and service delivery outcomes as intended, with due regard to health and safety of the community and the environment.

Ongoing Operations & Maintenance costs can be funded on an annual basis through claims under 2021 CHRT 41, until the full needs for Operations & Maintenance related to FNCFS capital assets are known. For requestors who already receive Operations & Maintenance funds through other sources such as

FNCFS Operations or claims under 2018 CHRT 4, claims will need to account for the use of these funds when seeking incremental funding through 2021 CHRT 41. All Operations & Maintenance costs identified in the list below of eligible expenditures should be in alignment with the operation and maintenance of FNCFS assets, to ensure a life-cycle approach (addressed below) and preserve the longevity of the asset.

ISC promotes a life cycle approach for assets starting with the use of a full life cycle costing when approving capital projects. This type of analysis allows for the consideration of all the associated costs of the proposed asset throughout its entire life cycle. For example, for buildings, life cycle costs include design, construction, operation and maintenance, major renovations, and disposal [i.e., decommissioning, repurposing, or demolition].

If applicable, and in collaboration with the First Nation as part of their infrastructure management process, once an asset is built it can be recorded in ISC's capital infrastructure database. The data from the system can be used to generate forms used for asset inspections. The inspections identify asset deficiencies, and support the forecasting of future capital needs. This process allows for preventive or anticipatory work to be completed to ensure the existing infrastructure remains available for its full life cycle to deliver services.

#### **Operations and Maintenance Costs for Buildings**

Eligible expenditures:

- utilities, such as electricity, water, septic maintenance and gas;
- grounds maintenance and snow clearing;
- insurance costs;
- salaries (including benefits) of qualified personnel (technicians or professionals) directly involved in the operation and maintenance of the FNCFS funded infrastructure;
- training for the main operator(s) of infrastructure (it is expected that the main operator(s) will train other users);
- extended warranties and/or service contracts not included in the FNCFS funded infrastructure;
- extensions to warranty coverage, service contracts;
- maintenance, repairs and minor renovations of the FNCFS funded infrastructure assuring that the asset is kept in good operating condition and is available for use;
- services (e.g., security, cleaning) that directly support space funded by the FNCFS program or for space that is essential to house and use of the FNCFS funded infrastructure, which may include common areas (pro-rated if not only related to FNCFS delivery), if applicable; and
- supplies and consumables needed to operate and maintain the infrastructure.

#### **Operations and Maintenance Costs for Vehicles**

Eligible expenditures:

- maintenance and repairs (including warranties);
- vehicle insurance (including liability coverage for transportation of program clients);
- vehicle registration;
- tires;
- anti-rust treatment; and
- other appropriate maintenance necessary to keep the asset in good working order and available for use.

### 3.7 Ineligible Costs

- Taxes for which the funding recipient is eligible for a tax rebate and all other costs eligible for rebates (e.g., Goods and Services [GST] Tax rebates or eco-retrofits to reduce greenhouse gas emissions which may be eligible under other federal funding) are not eligible.
- Expenditures reimbursed by any other source of funding (e.g., Other Government of Canada Departments, Provincial or Territorial Governments) are not eligible.
- Costs related to communications, (phone, internet, television) are driven by program usage, are eligible under each program stream of the FNCFS program, and are not eligible capital funding requests.
- Costs related to fuel to operate vehicles are driven by program usage are eligible under each stream of the FNCFS program, and are not eligible capital funding requests.
- Expansion of core community infrastructure (main distribution systems) such as roads, electrical distribution, water and wastewater mains/systems are not eligible.

## 4. REQUIREMENTS FOR CONSTRUCTION PROJECTS

Where relevant, existing ISC program policies (e.g., policies related to the Capital Facilities and Maintenance Program) and other policies (e.g., Policy on Transfer Payments) will be used to support the implementation of eligible capital requests. In instances where requests do not fall under existing policies, ISC will work with the funding requestor to identify requirements based on industry standards and best practices.

Federally funded capital projects administered by First Nations must align with the First Nation's own tendering policies or, in the absence of such policies, the projects must align with the [Tendering policy on federally funded capital projects for First Nations on reserve](#). Federally funded capital projects administered by FNCFS agencies must align with public sector tendering practices. The eligible recipients will call tenders to ensure the building is fit for purpose and that the project delivers value for money, prudence, probity and sound contract management. Value for money may include consideration of opportunities to secure socio-economic benefits on behalf of the community.

## 5. FUNDING REQUEST AND ASSESSMENT PROCESS

Funding is determined by the capital project life cycle which is composed of and outlined in detail in Section 5.3:

- *A. Pre-Capital Needs Assessment, Feasibility and Planning*
- *B. Design*
- *C. Construction*
- *D. Completion*
- *E. Ongoing Operations*

Note: If a funding recipient needs advance funding or to be reimbursed for the needs assessment cost incurred on or after August 26, 2021, they can submit a Capital Funding Request form to [chrt41-tcdp41@sac-isc.gc.ca](mailto:chrt41-tcdp41@sac-isc.gc.ca) to access this funding. Claims for reimbursement related to expenses incurred by the requestor in one fiscal year can be submitted until September 30 of the following fiscal year. Should

additional time be required, requestors are asked to advise ISC as soon as possible and provide a justification for that additional time.

### **i. Capital Funding Request Form**

Each of the capital project life cycle phases requires the requestor to submit a Capital Funding Request Form to access capital funding. The link for the request form can be found in [Annex B](#).

A Capital Funding Request Form must be submitted to ISC's FNCFS team at [chrt41-tcdp41@sac-isc.gc.ca](mailto:chrt41-tcdp41@sac-isc.gc.ca).

The form compiles information about the funding requestor, the type of services that the capital request supports, how the request aligns with program outcomes, the type of capital project, the phase the project is at, estimated costs, estimated start and end dates, and supporting documentation.

### **ii. Standards for the Processing of Capital Requests**

Upon receipt of a capital funding request submission, the 30-business day clock will start and the FNCFS team will quickly review it to confirm if all of the fields of the form were completed and if the documentation referenced by the funding requestor is included. Within 2 business days of receiving the capital funding submission, the FNCFS team will send a 'Confirmation of Receipt' message in writing to the funding requestor.

If there is any missing information identified at the initial quick review of the request, the FNCFS team will notify the requestor of the missing information (i.e., the email to be sent within 2 days of receipt of submission). The 30-business day clock will pause once the message about missing information has been sent to the requestor and will resume running upon receipt of the missing information.

If the FNCFS team confirms through that initial quick review that the Capital Funding Request form is complete and that the documentation referenced has been provided, they will send an email to the requestor confirming that the initial completeness requirements were met and that the submission will next be reviewed to confirm whether the submission contains enough information to determine eligibility and the costs align with FNCFS objectives. This email will include contact information that the requestor can use if they have questions in the future about the status of their project in the assessment process. Should additional information be required from the requestor at this point, the FNCFS team will send the requestor a detailed list of the outstanding information in writing as well as inform that the Capital team may be engaged to determine the project's readiness to proceed.

If the project does not require a specialized review by the Capital team and eligibility has been confirmed, the FNCFS team will notify the requestor of a full or partial funding decision and of the next steps required to enter into either a new funding agreement or whether to amend an existing funding agreement to flow funding.

If the FNCFS team determines that the project is eligible and that the Capital team needs to be engaged due to the scope and complexity of the project, the FNCFS team and the requestor will work with the Capital team to confirm what additional documentation or phases (if any) may need to be completed before the project is "ready to proceed" to the purchase or construction of an asset. Once these details have been confirmed, the FNCFS team will communicate this information in writing.

- If, after the engagement with the Capital team, it is confirmed that no additional documentation or phases are needed and that the project is “ready to proceed”, the FNCFS team will render a full funding decision.

If, after engagement with the Capital team, the FNCFS team determines that the project meets FNCFS program objectives but additional documentation or phases are needed before a full funding decision can be rendered, the FNCFS and Capital teams will work with the funding requestor to determine the funding required to complete this work and the FNCFS team will render a funding decision at the current project phase to support the ongoing advancement of the project by funding the completion of this work. For additional information on project phases which may be needed, please refer to section 5.3 Project Lifecycle Process and Scenarios.

### **5.1 Funding Determination**

For projects that are deemed “ready to proceed” to the purchase or construction of an asset or for funding requests for feasibility studies, the FNCFS team must make a determination on the funding of a project or study for the current project phase within 30 business days of receiving a capital funding request submission (i.e., Capital Funding Request form and any supporting documentation). ISC may not need the full 30-business days to reach each funding decision – it will vary based on the circumstances and complexity of each project.

The complexity of a project depends on a variety of factors including but not limited to:

- *the type of project;*
- *the overall anticipated cost of the project;*
- *project completion time;*
- *whether it is a joint project with other First Nations or agencies or other partners;*
- *whether it is a multi-purpose building intended to offer multiple types of services;*
- *the location of the capital asset;*
- *whether there are health and safety implications;*
- *whether the property is connected to a road, water and wastewater system, and source of power; and*
- *whether there are any environmental impacts.*

If ISC is not able to make a full funding decision because the project is not “ready to proceed”, where possible, in consultation with the requestor, ISC will make a funding decision at the current phase to enable the advancement of the project. ISC will provide funding to support pre-capital and design as the project moves through the project life-cycle to construction completion or purchase of the required asset.

If the 30-business day standard for a funding decision cannot be met due to the level of project complexity or exceptional circumstances, the FNCFS team will notify the requestor in writing and will provide the rationale for the needed additional time.

### **Collaborative Process to Ensure Capital Needs are Addressed Promptly**

The FNCFS and Capital teams will work with the funding requestor to confirm the complexity of each project and what steps, phases and documentation are needed. ISC’s goal is to help requestors access

the capital that they need to deliver FNCFS funded activities and services. ISC will be as flexible as it can be and will exercise common-sense approaches to support requestors during the assessment process and implementation of these priority capital projects.

The FNCFS team will send notifications in writing to the funding requestor as the capital funding request moves forward through the assessment process and will notify the requestor promptly in writing regarding any missing information or potential delays. To support stronger and more simplified information management, each funding submission will be assigned a unique identifier number and all correspondence from ISC regarding a 2021 CHRT 41 submission will note its unique identifier number.

In general, responsibilities related to supporting the FNCFS 2021 CHRT 41 funding request assessment process will be spread across the different teams within ISC accordingly:

Group	Responsibilities
ISC FNCFS National	Intake, requestor and recipient support, escalation, appeals, oversight and monitoring
ISC FNCS Regional Offices	Completeness assessment, program and recipient eligibility, transfer payments, and requestor/recipient support
ISC RO Capital	Technical capital support to regional office and requestor/recipient support

This breakdown of responsibilities is notional and may be refined as ISC gains further experience supporting the implementation of the 2021 CHRT 41 order. Regardless, the different players within ISC will work collaboratively towards rendering a decision. For more information on how the funding request and assessment process works based on the status of the project and on ISC’s service standards for decision making and communication, please see the rest of Section 5.

## 5.2 Differences in Assessment Process: Straightforward versus Complex Projects

The capital funding request and assessment process has been designed to be adaptable to the various types of requests that will come forward, their varying degrees of complexity and different phases of project readiness in the capital project life cycle.

Straightforward funding requests (e.g., a vehicle purchase or replacement of windows) will be assessed and processed through existing internal mechanisms and will not be subject to the Capital Assessment Process described in this chapter.

More complicated projects, for example, those involving the construction of a new building, will need to complete all phases of the capital project life cycle outlined below in Section 5.3.

## 5.3 Project Lifecycle Process and Scenarios

### A. Pre-Capital Needs Assessment, Feasibility and Planning Phase



Where it makes sense to do so, First Nations, FNCFS agencies and other partners are encouraged to engage with each other at this phase in the process to discuss current needs of implicated First Nations and to collaborate on service delivery priorities (including capital) and other areas of common interest related to the delivery of the FNCFS program.

**i. Capital Needs Assessment**

The first phase in this process is to conduct a capital needs assessment to confirm the type of assets needed to deliver services (if not already completed). In some cases a capital needs assessment may not be required (for example, replacement or renovation of an existing capital asset). Capital needs assessments typically gather or determine details such as the:

- current scope of programs and services;
- staffing requirements to deliver programs and services;
- estimated capital requirements of current program and/or service; and
- extent to which this type of capital is currently available to the First Nation or FNCFS agency and the current condition/state of these existing assets.

**ii. Feasibility Study**

A feasibility study is intended to present sufficient detail on project parameters and propose potential solutions to the defined problem, need or opportunity, and justify viability. The need for a feasibility study is case-specific based on the phase, nature and complexity of the capital project. Although it depends on the specific scenario and the phase that the project is currently in, feasibility studies are typically required before the design phase to assess the practicality and viability of a proposed project or activity. For more information on what a feasibility study entails, please view [Appendix A](#) and [Appendix C](#).\*

A completed feasibility study will include a recommended option. The funding requestor will review this recommendation and identify their preferred option. The FNCFS and Capital teams will work collaboratively to assess the requestor's preferred option, and ensure that it aligns with relevant program and policy requirements, in order to best support the project to the next phase(s).

If the FNCFS team determines, after reviewing the feasibility study, that the requestor's preferred option meets FNCFS program objectives but other documentation is still needed or the project must still undergo a design phase before a full funding decision can be rendered, the FNCFS and Capital teams will work with the requestor to determine the funding required to complete this documentation or this plan, and the FNCFS team will make a funding decision at this point to support the ongoing advancement of the project by funding this work.

For requests that may relate to provincially or territorially regulated assets such as residential facilities (group, emergency, transition or receiving homes), the associated region should be consulted to verify whether there are requirements related to provincial or territorial legislation. These may include formal delegation requirements or confirmation of provincial or territorial standards or rates for operational funding through maintenance. These elements should be included as part of the feasibility assessment of the project.

**\*NOTE:** Consideration of ancillary capital costs for the construction or purchase of assets, such as lot servicing, building hook-ups to water, sewer and electrification, and ensuring road access, etc., must be

addressed as part of the feasibility study and design plan for an asset. These ancillary capital costs must be factored into the determination of the most cost-effective option overall.

**iii. Other Documentation Required during the Pre-Capital Needs Assessment, Feasibility and Planning Phase**

The FNCFS and Capital teams will work with the funding requestor to determine if any other documentation may be required for this phase. Required documentation could include:

- Geotechnical Investigation - For new or alterations to structural foundations, a soil investigation report of the lands upon which the building or expansion is proposed to be constructed from a geotechnical engineer licensed to practice in the region where the project will be undertaken.
- Site Survey - A survey completed by a licensed surveyor of the land upon which the project is proposed to be constructed, to show the interrelationship of all proposed and existing buildings and infrastructure.
- Band Council Resolution (BCR) - To ensure that a common understanding of the proposed project is achieved and well-supported by the Chief(s) and/or Band Council(s) of the community, or communities, directly involved.

Please read the scenarios below for further guidance on phase of project completion upon initial application:

**Scenario 1: Project is not yet underway**

In this scenario, the full assessment process outlined in this chapter applies to the request.

**Scenario 2: Project is Already Underway before Funding Request Form is Submitted**

In this scenario, the funding requestor must submit a Capital Funding Request Form along with documentation to demonstrate eligibility, phases completed to date, and how they have met any requirements that were applicable to the project at the time they completed those phases. In relation to project phases that were already completed before this Capital Delivery Guide was publicly available, the funding requestor will only have to demonstrate how it fulfilled requirements that were applicable at the time the project phase was completed.

The submission will be assessed, and key information will be communicated in the same way as described for Scenario 1. Once it is confirmed by the requestor, the FNCFS team and, if necessary, the Capital team, that the project aligns with FNCFS terms and conditions and objectives and that the documentation is complete, the FNCFS team will notify the funding requestor in writing of the approved funding decision and flow the funds for cost incurred on or after August 26, 2021. Claims for reimbursement related to expenses incurred by the requestor in one fiscal year can be submitted until September 30 of the following fiscal year. Should additional time be required, requestors are asked to advise ISC as soon as possible and provide a justification for that additional time. As any remaining applicable phases are completed, associated documentation is provided and completeness is confirmed, the FNCFS team will continue to render funding decisions and flow funds in order to

continue to advance the project until it is completed. The submission will be assessed, and key information will be communicated in the same way as described for Scenario 1.

Once it is confirmed by the requestor, the FNCFS team and, if necessary, the Capital team, that the project aligns with FNCFS terms and conditions and objectives and that the documentation is complete, the FNCFS team will notify the funding requestor in writing of the approved funding decision and flow the funds for cost incurred on or after August 26, 2021. Claims for reimbursement related to expenses incurred by the requestor in one fiscal year can be submitted until September 30 of the following fiscal year. Should additional time be required, requestors are asked to advise ISC as soon as possible and provide a justification for that additional time. As any remaining applicable phases are completed, associated documentation is provided and completeness is confirmed, the FNCFS team will continue to render funding decisions and flow funds in order to continue to advance the project until it is completed.

### **Scenario 3: Project is Already Complete before Funding Request Form is Submitted**

In this scenario, the funding requestor must submit a Capital Funding Request Form with all of the required supporting documentation to demonstrate eligibility, how it completed all of the applicable phases and met the requirements that were applicable to that project at the time of completion. In relation to projects that were already completed before this Capital Delivery Guide was publicly available, the funding requestor will only have to demonstrate how it fulfilled requirements that were applicable at the time the project was completed.

The submission will be assessed in the same way as described for Scenario 1. Once it is jointly confirmed by the requestor, the FNCFS team and, if necessary, the Capital team, that the project aligns with FNCFS terms and conditions and objectives and that the documentation is complete, the FNCFS team will notify the requestor in writing of the funding decision and flow the funds for costs incurred on or after August 26, 2021. Claims for reimbursement related to expenses incurred by the requestor in one fiscal year can be submitted until September 30 of the following fiscal year. Should additional time be required, requestors are asked to advise ISC as soon as possible and provide a justification for that additional time.

## **B. Design Phase**

The development of a design plan is standard practice for many capital projects upon completion of a feasibility study. The need for a design plan is, however, case-specific and based on the phase, nature and complexity of the capital project.

The funding recipient engages a professional firm to develop a project design plan. This includes construction documents such as drawings and building specifications. The design plan specifies in detail the preferred solution for meeting the service need, including factors such as lot servicing, access to services and supporting infrastructure (water, wastewater, internet, electricity, roads).

The design plan is the final potential component needed for ISC to confirm if a major project is “ready to proceed” to construction and to make a full funding decision. Once the design plan is submitted, the review of the plan will confirm that the project meets applicable federal, provincial, and territorial codes and standards for the design, construction and operation of similar physical assets, and that the design

of the project is approved and certified by a professional engineer or architect licensed to practice as such in the province/territory where the proposed work is to be undertaken.

If, upon review of the design plan, the project is confirmed to be “ready to proceed”, the funding recipient will also initiate a tendering process for construction. Federally funded capital projects administered by First Nations must align with the First Nation’s own tendering policies or, in the absence of such policies, the projects must align with the [Tendering policy on federally funded capital projects for First Nations on reserve](#). Federally funded capital projects administered by FNCFS agencies must align with public sector tendering practices. The eligible recipients will call tenders to ensure the building is fit for purpose and that the project delivers value for money, prudence, probity and sound contract management. Value for money may include consideration of opportunities to secure socio-economic benefits on behalf of the community.

### **C. Construction Phase**

A contract is awarded to the construction company. The FNCFS team flows funding and construction begins.

### **D. Completion Phase**

Once the construction is complete, the professional firm issues a certificate of project completion. The FNCFS team flows the final capital construction funds.

### **E. Ongoing Operations**

Ongoing Operations & Maintenance costs can be funded on an annual basis through claims under 2021 CHRT 41, until the full needs for Operations & Maintenance related to FNCFS capital assets are known. For requestors who already receive Operations & Maintenance funds through other sources such as FNCFS Operations or claims under 2018 CHRT 4, claims will need to account for the use of these funds when seeking incremental funding through 2021 CHRT 41. A list of eligible cost categories can be found in Section 3.6.

## **5.4 Impact of Remoteness or Other Exceptional Circumstances on Funding Request Process**

Review of capital projects for FNCFS agencies or First Nations situated in remote areas or with exceptional circumstances (e.g., time-limited availability of an ice road, First Nations located in rural areas or areas that were significantly impacted by recent flooding) will consider that some aspects of a project may need to be approved before full feasibility or design work is completed due to factors including but not limited to seasonal access to the First Nation, or the limited availability of contractors.

## **6. ESCALATION AND APPEALS PROCESS**

The escalation process is an internal ISC process designed to ensure that, prior to the FNCFS team communicating to a funding requestor that their request is fully or partially denied, other ISC colleagues with relevant professional backgrounds (e.g., social work) or relevant para-professional backgrounds, and, if necessary, the Assistant Deputy Minister, review the funding request.

If the other colleagues with relevant professional backgrounds conclude that the project is eligible, steps will be taken to get the funds transferred to the requestor. If these colleagues conclude that the project doesn't align with FNCFS objectives, the submission will be escalated to the Assistant Deputy Minister of Child and Family Services Reform for a final decision.

If the Assistant Deputy Minister approves the request, the FNCFS team will take steps to notify the requestor in writing and initiate the funding transfer.

If, upon the Assistant Deputy Minister's review of a complete capital funding request submission, the Assistant Deputy Minister decides not to fund or to fund only a portion of the costs, the FNCFS team will advise the requestor in writing within no later than 30 business days of receiving the submission. If deemed ineligible, the communication will include a detailed explanation for the decision and information on the appeals process as well as any other potential funding options to meet the requestor's needs. For more information on the Escalation process, please see Appendix D.

Until such time as a permanent appeals process is approved by the Parties, all appeals will follow the existing process through the Jordan's Principle Appeals Secretariat.

**7. FUNDING AGREEMENT AND PAYMENT PROCESS**

ISC will work with funding recipients through new or existing funding agreements to issue funding at different phases of a capital project.

**8. REPORTING REQUIREMENTS**

All reporting requirements, including annual audited financial reports, are to be outlined in the funding agreement between the recipient and Canada. Other reporting requirements will be discussed with the recipient during the assessment of the request for funding.

**9. REPAYABLE CONTRIBUTIONS**

If any of these assets are sold or disposed of in some other way or if, in a manner within the control of the funding recipient, the assets become unavailable for FNCFS-related purposes, FNCFS reserves the right to a repayment proportional to the contribution made to the project. In instances where a First Nation or FNCFS agency receives funds resulting from the disposal of project assets, ISC may recover the cost from the First Nation or FNCFS Agency.

<b>Where asset is sold, leased, encumbered, or disposed of within:</b>	<b>Return of contribution to ISC (In current dollars)</b>
2 years after project completion	100%
Between 2 and 5 years after project completion	55%
Between 5 and 10 years after project completion	10%

## 10. CONTACT INFORMATION

Questions about the Capital Funding Request Form: Please send them to the 2021 CHRT 41 Intake Desk at [chrt41-tcdp41@sac-isc.gc.ca](mailto:chrt41-tcdp41@sac-isc.gc.ca).

In preparing your funding request, please note that ISC FNCFS or Capital regional staff can also provide guidance to funding requestors on topics such as:

- completing the form and determining what support documentation will be needed;
- assessing eligibility;
- the area of engineering, architecture, tendering, etc.;
- maximizing the life cycle of physical assets;
- mitigating health and safety risks;
- ensuring assets meet applicable policies, codes and standards;
- ensuring assets are managed in a cost effective and efficient manner;
- analyzing and/or revising the scope of projects;
- establishing professional services contracts; and
- updating costing.

Questions about eligibility and the overall process to access funding: ISC regional FNCFS employees (Contact information for regions can be found [here](#))

Questions about the phases and the associated requirements for more complicated capital projects: ISC regional Capital employees (Contact information for regions can be found [here](#))

## CHAPTER TWO: JORDAN'S PRINCIPLE

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### 1. SCOPE

This chapter supports the implementation of the 2021 CHRT 41 order. It provides First Nations and First Nations-authorized service providers with guidance on how to request and access capital funding to provide safe, accessible, confidential, and culturally- and age-appropriate spaces that are needed to support the delivery of approved Jordan's Principle services to First Nations children. Capital funding includes funding for the purchase, construction or renovation of capital assets and funding for needs assessments and feasibility studies to support capital assets.

The guidance in this chapter may evolve over time to align with changes to Jordan's Principle as part of its long-term reform. Any changes will be communicated to First Nations and First Nations-authorized service providers in advance. Regardless of the changes made to this document, capital funding requests determined to be eligible prior to any changes will continue to be eligible. Funding commitments are made on a phase-by-phase basis, funding commitments for projects underway will not be terminated due to any policy changes. Depending on the nature of the changes, funding requestors can resubmit any previously denied capital funding requests that may have become eligible as a result of the changes. The Government of Canada will also review past capital funding requests in light of the changes, and proactively reach out to requestors who may subsequently become eligible.

Requests for both Jordan's Principle services and the capital assets attached to the services may be submitted at the same time, with the Jordan's Principle services request adjudicated first.

### 2. OBJECTIVE AND PRINCIPLES

The approach for implementing 2021 CHRT 41, was designed to enable First Nations and First Nations-authorized service providers with access to capital funding in a way that is streamlined and timely, addresses actual needs, and minimizes administrative burden.

In addition to the overarching principles outlined in the Overview section of this Guide, when assessing the eligibility of capital funding requests related to approved Jordan's Principle services to First Nations children, ISC takes into consideration whether:

- the capital asset, including the capital asset that is the subject of a request for a pre-capital planning, must provide safe, accessible, confidential, and culturally- and age-appropriate spaces needed to support the delivery of Jordan's Principle services to First Nations children;
- the capital asset must be linked to the direct delivery of approved Jordan's Principle Services to First Nations children; and
- the documentation demonstrates value for money, taking into consideration the community's circumstances, including geographical location of the capital project.

### 3. ELIGIBILITY

### 3.1 Eligible Funding Requestors

- First Nations and First Nations-authorized service providers\* supporting the delivery of approved Jordan’s Principle services to eligible First Nations children who live on-reserve in a province; anywhere in the Northwest Territories; or anywhere in the Yukon.
- In addition, funding applications to carry out a capital needs assessment or a feasibility study can be made by First Nations or First Nations-authorized service providers that deliver Jordan’s Principle services to eligible First Nations children who live on or off-reserve, anywhere in Canada.
- \*First Nations-authorized service providers are defined as entities that provide approved Jordan’s Principle direct services to eligible First Nation children.

### 3.2 Eligible Activities

Jordan’s Principle uses the Contributions to Support infrastructure for First Nations Children terms and conditions that came into effect on February 2, 2023. This implementation aligns with the Treasury Board Policy on Transfer Payments and 2021 CHRT 41.

To be eligible, the full and/or partial cost for the purchase, construction or renovation of a capital asset on-reserve must be underway and/or “ready to proceed”, and support the delivery of approved Jordan’s Principle direct services to eligible First Nations children to address unmet health, education, and social needs, for instance by providing spaces that are safe, accessible, confidential, and culturally and age appropriate, and to address substantive equality.

Requests for both Jordan’s Principle services and the capital assets attached to the services can be submitted concurrently. The Jordan’s Principle services request will be adjudicated first, with the capital request put on pause until the decision for funding the Jordan’s Principle services has been rendered. This is to ensure that the capital request and space implications (including technical feasibility studies and any work resulting from the studies, and architects design) align with the delivery of Jordan’s Principle services.

These needs may include:

- health needs: spaces for provision of unmet health services, including mental health programming which need capital accommodation;
- educational needs: for delivery of educational and early educational services;
- social needs: for delivery of cultural and language services, respite services, land-based activities, etc.;
- Jordan’s Principle intake, assessment, service coordination, navigation, etc.

To be eligible, capital needs assessments and feasibility studies for capital assets must show how the capital asset will support the approved delivery of services to eligible First Nation children funded under Jordan’s Principle contribution agreements.

### 3.3 Eligible Assets



Eligible assets that support the delivery of currently funded Jordan's Principle services listed in Section 3.2 include:

- Assets that provide safe, accessible, confidential, culturally- and age-appropriate spaces to support the delivery of approved Jordan's Principle services, including office space related to Jordan's Principle service coordination.
- Accommodations for First Nations authorized service providers, travelling to provide services to communities supporting the delivery of approved Jordan's Principle funded direct services to First Nation children where there are no available accommodations within a reasonable distance of the community; Consideration of whether suitable accommodations are available within a reasonable distance of the community (i.e., short-term or long-term accommodations) should also reflect the nature, scope and duration of the personnel's responsibilities in service delivery.

### **3.3.1 Multi-Purpose Assets**

Assets serving multiple purposes, for example, the delivery of approved Jordan's Principle funded services along with unrelated services will be proportionally funded. The project documentation must include the details of the multi-purpose asset as part of the feasibility study to substantiate the most effective way to provide approved Jordan's Principle funded services.

Note that a decision on the capital request will only reflect the portion of a multi-purpose asset that is intended for approved Jordan's Principle funded services. Funding for the remainder can be sought under other Government of Canada ISC programs, such as FNCFS, or other ISC or Government of Canada programs through the official application processes.

### **3.3.2 Ownership of the Assets**

Capital assets located on reserve or in the Yukon will be owned by the funding recipient. If a First Nation is a funding recipient, the First Nation has the option of having the asset owned by their holding company or incorporated entity, which has a distinct governance structure.

## **3.4 Eligible Project Costs**

The capital needs assessment and feasibility study must demonstrate how the capital asset will support the delivery of approved funded services under Jordan's Principle contribution agreements.

Eligible costs include:

- capital needs assessments for the purchase, construction, or renovation of assets;
- Functional Program (services operational plan or "Master Program") - covering how currently funded Jordan's Principle services identified will be operationalized, including occupancy by community-based and visiting health professionals, technicians, representatives, and other support staff;
- Functional Plan (spaces m2) - directly mapping currently funded Jordan's Principle direct services to eligible First Nation children and occupancy to the number, size and type of spaces required;
- capital feasibility studies for the purchase, construction, or renovation of assets;
- environmental and geotechnical assessments, land surveys, and other technical studies;
- design costs;
- purchase, construction, or renovation of assets that are ready to proceed (has relevant First Nations approval and for which feasibility and design work has been completed);

- other auxiliary capital project costs such as: initial furniture and equipment that is fit for purpose, initial information technology that is fit for purpose, and other equipment to furnish new spaces, site preparation, lot servicing and site clean-up after construction; building connections to water, sewer, and electrification; and upgrades to site access enabling access to the building or other assets; and
- professional fees (e.g., technical personnel, legal fees for contract and tender review, architects, consultants, and contractors to design, develop, complete or monitor the project, engineering, manufacturing or building of capital project facilities and structures).

### **3.5 Ineligible Costs**

- Taxes for which the funding recipient is eligible for a tax rebate and all other costs eligible for rebates (e.g., Goods and Services [GST] Tax rebates or eco-retrofits to reduce greenhouse gas emissions which may be eligible under other federal funding) are not eligible.
- Expenditures reimbursed by any other source of funding (e.g., Other Government of Canada Departments, Provincial or Territorial Governments) are not eligible.
- Expansion of core community infrastructure (main distribution systems) such as roads, electrical distribution, water and wastewater mains/systems are not eligible.

### **3.6 Location of the Assets**

Buildings built, purchased, or renovated using this funding are to be located on-reserve and must provide a safe, accessible, confidential, culturally, and age-appropriate space to support the delivery of approved Jordan's Principle services.

In the Northwest Territories or the Yukon there is no distinction between on and off reserve and the asset must provide a safe, accessible, confidential, culturally, and age-appropriate space to support the delivery of current Jordan's Principle services.

Where Jordan's Principle services are delivered in a province off reserve, needs assessments and feasibility studies for off-reserve capital assets to support the delivery of current Jordan's Principle services are also eligible.

## **4. REQUIREMENTS FOR CONSTRUCTION PROJECTS**

The Contributions to Support Infrastructure for First Nations Children terms and conditions will be used to support the implementation of eligible capital requests.

Federally funded capital projects administered by First Nations must align with the First Nation's own tendering policies or, in the absence of such policies, the projects must align with the [Tendering policy on federally funded capital projects for First Nations on reserve](#). Federally funded capital projects administered by First Nations-authorized service providers must align with public sector tendering practices. The eligible recipients will call tenders to ensure the building is fit for purpose and that the project delivers value for money, prudence, probity and sound contract management. Value for money

may include consideration of opportunities to secure socio-economic benefits on behalf of the community.

## 5. FUNDING REQUEST AND ASSESSMENT PROCESS

Where the funding request is seeking support for a project, the project will need to complete the approval phases of the capital project life cycle which includes the following phases:

- A. Pre-Capital Needs Assessment, Feasibility and Planning
- B. Design
- C. Construction
- D. Completion

Note: If a funding recipient needs advance funding or to be reimbursed for the needs assessment cost incurred on or after August 26, 2021, they can submit a Capital Funding Request form to [chrt41-tcdp41@sac-isc.gc.ca](mailto:chrt41-tcdp41@sac-isc.gc.ca) to access this funding. Claims for reimbursement related to expenses incurred by the requestor in one fiscal year can be submitted until September 30 of the following fiscal year.

### i. Capital Funding Request Form

Each of the capital project life cycle phases requires the requestor to submit a Capital Funding Request Form to access capital funding.

A Capital Funding Request Form must be submitted to ISC's FNCFS team (responsible for the single window administration) at [chrt41-tcdp41@sac-isc.gc.ca](mailto:chrt41-tcdp41@sac-isc.gc.ca).

The form compiles information about the funding requestor, the type of services that this capital request supports and how it aligns with program outcomes, the type of capital project, the phase the project is at, estimated costs, estimated start and end dates, and supporting documentation.

Requests for both Jordan's Principle services and the capital assets attached to the services can be submitted concurrently. The Jordan's Principle services request will be adjudicated first, with the capital request put on pause until the decision for funding the Jordan's Principle services has been rendered. This is to ensure that the capital request and space implications (including technical feasibility studies and any work resulting from the studies, and architects design) align with the delivery of Jordan's Principle services.

Capital requests may also be made in connection to previously approved or existing Jordan's Principle services.

For all active/current CHRT 41 Jordan's Principle capital asset requests, if there is a subsequent request for additional or new Jordan's Principle services the capital asset request will pause while any space implications of any new/additional Jordan's Principle services are determined. This is to confirm the continued alignment of the initial project scope to any expanded or new programs and services. This may require further technical feasibility studies or further studies on the implications or to determine changes to the infrastructure project if needed.

## **ii. Standards for the Processing of Capital Requests**

Upon receipt of a capital funding request submission, the 30-business day clock will start and the FNCFS team are responsible for the intake of all 2021 CHRT 41 requests will forward the request to the Coordination Unit for Jordan's Principle and jointly review the request to confirm if all of the fields of the form were completed and if the documentation referenced by the funding requestor in the form was included.

If there is any missing information identified after the review, the Region in collaboration with the Coordination Unit for Jordan's Principle will provide the requestor with a detailed list of outstanding information in writing. The 30-business day clock will pause once the message about missing information has been sent to the requestor and will resume upon receipt of the missing information.

Following the 'Confirmation of Receipt', the Coordination Unit for Jordan's Principle in collaboration with the Region will lead the rest of the assessment process and communication with the requestor. If the 30-business day standard cannot be met due to project complexity or some other reason, the Coordination Unit for Jordan's Principle will notify the requestor in writing and will provide the rationale for why additional time is needed to make a funding determination.

Once confirming that the submission is complete, and that enough information is available to proceed with an assessment, the Jordan's Principle Coordination Unit will proceed to the next step to assess if the request contains enough information to determine preliminary eligibility. A review of linkages between approved Jordan's Principle funded services and the infrastructure is undertaken by the Region, as well as a review of the services of which program areas are implicated and what capital technical review may need to be engaged during the project review process. This work is done in collaboration with Capacity Infrastructure and Accountability Division in the Regional Offices.

Based on this assessment, the Coordination Unit for Jordan's Principle will gather a regional capital situation table to consult relevant program areas, including Regional Operations regarding the provision of technical support.

Once the Coordination Unit for Jordan's Principle informed by the regional capital situation table determines that the project is eligible, the Coordination Unit for Jordan's Principle will work together with the regional capital situation table to confirm what additional documentation or phases may need to be completed before the project is "ready to proceed" to the purchase or construction of an asset. Once these details have been confirmed, the Coordination Unit for Jordan's Principle will communicate this information in writing to the requestor.

## **5.1 Funding Determinations**

This capital funding request and assessment process has been designed to be adaptable to the various types of requests that will come forward, and their varying degrees of complexity and different phases of project readiness in the capital project life cycle.

ISC must make a determination on the funding of a project or study within 30 business days of receiving a capital funding request submission (i.e., Capital Funding Request form and any supporting documentation). ISC may not need the full 30-business days to reach a funding decision at each phase – it will vary based on the circumstances and complexity of each project.

If ISC is not able to make a funding decision to the next phase because the project is not “ready to proceed”, where possible, ISC will make a funding decision to enable the advancement of the project to the next phase. ISC will provide funding to support pre-capital and design as the project moves through the project life-cycle to achieve the ultimate goal of construction or purchase of the required asset.

If the 30-business day standard for a funding decision to the next phase cannot be met due to the level of project complexity or exceptional circumstance, the Coordination Unit for Jordan’s Principle will notify the requestor in writing and will provide the rationale for the additional time.

**Collaborative Process to Ensure Capital Needs are Addressed Promptly**

The Coordination Unit for Jordan’s Principle will work with the Region to confirm the complexity of each project and what steps, phases and documentation are needed for each project. ISC’s goal is to help requestors access the capital that they need to deliver approved Jordan’s Principle services. ISC will be as flexible as it can be and will exercise common sense approaches to support requestors during the assessment process and the implementation of these priority capital projects.

The Coordination Unit for Jordan’s Principle will support the Regions in sending notifications in writing to the funding requestor as the capital funding request moves forward through the assessment process and will notify the requestor promptly in writing regarding any missing information. To support stronger and more simplified information management, each funding request, on a phase by phase basis, will be assigned a unique identifier number and all correspondence from ISC regarding a 2021 CHRT 41 submission will note its unique identifier number.

The 2021 CHRT 41 funding request assessment process for requests under Jordan’s Principle is supported by the following ISC governance structure and division of responsibilities:

Group	Responsibilities
ISC FNCFS National	Intake (single window) for all 2021 CHRT 41 requests
ISC Coordination Unit for Jordan’s Principle National	Support to Jordan’s Principle Regions, Escalation of all requests, Oversight and Monitoring
ISC Jordan’s Principle Region	Requestor and Recipient Support
Coordination Unit with support of regional capital situation table (including representatives from: Capacity, Infrastructure and Accountability Division in Regional Office; Jordan’s Principle in Regional Office; relevant ISC Programs (e.g., Mental Wellness, Education)	Completeness Assessment, Program and Recipient Eligibility, Transfer Payments, and Requestor/Recipient support when and if needed
ISC Jordan’s Principle Appeals Secretariat	Appeals

This breakdown of responsibilities is notional and may be refined as ISC gains further experience supporting the implementation of the 2021 CHRT 41 order. Regardless, the different players within ISC will work collaboratively towards rendering a decision.

For more information on how the funding request and assessment process works based on the status and the phase of the capital project lifecycle, please see the rest of Section 5 and 7.

## **5.2 Project Lifecycle Process and Scenarios**

The number of phases that each capital project must undergo depends on the type of proposal and its level of complexity. For example, straightforward funding requests (e.g., modular units) will not need to go through as many project approval phases as a project involving the construction of multi-purpose buildings.

The complexity of a project depends on an array of factors including but not limited to:

- the type of project;
- the overall anticipated cost of the project;
- project completion time;
- whether it is a joint project with other First Nations or other partners;
- whether it is a multi-purpose building intended to offer multiple types of services;
- the location of the capital asset; if there are health and safety implications;
- whether the property is connected to a road, water and wastewater system, and a source of power; and
- whether there are any environmental impacts.

Capital projects can be deemed complex when the capital asset delivers and/or is intended to deliver multiple currently funded Jordan's Principle services (i.e., health and education) and other services. In these circumstances, the requestor and ISC will consider factors including design and/or capital asset requirements to accommodate multi-service delivery, and cost sharing among the service areas (based on proportionality).

ISC will send notifications to the funding requestor as the capital funding request moves forward through the assessment process and will notify the requestor promptly regarding any missing information. For more information on service standards regarding the assessment process and associated communication, please see Section 6.

### **A. Pre-Capital Needs Assessment, Feasibility and Planning Phase (Project is Not Underway)**

Where it makes sense to do so, First Nations, and First Nation authorized service providers for Jordan's Principle could find it beneficial to engage with each other at this phase in the process to discuss the current needs of implicated First Nations and to reach a common understanding regarding service delivery priorities (including capital) and possible opportunities for collaboration.

If pre-capital planning is incomplete and pre-capital work is necessary, the Coordination Unit for Jordan's Principle will make a determination on the request based on the requirement for pre-capital work within the service standards outlined under Section 7 and will flow funding to the requestor to complete pre-capital planning.

The pre-capital planning and feasibility phase identifies activities for which capital assets are required and determines the optimal approach - it identifies options for meeting the service need and

recommends the optimal approach (e.g., commercial lease; new construction; expansion and/or repair of an existing asset).

**Readiness:**

Readiness assessment will confirm the following pre-capital planning documentation has been completed (where required) in support of the capital asset request:

- *A capital needs assessment* that outlines the scope of Jordan’s Principle service activities that require the capital asset. A capital needs assessment typically gathers or determines details such as the:
  - scope of approved Jordan’s Principle services;
  - direct linkage between approved Jordan’s Principle direct services to eligible First Nation children and the infrastructure being requested;
  - staffing requirements to deliver approved Jordan’s Principle direct services to eligible First Nation children;
  - estimated capital space requirements of approved Jordan’s Principle services; and
  - extent to which this type of capital is currently available to the First Nation or authorized First Nation service provider for Jordan’s Principle current services and the current condition/state of these existing assets.
- *Functional Program (services operational plan or “Master Program”)* – covering how the funded Jordan’s Principle services will be operationalized, including occupancy by community-based and visiting health professionals, technicians, representatives, and other support staff.
- *Functional Plan (spaces m2)* – directly mapping services and occupancy to the number, size and type of spaces required.
- *Technical Feasibility Study* – prepared by a professional architect or engineer licensed to practice in the region where the Project is proposed to be undertaken, which examines the relative merit and feasibility of one or more design and construction or renovation options for meeting the physical space requirements for the proposed building. Part of the study must identify whether existing community-support infrastructure requires upgrading or the establishment of new systems to adequately accommodate the proposed building (e.g., roads, water and wastewater systems, electricity).
- *Geotechnical Investigation* – for new or alterations to structural foundations, a soil investigation report of the lands upon which the building or expansion is proposed to be constructed from a geotechnical engineer licensed to practice in the region where the Project will be undertaken.
- *Site Survey* – a survey completed by a licensed surveyor of the land upon which the Project is proposed to be constructed, to show the interrelationship of all proposed and existing buildings and infrastructure.
- *Signed letter and/or Band Council Resolution* – this requirement helps ensure that a common understanding of the proposed project is achieved and well supported by the Chief(s) and/or Band Council(s) of the community, or communities, directly involved.

**Feasibility Study:**

- If a feasibility study has not already been completed and is deemed necessary, the Coordination Unit for Jordan’s Principle will work with the funding requestor to determine the funding required to complete this study and to ensure funding is transferred to the requestor.
- A completed feasibility study will include a recommended option. The funding requestor will review this recommendation and identify their preferred option. The Coordination Unit for Jordan’s Principle working with the regional capital situation table and the ISC RO Regional Office when and if needed to assess the requestor’s preferred option and determine whether ISC should support the project moving on to the next phase.
- If the Coordination Unit for Jordan’s Principle determines, after reviewing the feasibility study, that the requestor’s preferred option is eligible but other documentation is still needed or the project must still undergo a design phase before a full funding decision can be rendered, the Coordination Unit for Jordan’s Principle will work with the requestor to determine the funding required to complete this documentation or this plan, and the Coordination Unit for Jordan’s Principle team will make a partial funding decision at this point to support the ongoing advancement of the project by funding this work.
- \*NOTE: Consideration of ancillary capital costs for the construction or purchase of assets, such as lot servicing, building hook-ups to water, sewer and electrification, and ensuring road access, etc., must be addressed as part of the feasibility study and design plan for this asset. These ancillary capital costs must be factored into the determination of the most cost-effective option overall.

Please read the scenarios below for further guidance on capital project life cycles.

**Scenario 1: If a Project is not yet Underway**

In this scenario, the full assessment process outlined in this chapter applies to the request.

**Scenario 2: Project is Already Underway before Funding Request Form is Submitted**

In this scenario, the funding requestor submits a Capital Funding Request Form along with documentation to demonstrate eligibility, phases completed to date, and how they have met any applicable requirements.

The request will be assessed and key information will be communicated to the requestor in the same way as described for Scenario 1. Once it is confirmed by the Coordination Unit for Jordan’s Principle that the project is eligible and that the documentation is complete, the Coordination Unit for Jordan’s Principle will notify the funding requestor in writing of the approved funding decision and flow the funds for cost incurred on or after August 26, 2021. Claims for reimbursement related to expenses incurred by the requestor in one fiscal year can be submitted until September 30 of the following fiscal year. As any remaining applicable phases are completed, associated documentation is provided and completeness is confirmed, the Coordination Unit for Jordan’s Principle will continue to render phase to phase funding decisions and ensure that funds continue to flow in order to continue to advance the project until the project is completed or no other phases can be funded.



### **Scenario 3: Project is Already Complete before Funding Request Form is Submitted**

In this scenario, the submission will be assessed in the same way as described for Scenario 1. Once it is jointly confirmed by the Coordination Unit for Jordan's Principle that the project is eligible and that the documentation is complete, the Coordination Unit for Jordan's Principle will notify the requestor in writing of the funding decision and will ensure that funds for costs incurred on or after August 26, 2021 are disbursed. Claims for reimbursement related to expenses incurred by the requestor in one fiscal year can be submitted until September 30 of the following fiscal year.

#### **B. Design Phase**

The development of a design plan is standard practice for many capital projects after the completion of a feasibility study. The need for a design plan is, however, case-specific based on the phase, nature and complexity of the capital project.

The design plan specifies in detail the preferred solution for meeting the service need, including factors such as lot servicing, access to services and supporting infrastructure (water, wastewater, internet, electricity, roads).

The design plan is the final potential component needed for ISC to confirm if a major project is "ready to proceed" to construction and to make a full funding decision. Once the design plan is submitted, the review of the plan will confirm that the project meets applicable federal, provincial, and territorial codes and standards for the design, construction and operation of similar physical assets, that the design of the project is approved and certified by a professional engineer or architect licensed to practice as such in the province/territory where the proposed work is undertaken.

If upon review of the design plan, the requested project is confirmed to be 'ready to proceed', the funding recipient will also initiate a tendering process for construction. Federally funded capital projects administered by First Nations must align with the First Nation's own tendering policies or, in the absence of such policies, the projects must align with the [Tendering policy on federally funded capital projects for First Nations on reserve](#). Federally funded capital projects administered by First Nations-authorized service providers must align with public sector tendering practices. The eligible recipients will call tenders to ensure the building is fit for purpose and that the project delivers value for money, prudence, probity and sound contract management. Value for money may include consideration of opportunities to secure socio-economic benefits on behalf of the community.

#### **C. Construction Phase**

A contract is awarded to the construction company. ISC flows funding to the requestor as per Health Facilities Program standard processes and construction begins.

#### **D. Completion Phase**

Once the construction is complete, the professional firm issues a certificate of project completion.

### **5.3 Impact of Remoteness or other Exceptional Circumstances on the Funding Request Process**

Review of capital projects for the delivery of approved services under Jordan's Principle that are situated in remote areas or with exceptional circumstances (e.g., time-limited availability of an ice road, First Nations located in rural areas or areas that were significantly impacted by recent flooding) will consider that some aspects of a project may need to be approved before full feasibility or design work is completed due to factors including but not limited to seasonal access to the First Nation or the limited availability of contractors.

## **6. DOCUMENTS TO SUPPORT CAPITAL FUNDING REQUEST**

Where relevant, existing ISC program policies (e.g., policies related to the Capital Facilities and Maintenance Program, Health Facilities Program) and other policies (e.g., Policy on Transfer Payments) will be used to support the implementation of eligible capital requests. In cases where requests do not fall under existing policies, ISC will work with the funding requestor to identify requirements based on industry standards and best practices.

To support ISC's review of the project proposal, supporting pre-capital documentation must be provided that:

- identifies health, education and/or social needs of the First Nations children addressed, and the expected role of the facility in the delivery of approved Jordan's Principle services;
- translates the needs into direct services levels;
- presents space requirements of the approved Jordan's Principle services; and
- presents a plan to accommodate the space requirements.

Each of these steps builds on the previous one, and the complete planning process maintains this sequence to ensure an integrated and thought-out facility plan is developed and implemented.

Where design work is complete, supporting documentation must be provided that:

- demonstrates the proposed undertaking is designed to meet applicable federal, provincial and territorial codes and standards for the design, construction and operation of similar physical assets;
- relevant land use approvals are secured;
- tender and contact documents are developed that are consistent with industry standards; and
- describes the procurement strategy.

### **6.1 Technical Guidance Available from Regional Teams**

In preparing your funding request, please note that ISC regional office staff can support requestors with:

- completing the form;
- assessing eligibility;
- maximizing the life cycle of physical assets;
- mitigating health and safety risks;
- ensuring assets meet applicable codes and standards;
- ensuring assets are managed in a cost effective and efficient manner;
- analyzing and/or revising the scope of projects;
- establishing professional services contracts; and
- updating financial information (project quote).

Please contact your [regional office](#) should you require assistance.

## **7. ESCALATION AND APPEALS PROCESS**

Until a longer-term approach is established, all requests under Jordan's Principle will be approved by the Assistant Deputy Minister, or delegated decision maker, responsible for the Capacity, Infrastructure and Accountability Division. Prior to making a decision that a request must be fully or partially denied, as part of the escalation process, the request can be reviewed by the Senior Assistant Deputy Minister, or delegated decision maker, responsible for Jordan's Principle. Details on the escalation process can be found in [Appendix D](#).

Upon making a final decision, the Coordination Unit for Jordan's Principle will communicate the decision on the request to the requestor in writing no later than 30 business days of receiving the complete submission.

If the request is deemed partially or fully ineligible, the communication will include a detailed explanation for the decision and information on the appeals process. The Coordination Unit for Jordan's Principle will try to identify other potential funding options to meet the requestor's needs.

Until such time as a permanent appeals process is approved by the Parties, all appeals will follow the existing process through the Jordan's Principle Appeals Secretariat. This is an arm's length process previously approved by the Parties to the Canadian Human Rights Tribunal complaint.

## **8. FUNDING AGREEMENT AND PAYMENT PROCESS**

### **8.1 Completeness and Complexity**

Completeness - ISC will fund the full cost of a capital request that meets the criteria outlined in Section 3.2. Please provide any supporting documents such as invoices, quotes, proposals, financial documentation, cash flow of forecasts, multiyear community planning, timesheets, provincial salary grid or other information that may assist in reviewing your request.

Complexity – Capital projects become more complex when a significant amount of construction is involved. In these circumstances, the requestor and ISC must consider and evaluate many factors such as lot servicing, access to services and supporting infrastructure (water, wastewater, internet, electricity, roads), tendering, cost validation, value for money, building to code, impacts of climate change, land use plans, size, etc.

### **8.2 Funding agreements and Payments**

ISC will work with funding recipients through new or existing funding agreements to issue funding at different phases of a capital project.

## **9. REPORTING REQUIREMENTS**

All reporting requirements, including annual audited financial reports, are to be outlined in the funding agreement between the recipient and Canada. Other reporting requirements will be discussed with the recipient during the assessment of the request for funding.

If applicable, once an asset is built, it will be entered in ISC’s information management systems. The data will be used to generate forms used for asset inspections. The inspections identify asset deficiencies, and future capital needs. This process allows for preventive or anticipatory work to be completed to ensure the infrastructure remains available to deliver services.

## 10. OPERATIONS AND MAINTENANCE

ISC promotes a life-cycle approach for assets. All assets must be:

- maintained to achieve their full design life, including regular inspections, preventative maintenance, and repairs when required; and
- operated to ensure their proper day-to-day functioning and service delivery outcomes as intended, with due regard to health and safety of the community and the environment.

## 11. REPAYABLE CONTRIBUTIONS

If any of these assets are sold or disposed of in some other way or, if in a manner within the control of the funding recipient, the assets become unavailable to provide services funded under Jordan’s Principle, ISC may reserve the right to a repayment proportional to the contribution made to the project. In instances where a First Nation or a First Nations-authorized service provider for Jordan’s Principle services receives funds resulting from the disposal of project assets, ISC may recover the cost from the First Nation, or the First Nations-authorized service provider.

<b>Where asset is sold, leased, encumbered, or disposed of within:</b>	<b>Return of contribution to ISC (In current dollars)</b>
2 years after project completion	100%
Between 2 and 5 years after project completion	55%
Between 5 and 10 years after project completion	10%

## 12. CONTACT INFORMATION

First Nations or First Nations authorized service providers can contact ISC at [chrt41-tcdp41@sac-isc.gc.ca](mailto:chrt41-tcdp41@sac-isc.gc.ca) for any questions relating to this chapter.

## ANNEXES

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### Appendix A: Glossary

**APPEAL:** An appeal is an application submitted by a funding requestor with the goal of getting a fully or partially denied capital request reversed.

**COMPLEX PROJECT:** The complexity of a project is determined based on an array of factors including but not limited to:

- the type of project;
- the overall anticipated cost of the project;
- the length of time it will take to complete the project;
- whether it is a joint project with multiple service providers;
- whether it is a multi-purpose building intended to offer multiple types of services;
- where the asset is to be located;
- whether there are health and safety implications
- whether the property is connected to a road, water and wastewater system, and a source of power; and
- whether there are any environmental impacts

**ESCALATION:** An internal ISC process designed to ensure that, prior to a decision being made by the First Nations Child and Family Services (FNCFS) team concluding that a request must be fully or partially denied, in the case of FNCFS, other ISC colleagues with relevant professional backgrounds (e.g., social workers) or relevant paraprofessional backgrounds, and, if necessary, the Assistant Deputy Minister, review the funding request.

In the case of requests under Jordan's Principle, all decisions are currently made at headquarters. All requests are escalated to headquarters for decision making in consultation with the Regions. Prior to a decision being made by the Coordination Unit for Jordan's Principle concluding that a request must be fully or partially denied—until a longer-term approach is established, all requests will be approved by the Assistant Deputy Minister or delegate responsible for the Capacity, Infrastructure and Accountability Division. Prior to making a decision that a request must be fully or partially denied, the request may be reviewed by the Senior Assistant Deputy Minister or delegate responsible for Jordan's Principle.

For more information on the escalation process for the Canadian Human Rights Tribunal (CHRT) order on capital projects funded under the FNCFS Program or through Jordan's Principle (i.e., 2021 CHRT 41), please see Appendix D.

**FEASIBILITY STUDY:** The feasibility study phase examines all technically sound and economically viable options available to achieve the objectives of a capital project and provides the planning information required for the project to move ahead to subsequent phases. The feasibility study report:

- *details the options and investigates site issues impacting those options;*
- *weighs the advantages and disadvantages of each option,*
- *assesses the cost effectiveness of each option, and*
- *determines if the options meet ISC program funding requirements.*

The feasibility study report recommends a preferred option and should determine the most appropriate strategy for moving ahead with the project and maximizing benefits to the community while meeting ISC program funding requirements.

**FNCFS AGENCY:** Provincially delegated and First Nation-led agencies providing child and family services to First Nations children, youth, and families. This does not include service providers operating on behalf of First Nations exercising jurisdiction over FNCFS under *An Act respecting First Nations, Inuit and Métis children, youth and families*.

**FUNDING AGREEMENT:** A written agreement or documentation constituting an agreement between the Government of Canada and a funding recipient setting out the obligations or understandings of both with respect to one or more transfer payments. It describes the requirements needed to maintain the accountability relationship between ISC and the funding recipient. Additional information on [National Funding Agreement Models](#) is available online.  
[www.sac-isc.gc.ca/eng/1545169431029/1545169495474](http://www.sac-isc.gc.ca/eng/1545169431029/1545169495474)

**FUNDING RECIPIENT:** An individual or entity that has met the eligibility criteria of the program and has signed a funding agreement with ISC to deliver an initiative (program, service, or activity).

**FUNDING REQUESTOR (aka “requestor”):** An individual or entity that has met the eligibility criteria of the program for submitting a capital funding request needed to support the delivery of FNCFS funded activities or services or the delivery of current services funded under Jordan’s Principle.

**NEEDS ASSESSMENT:** An assessment process to determine and address needs or gaps between current and desired conditions.

**OPERATIONS AND MAINTENANCE:** The activities associated with the daily operations and normal repairs needed to preserve an asset so that it continues to provide acceptable services and achieves its expected lifespan.

**READY TO PROCEED:** The project has received approval from the First Nation and all applicable project phases (e.g., feasibility or design phases for construction projects) for that project were completed. The asset can be purchased or construction can begin at this point.

**REMOTE:** First Nations scored as 0.4 or more based on the Canadian Remoteness Index published by Statistics Canada.

## **Appendix B: Capital Funding Request Form**

[www.sac-isc.gc.ca/eng/1592232608805/1592234588002#fn\\_cf\\_srv](http://www.sac-isc.gc.ca/eng/1592232608805/1592234588002#fn_cf_srv) (PAW#40-013) *is available for download online or by request from [chrt41-tcdp41@sac-isc.gc.ca](mailto:chrt41-tcdp41@sac-isc.gc.ca).*

## Appendix C: Examples of Key Information to Include in Feasibility Study

<b>STRATEGIC CONTEXT</b>	
<b>Organization Name</b>	Detail the name of the organization requesting the capital investment.
<b>Organizational Overview</b>	<p>To build a strong rationale for a proposed investment, the current environment needs to be described. The organizational overview of the sponsoring agency should include:</p> <ul style="list-style-type: none"> <li>• <i>mission</i></li> <li>• <i>strategic vision, goals, and service objectives</i></li> <li>• <i>current activities and services, including key stakeholders and clients</i></li> <li>• <i>organizational structure (high level)</i></li> <li>• <i>existing capacity—financial and human resources</i></li> </ul>
<b>Problem/Opportunity Statement</b>	Express the problem or opportunity to which your agency or First Nation is responding.
<b>Strategic Fit</b>	The feasibility study should demonstrate how the proposed investment fits within the agency's or First Nation's broader strategic context and contributes towards its goals and objectives (e.g., successful family reunifications, fewer re-entries into protection). This subsection maps the investment proposal to the organizational framework.
<b>Drivers for Change</b>	Identify the drivers that have triggered the investment proposal, for example, an infrastructure gap that needs to be filled to facilitate the delivery of approved Jordan's Principle services, or additional funding is now available under FNCFS and there is an ongoing need for capital or increased demand for services or demand for additional services. Both internal (e.g., organizational reprioritization) and external drivers of change should be identified and clearly linked to the business need.
<b>ANALYSIS AND RECOMMENDATION</b>	



<b>Options Analysis</b>	Identify, describe, and explore the range of possible capital project options that can address the need. The list should demonstrate in exploring all options to ensure the deliverance of the Program objectives.
<b>Performance Alignment</b>	Define the evaluation criteria and how the project aligns with the goal of 2021 CHRT 41, which is to provide appropriate assets to support the delivery of FNCFS funded activities or services and/or the delivery of approved services under Jordan’s Principle.
<b>Life Cycle Cost for Each Option</b>	Provide a complete description of the costs. Projected costing estimates should be based on total cost of ownership, which includes ongoing costs over the course of the investment’s life cycle as well as potential compliance costs for stakeholder groups, e.g., costs to ensure an asset continues to comply with applicable building codes or health and safety regulations.
<b>Cost-Benefit Analysis for Each Option</b>	Based on the costs established for each option, describe how those costs are weighed against the benefits. Conduct the cost-benefit analysis for each option considering costs, benefits, and risks.
<b>Risk Analysis for Each Option</b>	Identify the foreseen risks and conduct a risk assessment for each option, along with the development of a risk response. Risks may include challenges of working in remote areas, or the investment’s importance to the agency’s operations. A useful tool for assessing the risk and complexity of a project is the <a href="#">Treasury Board Project Complexity and Risk Assessment (PCRA)</a> .
<b>JUSTIFICATION AND RECOMMENDATION</b>	
<b>Identify the Recommended Option</b>	Present the recommendation in a straightforward manner, clearly stating why the agency or First Nation will benefit by focusing its investment on one option.

<b>Deciding Factors</b>	Identify the deciding factors (financial, strategic, and outcome-related) for selecting the preferred option.
<b>Forecasted Performance Impact of the Recommended Option</b>	Present the contribution of the requested capital item towards the realization of the objectives of 2021 CHRT 41.
<b>Life Cycle Cost</b>	Present the life cycle cost for the requested capital item.
<b>Risk Mitigation Measures of Recommended Option</b>	Illustrate why the identified risks are acceptable. Narrative may be included to further contextualize the key factors supporting the overall risk assessment, which include impact, probability, outcomes, and so forth. A useful tool is the <a href="#">Treasury Board PCRA</a> .

## Appendix D: 2021 CHRT 41 Escalation Process

The escalation process can occur in 2 instances:

### Scenario 1

The request can be escalated to the Assistant Deputy Minister, or their authorized delegate, if ISC determines that the requestor did not demonstrate clearly how the capital asset supports the delivery of FNCFS funded activities or services and/or current Jordan's Principle services as per the applicable program terms and conditions or the Capital Order.

### Scenario 2

The FNCFS team or the Coordination Unit for Jordan's Principle determines that the request must be fully or partially denied (e.g., apparent missing elements). The Regional Operations Sector's Capital team and/or First Nations Inuit and Health Branch's Capacity, Infrastructure and Accountability Division does not recommend supporting the requestor's preferred project option because the information provided does not justify it as the most suitable and cost-effective option.

### Step One: Prior to Escalation—Review By Other ISC Employees with Relevant Technical Expertise

Before escalating a request, the regional staff will engage with NHQ staff and/or the Coordination Unit for Jordan's Principle to discuss eligibility based on the knowledge and expertise of the social workers or other professionals and/or program leads within the team.

After completing their review, if it is determined that the project is approved and can continue to proceed through any outstanding steps/phases or it is ready to proceed, the regular process to transfer funds will be pursued.

After completing their review, if it is determined that the request does not meet the eligibility criteria in the CHRT order or the Program terms and conditions, and/or eligibility for Jordan's Principle, the FNCFS team and/or the Coordination Unit for Jordan's Principle will provide the funding requestor with all of the relevant information regarding the request and highlighting the basis for their ineligibility concerns and the rationale for the proposed full or partial denial of the capital funding request.

### Step Two: Initial Step In Escalation: 2021 CHRT 41 Intake Desk and/or Jordan's Principle Coordination Unit—Quality Assurance Check Point

The 2021 CHRT 41 Intake Desk and/or the Coordination Unit for Jordan's Principle will conduct a quality assurance check of the file and ensure that the following information is included:

- *The rationale for the escalation*
- *Confirmation that the proposed denial was reviewed by other ISC staff with applicable professional backgrounds prior to the escalation to the ADM or authorized delegate*

The Intake Desk for FNCFS and the Coordination Unit for Jordan's Principle will prepare the following for the ADM's review file:

- *A briefing note for the ADM or authorized delegate that clearly outlines all the relevant background information and considerations related to the request and also explains the rationale for the proposed full or partial denial.*
- *A denial letter ready to be sent to the funding requestor that clearly states the reason for the full or partial denial, and identifies other potential sources of funding (if possible) and key information on the appeals process.*

### **Step Three: Escalation File Undergoes ADM Review**

The ADM or authorized delegate reviews the respective escalation file.

Upon the decision regarding the approval or denial of the request, the FNCFS team and/or the Coordination Unit for Jordan's Principle will notify the funding requestor and update the file for record keeping purposes.