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OPPORTUNITIES FUND FOR PERSONS WITH DISABILITIES

TERMS AND CONDITIONS FOR CONTRIBUTIONS

1. LEGISLATIVE AUTHORITY

The Opportunities Fund (OF) is developed under the authority of the *Department of Human Resources Development Act* ("the Act") which assigns to the Minister of Social Development Canada (SDC) a broad mandate with respect to matters relating to the development of the human resources of Canada. Section 6 of the Act provides that the powers, duties and functions of the Minister extend to include all matters over which Parliament has jurisdiction relating to the development of human resources of Canada not by law assigned to any other Minister, department, board or agency of the Government of Canada, and are to be exercised with the objective of enhancing employment, encouraging equality and promoting social security.

2. OBJECTIVES AND RESULTS

The objective of the Opportunities Fund for Persons with Disabilities is to assist persons with disabilities in preparing for, obtaining and keeping employment or becoming self-employed, thereby increasing their economic participation and independence.

The objective will be achieved by working in partnership with non-government organizations representing persons with disabilities, the private sector and provincial governments in using innovative approaches that demonstrate best practices to promoting the economic integration of persons with disabilities.

The intent of the program is to assist people with disabilities who normally have had little or no labour force attachment and who therefore do not qualify for assistance under the Employment Insurance (EI) program. The operating principle will be that, where clients are eligible for other programming, OF will function as an alternative measure for cases where there is no comparable intervention easily accessible for the client.

The main program outcomes will focus on the labour market participation of persons with disabilities and the level to which the program helped them achieve greater employability and obtain employment.

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3. INTERPRETATION

In these Terms and Conditions,

“eligible activity” means an activity described in section 4 of these Terms and Conditions;

“eligible participant” means a person with a disability who is unemployed, legally entitled to work in Canada, requires assistance to prepare for or obtain employment or become self-employed. Program officials will take into account the range of programs for which persons may be eligible when determining whether OF is the appropriate vehicle for assisting those persons. Such programs include the Labour Market Agreements for Persons with Disabilities, the Employment Benefits and Support Measures under Part II of the *EI Act* and similar programs that are the subject of agreements with provinces, territories or organizations entered into pursuant to section 63 of the *EI Act*. The verification for EI-eligibility must continue to be documented on the client's file. The decision to assist an EI-eligible client under OF must be made by a designated Social Development Canada and/or Human Resources Skills Development Canada official, and a note to file explaining the circumstances and rationale for the decision will be required;

“person with a disability” means a person who self-identifies as having a permanent physical or mental impairment that restricts his or her ability to perform daily activities;

“Minister” means the Minister of Social Development Canada.

4. ELIGIBLE ACTIVITIES

The activities that may be supported under OF include:

- a) providing financial support to employers to encourage them to hire persons with disabilities whom they would not normally hire;
- b) providing financial incentives to persons with disabilities to encourage them to accept employment;
- c) supporting projects to help persons with disabilities create jobs for themselves by starting a business;
- d) supporting projects that provide persons with disabilities with opportunities through which they can gain work experience which will lead to on-going employment;
- e) providing financial assistance to persons with disabilities to help them obtain skills for employment, ranging from basic to advanced skills;
- f) providing financial assistance to persons with disabilities to help them access employment or employment services;
- g) providing financial assistance to support special services and interventions tailored to meet the needs of persons with disabilities in order to facilitate their integration into employment; and
- h) providing financial assistance to support such other activities that, in the opinion of the Minister, promote the objective of the program.

No financial assistance in support of activities outlined in (e) which assist persons with

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disabilities to obtain skills for employment may be provided without the agreement of the government of the province or territory in which the activity will take place.

5. GUIDELINES

Activities will be carried out in accordance with the following guidelines:

- a) harmonization with federal and provincial employment initiatives to ensure that there is no unnecessary overlap or duplication;
- b) cooperation and partnership with other governments, community-based disability organizations, other interested organizations and business;
- c) reduction of dependence on income maintenance or support payments by helping individuals obtain or keep employment;
- d) flexibility to allow for activities that are responsive to the needs of persons with disabilities;
- e) implementation of OF within a framework for evaluating its success in assisting individuals to obtain or keep employment;
- f) commitment by persons receiving assistance under OF to:
 - i) achieving the goals of the assistance,
 - ii) taking responsibility for identifying their employment needs, and
 - iii) if appropriate, sharing the cost of the assistance; and
- g) ensuring that persons can obtain access to assistance in either of Canada's official languages where there is a significant demand for access in that official language.

6. TYPE OF FINANCIAL ASSISTANCE

Financial assistance in support of eligible activities may be provided to eligible recipients in the form of contributions.

7. ELIGIBLE RECIPIENTS

Contributions may be made to the following when acting as project sponsors or employers in relation to an eligible activity:

- a) businesses, including federal crown corporations found on Schedule III, Part II of the *Financial Administration Act* and comparable provincial crown corporations,
- b) organizations, including public health and educational institutions, band/tribal councils and municipal governments,
- c) individuals, and
- d) provincial/territorial government departments and agencies if specifically approved by the Minister.

Contributions may also be made directly to eligible participants.

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8. REPAYMENT OF CONTRIBUTIONS

Contributions to businesses are not intended to allow businesses to generate profits or to increase the value of the business and therefore are not repayable.

9. STACKING LIMITS

Where possible and appropriate, the costs of an eligible activity will be shared with the recipient and/or with government and/or the private sector. However, where the sharing of costs with the recipient and private sector are not feasible, Total Government Assistance (federal, provincial or municipal) may total 100% of eligible costs.

The department shall ensure that the amount of the contribution it makes is appropriate where a contribution in support of the costs of the eligible activity from more than one program in the department, from more than one federal department or more than one level of government or from the private sector, is anticipated.

Prior to approving a contribution in excess of \$100,000, the department shall obtain from the recipient a statement or declaration about other sources of funding (government and private sector) for the eligible activity and shall require the recipient to report any additional assistance received after that time.

In the event that Total Government Assistance, as defined in the Treasury Board Policy on Transfer Payments, received by a Recipient in respect of an eligible activity exceeds the amounts of such assistance declared, the department has the right to reduce its contribution by the amount of any additional assistance that is to be received, or to require repayment of an amount equal to the amount of such assistance if the department's contribution has already been paid.

10. PROPOSALS

Proposals/applications for assistance from eligible recipients to carry out eligible activities must:

- a) demonstrate that their implementation would support the objective of OF;
- b) be in accordance with the guidelines outlined in section 5, as applicable;
- c) outline the activities to be performed in pursuit of the objective;
- d) demonstrate that the activities will provide assistance only to eligible participants;
- e) provide an estimate of costs to be incurred;
- f) outline the results to be achieved;
- g) disclose the involvement of former public servants who are under the Conflict of Interest and Post-employment Guidelines; and
- h) identify all sources of funding for the project, including those from other government programs, in order to demonstrate the need for OF funding.

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11. AGREEMENTS

Each approved proposal for assistance will be the subject of a formal agreement specifying the responsibilities of each party, the items for which expenditures are anticipated, the conditions under which payments will be made and mutually agreed upon measures designed to assess the success of the activity in attaining its objective. Where applicable, agreements will also include the terms and conditions under which a recipient may further distribute funds to a third party.

12. ELIGIBLE EXPENDITURES

- a) Contributions may be made to participants to cover the costs of eligible activities incurred in relation to their participation in eligible activities such as:
 - (i) all or a portion of their living expenses;
 - (ii) all or a portion of the incremental costs of participation such as expenses relating to specialized services, arrangements or equipment, dependant care, transportation and accommodation; and
 - (iii) all or part of the cost of tuition for a course or program of instruction.

- b) Contributions may be made to all other eligible recipients, including those who redistribute funds to third party organizations, in respect of the following costs of eligible activities:
 - (i) where employment is involved, participant wages and related employer costs;
 - (ii) overhead costs related to planning, organizing, operating, delivering and evaluating approved activities, including costs such as wages and employment related costs for staff, licences, permits, fees for professional services, disbursements for research or technical studies, costs related to research subjects, specialized services, arrangements or equipment for persons with disabilities, bank interest, utilities, materials, supplies, travel, insurance, rental of premises, leasing or purchase of equipment, costs of audits, evaluations and assessments. Assistance may also be provided in consideration of the central administrative functions of the employer/coordinator's operations that are drawn upon to support agreement activities;
 - (iii) the costs associated with the workers' compensation actual costs or

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assessment paid directly to the provincial/territorial workers' compensation authority on behalf of employers and coordinators for participants or administrative staff are eligible expenditures;

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- (iv) all or a portion of the living expenses and tuition expenses of participants, and expenses relating to providing specialized services, arrangements or equipment, dependant care, transportation and accommodation for participants; and
- (v) where the recipient further distributes the funding to third party organizations that propose to carry out eligible activities, the reasonable and proper administration costs incurred by the recipient in administering the distribution of the contribution and monitoring and coordinating the implementation of eligible activities being carried out by the third party organizations.

Capital costs for the construction of a building (other than repairs or renovations to support the participation of persons with disabilities) or the purchase of land or buildings are not eligible costs.

13. FINANCIAL SUPPORT AND AGREEMENT DURATION

The maximum contribution per recipient shall be \$5M. The amount of the contribution will be determined by the number of eligible recipients who participate or are to be served.

The maximum duration of funding under an agreement will normally not exceed 52 weeks but may be extended to a total of 78 weeks. Renewals will be made on the basis of performance and results achieved.

14. CANCELLATION OR REDUCTION OF TRANSFER PAYMENTS

Program literature and agreements will include provisions for cancellation or a reduction in the amount of financial assistance specified in the event Parliament reduces the level of funding for OF.

15. BASIS AND TIMING OF PAYMENT

Each approved proposal to carry out an eligible activity will be subject to a formal agreement specifying the conditions under which payments will be made and the obligations of the department and the recipient.

Contributions may be paid as follows:

- a) Direct payments to recipients who are eligible participants may normally be made on a bi-weekly basis. Payments to cover such costs as tuition and expenses relating to specialized services, arrangements or equipment for persons with disabilities may be made on a lump-sum basis, when needed, based on an estimate from the provider, followed by proof of purchase upon request.

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- b) All other payments may be made as follows:
 - i) Monthly, quarterly or annual progress payments may be made based on expenditure claims and a final payment of any sums due following receipt of the final claim and, if considered necessary by SDC/HRSDC, following completion of a financial audit.
 - ii) Advance payments may be made in accordance with Treasury Board's Policy on Transfer Payments.

16. AUTHORITY TO APPROVE PROPOSALS

The final approval of proposals may be delegated by the Minister to appropriate officials as per SDC's delegation instruments. The Minister may establish advisory and/or consultative mechanisms to assist in the process.

17. AUTHORITY TO SIGN AND AMEND AGREEMENTS

Authority to sign and subsequently amend agreements may be delegated by the Minister as per SDC's delegation instruments.

18. AUTHORITY TO APPROVE PAYMENTS

Authority to approve payments by certifying compliance with the terms of the agreement may be delegated by the Minister as per SDC's delegation instruments.

19. DISPOSAL OF CAPITAL ASSETS

The contribution agreement shall provide that any capital asset costing \$1000 or more and purchased with contribution funds which has not been physically incorporated into the project or premises of the employer or coordinator shall be disposed of in a manner determined by HRSDC and/or SDC. The governing considerations are to encourage the continued use of the assets in support of the employability needs of individuals and to ensure that assets are not redirected for SDC's own use.

20. DUE DILIGENCE

SDC provides assurance that departmental systems, procedures and resources for ensuring due diligence in approving transfer payments and verifying eligibility and entitlement and for the management and administration of the program are in place. They include the following: Common System for Grants and Contributions, Grants and Contributions Operations Guide, Quality Assurance Framework, Project file, OF Operational Guidelines, Risk-Based Audits and Frameworks, Results-Based Management and Accountability Framework, evaluations and Monthly Performance Reviews.

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21. AUDIT

Each agreement will specify that SDC retains the right to audit the records of the recipient and, if it is determined that the amounts paid exceed the amounts payable, the difference will be considered as a debt to the Crown.

22. COST OF MANAGING THE PROGRAM

The cost of managing and administering the program has been determined by SDC and is attached to the Treasury Board Submission.

23. ACCOUNTABILITY AND EVALUATION

A results-based accountability framework was completed and submitted to the Treasury Board Secretariat in January 2001. The framework specifies that OF is scheduled to undergo an evaluation in 2004. This evaluation will continue in 2005. The evaluation activities will complement OF's on-going program performance monitoring activities.

The main focuses of this evaluation will be on assessing labour market participation of persons with disabilities (including attribution to the OF program), and the characteristics of their employment and employability in the context of labour force integration. Secondary focuses could include the effects of the program on the participants' social well-being, and the contribution of the program in facilitating a partnership approach to promoting the economic integration of persons with disabilities. In addition, policy relevance and cost-effectiveness of OF will be evaluated as an integral part of this evaluation.

Results on outcomes will be accounted for periodically during the life cycle of the program. Three outcomes are considered key for which performance indicators are to be reported annually and as part of the 2004/05 summative evaluation.

The key short-term outcome and related outputs will be reported internally monthly and quarterly. They will form part of the annual report to Parliament (Departmental Performance Report) and will be used as a secondary data source for the 2004/05 evaluation. Both of these reports will be made available to the public. The selected key short-term outcome is:

- Persons with disabilities achieved enhanced employability.

One medium-term outcome has been identified as key. This outcome will be reported as part of the evaluation cycle:

- Persons with disabilities obtained employment and/or sought further skills upgrading.

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The long-term outcome to be reported as a key indicator in the summative evaluation is:

- Persons with disabilities have maintained employment.

24. DURATION OF TERMS AND CONDITIONS

These Terms and Conditions will apply, and payments may be made with respect to the period beginning April 1, 2005 and ending March 31, 2007. An evaluation will be completed prior to any program renewal.