



## **DEPARTMENT OF INDUSTRY, TOURISM AND INVESTMENT**

### **GRANTS AND CONTRIBUTIONS POLICY**

#### **1. STATEMENT OF POLICY**

The Department of Industry, Tourism and Investment (ITI) may provide grants and contributions to a wide range of clients to advance initiatives that support its mandate of promoting economic self-sufficiency in the NWT and to create a prosperous, diverse and sustainable economy for the benefit of all NWT residents through:

- the promotion and support of tourism, film and media, trade and investment, business, and manufacturing and secondary industries; and
- the responsible development of NWT natural resource industries, including agriculture, commercial fishing, the traditional economy, and mineral and petroleum resources.

#### **2. PRINCIPLES**

This Policy is based on the following principles:

- (1) Investing in NWT businesses provides for the growth, diversification and sustainability of the economy by means of job creation and development opportunities.
- (2) Economic prosperity and community self-reliance results from a diversified economy, new and expanded NWT businesses, improved business knowledge and capacity, and business opportunities in existing and new sectors.
- (3) Programs and services should be delivered in an effective, transparent and accountable manner and as close as practical to the people being served.
- (4) The design and delivery of programs and services should be based on a clear demonstration of need, benefit, sustainability, and shared risk.



### 3. SCOPE

This Policy applies to all grants and contributions provided by ITI and the eligible recipients thereof, including those detailed in the attached schedules.

Exceptions include:

- The Community Futures Program administered by NWT Community Futures Development Corporations.

Where there is a conflict or inconsistency between this policy and the provision of a separate policy establishing a funding program in support of the Department's mandate, the provision of the separate policy for that funding program will prevail.

### 4. DEFINITIONS

**Funding** means a grant or contribution, as defined in the *Financial Administration Manual*, provided to a recipient under this Policy.

**Funding Agreement** means a written agreement to provide funding to a recipient.

**Funding Program** means a program established as a schedule to this Policy or otherwise established through a separate policy to provide funding in support of the Department's Mandate.

### 5. AUTHORITY AND ACCOUNTABILITY

#### (1) **General**

This Policy is issued in accordance with Financial Management Board (FMB) direction to delegate to Ministers authority to establish grants and contribution policies. Authority and accountability is further defined in *Financial Administration Manual* Directive 800 and as follows:

##### (a) **Minister**

The Minister is responsible for establishing and publishing this policy.



**(b) Deputy Minister**

The Deputy Minister is accountable to the Minister for the administration of this Policy and all funding programs established under this Policy.

**(2) Specific**

**(a) Minister**

The Minister is accountable to the FMB for the implementation of this Policy. The Minister may:

- (i) approve changes to the Policy and its schedules;
- (ii) establish, amend or terminate funding programs;
- (iii) execute funding agreements; and
- (iv) delegate authority to the Deputy Minister.

**(b) Deputy Minister**

The Deputy Minister has the following authority and accountability:

- (i) establish and amend requirements with respect to administrative procedures for funding programs, including evaluation frameworks and reporting requirements;
- (ii) further delegate the approval of grants and contributions to decision makers for each funding program;
- (iii) authorize a disbursement for a pending funding agreement before the funding agreement has been executed under specific circumstances;
- (iv) delegate authority to rule on appeals and decisions;
- (v) recommend changes to this Policy and its schedules to the Minister.

**(c) Decision Maker**



A decision maker is designated by and accountable to the Deputy Minister for the operation of funding programs. When approving a grant or contribution, a decision maker must:

- (i) review requests for funding, apply established criteria, and document decisions clearly, including information about how the decision was reached;
- (ii) communicate decisions and reasons to applicants in writing.

(d) Appeal Review Officer

If delegated, the Appeals Review Officer is accountable to the Deputy Minister for the management and administration of appeals decisions for funding programs.

## 6. PROVISIONS

### (1) Eligibility

Eligibility is restricted to those individuals and entities that come within the scope of this Policy, and as detailed under individual funding programs, who are also in good financial standing with Corporate Credit and Collections with the Department of Finance at the time of application.

Related parties who are not in good financial standing with Corporate Credit and Collections may be considered when determining an applicant's eligibility for funding. ITI will refer to IB 625.02 of the Financial Administration Manual when considering related parties.

### (2) Funding

Subject to this Policy, the Department may provide funding for purposes consistent with its mandate.

The Department shall only disburse funding to which it has executed a funding agreement, unless:



- (a) a funding agreement is pending and its terms are already known in accurate, sufficient and reasonable detail for the Department to execute funding;
- (b) exceptional circumstances require that the funding be disbursed prior to execution of the funding agreement;
- (c) the Department is confident that the funding agreement will be executed as soon as possible; and
- (d) the Deputy Minister has authorized the disbursement.

The Department shall not execute a funding agreement unless it complies with the terms and criteria established by the Comptroller General and there is a sufficient uncommitted balance in the appropriation for the Department for the fiscal year in which the expenditure is required.

**(3) Funding Programs**

[Section 805 of the Financial Administration Manual](#) applies to all funding through a grants or contributions program.

**(a) Establishment**

The Minister may establish or amend a funding program by amending the schedules in this Policy.

**(b) Ongoing Contributions**

An ongoing contribution may be used to fund a multi-year project if the schedule authorizes ongoing contributions.

**(4) Funding that is not through a Funding Program**

The Department shall not provide funding other than through a funding program unless:

- (a) the Minister has established and published eligibility criteria and a recipient selection methodology; or



- (b) the funding is provided on a one-time basis as a result of a decision of the FMB or a public agency's board. [Section 805 of the Financial Administration Manual](#) applies to all funding that is not through an established program.

#### **(5) Accountability for Contribution Funding**

All recipients for contribution assistance are responsible to account for funding received. This may involve granting GNWT access to audit financial statements. Recipients who fail to meet their commitments as outlined in the contribution agreement will be required to repay any amounts not accounted for.

- (a) The Department will have the discretion to forward overdue receivables to the Corporate Credit and Collection division of the Department of Finance if amounts are outstanding or not accounted for. Considerations include:
  - (i) the materiality of the amount;
  - (ii) the reason, based on the best information available to the Department, for the failure to appropriately account.

#### **(6) Appeals**

- (a) Applicants may appeal an application decision that resulted in a denial of funding. Appeals can be pursued on the grounds that:
  - (i) the applicant believes the provisions of the policy were not fairly and adequately applied; or
  - (ii) where new information has become available after submission to the approving authority.

Reasons other than (i) or (ii) above will not be considered ground for appeals.

- (b) Appeals must be made in writing to the Deputy Minister within 30 days of the decision. The Deputy Minister may choose to delegate authority for reviewing an appeal.



- (c) Once a decision is made by the Deputy Minister or delegated authority, the applicant will be notified in writing. Appeal decisions are final with no further levels of appeals.

**(7) Program Performance and Monitoring**

All funding programs subject to this Policy are required to have monitoring and evaluation frameworks in place for the purposes of informing program planning, improvements to program design and implementation, and resource allocations.

- (a) The department shall ensure that:

- (i) the program demonstrates how it intends to generate expected outcomes;
- (ii) program outcomes are clearly defined and are attainable and that program performance measures represent accurate, reliable, and valid expectations; and
- (iii) program monitoring occurs on a regular and consistent basis per the timeline established in the funding program.

**(8) Reporting**

**(a) Individuals or Corporate entities**

Recipients of funding under the programs subject to this Policy may be required to report on the outcomes of their project for the purposes of informing program evaluation and monitoring. This could include, funds spent, jobs created, funding leveraged, etc.

**(b) Department**

- (i) The Deputy Minister shall, during each fiscal year, report to the Minister on the funding the Department provided during the previous fiscal year.
- (ii) The Minister shall, during each fiscal year, report to the Legislative Assembly on the funding the Department provided during the previous fiscal year.



## 7. FINANCIAL RESOURCES

Financial resources required under this policy are conditional on approval of funds in the Main Estimates by the Legislative Assembly and there being sufficient unencumbered balance in the appropriate activity for the fiscal year for which the funds would be required.

## 8. PREROGATIVE OF THE MINISTER

Nothing in this policy shall in any way be construed to limit the prerogative of the Minister to make decisions or take actions respecting grants or contributions. In this regard, the Minister may make a special exception to the rules set out in this policy. Any exception will require substantiation in writing and must be recorded with the Department.

Minister  
Industry, Tourism and Investment

July 17, 2023

Date