Delegation Agreement

This agreement is made this 3rd day of August, 2021 BETWEEN:

Fort Nelson First Nation, a First Nation also known as a "Band" as defined in the Indian Act, as represented by its Chief and Council with a mailing address at Mile 295 Alaska Highway, Fort Nelson, British Columbia, VOC 1R0

(hereinafter referred to as the "Nation")

AND

Chalo Independent School Society

(hereinafter referred to as the "Society")

WHEREAS

- A. A Delegation Agreement (the "Agreement") for the delivery of education services to the Community is required by the funding agreement made between Indigenous Services Canada (ISC) on behalf of the Federal Government when the Nation uses an agency to deliver those services;
- B. The Nation is approving funding for the delivery of education services, as set out in the Agreement;
- C. The Nation wishes to enter into an agreement with the Society for the delivery of education services to the Nation as specified in this Agreement;
- D. The Society has been incorporated specifically to provide education services within the community of Fort Nelson First Nation, as the delegated service provider of the Nation; and is qualified under the Independent Schools Act (BC) to be an independent school, certified by the First Nations Schools Association;
- E. The Parties wish to enter into an agreement setting out the terms and conditions upon which educational services will be delivered and funded within the community of Fort Nelson First Nation.

WHEREFORE the Nation and the Society agree to the following:

1.0 INTERPRETATION

- 1.1 Defined Terms in this Agreement:
- (a) "Academic Year" means the 12 month period commencing September 1st and ending on August 31st of the following year during the Term of this Agreement;
- (b) "Board" means the Board of Directors of the Society, as elected by the members of the Nation;
- (c) "Budget" means the document that outlines all anticipated capital and operating expenses required for the delivery of services for the 12 month period from April 1st to March 31st of the following year of this Agreement;
- (d) "Business Day" means any day from Monday to Friday inclusive, except for any day that is a statutory holiday in British Columbia;
- (e) "Deficit" means the amount by which expenditures incurred by the Society exceed the amount of external funds received;
- (f) "Effective Date" Means the date upon which the Agreement is executed by both parties.
- (g) "Immediate family member" means a parent, the spouse of a parent, a spouse, a sibling, a child (including by adoption), or a relative who normally resides in the family home;
- (h) "Member" for the purpose of this Agreement means a member of the Fort Nelson First Nation who has reached the age of majority for the purpose of voting.
- (i) "Parties" means the Society and the Nation and "Party" means either of them;
- (j) "School" means the Chalo School that is located on the Reserve at Fort Nelson First Nation, British Columbia.
- (k) "Services" means the delivery of education to the Fort Nelson First Nation community and encompasses all associated services, programs, and activities associated with the delivery of education and those duties that are set out in Schedule "A" of this Agreement;
- (1) "Surplus" means the amount by which funds provided by external sources exceeds expenditures incurred by the Society for delivery of services contemplated within this Agreement.

1.2 The Term

(a) The term of this Agreement shall be effective immediately upon execution.

1.3 Governing Law

(a) The laws of British Columbia and the laws of Canada applicable in British Columbia will govern this Agreement and all matters arising under it.

1.4 Dispute Resolution

(a) If a dispute or claim arises out of this Agreement, representatives of the Parties, as delegated by the Fort Nelson First Nation Chief and Council and the Society Board, as the case may be, shall meet to attempt to resolve the dispute. If the dispute or claim is not resolved to the Parties' satisfaction, or to the satisfaction of either Party, either Party may terminate this Agreement, in accordance with the termination provisions of the Agreement. An independent third-party mediator may be appointed by Chief and Council or the Society's Board to resolve disputes between the Parties.

1.5 Budget

- (a) The Nation's Executive Director will provide the Society's Director of Education with the annual planning and budgeting calendar during the planning stages of the budgeting process. The Director of Education will be required to complete an annual operating budget as well as a multi-year plan (5 year plan) within the timeframes specified in these calendars.
- (b) The Nation's finance department will provide information on any potential carry over funding or funding anticipated based on current funding agreements for the fiscal year in which those budgets are being prepared.
- (c) The annual operating budget estimate, as well as the multi-year plan estimates will be drafted based on anticipated funding and operational requirements of the Society.
- (d) The annual budget and multi-year plan are to include all anticipated revenues and all reasonable expenses for the operations and regular maintenance of the School and the Society, including any proposed capital improvements.
- (e) The annual draft budgets and multi-year plan will be prepared and submitted to the Nation as per the approved planning schedule and the Nation's Financial Administration Law.
- (f) The final operating budget and multi-year plan will be approved by Council.
- (g) Any adjustments to the approved annual budget and multi-year plan must first be submitted to the Board for their acceptance of change; however, any change in the budget must be approved by Council.

1.6 Payments

- (a) The Nation will invoice the Society monthly to rebill for any operational costs incurred by the Nation for the benefit of the Society for the purposes of delivering educational services to Fort Nelson First Nation; these costs include, but are not limited to: educational facilities O&M, HR services, IT services, Financial services, and janitorial services and supplies.
- (b) Funds transfers from the Nation administration to the Society based on the approved annual budget shall be made on an as needed basis. The Director of Education may on occasion request funds to assist with purchasing and cash flow, not to exceed the annual budget.

1.7 Financial Information

- (a) The Director of Finance will provide monthly financial information of the Society, including financial statements to the Director of Education monthly. This financial information will be provided to the Finance and Audit Committee as well as the Fort Nelson First Nation Council each month by the Director of Finance.
- (b) The Society's annual audit is completed in conjunction with the Nation's annual audit using the independent auditor selected and appointed by the Nation's Council.
- (c) The results of the annual audit of The Society will be presented at the Society's Annual General Meeting which will be attended by Fort Nelson First Nation council members. The results of the annual audit will also be presented to the Finance and Audit Committee.

1.8 Financial Services

- (a) The Nation through its Finance department will provide financial services (the "Services") to the Society as follows; accounting system support for recording transactions, payroll, accounts payable, accounts receivable, and financial reporting.
- (b) The Nation will provide these Services in accordance with finance policies and work procedures established by the Nation and in accordance with GAAP, PSAB and the FAL.

2.0 DUTIES OF THE SOCIETY

- 2.1 Delegated Authority
- (a) The Nation's Chief and Council delegates the authority to the Society to deliver education services on Reserve, from Kindergarten to Grade 12 at the society's Independent School at Fort Nelson First Nation reserve. The Nation's Chief and Council also delegates the authority to administer the Fort Nelson First Nation's post-secondary assistance program. Where Indigenous Services Canada wishes to delegate certain of its obligations with respect to the delivery of Educational Services to the Society or the First Nation School, the Society shall enter into a written agreement with Indigenous Services Canada with respect to the delegation and any funding that Indigenous Services Canada may transfer for the purpose of the delegation.
- (b) For greater details and certainty the Society shall deliver the services as set out in Schedule "A" to this Agreement and in so doing shall comply with all requirements set out in law and here in, including the First Nation's obligations under the Federal Government funding agreement including the ISC's reporting requirements and accounting requirements, and shall comply with all provincial standards and other applicable legislation.
- 2.2 The Chief and Council of the Nation shall appoint a member of Council to sit as a non-voting member of the Board. The Executive Director of the Nation shall also sit as a non-voting Board member who acts as a resource to the Board, as needed.

3.0 LOCAL EDUCATION AGREEMENT (LEA) Schedule C

- 3.1 The parties recognized their shared interest in the factual tracking of student achievement as the best indicator of the School District fulfilling its mission.
- 3.2 The Education Director will monitor and report on matters that are included in the LEA and as requested by the Board.

4.0 MODIFICATIONS AND NOTICE

- 4.1 Modifications to the Agreement
- (a) The Nation's Chief and Council may, with a minimum of 90 days written notice, make modifications and/or changes to this Agreement that have been approved through a Band Council Resolution, with such changes taking effect at the first day of the new academic year following.

Notice

- (b) Any notice or communication required to be given under this Agreement will be in writing and will be considered to have been given if delivered by hand, transmitted by facsimile transmission or emailed to the Chair of the Society's Board and to the Executive Director of the Nation, or mailed by prepaid registered post in Canada, to the address or facsimile transmission number of each Party set out below:
- (c) if to the Nation:
- Fort Nelson First Nation c/o Chief and Council 2026 Kennay Yah Road RR 1, Mile 295 Alaska Highway Fort Nelson, B.C. VOC 1R0 Fax: 250-774-7260
- (d) if to the Society:

Chalo Independent School Society c/o Chair of Board of Directors 4021 Fontas Road RR 1, Mile 295 Alaska Highway Fort Nelson, BC V0C 1R0 Fax: 250-774-7655

- (e) Or to any other address or facsimile transmission or email address as a Party may designate in the manner set out above.
- (f) Any notice or communication shall be considered to have been received if delivered by hand during business hours on a day the School is normally open (a School day), upon receipt by a responsible representative of the receiver, and if not delivered before 4:00 p.m., upon commencement of School on the next School day.
- (g) If mailed by prepaid registered post in Canada, upon the fifth School Day following the posting; except that in the case of a disruption or impending or threatened disruption in postal services every notice or communication will be delivered by hand or by email.
- (h) If by email, upon confirmation that the email was sent, and if not transmitted before 4:00 p.m., upon commencement of School on the next School Day.

5.0 DEFAULT AND TERMINATION

5.1 Default

The Society shall be in default of this Agreement in the event that:

- (a) The terms and conditions of this Agreement (including the Schedules) are not met by the Society; or
- (b) The Society is deemed to have exposed itself to risk, and indirectly the Nation to risk, by failing to implement, or by implementing insufficient, policies and procedures that do not address financial and other legislated compliance areas to ensure ongoing strong governance and controls; or
- (c) The Society's auditor issues a denial of opinion, or gives an adverse opinion, with respect to the financial results and management practices and controls of the Society in the course of conducting the annual audit as required under PSAB and the Nation's FAL; or

(d) The Society:

- i. causes or permits a third-party claim to arise against it or against the Nation;
- ii. is or is at risk of becoming insolvent:
- iii. is judged as bankrupt;
- iv. has a bankruptcy petition filed against it or makes a general assignment for the benefit of creditors under the Bankruptcy and Insolvency Act, R.S.C., 1985, c.B-3, or ceases to operate, commits an act of bankruptcy or insolvency;
- v. is placed in receivership or upon any proceeding being commenced to appoint a receiver, receiver-manager or an official having a similar function in respect of the Society;
- vi. is unable to perform or continue to perform the services by reason of strike, lock-outs, labour disputes, restrictive governmental laws or regulations, riots, war, acts of God or any other reason beyond the control of the Society;
- vii. takes steps to liquidate, wind-up or dissolve the Society; or
- viii. ceases to be a Society in good standing under the laws of British Columbia.

- (e) In the event the Society is in default, the Parties will meet to review the situation and attempt to remedy the default.
- (f) Notwithstanding the previous section of this Agreement, in the event that the Society is in default under this Agreement and has failed to remedy the default within 90 days of being notified of the default, the Nation's Chief and Council may take one or more of the following actions on behalf of the Nation, as may reasonably be necessary, having regard to nature and extent of the default:
 - i. withhold any funds otherwise payable under this Agreement;
 - ii. require the Society to take any other reasonable action necessary to remedy the default;
 - iii. take other such reasonable action as the Nation Chief and Council may deem necessary, including the termination of this Agreement without notice and without any further obligation to the Society.
- 5.2 Termination without Cause
- (a) This Agreement may be terminated by either Party without cause by providing 365 days' notice in writing indicating the date of termination, which shall be given between June 30 to August 31 of any given year and the reasons for such termination.
- 5.3 Obligations upon Termination
- (a) Upon completion of termination of this Agreement by either Party, the Society shall return to the Nation any unspent funds that were previously advanced by the Nation to the Society and shall also provide the Nation with all financial information and records associated with the Society's services under this Agreement. The Society shall cooperate fully with the Nation in the turnover of all equipment, lesson plans, intellectual property, confidential student records, confidential personnel records and any other property that is related to the services provided by the Society under this Agreement, to either the Nation or to an agent of the Nation that has been delegated authority to deliver education services within the community of Fort Nelson First Nation, including by providing access codes and passwords, as required. Confidentiality of all student and personnel records is paramount.

6.0 OWNERSHIP OF PROPERTY

6.1 The Society acknowledges that any purchases carried out under this Agreement are done as the Nation's agent and further, that all property purchased shall be the property of the Nation and that all such property shall be handed over to the Nation upon demand and immediately upon termination or expiry of this Agreement. 6.2 The Society acknowledges and agrees that any curriculum, programs, art work and any other intellectual property created by its employees during the course of their employment shall be the property of the Society and agrees to include a term to that effect in all of its employment agreements. The Society further commits that all such property shall be handed over to the Nation upon demand upon termination of this Agreement, regardless of the reason for such termination.

7.0 CONFLICT OF INTEREST

7.1 The Society shall ensure that in the event a Director or employee of the Society is deemed to have a personal interest in the outcome of any decision to be made by the Society, that the conflict and the extent of the interest will be disclosed to the Society's Board of Directors, which must then ensure that the Director or employee does not take part in any way in the decision. A record of reported conflicts of interest must be maintained by the Society and shall be made available for review by the Nation when requested with reasonable notice.

8.0 ACCOUNTABILITY AND TRANSPARENCY

8.1 In order to comply with the Funding Agreement made between the Nation and the Federal Government, the Nation's FAL, and the PSAB and GAAP requirements to which the Nation's consolidated financial results are held to, and in the interest of ensuring that all Society and community members are kept fully apprised of the Society's activities, the Society will ensure that they adopt policies and procedures that are consistent with Schedule "B".

9.0 INDEMNIFICATION AND GENERAL CONDITIONS

9.1 Indemnification

- (a) The Society will indemnify and save harmless the Nation, the Nation's Chief and Council, its servants, agents and employees in respect to any and all liability, loss, claims, or expenses arising out of the performance by the Society of its obligations under this Agreement.
- (b) The Nation's Chief and Council will indemnify and save harmless the Society, its Directors, servants, agents and employees in respect to any and all liability, loss, claims, or expenses arising out of the performance by the Nation Chief and Council of its obligations under this Agreement.

9.2 General Conditions

- (a) No renewal, extension, amendment, modification, supplement, termination or waiver of any provision of this Agreement will be effective unless in writing and served by Notice as outlined in Section 5.3 of this Agreement.
- (b) The Society is not a partner or employee of the Nation. It acts as the Nation's independent agent for the delivery of education, subject to the limits outlined within this Agreement.

- (c) All books and records maintained by the Society, including financial records in respect to the operation of the School or the services as specified under this Agreement will be open at all times for inspection and copying without charge by a representative of the Nation from time to time upon request by the Fort Nelson First Nation Chief and Council representative. This Section shall not cover any student or personnel records that would normally be considered confidential or protected under the Privacy Act.
- (d) Neither Party may assign this Agreement without the prior written consent of the other Party.
- (e) Time will be of the essence of this Agreement.
- (f) The Parties will execute and deliver all other appropriate supplemental agreements and instruments, and take any other action necessary, to give full effect to this Agreement and to make this Agreement legally effective, binding, and enforceable as between them.
- (g) This Agreement constitutes the entire agreement between the Parties and there are no representations or warranties, express or implied, statutory or otherwise and no agreements collateral to this Agreement other than as expressly set out or referred to in this Agreement.
- (h) This Agreement will bind and benefit each of the Parties including their respective heirs, executors, administrators, and successors and permitted assigns.
- (i) This Agreement may be signed by original or by facsimile and executed in any number of counterparts and each executed counterpart will be considered to be an original. All executed counterparts taken together will constitute one agreement.

---Space below blank---

---Signature page follows---

IN WITNESS THEREOF TO EVIDENCE THEIR AGREEMENT each the Nation and the Society has executed this Agreement on the date first written.

SIGNED on behalf of

SIGNED on behalf of

FORT NELSON FIRST NATION

Q.G-

Chief Sharleen Gale

Chairperson Board of Directors

CHALO INDEPENDENT SCHOOL

Champerson ~ Board of Di

In the presence of:

How

Witness

In the presence of:

6.605

Witness

SOCIETY

SCHEDULE A

The Meaning of Services Delegated

The delegation of services shall mean what is reasonably understood as Education but limited as herein defined. This schedule "A" shall be amended annually upon the Nation amending its funding agreement with the Federal government to include any changes as they relate to the area of Education and Post-Secondary funding and if not formally amended shall be deemed to be amended upon the Nation executing of an amendment that changes their agreement with the Federal Government.

Elementary and Secondary - Instructional Services – General

The interpretation

1.0 In this section, the 'Elementary and Secondary- Instructional Services - General', the 'Elementary and Secondary - Instructional Services - Nation Operated Schools' and 'Elementary and Secondary Education - Instructional Services - Provincial Schools' sections, Adult Learning Center the following definitions apply:

"FNESC" means the First Nations Education Steering Committee Society, a society incorporated under the *Society Act*, R.S.B.C. 1996, c. 433

"First Nation School" means a school operated and administered by one or more First Nations in British Columbia, and providing education at one or more of the kindergarten, elementary or secondary levels, including adult learning centers.

"FNSA" means the First Nations Schools Association, a society incorporated under the *Society Act*, R.S.B.C. 1996, c. 433 to support First Nations schools to advance education in B.C.

"Parent" means:

- the guardian of the person of the student;
- the person legally entitled to custody of the student; or
- the person who usually has the care and control of the student.

"School Assessment Process" means the process for the assessment of First Nation Schools developed and approved by the First Nations Schools Association (FNSA), as amended from time to time.

"Second Level Services" means aggregate services provided by FNESC to First Nations and First Nation Schools, similar to services provided by the British Columbia Ministry of Education and by provincial school boards to provincial schools with specific adaptations to meet First Nations' unique circumstances, in order to improve efficiency and achieve economies of scale. Second Level Services include but are not limited to the responsibilities outlined in subsection 4.2 of the Tripartite Education Framework Agreement.

"BC Tripartite Education Agreement (BCTEA)" means the agreement between Canada (as represented by the Minister of Indigenous Services Canada), British Columbia (as represented by the Minister of Education), and FNESC (as represented by its President), dated for reference January 27, 2012. The purpose of this agreement is to identify the roles, responsibilities and commitments of the Parties relating to the improvement of educational outcomes for students in First Nation Schools in British Columbia.

- 1.1 The Society shall ensure that registered Indigenous students ordinarily resident on reserve or on lands belonging to Her Majesty The Queen in Right of Canada or to a province/ territory, and other students for whose education the Minister accepts funding responsibility, have access to kindergarten, elementary and secondary level education programs and services, including student support services, delivered to a standard that will allow students, where applicable, to transfer without academic penalty, at similar levels of achievement, between First Nation School and public/private schools in British Columbia.
- 1.2 Where access to education services is provided in a provincial school, or in a private or independent school recognized by the Province of British Columbia as an elementary or secondary institution, the Society shall enter into and maintain a written tuition agreement with each applicable school, school district, or school board which sets out the obligations of the parties with respect to the provision of education services; and make all payments as required by each tuition agreement.
- 1.3 The Society, by signing this Agreement, acknowledges and accepts the terms and conditions of the British Columbia Tripartite Education Agreement (BCTEA).
- 1.4 The Society, by signing this Agreement, agrees to participate in the implementation of the British Columbia Tripartite Education Agreement (BCTEA) through the fulfillment of its obligations under this Agreement.
- 1.5 The Society recognizes FNESC's responsibility to provide Second Level Services to First Nations and First Nations Schools in accordance with the Tripartite Education Framework Agreement.
- 1.6 The Society accepts the delivery of Second Level Services from FNESC to the First Nation and the First Nation School.
- 1.7 Where FNESC wishes to delegate certain of its obligations with respect to the delivery of Second Level Services to the Society or the First Nation School, the Society shall enter into a written agreement with FNESC with respect to the delegation and any funding that FNESC may transfer for the purpose of the delegation.

1.8 The Society shall prepare a Nominal Roll Student Census Form and an Annual Education Staff Information Form and provide them to Canada in accordance with Schedule "B".

Elementary and Secondary - Instructional Services - Nation Operated School

- 1.9 The Society shall ensure that registered Indian students ordinarily resident on reserve or on lands belonging to Her Majesty The Queen in Right of Canada or a province / territory and other students for whose education the Minister accepts funding responsibility, have access to quality education and support programs and services in a Nation operated school.
- 1.10 The Society shall ensure that the elementary and secondary education funding is administered in accordance with:
 - (a) the ISC Elementary and Secondary Education Program Guidelines, as amended from time to time; or
 - (b) BC-specific education program policy and guidelines developed by Canada in consultation with FNESC, as amended from time to time, which shall prevail over the Guidelines referred to in subsection (a) to the extent of any inconsistency.
- 1.11 The Society shall ensure that education programs and services are delivered to standards that will allow students, where applicable, to transfer without academic penalty, at similar levels of achievement. The budget is set each Fiscal Year of the Agreement based on the previous year's nominal roll and may be adjusted during each Fiscal Year of the Agreement, between First Nation Schools and provincial schools.
- 1.12 The Society shall employ teachers with a teaching certificate in good standing issued by a provincial education ministry or a recognized Canadian teacher certification authority.
- 1.13 The Society shall ensure that standardized assessments are administered to assess the performance indicators set out subsection 2.8 for the purpose of improving educational outcomes for First Nation students.
- 1.14 At the request of Indigenous Services Canada (ISC), the Society shall review the school program to evaluate the quality of education and ascertain whether the objectives of the community and school are being met. At the discretion of the Society, the review shall be conducted through any of the following processes:
 - (a) an assessment under the School Assessment Process, as administered by the FNSA;
 - (b) an evaluation conducted in accordance with the *Independent School Act*, R. S.B.C. 1996, c. 216; or (c) an alternative form of assessment or evaluation mutually agreed to by the Society and ISC.

- 1.15 The Society shall comply with conditions and commitments developed and included in the Local Education Agreement (LEA) between the School District #81 and Fort Nelson First Nation.
- 1.16 The Society shall provide specified education program reports, including performance indicator data, annually to FNESC, for the following:
 - (a) percentage of students who meet or exceed standards for reading, writing and numeracy;
 - (b) student attendance;
 - (c) teacher/student ratio;
 - (d) teacher certification;
 - (e) teacher years of experience;
 - (f) student/computer ratio;
 - (g) administration of standard learning assessments, where applicable.
- 1.17 The Society acknowledges and agrees that information contained in the specified education program reports provided by the Society to FNESC will be subsequently provided by FNESC to Canada in aggregate form.

Elementary and Secondary - Education Program - Student Support Services

The Society shall administer the Elementary and Secondary Education Program in accordance with the Terms and Conditions for the Grants and Contributions to Support First Nations Elementary and Secondary Educational Advancement and the Elementary and Secondary Education Program National Program Guidelines issued by ISC as amended from time to time

New Paths for Education

The Society shall administer the New Paths for Education program in accordance with the proposal approved by Indigenous Services Canada, the **Terms and Conditions for the** *Grants and Contributions to Support First Nations Elementary and Secondary Educational Advancement and the New Paths for Education National Program Guidelines* issued by ISC as amended from time to time.

Post-Secondary Education Program

The Society shall administer the Post- Secondary Student Support Program and the University and College Entrance Preparation Program in accordance with the **Terms** and **Conditions for the** *Grants and Contributions to Support First Nations and Inuit Post-Secondary Educational Advancement*, and the *Post-Secondary Student Support Program and University and College Entrance Preparation Program National Program Guidelines* issued by ISC as amended from time to time.

SCHEDULE B

The Reporting out by Delegated Agency

The delegation of services shall bring with it the duty to report back to the Nation's Chief and Council and the community on matters, outcomes and financial accounting. This schedule "B" shall be amended annually upon the Nation amending its funding agreement with the Federal government to include any changes as they relate to the area of Education and Post- Secondary funding Reporting (ISC -4) and if not formally amended shall be deemed to be amended upon the Nation executing of an amendment that changes their agreement with the Federal Government.

The Society shall report as follows:

- 1. The Annual Register of Post-Secondary Education Students: using the ISC document collection instrument No. 4016769 prior to July 1 in each year.
- 2. New Paths for Education Project Report Using the ISC document collection instrument No. 432405 prior to April 30 in each year.
- 3. Nominal Roll Student and Education Staff Census Report Using the ISC document collection Instrument No. 462572. Prior to October 15 in each year.
- 4. An Annual Audited Financial Statement of the society prior to July 31 of each year.

Further the society shall ensure their policies and procedures on common matters of conflict of interest, financial practices, human resources, and other general matters of governance and controls are modelled after, reconciled and aligned with the Nation's Policies and procedures. Policies and procedures that the Society implements that are deemed by the Nation to be materially different than the Nation's will be subject to review by the Nation or their designate.

SCHEDULE C

LOCAL EDUCATION AGREEMENT (LEA)