

Use of Administrative Fees Policy

1. Statement of Policy

When entering into a Contribution Agreement, where the Department of Environment and Climate Change (ECC) is providing funds to an organization, business or agency in return for a service, ECC will allow for the inclusion of an administrative fee in the proposed budget, to a maximum of 15 percent of the total budget value.

2. Principles

ECC will adhere to the following principles when implementing this Policy:

- (1) A healthy environment should be recognized as necessary to maintain the health, prosperity and well-being for all Northwest Territories residents.
- (2) Diverse and healthy ecosystems should be managed in a manner that maintains their integrity and biological diversity, wise use, and contributes to long-term ecological, economic, and social stability.
- (3) Decisions should take into consideration ecological, social, cultural, recreational, and economic values, as well as the needs of current and future generations.
- (4) Climate change and cumulative effects and their impacts should be considered when making decisions.
- (5) All decisions should be communicated and made in an effective, transparent, consistent and accountable manner as close as practical to the people being served.
- (6) Decision making should consider the collaborative and integrated resource management regime in the Northwest Territories, including exercising the delegation of authorities under the *Mackenzie Valley Resource Management Act*.
- (7) Land use planning should be a shared responsibility across the Northwest Territories.
- (8) Indigenous, local and scientific knowledge should be incorporated into effective and efficient land, water, air, wildlife and forest management.

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(9) This policy should not prejudice any present or future land, resource and/or self-government agreement, and should recognize and respect Aboriginal and Treaty rights.

3. Scope

This Policy is applicable to the Department when entering into Contribution Agreements with eligible organizations, businesses or agencies.

4. Definitions

Administrative Fee

The costs associated with running an organization or operation not directly related to the production of the product or service being considered in the Contribution Agreement but are nonetheless integral to the completion of the product or service contemplated in the Contribution Agreement.

This may include items such as supervisory payroll, bookkeeper or accounting fees, legal fees, rent, office expenses, and insurance.

Contribution Agreement

A conditional transfer of approved funds to a third party to fulfill a statutory obligation or other Government objective.

5. Authority and Accountability

(1) General

This Policy is established under the authority of the Minister of Environment and Climate Change (the Minister), in accordance with the Financial Management Board's delegation of authority to Ministers to establish contribution policies, including authority and accountability as described in the Financial Administration Manual.

(2) Minister

The Minister is responsible for establishing and publishing this Policy.

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(3) Deputy Minister

The Deputy Minister of Environment and Climate Change (the Deputy Minister) is accountable to the Minister and is responsible to the Minister for the administration of this Policy.

(4) Specific

(a) Minister

The Minister is accountable to the Financial Management Board for the implementation of this Policy. The Minister may:

- (i) approve changes to this Policy; and
- (ii) delegate authority to administer this Policy to the Deputy Minister.

(b) Deputy Minister

The Deputy Minister:

- (i) shall conduct periodic evaluations of the effectiveness of this Policy; and
- (ii) may recommend amendments to this Policy to the Minister.

6. Provisions

(1) Eligibility

Administrative fees shall not be granted to individuals without an organization, business or agency affiliation.

7. Prerogative of 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 and contributions made outside the provisions of this Policy.

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Minister
Department of Environment and Climate Change

April 05, 2023

Date