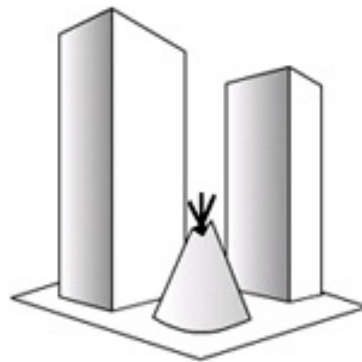


National Association of Friendship Centres

Aboriginal Friendship Centre Program

Criteria & Guidelines



**Membership Approved
July 2006**

1.0	Introduction	1
2.0	Statement of Need	1
3.0	Core (Program Delivery)	2
3.1	Core (Program Delivery) to Eligible Friendship Centres	2
3.2	Friendship Centres in Difficulty	5
	.1 Background	5
	.2 Guiding Principle	5
	.3 Definition of Friendship Centre in Difficulty	5
	.4 Special Agreement	8
	.5 National Procedures and Guidelines	9
3.3	Core (Program Delivery) - First Time Core Applications	11
3.4	Core (Program Delivery) - Satellite Centres	12
3.5	Core (Program Delivery) - National Association of Friendship Centres	13
3.6	Core (Program Delivery) - Remoteness Allowance	14
4.0	Training	15
5.0	Capital Funding	17
6.0	Community Interaction	19
7.0	Special Projects	20
7.1	Self-Sufficiency	20
7.2	Disabled Projects	21
7.3	Research and Data Collection	22
7.4	Languages	23
	.1 Official Languages	23
	.2 Aboriginal Languages	24
8.0	Youth	25
9.0	Provincial/Territorial Associations	26
10.0	Program Management	27
11.0	Definitions	30

1.0 INTRODUCTION

The first Friendship Centres began providing services to people migrating to and residing in urban areas in the 1950's. The early Centres were resourced through fundraising activities, supported by churches and service groups and by small grants available through various levels of government. Through the 1960s, the number of Friendship Centres grew. The demand for services by urban and migrating First Nations, Inuit and Metis people (also referred to as Aboriginal¹ people) also increased the amount and kinds of programming and services provided by Friendship Centres.

In 1972, the government of Canada formally recognized the viability of Friendship Centres and implemented the Migrating Native Peoples Program (MNPP). This Program provided operational funding for Friendship Centres for five years until March, 1977. The next fiscal year was seen as an interim year and the second MNPP was created in 1978 with a five year mandate.

In 1983 the National Association of Friendship Centres and the Department of the Secretary of State (SOS) successfully negotiated the evolution of the MNPP to an enriched Native Friendship Centre Program (NFCP).

In 1988, the NFCP became the Aboriginal Friendship Centre Program (AFCP) which secured the status of being a permanent program with continued funding from the federal government through the SOS.

On March 29, 1996, administrative responsibility for the AFCP was transferred from the Department of Canadian Heritage (DCH) to the NAFC. This new arrangement was ratified by the membership of the NAFC in July, 1996 and will be in place until March 31, 2001. The program was renewed in December 2000, for a second, five-year period.

The transfer requires that new criteria for the management of the AFCP be created. The following is the criteria under which the new AFCP will be operated. It is intended to provide information to the local Friendship Centre management on the elements of the AFCP. The criteria will provide the principles and standards by which the AFCP will be delivered and eventually be assessed.

The NAFC will review this criteria document in the context of each program renewal.

This document is the foundation of AFCP. The NAFC, in conjunction with the Friendship Centre Movement (FCM), has developed the AFCP Administration Manual which supplements this foundation by further defining the roles for proficient delivery of AFCP.

2.0 STATEMENT OF NEED

The Core (Program Delivery) funding program was designed to provide Friendship Centres with stable operational funding from which they could begin to access other funds from a variety of sources to address needs identified by their community. In addition to core components, Friendship Centres have always pursued other service and programming resources. The AFCP provides core funding to the majority of Friendship Centres. This means that new and developing Centres must rely on municipal, provincial and/or federal grants, local fundraising activities and miscellaneous grants and contributions in order to provide programs and services. There remains an unmet need in terms of addressing funding for additional Friendship Centres under the AFCP.

The level of funding available for each Friendship Centre has been steadily declining over the past decade. This reduction has had very serious impacts on individual Centres. The level of resources available under the AFCP has also required that priority funding areas be identified. This has meant that there may be no resources available under specific components listed in this document. Establishing an acceptable funding level for all Friendship Centres and the various components which authorities exist under the AFCP is also an on-going area requiring address.

Friendship Centres also continue to address the training needs of those looking for employment in the Friendship Centres. The AFCP only begins to address the needs of workers with marginal skills and knowledge who see the

¹ Aboriginal means First Nations, Status, non-Status, Inuit, Métis

Friendship Centres as their first employers. There are still needs in terms of youth employment, board training, literacy, planning, financial management, translation services (in French, English and Aboriginal languages), existing staff skill transfers and organization development. Training continues to be a major focus of the work of Friendship Centres.

The cornerstone of Friendship Centre development comes from servicing the urban and migrating Aboriginal people who leave their home communities and for a variety of reasons travel to urban areas. There is an increasing number of people who make urban areas their homes. In addition, we recognize that our population is an increasingly young one, and as a result, the development of youth programs and services has become a priority.

There is a noticeable lack of supportive policies at the federal and provincial/territorial levels to address this population of Aboriginal people. They are in the vast majority yet lack resources and supportive policies. The issue of representation and service issues must be addressed daily. While the AFCP acknowledges that "Aboriginal Friendship Centres are recognized as legitimate urban Aboriginal institutions responding to the needs of Aboriginal Peoples", there is a need for on-going urban Aboriginal policy development.

Friendship Centres are also expected to interface with non-Aboriginal organizations and mainstream service providers to achieve the program objective of the AFCP. This area also requires resources dedicated to achieving some equity and identification of the priority areas to be addressed.

There is a need for Friendship Centres to provide the services and programs that they have developed an expertise in. There are many more areas requiring development. There are clearly evolutionary cycles for Friendship Centres themselves as they address community and cultural growth. There is a need for Friendship Centres to change and meet new challenges while maintaining standards of performance. Structures defined thirty years ago are being redefined and new approaches created.

Friendship Centres clearly have not finished their work. There are many needs that still require addressing and the role of the Friendship Centres in the 21st century is still being defined. As long as there are urban residents and migrating First Nations, Inuit and Metis people, there will be a need for Friendship Centres.

3.0 CORE (PROGRAM DELIVERY)

3.1 CORE (PROGRAM DELIVERY) TO ELIGIBLE FRIENDSHIP CENTRES

PROGRAM OBJECTIVE

The objective of the Program is to improve the quality of life for Aboriginal Peoples in an urban environment by supporting self-determined activities which encourage equal access to, and participation in Canadian society, and which respects and strengthens the increasing emphasis on Aboriginal cultural distinctiveness.

This area also requires resources dedicated to achieving some equity and identification of the priority areas to be addressed.

The Program operates under the following main understandings:

- .1 Aboriginal Friendship Centres are recognized as legitimate urban Aboriginal institutions responding to the needs of Aboriginal Peoples;
- .2 the community-based management and direction of individual Aboriginal Friendship Centres is acknowledged and respected;
- .3 the Aboriginal Friendship Centres' pursuit of autonomy through their own increased economic independence is endorsed;
- .4 the work of Aboriginal Friendship Centres promotes the participation of Aboriginal Peoples in contributing to community through their assessment of the particular needs, development of

priorities and implementation of responses for their membership; and,

- .5 Aboriginal Friendship Centres recognize and address the equity and safety needs and concerns of Aboriginal women.
- .6 Aboriginal Friendship Centres should have first right of access to AFCP component funding, where appropriate and when consistent with the criteria set out for that component.

RATIONALE

- .1 Aboriginal Friendship Centres are best equipped to develop solutions to problems affecting urban Aboriginal persons;
- .2 Aboriginal Friendship Centres are best equipped to improve the quality of life of Aboriginal people living in the urban setting;
- .3 Friendship Centres are the most appropriate urban Aboriginal institutions to facilitate Aboriginal human resource development;
- .4 Friendship Centres are the most viable urban Aboriginal institutions to facilitate community development;
- .5 Friendship Centres are among the most viable urban Aboriginal institutions to facilitate economic development; and,
- .6 Friendship Centres are the most viable urban Aboriginal institutions to promote volunteerism and participation in community activities.

CRITERIA

A Friendship Centre is defined as a community based and directed Aboriginal institution serving the interests of urban Aboriginal Peoples in the areas of social, cultural, economic and community development. An Aboriginal Friendship Centre is a primary information referral agency and recognized training institution. It provides and promotes human resource development through a wide range of programs and services to a diverse and increasing urban Aboriginal community.

All Friendship Centres who have PTAs within their respective region will receive administrative services through that particular PTA. Only those Friendship Centres without a PTA in their region will receive their administrative services through the NAFC.

Friendship Centres must:

- .1 Have been in operation for 12 consecutive months from the date of incorporation during which time it has demonstrated ability as a community organization. It should also demonstrate that there is support from the Aboriginal community and relevant non-Aboriginal agencies dealing with Aboriginal issues and concerns.
- .2 Provide the community with opportunities to develop skills in areas pertinent to the operation of the Centre and encourage the development of human resources by making available training and career opportunities.
- .3 Ensure that the Centre is open to all Aboriginal people regardless of gender, sexual orientation, origin, religion, age, disability or marital status.
- .4 Be located in an urban area easily accessible to Aboriginal clients.
- .5 Be a non-sectarian, non-profit, politically non-partisan organization, registered under appropriate

provincial or territorial law.

- .6 Direct its programs and activities to the provision of facilities and services that will complement services provided in the immediate community.
- .7 Operate in accordance with financial and administrative guidelines and the Code of Ethics (attached as Appendix "A" to this document) and directives agreed upon for Friendship Centres.
- .8 Agree to participate in a dispute resolution process (attached as Appendix "C" to this document) or an appeal process as determined at the PTA level.
- .9 Is a member of the NAFC and or PTA.

APPLICATION

The receipt of an acceptable and approved application, along with an annual budget, must be submitted to the appropriate PTA and/or the NAFC by December 1 of each year.

PTAs will forward their recommendations to the NAFC by January 31 of each year.

FUNDING LEVEL

Each year eligible Centres will receive notification of their level of core funding. The Transfer Agreement between DCH and the NAFC, which contains the Annual Appendix "A", provides information on the level of core funding. In the Agreement, there are sections which indicate the total amount of funding for the AFCP over the term of the Agreement (April 1, 2001 to March 31, 2006), opportunities for enrichment; reductions and a clause indicating that the funding levels will be established subject to an appropriation of funds by the Parliament of Canada.

ADDITIONAL INFORMATION

USE OF CORE (PROGRAM DELIVERY) FUNDS

Core (Program Delivery) funding is to be used to assist in the day-to-day operations of a Friendship Centre for such costs as:

- salaries and benefits
- space and building costs: rent, taxes, mortgage payments*
- office costs (ie. telephone, office supplies, etc.)
- professional services
- meetings** (ie. room rental, food, audiovisual equipment, childcare, etc.)
- training
- travel
- furniture and equipment
- promotion, publicity, newsletters
- maintenance
- insurance

* Mortgage payments are eligible if the Friendship Centre is able to demonstrate its ability to maintain its programs and services as a Centre and cover the financing costs.

**Members of Boards of Directors do not receive remuneration for their services.

Friendship Centres have the ability to determine the allocation of funds within eligible cost guidelines. The designation of core staff, and the role and types of service, is left to the discretion of each Friendship Centre and determined by the needs of the community.

SURPLUS CORE FUNDING

Any surplus of funds at year end shall be deferred to future periods to be used in support of Core (Program Delivery) activities.

ANNUAL CONSOLIDATED AUDITS

Please note that this requirement refers to audit preparation only.

DCH, through the AFCP Transfer Agreement, requires that an annual consolidated audited financial statement of the Centre's operations be conducted by a firm of independent accountants/auditors licensed under the laws in force where the Centre has its office. The audit must disclose the Centre's various sources of funding and expenses.

Annual Consolidated Audits and applicable Management Letter (as at March 31 of the applicable fiscal year) **shall** be the source documents for the purposes of initially determining if a Friendship Centre is in difficulty under Section 3.2 *Friendship Centres in Difficulty*.

3.2 FRIENDSHIP CENTRES IN DIFFICULTY

.1 BACKGROUND

The purpose of this section is to provide guidelines and procedures to be undertaken by the Primary Service Provider (PSP) should a Friendship Centre experience difficulty. This section shall complement existing policies and procedures within the Provincial/Territorial Associations (PTAs).

.2 GUIDING PRINCIPLE

The PSP shall do everything within their capabilities to restore the Friendship Centre's ability to provide services to the urban Aboriginal community and restore the community's autonomy, stability, balance and opportunities for regrowth to a Friendship Centre that is experiencing difficulty. Each Friendship Centre in Difficulty will be assisted throughout all stages of difficulty by the PSP.

.3 DEFINITION OF FRIENDSHIP CENTRE IN DIFFICULTY

A Friendship Centre is in difficulty when any of the following or combination of the following occurs:

.1 FINANCIAL MANAGEMENT

- .a Negative Net Working Capital:** Net working Capital is defined as Current Assets minus Current Liabilities. This is an alternative method of assessing a non-profit's ability to pay its' short term obligations (short term means under 1 year).

Current assets are cash and assets which can be turned into cash right away or which, in the normal course of business, will be turned into cash in the future, i.e. normally within one year. Cash, receivables, marketable securities and inventory are current assets. *Current liabilities* are debts incurred by a firm in the ordinary course of its business which have to be paid within a short time - a year at the most.

- .b Current Ratio less than 1:1** - The current ratio (current assets/ current liabilities) is less than 1:1. The current ratio is a measure of the cash or near cash position (liquidity) of the Friendship Centre. It tells you if you have enough cash or near cash position to pay your Friendship Centre's current creditors. The higher the ratio, the more liquid the Friendship Centre's position is and the higher the credibility of the Friendship Centre.

- .c **Debt / Equity Ratio exceeds 1.5 : 1** - is defined as Debt to Equity = Total Debt (short & long term)/Total Equity (Total Assets - Total Liabilities).

This ratio pinpoints the relationship of debt to a Friendship Centre's equity (Total Assets minus Total Liabilities on Balance Sheet). The higher the debt to equity ratio, the higher the financial risk. Too large a debt burden reduces the margin of safety behind the Friendship Centre's capital (building or equipment). Debt such as mortgages or lines of credit also increases the Friendship Centre's fixed costs. A Friendship Centre shall not exceed a Debt to Equity ratio of **1.5:1**. This means that total debt outstanding should not be more than one and a half times the book value of equity (Total Assets - Total Liabilities).
- .d **Financial Mismanagement** - There is serious financial mismanagement or financial improprieties such as;
 - .i threat of bank foreclosure;
 - .ii receivership;
 - .iii bankruptcy or multiple legal actions.
 - .iv significant lack of supporting documentation for financial transactions.
- .e **Reporting Requirements** - Financial reporting requirements such as the submission of Consolidated Audited Financial Statements and required interim financial reports are not completed and submitted.
- .f **Increasing Deficits** - Incurring increasing deficits.
- .g **Fraud** - Reports of internal and external fraud and theft.
- .h **Contractual Obligations** - Failure to meet and fulfill contractual obligations.
- .i **"Denial of Opinion" from Auditor** - If the auditor's management letter indicates serious deficiencies in the Centre's financial accounting practices or a receipt of "Denial of Opinion " is obtained, this may indicate that the financial information is substantially incorrect. The resulting decisions made by a Friendship Centre could be inappropriate. For example, an association could be close to bankruptcy, yet the financial statements portray a healthy balance sheet. In this instance, a Friendship Centre could undertake more credit potentially forcing it into receivership faster.
- .j **High Risk Investment** - There is evidence of high risk investment that would seriously jeopardize the financial position of the Friendship Centre. An example of a high risk investment is the taking of an equity position in a business start-up whereby potentially exposing the Friendship Centre to a deficit as a result of loss of capital.
- .k **Over-Reliance on Core Funding** - Over-reliance on core funding by a Friendship Centre. Over reliance translates into 85-100% of revenue received is from core funding.
- .l **Absence of Program Delivery** - This can also be reflected in the financial statements through the use of the current ratio, whereby, an above normal current ratio may indicate that the Friendship Centre may be accumulating funds as opposed to program delivery.
- .m **Inadequate Liability Insurance** - There is inadequate liability insurance leaving

the Friendship Centre at risk. This may also translate into potential personal liability on behalf of the Board of Directors. Purchasing insurance is an essential component of managing risk. The types of insurance coverage a Friendship Centre will require depend on the types of activities undertaken and the exposure to losses. Lack of proper insurance exposes a Friendship Centre to potential loss through claims and lawsuits.

- .n **Charitable Status** - The Friendship Centre's charitable status is at risk of being revoked leading to potential undermining of a source of revenue such as bingo.

.2 GOVERNANCE ISSUES

- .a **Board and Management Instability** - The Friendship Centre experiences Board and management instability in terms of:

- .i Lack of clear authority and/or responsibility;
- .ii There is no distinct elected Board of Directors;
- .iii Multiple Boards of Directors emerge;
- .iv Political interference in Board composition by local Aboriginal groups and/or individual families;
- .v Nepotism
- .vi lack of community involvement / support

- .b **Violation of Labour and Employment Standards** - There are labour and employment standards violations potentially exposing the Friendship Centre to liability through lawsuits.

- .c **Mandatory Meetings Not Being Held** - Regularly scheduled meetings of the Friendship Centre's Board of Directors are not being held which includes a mandatory Annual General Meeting.

- .d **Too Many Meetings Being Held** - There are too many meetings occurring leading to potential cost-overrun in cashflow, jeopardizing the financial position of the Friendship Centre.

- .e **Violation of Friendship Centre Constitution & By-laws** - The Friendship Centre is in clear violation of its own Constitution, by-laws and/or administrative policies and procedures.

- .f **Violation of the Provincial/Territorial Corporations/Society Act** - The Centre is in violation of the provincial/territorial Corporations/Society Act under which it operates.

- .g **Violation of Human Rights Legislation** - There is Human Rights Legislation and violations of the Legislation potentially expose the Friendship Centre to liability through lawsuits.

.4 SPECIAL AGREEMENT

When a Friendship Centre experiences difficulty, as outlined in the previous section and is determined by the PSP to be in difficulty, they must enter into a Special Agreement with their Primary Service Provider (PSP). The PSP shall have the authority to determine whether a Friendship Centre should be placed on Special Agreement if they are experiencing one (1) or more of the difficulties outlined in the previous section.

The purpose of a Special Agreement is to assist the Friendship Centre experiencing difficulty to

overcome the issue(s) causing the difficulty. The Special Agreement serves as a tool for the Friendship Centre and PSP to understand why the Centre is experiencing difficulty and requires that a plan to address that difficulty be developed and implemented. The Special Agreement also increases the reporting requirements of the Friendship Centre in difficulty in order for the PSP to closely monitor the Friendship Centre's progress in addressing the issue(s) that caused the Centre to experience difficulty, ensuring the continuing accountability of the AFCP.

A Special Agreement shall be a written agreement or contract between the Friendship Centre experiencing difficulty and the PSP. The Agreement will clearly outline the objectives and expected results and the means for measuring and reporting achievement of objectives.

A Friendship Centre may be placed on Special Agreement if Section **3.2.3.1.c (Debt to Equity Ratio exceeds 1.5:1)** applies. The recommendation to place a Friendship Centre on Special Agreement in this situation will be provided by the PSP to the NAFC pending review and acceptance of the NAFC and based on documentation and background information in relation to the financial situation.

A Friendship Centre shall be automatically placed on Special Agreement if Section **3.2.3.1.d (Financial Mismanagement- foreclosure, receivership, bankruptcy or multiple legal actions)** applies.

A report shall be made by the PSP outlining findings and recommendations within a thirty (30) day period. The Friendship Centre shall develop a remedial action or recovery plan within 30 days of receipt of report on findings and recommendations.

.1 REPORTING AND PAYMENT SCHEDULE FOR FRIENDSHIP CENTRES ON SPECIAL AGREEMENT

Friendship Centres on Special Agreement will receive their core funding in quarterly payments, each payment representing 25% of the total core funding allocation.

In addition to regular AFCP reporting requirements, Friendship Centres on Special Agreement shall meet the following reporting requirements:

- .a December 1** - Submission of a projected cash flow statement (April 1, 20XX to March 31, 20XX) and a recovery plan (current or updated) to the PSP.
- .b April 1** - Subject to the receipt and acceptance of the PSP recommended approvals for the core funding applications and within ten days of the receipt by the NAFC of the first payment by the Minister, the NAFC will release the first advance payments. The payment shall be one quarter of the annual approved core funding allocation.
- .c June 15** - Submission of the interim unaudited consolidated Balance Sheet, an Income Statement, and a related Activity Report for the two months ending May 31, 20XX to the PSP, in order to obtain the second quarterly payment.
- .d September 15** - Submission of the interim unaudited consolidated Balance Sheet, an Income Statement, and a related Activity Report for the five months ending August 31, 20XX to the PSP, in order to obtain the third quarterly payment.
- .e November 15** - Submission of the interim unaudited consolidated Balance Sheet, an Income Statement, and a related Activity Report for the seven months ending October 31, 20XX to the PSP, in order to obtain the final quarterly payment.

.5 NATIONAL PROCEDURES AND GUIDELINES

The mandate to carry out the following procedures and guidelines will be under the authority of the Primary Service Provider (PSP). The mandate will be performed under the premise that the PSP shall do everything within their capabilities to restore the Friendship Centre's ability to provide services to the urban Aboriginal community.

.1 ANNUAL PROCESS OF PRIMARY SERVICE PROVIDER (PSP)

On an annual basis, the PSP shall undertake the following:

- .a Review and assess the annual consolidated audited financial statements of its member Friendship Centres.
- .b Review and assess the Friendship Centre core funding applications.
- .c Review and assess activity reports and required financial statements of Friendship Centres on Special Agreement as outlined in Section 3.2.4.1.

.2 SELF-DISCLOSURE AND IDENTIFICATION OF ISSUES

Every Friendship Centre Board of Directors is obligated to contact their PSP to self-disclose any difficulties that the Friendship Centre may be experiencing. The Friendship Centre Board of Directors will then be tasked with preparing a document identifying the issues as to why the Friendship Centre came into difficulty and then develop a remedial action or recovery plan to address the identified issues.

.3 DEVELOPMENT OF REMEDIAL ACTION OR RECOVERY PLAN

Each remedial action or recovery plan will include all of the following:

- .a An outline of necessary options for recovery, be they financial, management or governance in nature.
- .b Short and long term goals and time frames.
- .c Evaluation of the feasibility of the plans.
- .d Evaluation of capacity of the Friendship Centre to carry out the requirements.
- .e Identification of additional resources be they financial, human, professional and/or technical.
- .f Development of recovery budget for three years via cash flow and ratio specific.

.4 RECEIPT OF REMEDIAL ACTION OR RECOVERY PLAN BY PSP

Upon receipt of the remedial action or recovery plan, the PSP will review the plan and assist the Friendship Centre's Board of Directors in achieving the plan.

.5 NON-DISCLOSURE FROM FRIENDSHIP CENTRE

In the event that a Friendship Centre's Board of Directors does not self-disclose to the PSP, the PSP, upon discovering discrepancies, shall contact the Friendship Centre's Board of Directors.

The PSP's role shall be to inquire and clarify the situation and to gather relevant information and/or offer mediation. The PSP may also assess the need for a field visit.

The PSP shall forward correspondence outlining concerns they have regarding the specific Friendship Centre and the Friendship Centre will be requested to provide clarification on the situation in a timely manner.

.6 STATUS REPORT OF FINDINGS

Upon completion of the assessment and/or field visit, the PSP shall relay in writing a status report to the Friendship Centres' Board of Directors within 30 days. The report will outline findings and present recommendations for action.

Should the PSP recommend that the Friendship Centre be placed on Special Agreement, the Friendship Centre shall develop a remedial action or recovery plan within 30 days.

.7 MAINTENANCE OF OPERATIONS OF FRIENDSHIP CENTRE

Upon a mutually agreed plan of action, the PSP shall monitor progress of the Friendship Centre in meeting time lines and identified goals. This process may include the assessment of dissolving the Special Agreement or moving towards the next level of the Special Agreement for the Interim Management Process.

.8 NON-COMPLIANCE WITH TERMS AND CONDITIONS OF SPECIAL AGREEMENT

Should a Friendship Centre on Special Agreement not comply with the terms and conditions of said agreement, the PSP has the authority to suspend core funding to that Friendship Centre. In addition, the PSP may implement an Interim Management Process with the agreement of the Friendship Centre Board of Directors.

The Interim Management Process may include implementation of the following:

- .i Interim Management Committee;
- .ii 3rd party Management;
- .iii Primary Service Provider Administration; and,
- .iv Trusteeship for a maximum of three (3) years.

The Interim Management Process must be compliant with relevant legislation.

3.3 CORE (PROGRAM DELIVERY) - FIRST TIME CORE APPLICATIONS

OVERVIEW

The demand for services for Aboriginal people in our urban areas has increased significantly in the past years. There is a need for new Friendship Centres to meet the challenges that exist today. There is a clear mandate for Friendship Centres to address community and cultural growth and a definite need to provide these programs and services to meet the needs of Aboriginal people.

RATIONALE

- .1 To provide an annual allocation of funds to Friendship Centres applying for core funding which qualify for NAFC funding under this criteria.

OBJECTIVES

- .1 To assist in the establishment of Friendship Centres in the areas of greatest need.
- .2 To provide a minimum of \$100,000 to Friendship Centres applying for core funding which qualify under this criteria.

CRITERIA

- .1 Friendship Centres applying for core funding must be operational for a 12 month period from its date of incorporation prior to becoming eligible for the receipt of core funds.
- .2 Friendship Centres applying for core funding must meet the same criteria as described in Section 3.0 - Core (Program Delivery) to Eligible Friendship Centres.
- .3 Friendship Centres applying for core funding are those organizations which operate as a Friendship Centre, are a member of their PTA or of the NAFC in regions in which no PTA exist and which do not receive core funding through the AFCP.

APPLICATION

Friendship Centres applying for core funding shall follow an application process as outlined below.

An initial application will be in the form of an annual submission to the appropriate PTA and/or the NAFC, when no PTA exists, on or before December 1 of each year.

The PTA will provide a ranked series of recommendations to the NAFC.

Based on the PTA's ranking, and in the event that sufficient funds do not exist to provide Centres with \$100,000 each, the National AFCP Assessment Criteria (Appendix "A") shall be applied to the remaining, eligible Centres which will be ranked accordingly.

FUNDING LEVEL

Friendship Centres applying for core funding will be eligible for annual funding at a level of \$100,000, based on the availability of resources, and to be confirmed in each year at a level to be determined through the confirmation of the budget outlined in the Annual Appendix "A" of the Transfer Agreement each fiscal year.

FINANCIAL AND REPORTING GUIDELINES

Friendship Centres applying for core funding shall adhere to the same financial and reporting guidelines outlined in Section 3.0 - Core (Program Delivery) to Eligible Friendship Centres and in the Agreement between the Centre and the NAFC.

3.4 CORE (PROGRAM DELIVERY) - SATELLITE CENTRES

OVERVIEW

There are currently no resources identified for Satellite Centres. Satellite Centres are intended to provide Friendship Centres with the ability to extend services to outlying communities where there is a demonstrated need to provide some services but where the full services of a Friendship Centre are not required.

RATIONALE

- .1 To provide a Friendship Centre with the capacity to provide programs and services in an urban Aboriginal community which is geographically separate.
- .2 To facilitate a Friendship Centre's delivery of service to an area of the community that has a recognizable Aboriginal population.

OBJECTIVES

- .1 To provide an existing Friendship Centres with the capacity to extend services to an identifiable Aboriginal community within an urban setting that is geographically separate from the host

Friendship Centre's service area or region.

- .2 To provide a PTA with the capacity to redirect program delivery funds which have been withdrawn from an existing core funded Friendship Centre in order to provide partial or temporary services in a geographically separate area or region than existing Friendship Centres.
- .3 To extend programs and services to urban Aboriginal communities where no core funded Friendship Centres or new and developing Friendship Centres exist.

CRITERIA

Friendship Centres which have successfully operated for a period of at least 12 consecutive months. First Time Core Applicants are not eligible. Satellite Centres will be confined to urban environments or in other communities where no long term dependencies will be created in communities where no Friendship Centre exists.

Funding for each Satellite Centre will be reviewed and assessed on an annual basis.

APPLICATION

To be made with the core application by December 1 each year.

FUNDING LEVEL

Satellite Centres will be eligible for funding each year at a level to be determined through the confirmation of the budget outlined in Appendix "B" of the Transfer Agreement each fiscal year.

FINANCIAL AND REPORTING GUIDELINES

Satellite Centres shall adhere to the same financial and reporting guidelines outlined in Section 3.0 - Core (Program Delivery) to Eligible Friendship Centres and in the Agreement between the Centre and the NAFC.

3.5 CORE (PROGRAM DELIVERY) - NATIONAL ASSOCIATION OF FRIENDSHIP CENTRES

OVERVIEW

Core (Program Delivery) funds are intended to be utilized to represent the interests and concerns of the Friendship Centres and PTAs in accordance with the constitution of the NAFC.

RATIONALE

To provide the NAFC with Core (Program Delivery) funds thereby enabling the Association to undertake necessary coordination, communication, liaison and advocacy functions on behalf of its membership.

OBJECTIVES

- .1 To unite Friendship Centres and their PTAs into a unified whole, authorized, upon request, to negotiate on behalf of its constituent members with all levels of government.
- .2 To provide a central body to facilitate communications between and the exchange of ideas among constituent members.
- .3 To cooperate with Friendship Centres, and PTAs, where appropriate, in the establishment of new Friendship Centres.

- .4 To act in a central public relations capacity, authorized to represent all constituent members.
- .5 To provide support at the national level to its constituent members involved in local issues having national implications.
- .6 To promote self-recognition by the community at large of the identity, culture and heritage of Aboriginal Peoples.
- .7 To promote and encourage the involvement of Aboriginal Peoples in the activities at their local Friendship Centres.
- .8 To maintain liaison with representatives of Aboriginal Peoples and all other organizations involved with Aboriginal Peoples.
- .9 To remain non-partisan in religious and political matters.
- .10 To encourage the assistance of service agencies, voluntary organizations, private industry and all levels of government in the advancing and maintaining of the well-being of the constituent members of the NAFC and the Aboriginal Peoples of Canada.

CRITERIA

- .1 Act as a central unifying body for the Friendship Centre Movement.
- .2 Promote and advocate the interests and concerns of Friendship Centres, PTAs and their membership.
- .3 Represent the needs of Friendship Centres and PTAs to governments and the general public.
- .4 Organize and facilitate meetings for the representatives of all Friendship Centres and PTAs across Canada. This is the mechanism by which local issues and concerns are brought forward to the national level for action by the NAFC Board of Directors and the national office staff and, includes the following, but not limited to:
 - Quarterly meetings of the Board of Directors
 - Executive Committee meetings held in between Board meetings
 - Annual General Meeting
 - Presidents and Coordinators workshop
 - Aboriginal Youth Council forum
 - Extraordinary meetings
- .5 Coordinate and facilitate the delivery of national programs and services.
- .6 Facilitate communications within the Friendship Centre Movement.
- .7 Network with other Aboriginal and non-Aboriginal national organizations.

APPLICATION

An application form will be completed by the NAFC on or before December 1 of each year. Copies of the application will be distributed to the Board of Directors for their review, comment and/or feedback.

FUNDING LEVEL

The NAFC will be eligible for funding each year at a level to be determined through the confirmation of the budget outlined in Appendix "A" of the Transfer Agreement each fiscal year.

FINANCIAL AND REPORTING GUIDELINES

The NAFC shall adhere to the same financial and reporting guidelines outlined in Section 3.0 - Core (Program Delivery) to Eligible Friendship Centres.

3.6 CORE (PROGRAM DELIVERY) - REMOTENESS ALLOWANCE

OVERVIEW

The Remoteness Allowance (RA) is an expenditure within the AFCP which must be used to supplement wage costs of eligible employees of Friendship Centres operating in northern, remote or isolated communities. The RA may be provided on an annual basis through the annual application process. Eligibility will be determined by the NAFC.

RATIONALE

To compensate Friendship Centre employees for the impact of such isolation factors associated with the higher cost of living, fuel and utilities and other such environmental considerations.

OBJECTIVES

To supplement staff salaries that would in turn assist employee recruitment and retention or contribute or address the higher cost of operations in those designated high cost locations.

CRITERIA

This component has been provided based on historical levels provided by the Department of Canadian Heritage for Isolated Post Allowance.

Attached (as an Appendix "D" to this document) is a list of Friendship Centres that receive RA.

Friendship Centres that are eligible for a RA shall indicate anticipated allocations in the appropriate section of their core application.

FUNDING LEVEL

The funding level for the RA for each fiscal year will be determined by the NAFC through the confirmation of the budget outlined in Appendix "D" of the Transfer Agreement each fiscal year.

FINANCIAL AND REPORTING GUIDELINES

RA is subject to the same financial and reporting guidelines established under Section 3.0 - Core (Program Delivery) to Eligible Friendship Centres.

4.0 TRAINING

This is a capacity building component of the AFCP specifically targeting resources for the training and orientation of new staff and members of the Board of Directors and for their enhanced professional development as it relates to the delivery/implementation of the AFCP.

OVERVIEW

Friendship Centres have had a long history of developing human resources in their communities. Training is provided to the staff of the Friendship Centres, members of the Board and volunteers. Training is a major focus of the Aboriginal Friendship Centre Program. In addition to professional development, the definition of appropriate performance indicators, Friendship Centre training also

focuses on cultural competencies and culture-based approaches appropriate to each community. As well, our training requirements must reflect our need to provide a supportive and nurturing and mentoring environment for our youth.

RATIONALE

- .1 To recognize training as a major thrust of the Aboriginal Friendship Centre Program.
- .2 To recognize the contribution and continuing role of the Friendship Centres in the development of human resources within their communities.
- .3 To encourage the Friendship Centres to undertake initiatives which will result in the professional development of those individuals involved in the Centres.
- .4 To extend Friendship Centre community-outreach functions.
- .5 To continue to support the exchange of information, points of view and the definition of appropriate performance indicators.

OBJECTIVES

Training activities in Friendship Centres are intended to:

- .1 Encourage the development of management, technical and professional skills in Friendship Centres;
- .2 reduce board and staff turnover and thereby stabilize Friendship Centre operations;
- .3 effect an improved quality of service;
- .4 ensure Friendship Centres are able to increase their level of sophistication and thereby keep pace with societal and technological changes; and,
- .5 encourage career development.

CRITERIA

All core funded Friendship Centres are eligible for training resources. Training resources are identified as a distinct component of each core application.

APPLICATION

Friendship Centres are required to identify a summary of their training plans and related costs with their annual core budget submissions. In identifying their training plans, the Friendship Centre may wish to purchase training services from other groups, institutions or their PTA.

FUNDING LEVEL

Friendship Centres will be eligible for up to 5% of the core allocation may be identified to address the Friendship Centre training needs.

FINANCIAL AND REPORTING GUIDELINES

Reporting on training monies shall adhere to the same financial and reporting guidelines outlined in Section 3.0 - Core (Program Delivery) to Eligible Friendship Centres.

5.0 CAPITAL FUNDING

OVERVIEW

Ownership encourages and supports a positive self-image for Aboriginal people. Aboriginal involvement in Canadian society is facilitated when a vehicle for organizational visibility, stability, responsibility and credibility is attained. The Capital component also encourages the preservation of Aboriginal cultures by providing a location within the community where Aboriginal people can share their Aboriginal cultures as distinct from other groups in society.

The end result of capital projects are increased Friendship Centre autonomy and responsibility. Capital projects often provide the ways and means for generating additional self-sufficient opportunities through increased programming space and a larger asset base. Friendship Centre board, staff, volunteers and local business also have the opportunity to gain experience in the areas of property management, investments and services associated with multi-purpose facilities.

RATIONALE

As mentioned above, the Capital Component has played a very significant role in facilitating a successful capital project. The federal funds were often the lever to secure funding from the provincial/territorial/municipal levels of government in addition to the local fund raising efforts of the Centres. The component has also been instrumental in ensuring that adequate programming space was secured through which a wide spectrum of programs and services are offered.

The pride of accomplishment is another area which Centres and communities share in the successful completion of a capital project. Quite often it is also the impetus to take on other challenges and undertake the next generation or physical growth and expansion.

OBJECTIVES

In the past the capital component provided a mix of funding opportunities for Friendship Centres. Among these were:

- .1 the provision of funds for Friendship Centres to purchase, renovate and/or construct facilities.
- .2 the provision of funds for Friendship Centres to upgrade their existing facilities and ensure disables accessibility.
- .3 the provision of funds to accommodate emergency repairs.

CRITERIA

Specific criteria will be developed upon confirmation of funding, however, the following points have been taken from the previous capital component and are for general reference only.

- .1 Capital assistance is in the form of a contribution, which is available to all existing Friendship Centres core funded under the AFCP for twelve (12) consecutive months.
- .2 Contributions may be approved to a maximum of three hundred thousand (\$300,000) dollars. The maximum allocation for Capital will not exceed the confirmed market value in the community making the application.
- .3 Friendship Centres must qualify for continued core funding be meeting the Criteria.
- .4 Demonstrate a history of stable administrative and financial management of the Friendship Centre.

- .5 Be Operation on a financially solvent basis with no outstanding accumulated deficits or financial loss at the time of the application as demonstrated by the annual audited financial statements.
- .6 Friendship Centres that have received funding for an initial acquisition from the previous two Programs are not eligible for assistance from initial acquisition budget.
- .7 The applicant must file a notice of intent, indicating the type of project (eg. purchase, renovation, construction, etc.) that is planned, one year prior to the actual commencement of the project.
- .8 Next a preliminary proposal detailing type of project, cost estimates, confirmed sources and estimated start and completion date must be submitted, along with a completed application form.
- .9 Applications for construction and/or major structural renovations must be accompanied by professionally prepared blueprints and working drawings which include details of site location, soil tests, foundation, layout, structural, electrical, mechanical and finishing.

APPLICATION

An application format and process would be established with criteria upon confirmation of funding

FUNDING LEVEL

The funding level for the Capital component will be determined through the confirmation of the budget outlined in Appendix "A" of the Transfer Agreement each fiscal year.

FINANCIAL AND REPORTING GUIDELINES

- .1 Payment will only be made on approved applications based on properly detailed expenditures (i.e. invoice receipts, cancelled cheques, vouchers and certificate of donations)
- .2 Under certain circumstances and upon request, an accountable advance may be made on an approved contribution.
- .3 Financial responsibilities for the project rest solely with the Friendship Centres. Contracts or purchases must be made by the Friendship Centre and any financial obligation arising from such transactions must remain that of the Friendship Centre.
- .4 The Friendship Centre should not proceed with the project until final approvals are given to their application.

6.0 COMMUNITY INTERACTION

OVERVIEW

The community Interaction program in previous years has been instrumental in fostering a better understanding of the distinct and unique cultures of Aboriginal people in Canada. Funding has been provided that addressed the issue of racism, creating a dialogue among diverse community interests and exposed non-Aboriginal people to traditional teachings, arts and crafts, language, etc.

Funding of this nature would allow local Friendship Centres and PTA's to plan community race relations partnerships. These partnerships would: celebrate diversity and cross-cultural interaction; raise the

awareness of urban Aboriginal issues; promote out positive contributions to the growth and development of Canada as a country; and, carry a strong anti-racism theme. There is also an increasing awareness that youth issues must be dealt with in a much more comprehensive manner. The Community Interaction [Race Relations] program is a valuable component of social planning, using a more holistic approach in exposing, educating and engaging people to Aboriginal culture, traditions and Aboriginal community development.

RATIONALE

This component will enable Friendship Centres, PTA's and the NAFC to promote and foster positive community and cross-cultural interaction. Since their inception, Friendship Centres have been - at times, by necessity - at the forefront of establishing more positive race relations in their communities.

OBJECTIVES

- .1 To develop race relations programs and partnerships within communities.
- .2 To foster community development between urban aboriginal and non-Aboriginal citizens, facilitation effective responses from nd the identification of needs of both parties.
- .3 To allow for activities which facilitate the exchange of information, cross cultural communications and interactive fora in which both urban Aboriginal and non-Aboriginal community members may identify their needs.
- .4 To encourage and empower Aboriginal citizen to respond effectively to their own identified needs.

CRITERIA

- .1 Projects that examine community interaction and introduce new techniques which will enhance the quality of life for Aboriginal Peoples living in urban areas will receive priority. It is understood that the assessment, methodology, results, etc. will be available to all others seeking new techniques for resolving community interaction issues and concerns.
- .2 The approval of projects is the responsibility of the NAFC. To ensure effective coordination in these decisions, the NAFC, PTA, affected Friendship Centre and/or the project sponsors will communicate effectively with all parties involved.
- .3 Successful projects will be eligible for on-going funding. New projects will be funded, subject to availability of funds.

APPLICATION

The NAFC will apply to the appropriate government department for "Community Interaction" funds. Friendship Centres and PTS's would then apply through the NAFC for funding.

In order of precedence, Friendship Centres, PTA's and the NAFC will be eligible to apply for Self-Sufficiency funds. A separate application process and format would be developed upon confirmation of funding.

A separate application process and format would be developed upon confirmation of funding.

FUNDING LEVEL

All funding should be for a five (5) year period with the option for a renewal of a further five (5) years. Friendship Centres and PTA's will be eligible for funding each year at a level to be determined through

the confirmation of the budget outlined in the Appendix "A" or the Transfer Agreement each fiscal year.

The NAFC would retain 15% for administration costs, including salary for a Social Facilitator. The balance of funds would be available to Friendship Centres and PTA's.

FINANCIAL AND REPORTING GUIDELINES

Financial reporting Guidelines for Community Interaction [Race Relations] funds will be developed upon confirmation of funding.

7.0 SPECIAL PROJECTS

7.1 SELF-SUFFICIENCY

OVERVIEW

All Friendship Centres, PTA's and the NAFC are expected to make efforts toward becoming more self-sufficient. These initiatives will enable the organizations to diversify their funding sources as well as to increase their level of independence.

Moreover, Friendship Centres, PTA's and the NAFC are encouraged to implement community economic development activities that are in keeping with their mission statements. These activities will benefit the Friendship Centres, PTA's the NAFC and urban Aboriginal communities. In addition, many of these self-sufficient endeavours will lead to job creation, local empowerment, entrepreneurial development of youth, generation of revenues, acquisition of experience and assets, development of expertise, increased local recognition, etc.

RATIONALE

Self-sufficiency has long been a goal of each level of the Association. Self-sufficiency will assist in community development, responding to expressed community needs and reducing dependency on government funding and restrictive criteria.

OBJECTIVES

- .1 To encourage Friendship Centres, PTA's and the NAFC to develop activities, policies and strategies that support self-sufficient endeavours.
- .2 To encourage Friendship Centres, PTA's and the NAFC to diversify revenue sources.
- .3 To encourage entrepreneurship within the Movement
- .4 To provide Friendship Centres, PTA's and the NAFC with the tools necessary to more strategically invest in our future and in the future of our urban Aboriginal communities.

CRITERIA

Upon confirmation of funding, criteria will be developed.

APPLICATION

In order of precedence, Friendship Centres, PTA's and the NAFC will be eligible to apply for Self-Sufficiency funds. A separate application process and format would be developed upon confirmation of funding.

FINANCIAL AND REPORTING GUIDELINES

Financial and reporting Guidelines for Self-Sufficiency funds will be developed upon confirmation of funding.

7.2 DISABLED PROJECTS

OVERVIEW

Persons with disabilities are an integral part of our society. Friendship Centres, PTA's and the NAFC are encouraged to ensure that they are in compliance with the Canadian Charter of Human Rights and Freedoms, and any provincial/territorial legislation, which prohibits discrimination against this segment of our population.

Friendship Centres, PTA's and the NAFC are also encouraged to make efforts to remove any physical, systemic or attitudinal barriers and promote the full participation of persons with disabilities. As well, Friendship Centres, PTA's and the NAFC will foster understanding and communications between the disabled and non-disabled members of our communities.

OBJECTIVES

- .1 To promote increased involvement of disabled Aboriginal peoples within all levels of the Movement.
- .2 To sensitize our communities to the notion that "disabilities" can mean more than physical challenges; it can also refer to mental, emotional and spiritual challenges.
- .3 To provide Friendship Centres, PTA's and the NAFC with resources to advocate and provide programs and services to the disabled members of our urban Aboriginal communities.

CRITERIA

Upon confirmation of funding, criteria will be developed.

APPLICATION

In order of precedence, Friendship Centres, PTA's and the NAFC will be eligible to apply for Disabled Projects funds. A separate application process and format would be developed upon confirmation of funding.

FUNDING LEVEL

Friendship Centres, PTA's and the NAFC will be eligible for funding each year at a level to be determined through the confirmation of the budget outlined in the Annual Appendix AA@ or the Transfer Agreement each fiscal year.

FINANCIAL AND REPORTING GUIDELINES

Financial and Reporting Guidelines for Disabled Projects funds will be developed upon confirmation of funding.

7.3 RESEARCH AND DATA COLLECTION

OVERVIEW

Statistics are vital to the Friendship Centre Movement, because they allow us to show the importance of our contribution to the development of our communities. Statistics are used to show the impact of services and to document clientele served. They are useful in tracing new and developing needs so

that programs and services can be tailored to meet them. Ultimately, they will also be used to justify the renewal of the AFCP.

As part of their regular activities, Friendship Centres, PTA's and the NAFC are expected to gather information on important aspects of their activities, such as areas of involvement, numbers and composition of clientele, budgets, sources of funding, numbers of staff, etc.

RATIONALE

- .1 To enable Friendship Centres, PTA's and the NAFC to collect relevant information on urban Aboriginal conditions.
- .2 To ensure there is a sufficient data base for planning and evaluation purposes.

OBJECTIVES

- .1 To provide Friendship Centres, PTAs and the NAFC with relevant information on the needs of urban Aboriginal people in Canada.
- .2 To enable Friendship Centres, PTAs and the NAFC to plan appropriate actions and policies to respond to those needs.
- .3 To provide information that will assist in the evaluation of the AFCP and the on-going activities within the Friendship Centre Movement and the greater urban Aboriginal dynamic.

CRITERIA

Friendship Centres, PTAs and the NAFC will be eligible to receive funding for research projects.

- .1 All aspects of urban Aboriginal experience may be considered for research projects.
- .2 To be approved for funding, a project must clearly identify:
 - .a the issue(s) to be researched;
 - .b the methodology to be used in gathering the information; and,
 - .c the possibility of research findings leading to specific remedial actions.

APPLICATION

In order of precedence, Friendship Centres, PTAs and the NAFC will be eligible to apply for Research and Data Collection funds. A separate application process and format would be developed upon confirmation of funding.

FUNDING LEVEL

Friendship Centres, PTAs and the NAFC will be eligible for funding each year at a level to be determined through the confirmation of the budget outlined in the Annual Appendix "A" of the Transfer Agreement each fiscal year.

FINANCIAL REPORTING AND GUIDELINES

Financial and Reporting Guidelines for research and data collection funds will be developed upon confirmation of funding.

7.4 LANGUAGES

.1 OFFICIAL LANGUAGES

OVERVIEW

It is a recognized principle that all Friendship Centres, PTAs and the NAFC should be able to communicate with each other in the official language of their choice (English or French).

Also, information coming from the NAFC and distributed to all PTAS and/or all Friendship Centres must be made available in both official language.

The Official Languages component of the AFCP was created to facilitate such communications and to comply with federal government policy.

RATIONALE

- .1 To facilitate communications between Centres in the Québec region.
- .2 To facilitate communications between the Québec region, Friendship Centres in other parts of Canada, PTAs, the NAFC and the federal government.

OBJECTIVES

- .1 In accordance with the Official Languages and component "E" of Appendix Appendix "A" of the Transfer Agreement respecting the Aboriginal Friendship Centre Program signed on March 29, 1996 between Canada and the NAFC, DCH through the NAFC will provide a contribution to regroupement des centres d'amitié autochtones du Québec (RCAAQ) annually for the Official Languages component.
- .2 To this effect, the NAFC, under the AFCP, will maintain bilingual capacity within the Association as set out in the Transfer Agreement and will receive an annual contribution from the DCH - Official Languages Program and will provide such for bilingual processes.

CRITERIA

The NAFC will provide a contribution to the RCAAQ, annually, for the duration of the current Transfer Agreement which runs to March 31, 2006.

APPLICATION

RCAAQ will apply annually to the NAFC.

FUNDING LEVEL

The target funding level for the "Official Languages Component" is \$250,000.

FINANCIAL & REPORTING GUIDELINES

An annual report including a financial statement will be submitted by the RCAAQ to the NAFC.

Any financial or additional reporting guidelines will be contained in the agreement between the NAFC and RCAAQ.

.2 ABORIGINAL LANGUAGES

OVERVIEW

It is a recognized principle that all Friendship Centres, PTAs and the NAFC should be able to communicate with each other in the Aboriginal language of their choice. This is in recognition that the NAFC is an Aboriginal organization with a primary commitment to Aboriginal peoples, their cultures and languages.

The Aboriginal Languages Component will facilitate an opportunity for Friendship Centres to provide translation, interpretation or other language support to Aboriginal peoples who require these services.

RATIONALE

- .1 To facilitate communications between the NAFC and Friendship Centres which operate with an Aboriginal language as their primary means of communication.

OBJECTIVES

- .1 In recognition that the NAFC is an Aboriginal organization with a primary commitment to Aboriginal people, their cultures and languages, a source of funding will be accessible to Friendship Centres which operate in an Aboriginal language and, as a result, have difficulty communicating effectively with the NAFC.

CRITERIA

The NAFC will make funding available for: translation; interpretation; and, other languages support related to Aboriginal languages.

APPLICATION

Friendship Centres may apply to the National AFCP Program Review Committee for the Aboriginal Languages Component.

FUNDING LEVEL

The target funding level for the "Aboriginal Languages Component" is \$250,000.

FINANCIAL & REPORTING GUIDELINES

An annual report including a financial statement will be submitted by any Friendship Centre receiving funding under the Aboriginal Languages Component.

8.0 YOUTH

Youth are defined, within the NAFC's & Constitution & By-laws as being between 18 - 24 years of age, inclusive. Each Friendship Centre shall be eligible for the core funded, youth-directed allocation. The activity outcomes of the youth component shall allow for greater Board representation of youth in the Friendship Centres, PTA and the NAFC meetings and planning sessions. It is also intended to create increased youth involvement on local Friendship Centre Boards of Directors and PTA's provincial/territorial Boards. One-half (50%) of the youth allocation will be used to address youth training needs, leadership, personal development and mentoring. The remaining funds will be used for travel costs.

OVERVIEW

The Youth component is intended to ensure that the needs and concerns of urban Aboriginal Youth are addressed within the AFCP.

RATIONALE

Approximately 60-65% of the entire Aboriginal population in Canada are living off-reserve, in urban areas, Metis settlements and Inuit communities. Of this percentage, approximately 57% are under the age of 24. These urban Aboriginal Youth face many barriers, including; lack of culture and tradition; lack of education; unemployment; homelessness; high rates of suicide (5-6 times higher than that of the general Canadian population); substance abuse and incarceration (Aboriginal Youth are more likely to go to jail than to graduate from a post-secondary institution).

As for the urban Aboriginal population continues to grow, there will be a significant and ever increasing number of Youth entering the labour force in the coming years. Aboriginal Youth face a bleak future, when the unemployment rate among all Aboriginal people is approximately 25%, more than double the Canadian rate. Statistics project that new service jobs will require higher skills by the year 2000 and 64% of these positions will require more than a grade 12 education. The percentage of Aboriginal Youth (50%) who have not completed high school, find it extremely difficult to access adequate employment.

It is important to reinforce all aspects of learning and education as primary tools in ensuring the best opportunities for employment. Friendship Centres, through the provision of a wide range of programs and services, can help bridge this gap between education and employment and provide hope and opportunity to Aboriginal Youth.

OBJECTIVES

- .1 To provide all Friendship Centres with the capacity to provide culturally appropriate programming specific to the needs of urban Aboriginal Youth.
- .2 To provide PTAs and the NAFC with the capacity to assist Friendship Centres in establishing culturally appropriate programming specific to the needs of urban Aboriginal Youth and coordinating Youth activities on a regional and national basis.
- .3 To encourage the participation of urban Aboriginal Youth in the decision-making processes at local, regional and national levels within the Friendship Centre Movement.
- .4 To ensure Youth input and participation in the development and delivery of programs and services specific to the needs of urban Aboriginal Youth.
- .5 To create a core funded Youth Coordinator position at the local, regional and national levels of the Friendship Centre Movement.

CRITERIA

Upon confirmation of funding, criteria will be developed.

APPLICATION

Friendships Centres, PTAs and the NAFC shall apply through the core funding application process.

FUNDING LEVEL

Friendship Centres, PTAs and the NAFC will be eligible for funding each year at a level to be determined through the confirmation of the budget outlined in Appendix "A" of the Transfer Agreement each fiscal year.

FINANCIAL AND REPORTING GUIDELINES

Financial and reporting guidelines for the Youth component will be developed upon confirmation of

funding.

9.0 PROVINCIAL/TERRITORIAL ASSOCIATIONS

OVERVIEW

Where they exist, the Provincial/Territorial Associations have played a variety of roles in supporting Friendship Centre development. They have provided information, management advice and training. They have also interacted with funders, developed resources, facilitated youth and leadership development, assisted Friendship Centres in difficulty and facilitated communications. They have been pivotal in liaising between Friendship Centres, other Aboriginal organizations and all levels of government. PTAs have been involved in research and data collection.

RATIONALE

Despite the important work of the PTAs in supporting and coordinating Friendship Centre activities on a regional basis, funding has not been available through the AFCP. Historically, the PTAs have been core funded by provincial or territorial governments. For some PTAs, core funding has not been secured at any point in their existence. The PTAs also face an inconsistent and unstable funding environment at the regional level. AFCP core funding is not currently available to the PTAs.

OBJECTIVES

To provide the Provincial/Territorial Association with core funding.

CRITERIA

- .1 Core funding to PTAs must not be at the expense of funding Friendship Centres. A distinct and separate allocation must therefore be developed.
- .2 AFCP funding is not intended to replace or duplicate provincial or territorial funding.
- .3 AFCP funding is not intended to replace or duplicate administration funding.
- .4 The activities being supported must be specific to Friendship Centre program and services.
- .5 The PTA must have the majority of Centres in a province or territory as members in order to be eligible for funding.

APPLICATION

PTAs shall supply through the core funding application process.

FUNDING LEVEL

PTA's will be eligible for funding each year at a level to be determined through the confirmation of the budget outlined in Appendix "A" of the Transfer Agreement each fiscal year.

FINANCIAL AND REPORTING GUIDELINES

PTAs will adhere to the same reporting and financial guidelines of core funding as do existing Friendship Centres. Additional criteria will be developed once this component is resourced.

10.0 PROGRAM MANAGEMENT

OVERVIEW

It is critical that all levels of the Friendship Centre Movement understand that the AFCP is a program, how it is administered and to participate in the on-going evaluation and development of the AFCP. The purpose of this section is to clarify the manner in which the AFCP will be administered to eligible Friendship Centres through the NAFC and PTAs.

RATIONALE

To provide information relevant to all levels of the Friendship Centre Movement on how the AFCP will be administered by the NAFC, in conjunction with the PTAs.

OBJECTIVES

- .1 To define the structure, authorities, relationships, lines of communication and administration function for the AFCP.
- .2 To define how the NAFC and PTAs will co-administer the AFCP.
- .3 To establish program management standards by which all levels of the Movement will operate.
- .4 To ensure the NAFC and PTAs fulfill the activities set out in the Transfer Agreement within agreed upon time frames, budgets and in accordance with good business practices.
- .5 To create long term objectives and address outstanding policy development necessary for the successful implementation of the AFCP.

CRITERIA

- .1 The NAFC and PTAs will enter into an agreement to deliver agreed upon services with respect to AFCP delivery.
- .2 The NAFC and PTAs will develop policies and procedures specific to their national and regional responsibilities as it pertains to the administration of the AFCP to Friendship Centres in their regions, and within their areas of responsibility.
- .3 Specific structures related to decision-making shall be established defining the areas of responsibility. There may be regional variances, however, the following shall serve as minimum expectations.

Friendship Centre - The local Board of Directors are responsible to oversee the preparation of an annual application for Program Delivery (core) funding and will approve it. The Board of Directors will ensure the application is completed as prescribed and submitted on time. Friendship Centres will participate in the collection of information and statistics that will contribute to the development and maintenance of a national database. The database is intended to establish an information base, to contribute to effective planning and evaluation processes and will be accessible to all levels of the Association. [Please Note: objectives and criteria regarding research and data collection are included in Section 7.3 of this document.] The local Friendship Centre also agrees to submit a consolidated audit annually.

Provincial/Territorial Association - The PTAs are responsible to administer the AFCP to all Friendship Centres in their region.

The PTAs must also apply through the annual application process for Program Administration

funding. The Board of Directors of the PTA are to oversee the preparation of the annual application and will approve it. The Board of Directors will ensure the application is completed as prescribed and submitted on time. The PTA will participate in the development of a database. The PTAs will additionally submit Program Delivery (core) funding recommendations to the NAFC for approval.

National Association of Friendship Centres - The NAFC is responsible for the preparation of an annual application form for the receipt of Program Delivery funds and Program Administration funds. The Board of Directors of the NAFC will oversee the preparation of the annual application and will approve it. The Board of Directors will ensure the application is completed as prescribed and submitted on time. The NAFC will participate in the development of a database. The NAFC Board of Directors will sanction all expenditures and release of funds. The NAFC will prepare and submit semi-annual and annual reports to the Department of Canadian Heritage (DCH).

Department of Canadian Heritage (DCH) will be responsible for receiving and approving from the NAFC, the Annual Appendix "A" of the Transfer Agreement pertaining to Program Delivery and Program Administration funding under the AFCP. Subject to an appropriation by Parliament, the Minister will approve the release of funding in two (2) installments of 50% each, with the initial payment to be released April 1 and the second payment to be released September 2 of each fiscal year, under the life of the Transfer Agreement.

- .4 A clear communications process will be defined by all parties with respect to the AFCP administration.
- .5 An evaluation plan will be created and implemented.

APPLICATION

As set and applications will be in the form of a submission from local Friendship Centres, PTAs and the NAFC.

FUNDING LEVEL

Subject to Program Administration monies being advanced by DCH, there will be a budget provided to the PTAs and the NAFC for the administration of the AFCP.

FINANCIAL AND REPORTING GUIDELINES

The financial and reporting guidelines will be outlined in the Agreement for the provision of program management services.

11.0 DEFINITIONS

“Activity Report” A brief written description of the activities in relation to the Aboriginal Friendship Centre Program for the appropriate period.

“Balance Sheet” A financial statement showing a company or organization’s assets, liabilities and shareholder’s equity on a given date.

“Bank Foreclosure” The bank takes away the right to redeem (a mortgage etc.)

“Cash Flow Statement” (also called Changes in Financial Position) While the balance sheet shows a company’s financial position at a specific point in time and the income statement (also called *the Earnings Statement*) summarizes the organization’s operating activities for the year, neither statement shows how the organization’s financial position changed from one period to the next. The *statement of changes in financial position* - also called the *cash flow statement* - fills this gap between the balance sheet and the income statement by providing information about how much the organization generated and spent its cash during the year.

“Capital” Has two distinct but related meanings. To an economist, it means machinery, factories and inventory required to produce other products. To an investor, it may mean the total of the financial assets he has invested in securities, his home and other fixed assets, plus cash.

“Consolidated Audited Financial Statement” Statements disclosing all sources of revenue and items of expenditure for all programs and operations of the Recipient and all eligible recipients, making clearly visible the revenue and expenditures for the activities funded by the AFCP and by any other sources of funding which may have been received by the Recipient over and above the AFCP. The audit shall be conducted by independent practicing public accountants, licensed if required under the laws in force where the Recipient has its head office, or otherwise appropriately qualified. The consolidated audited statements shall include the Auditor's management letter.

“Current Assets” Cash and assets which in the normal course of business would be converted into cash, usually within a year, e.g. accounts receivable, inventories. A balance sheet category.

“Current Liabilities” Money owed and due to be paid within a year, e.g. accounts payable. A balance sheet category.

“Current Ratio” (Also called Working Capital Ratio): Current assets of a company or organization divided by its current liabilities.

“Debt” Money borrowed from lenders for a variety of an organization’s purposes. The borrower pays interest for the use of the money and is obligated to repay it at a set date.

“Equity” The difference between the assets and liabilities of a company or organization which is sometimes called net worth.

“Financial Statement” A detailed statement of all sources of revenue and items of expenditure incurred by the Recipient and all eligible recipients for each activity funded through the AFCP in relation to the budget submitted in the core funding application, prepared in accordance with generally accepted accounting principles for the appropriate period.

“Fiscal Year” A 12-month period commencing on April 1 of any year and ending on March 31 of the following year.

“Fraud” Intentional deception.

“Income Statement” (Also called the *Earning Statement* or *Profit and Loss Statement* or *Statement of Revenue and Expense*) Shows how much revenue an organization received during the year from

funding sources and sale of products or grants received and the expenses the organization incurred for wages, materials, operating costs, taxes and other expense items. The difference between the two is the organization's profit or loss for the year.

“Interest” Money charged by a lender to a borrower for the use of his or her money.

“Investment” The use of money to make more money, to gain income or increase capital or both.

“Liabilities” Debts or obligations of a company or organization, usually divided into current liabilities (those due and payable within one year) and long-term liabilities (those payable after one year). A balance sheet category.

“NAFC” Refers to National Association of Friendship Centres.

“Nepotism” Favoritism shown to relatives, especially in securing jobs.

“Primary Service Provider (PSP)” The organization that provides AFCP administrative services directly to an Aboriginal Friendship Centre. The PSP is either the PTA or the NAFC.

“PTA” Refers to Provincial/Territorial Association that is an organization which provides organizational and advocacy focus and support for Aboriginal Friendship Centres in the provinces and territories where Aboriginal Friendship Centres exist, and is guided by objectives outlined in the Constitution of the NAFC. A PTA must have a majority membership of the Aboriginal Friendship Centres, and be duly incorporated and authorized to carry on business in the province or territory in which it operates.

PTAs currently exist in the following provinces and territories: British Columbia; Alberta; Manitoba; Saskatchewan; the Northwest Territories; Ontario; and Québec.

“Receivership” One appointed by a court to administer or hold in trust property in bankruptcy or in a lawsuit.

“Recipient” Aboriginal Friendship Centre.

“Removal of core funding” The core funding of an Aboriginal Friendship Centre is removed and the Friendship Centre is dissolved and no longer a member of/recognized by the NAFC. The core funding for the particular Aboriginal Friendship Centre will be distributed to other Aboriginal Friendship Centres within that particular region as determined by the PSP and/or NAFC.

“Suspension of core funding” The core funding of an Aboriginal Friendship Centre is withdrawn until such time as the Aboriginal Friendship Centre can meet the reporting requirements as outlined by the PSP. These core monies will remain in trust with the NAFC for that particular Aboriginal Friendship Centre.

“Trustee” One to whom another's property or its management is entrusted.

“Working Capital” Current assets minus current liabilities. This figure is an indication of the company's ability to meet its short-term debts.

“Working Capital Ratio (Current Ratio)” Current assets of a company or organization divided by its current liabilities.