



PACIFIC REGION PROGRAM MANAGER'S GUIDE TO PARTNERING

Prepared by Finance and Administration Branch - Pacific Region



Fisheries and Oceans
Canada

Pêches et Océans
Canada

Canada 

Updated:

September, 2000

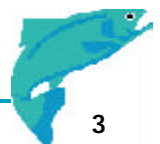
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INTRODUCTION

1.0 WHY READ THIS GUIDE?

This guide is designed as a resource to help interested managers explore and develop partnering opportunities. It does not contain all of the detailed administrative policies and financial statutes related to partnering. This guide's purpose is to provide program managers with basic information on financial and administrative limitations and opportunities related to partnering.

1.1 WHO IS THIS GUIDE MEANT FOR?

This guide is meant to provide a partnering reference for Pacific Region program managers and their support staff who are interested in developing partnering opportunities. This guide is not recommended for use by staff developing partnering agreements with fishing associations. Partnering opportunities with fishing associations should be developed using the to-be-released companion guide "**Partnering - A Financial Guide on Developing Co-Management Arrangements**".

1.2 WHAT IS PARTNERING/COLLABORATION?

Partnering, or resource sharing, is a form of Alternate Service Delivery used to deliver Fisheries and Oceans Canada's programs more effectively and efficiently. By sharing resources (staff, equipment, facilities and funding) with partners, the Department can deliver more programs for less money. "Partnering" is distinct from "partnerships". The former implies a collaborative relationship between parties interested in performing a mutually beneficial project or activity, while the latter implies a legal relationship whereby true "partners" share in profits and losses, and the acts committed by each party are binding on the other. While all interested program managers should actively pursue partnering arrangements, **legal partnerships are to be avoided at all costs.**



Partnering arrangements are recognized as having the following characteristics:

- all parties have or share compatible objectives
- a cooperative investment of resources (e.g. money, information, equipment)
- all parties share in the benefits of the arrangement
- all parties agree to a fair allocation of risk-taking; each partner is responsible for their own debts and liabilities
- an explicit agreement, contract or other instrument sets out the terms of the arrangement
- an undertaking to share resources to do something together when participants share common and compatible objectives
- an acknowledged distribution of specific roles and responsibilities among the participants, and
- a sharing of authority, decision-making and benefits.

1.3 **WHY PARTNER?**

Partnering allows DFO and its partners to share experience and respective strengths, avoid duplication of effort, and lever resources. Most importantly, partnering provides DFO with the opportunity to build lasting, positive working relationships with stakeholders.

A partnering arrangement should be considered when:

- the project cannot be effectively or efficiently carried out using internal resources, skills, expertise, etc.
- the project, if implemented, will produce results which are within the Department's/sector's mission, vision and strategic objectives/mandate
- involving partners in the project is in the public interest



- there would be value added to the project through partner involvement
- a cursory analysis indicates that appropriate potential partners exist
- all parties will benefit from the results
- the activity or program will be delivered more efficiently and at a reduced cost
- the overall benefits to Canadians outweigh the costs, and
- all parties will be responsible for their actions.

1.4 THINGS TO CONSIDER WHEN PARTNERING

When the Government of Canada is involved in any contractual relationship (partnering or otherwise), appropriate consideration must be given to the following issues:

- legal, including legal obligations of the Crown which must be adopted by the partner (e.g. compliance with Official Languages Act and Trade Agreements)
- management
- financial
- contracting, and
- human resources.

Partnering must have a purpose based on sound and justifiable reasons for the arrangement to proceed.

All partnering activities must:

- directly or indirectly **contribute to the achievement of the mandate, vision and goals of DFO**



- act in the public interest
- not be perceived as giving preferential treatment to any individual or group
- not be tinged by generosity by one entity towards another, nor disguised as a gift
- have a value added which enhances each partner as an entity
- identify, mitigate and manage inherent risks so as to minimize any potential negative impact on the Crown or its partners
- not be undertaken with organizations whose products or services are not aligned with the desired image of the government
- not lead to an increase in the government machinery for service delivery, and
- respect applicable government legislation, regulations, policies and delegations.

If the above essential activities can not be achieved through the partnering arrangement, then partnering is not a viable or justifiable option.

1.5 WHO ARE YOU GOING TO CALL?

For all partnering situations, your contact in Finance and Administration is Roy Neighbor at (604) 666-5560. Roy is available to assist you with finance/procurement advice, policy interpretation, contract/agreement preparation, negotiations with partners, etc.



GETTING DOWN TO BUSINESS

2.0 HOW DO YOU RETAIN FUNDS FOR RE-SPENDING?

Determining if you have the authority to spend partnering funds that you receive from external parties is critical. *In general, federal departments do not automatically have the authority to retain for re-spending funds received from outside parties.* There is an exception however, in that funds received from an outside party for a specific purpose can be held and spent from a Specified Purpose Account (SPA), which is a form of suspense account. Similarly, funds received from another federal government department can be held in an Other Government Department (OGD) suspense account for re-spending on specific and defined program activity.

Beyond SPA/OGD arrangements, revenue from sale of Crown assets, and some specific types of net-vote eligible revenues within the Coast Guard Branch, **DFO has no blanket authority to re-spend revenues on program activities.**

Remember:

You CAN keep and re-spend

- Funds received from another federal department
- Funds received from an outside source for a specified purpose (e.g.: a project performed collaboratively)
- Funds that are proceeds from the sale of Crown assets
- Funds generated by licensing of intellectual property or logos

However:

You CANNOT keep and re-spend:

- Funds received from the sale or rental of DFO services or products (e.g.: charts, scientific sampling services, etc.)
- Funds received for rental of Crown property or equipment*
- Funds received from participants as admission fees for DFO sponsored trade shows/conferences

* Exception - Specific CCG Net-Vote Revenues



2.1 YOUR PARTNERING OPTIONS (i.e. What you can do, and how to go about doing it)

As a manager you need to know the range of partnering situations that are possible, and the related administrative considerations you will need to take into account. Two tables are presented on the following pages that summarize the most common types of partnering opportunities and the current administrative tools to pursue these opportunities. The tables describe relationships where partnering funding comes into the Department (Options Table 1 – **“Money-In”**) and situations where the Department is flowing funding out to support partnering activities (Options Table 2 - **“Money-Out”**).

Please be clear on the distinction between these two approaches.
“Money-In” means DFO acts as a banker for the project by receiving, managing and expending funds received from a partner.

“Money-Out” means that DFO is providing funds to a Partner/ Collaborator who then acts as a banker by managing and expending project funds.

Remember:

Your Money-In arrangement must ALWAYS:

- relate to DFO’s mandate and objectives
- have clear benefits and relevance to DFO and its partners
- have governing documentation (e.g.: agreement, MOU, etc.)
- have cash or in-kind resource contribution from both parties

Your Money-Out arrangement must ALWAYS:

- relate to DFO’s mandate and objectives
- have clear benefits to DFO and the partner(s)
- have governing documentation (e.g.: a contract, contribution agreement, etc.)
- where contracts are let, respect Government Contracting Regulations and Trade Agreements



OPTIONS TABLE 1 - Money-In Partnering Situation (i.e. DFO is the banker)

Scenarios	Governing Documentation and Financial Authority	Financial Mechanism to Retain and Re-Spend Funds Provided by External Party	Notes
1. The Province of BC or a Crown Corporation wishes to contribute resources towards collaborative delivery of a DFO project or program.	A Federal/Provincial Memorandum of Understanding (MOU)	A Specified Purpose Account (SPA)	Generally these are not established as legally binding agreements as both parties are agents of Canada. The term covered by the MOU can be for more than one fiscal year. If so, unspent SPA funds can be carried forward to a subsequent fiscal year (FY).
2. Another federal department wants to contribute resources towards collaborative delivery of a project with DFO.	An MOU or an exchange of correspondence (letters) outlining the project, funding and project duration.	An Other Government Department (OGD) suspense account.	Not considered legally binding (same as 1.). All funds must be spent within the same fiscal year of issue. Unspent funds cannot be carried forward to next FY.
3. An external party that is a society, association, company, foreign government, university or for-profit company wishes to contribute resources towards the collaborative delivery of a project with DFO.	A collaborative agreement; joint project agreement; or cooperative agreement. Note: (1.)	A Specified Purpose Account	Legally binding. The project must clearly benefit both parties. Funds received from outside parties where DFO is only providing a cost-recoverable service cannot be retained for re-spending in a SPA (e.g.: sampling services. Government Contracting Regulations apply to SPA funds spending).
4. An external party that is a society, association, company, foreign government, university or for-profit company wishes to donate funds to a DFO but does not want any role in project delivery or legal rights to outcomes.	A "donation letter", outlining the amount of the donation, purpose, program and any conditions. Note: (1.)	A Specified Purpose Account	A donation letter can be as short as a few paragraphs.
5. DFO in isolation, or in collaboration with a partner, develops and licences revenue generating intellectual property (IP). IP can include processes, technologies, logos and images.	A licensing agreement establishes the legal relationship between DFO and it's licensees.	IP revenues are received back in the sector's budget in the year subsequent to their being earned.	IP licensing can be extremely complex, and it is strongly recommended that the Finance and Administration Branch be involved in all IP licensing opportunities.
6. Court Directed Fines. A court awards DFO the custody of proceeds from fines levied under the Fisheries Act and other legislation. The proceeds are used to support specific activities as directed by the court (e.g.: habitat restoration, pollution clean up, etc.)	The "court award" provides the authority and sets the terms for the receipt and respending of find monies.	A Specified Purpose Account	Not a true "partnering" situation as it is normally defined, but still an opportunity to retain and re-spend fine revenue on a specific program activity. The court order directs how the funds are to be spent.

Note (1.) - copies of these documents are attached as appendices.



OPTIONS TABLE 2 - Money-Out Partnering Situation (i.e. Your Partner is the Banker)

Scenarios	Governing Documentation and Contracting Authority	Financial Mechanism to Provide Funds to External Partner	Notes
1. DFO wishes to provide another federal department with funds to support a mutually beneficial activity.	An exchange of correspondence (letters) or a MOU with the authorized representatives of the departments.	An Inter-departmental Settlement Advice (IS) is created in ABACUS. The MOU or correspondence provides the authority.	All funds must be received by the other department and spent within the same fiscal year of issue.
2. DFO wishes to provide the Province of BC or a Crown Corporation with funding to support a mutually beneficial activity.	An MOU outlining the project, funding, and project duration.	A regular "supplier" type payment is created in ABACUS. The MOU provides the authority.	
3. DFO wishes to fund with regular Operating and Maintenance the activities of a partner who is not another federal department or the Province of BC (e.g.: a university, an enhancement society, legally constituted not-for-profit organization, etc.), and the funding amount is under \$25,000 .	Sole-source service contract.	A regular Operating and Maintenance funded "supplier" type payment is created in ABACUS. The service contract provides the authority.	If the amount is going to be greater than \$5,000 goods or \$10,000 services, Contracting and Procurement staff must be consulted. Sole-source rationale must support contract award.
4. DFO wishes to fund with regular Operating and Maintenance the activities of a partner who is not another federal department or the Province of BC (e.g.: a university, an enhancement society, legally constituted not-for-profit organization, etc.), and the funding amount is over \$25,000 .	Same as 3., except if a contract vs. contribution approach is used DFO must clearly demonstrate that no one else can do the work .	Same as 3. The service contract provides the authority.	Contracting and Procurement staff must be consulted in all cases.
5. DFO wishes to contribute funds to the activities of a partner that is not another federal department (e.g. is a university, an enhancement society, legally constituted not-for-profit organization, etc.).	Class Contribution Agreement. Use where no specific Grants and Contributions authority exists (e.g. AFS or CFAR). Class Contribution authority requires Deputy Minister approval. Agreements can be for up to \$500,000. A Treasury Board submission is required for amounts greater than \$500,000.	A "contribution" type payment is generated in ABACUS. The contribution agreement provides the authority.	Finance and Administration Branch must be contacted in all cases re: i) the availability/transfer of contribution funding (may require a swap or transfer of Operating and Maintenance to Grants and Contributions), and ii) preparation and approval of contribution terms and conditions for the contribution agreement prior to issuance of a contribution payment. Finance and Administration staff should be involved as early as possible in the process.



2.2 SOME THOUGHTS ON “MONEY-OUT” PARTNERING

CHALLENGES

Money-Out partnering provides its own unique challenges for the manager. Unlike the use of SPA with Money-In situations, there is no single specific financial/contracting authority that directly supports DFO providing funds to a partner in support of the delivery of a project of mutual interest and relevance. The Department uses a variety of means to support “Money-Out” partnering (see **Options Table 2**). Below are some key points that the manager should be aware of when entering into “Money-Out” partnering situations.

- Does a contract or a contribution most appropriately support the partnering effort? The choice of funding tool should be that which is appropriate versus expedient. Determining contract situations from contribution situations can be difficult. To assist you with this, a checklist (**Appendix 7**) will aid a program manager in answering the question “Is it a contract or a contribution that I should be using to support my Partnering/Alternate Service Delivery initiative?”.
- Where non-competitive service contracting is used to provide funds to partners, any contract over \$25,000 must include a defensible rationale as to why the partnering organization is either the only available provider of service, or why it is not in the public interest to offer the opportunity to any other group. It is not sufficient just to have a desire to work with one particular group. Government contract regulations apply regardless of the status of the partner (i.e. not-for-profit vs. commercial service provider).
- Where it is appropriate to use a contribution agreement to provide funds to the partner, the manager needs to remember that sources of Departmental contribution funding are generally limited to existing programs (e.g. Aboriginal Fisheries Strategy). Contact your Alternate Service Delivery/Partnering Services Unit to find out if there are contribution funds available in the Department to support your project, or if a transfer of Operating and Maintenance to Grants and Contributions can be made. The Unit can then assist you in the preparation and approval of the contribution agreement and the related term and conditions. It is important to note that contribution agreements themselves require management review and approval to initiate, therefore sufficient lead-time for this process is essential.

Since there are plenty of pitfalls to avoid when engaging in Money-Out partnering, it is important to involve Contracts staff and Finance staff with respect to these kind of partnering arrangements.



ALL ABOUT SPECIFIED PURPOSE ACCOUNTS

3.0 WHAT IS A SPA/CA?

A Specified Purpose Account (**SPA**) is well defined by its name; **it is an account established to receive, control and disburse funds received for a specific activity from a party external to the federal government.** It does not form part of any Departmental appropriation, but can represent a significant source of incremental funding for a program. A Collaborative Agreement (**CA**) is most frequently used as the related contractual document that describes the terms of the project, the relationship between the parties, the deliverables to be achieved, and the cashflows related to the agreement, including any amounts to be deposited to a SPA. In simplified terms, the **CA** is the contract; the **SPA** is the accounting tool.

It is important to understand the distinction between funds received for re-spending under authority of a SPA, and funds received as revenue. Revenue must be deposited to the Consolidated Revenue Fund (CRF) and is not available for re-spending without authority from Parliament (Treasury Board). Examples of CRF revenue would include funds received from licensing, wharfage and sale of charts.

What distinguishes funds received as “revenue” from funds received for a specified purpose (e.g. SPA)?

- SPA funds are not received as a result of the imposition of any regulatory fee or charge for a service or product provided by the Department; and
- SPA funds are contributed voluntarily by an external party in support of delivery of a joint project from which both DFO and the contributor derive benefit, contribute resources and exercise control.

The activity the external party proposes to fund **must** be related to our Departmental mandate, such as sustaining/managing the resource, conducting relevant marine research, performing environmental studies, habitat restoration, etc. SPA/CA may not be used to replace or avoid normal cost-recovery activities (e.g.: fees for service, sale of goods, use of Departmental facilities, etc.).



Not all collaborative projects necessarily result in the creation of a Specified Purpose Account. An example of this would be where an agreement exists to document a project and there is no related transfer of cash resources between the parties.

3.1 WHY USE SPA AS AN ACCOUNTING TOOL?

SPA provides a reasonably simple-to-administer accounting tool for receiving, controlling and disbursing externally sourced funding received under the terms of a Collaborative Agreement. SPA authority already exists within the Department. SPA can be used for funds received from other non-federal levels of government, universities and private organizations, or individuals under the terms of a collaborative agreement, donation letter or court award.

Funds received are kept within the specific coding the Department has assigned for the project. There are no net voting rules or fiscal year deadlines with which to contend.

3.2 THE GOOD NEWS AND THE BAD NEWS REGARDING SPA

SPAs are the single most powerful financial tool available to the manager who has a partnering opportunity where he or she will receive funds from an outside non-federal government partner.

SPA Advantages

- ✓ The Department retains control of funds in a Specified Purpose Account; they are not treated as general revenue to the Consolidated Revenue Fund, and can be spent by the Department under the terms of the agreement established between the participating parties.
- ✓ The Department has SPA authority already - no new Treasury Board authority or Financial Administration Act changes/approvals are required.
- ✓ **SPA funding is not fiscal year dependent**; unused funds can be carried forward to the next FY, providing the specific agreement/governing document allows for it.
- ✓ SPA funding is immune to program review cuts. Funds cannot be applied to other branch, regional or national DFO funding issues. It is crucial to remember, however, that SPA cannot be used to “hide” appropriated funds (i.e.: year-end lapses) or cost-recovered revenues that must be deposited to the CRF.



- ✓ Collaborative Agreement/SPA arrangements allow programs to perform important work in mandated areas for which the Department may have reduced, or eliminated program funding. SPA/CA can also be used to lever Departmental funding by involving other parties who have a vested interest in the work being performed.

SPA Disadvantages

- ✗ SPA funding situations can be serious if not handled correctly (e.g.: spending appropriated funds on collaborative work in anticipation of receiving external funds can result in unfunded, illegally-initiated expenditures if the external party funding does not materialize). A SPA should not normally hold a debit balance.
- ✗ With the exception of donations, court awards and grants, each SPA project requires the preparation of a Collaborative Agreement or Memorandum of Understanding (MOU) if dealing with the Provincial Government (these can be of the fill-in-the-blanks variety, as attached in the Appendices section).
- ✗ Each SPA deposit account must be accounted for and controlled individually; SPAs will increase workload for finance/administrative staff at both the program site and within the Finance and Administration Branch.
- ✗ While paying of term and Continuing Full Time (CFT) staff dedicated to project work with SPA funding is supported by Treasury Board policy, Departmental and Receiver General financial management systems do not make this an easy administrative proposition. Salary costs cannot be charged directly to an SPA. A special budgetary line item is created for salaries. Every two to three months, the Project Administrators will request that these costs are journal vouchered (JV) to the SPA and forwarded to the salary management group for action.

3.3 KEY POINTS TO REMEMBER ON SPAs AND CAs

- Externally funded collaborations should be pursued where they coincide with DFO's mandate.
- Authority to receive funding via SPA/CA already exists with Fisheries and Oceans Canada.



- The statement in the SPA/CA agreement in which the donor agrees to indemnify the Crown from damage, loss or injury, will provide some liability protection for the Department, though not in every case. For equipment, the Crown would only be liable if negligence could be proven. **Having a signed agreement before the work is undertaken and guests start work at our sites/vessels is absolutely essential.**
- If you can determine that a period or portion of an indeterminate employee's time will be dedicated to working on the SPA/CA project, this time can be charged to the project assuming this provision is within the terms of the agreement and that the CFT position is backfilled for the duration of the period. Terms/casuals may also be funded from SPA.
- If start-up costs will be incurred, you should include provisions for an advance of project funding as part of the Collaborative Agreement. **Projects can not be started prior to receiving at least part of the funding.**
- There is no difference between collaborative agreements and joint project agreements in terms of the purpose of the document itself (i.e.: defining projects, roles, responsibilities, resource contributions, etc.). The format for joint project agreements, however, is specific to the unique collaborative initiatives of Operations Branch such as collaborative projects with not-for-profit fishing associations and other special situations.
- **Incremental cost factors can be recovered**, for example an amount of each SPA/CA project can be applied toward these costs. It is essential, however, to get agreement upfront with the external party before any levy is costed and assessed, and that this be clearly identified in your SPA/CA agreement. It is recommended you contact the Regional Partnering Officer if you wish to include incremental costs in your agreement.
- Contact the Alternate Service Delivery/Partnering Services Unit to assist with the costing necessary to provide a defensible basis on which to determine incremental costs. It is also necessary to clearly identify the specific types of expenditures that change with the level of project activity (e.g. administration salaries, phones, utilities, etc.).
- **Funding from collaborative agreements does not necessarily lapse at the end of the year.** However, without a valid current agreement you do not have the authority to keep SPA funds. If agreements expire and are not amended, any balance must be either returned to the partner or credited to



the CRF. *There are no exceptions.*

- The Crown retains ownership of intellectual property or revenues generated from the project only if a statement to this effect is included in the original CA. It is essential to clarify in your agreement how revenue/royalties/rights to market are to be shared. As well, limits on the sharing/dissemination of intellectual property developed must be clearly and concisely defined in the agreement.

3.4 **THE GOVERNING DOCUMENTATION**

To protect Canada and the external party, a written agreement stating the objectives of the project being funded and the contributions of both parties is essential.

Depending on the partner and the relationship, the documentation can consist of either a formal collaborative agreement (also known as a joint project agreement, cooperative agreement or joint funding agreement), a MOU or a simple exchange of letters (**see Options Table 1**). The collaborative agreement is the most commonly used document.

SPECIFIC DOCUMENTATION TYPES:

A. Collaborative Agreement

A Collaborative Agreement is often used in partnering agreements where the control and contribution of the resources are shared with a party or parties external to the Crown.

While the Collaborative Agreement should be as simple as possible, it is important to address the areas covered in **Appendix 1 “Collaborative Agreement Components Defined”**. The appendix includes those clauses that are essential for inclusion to satisfy the legal and financial obligations of the Minister. A sample fill-in-the-blanks Collaborative Agreement is also attached as **Appendix 3 “Collaborative Agreement”**. To use the template, adjust specifics to the agreement (dates, dollars, deliverables, etc.). If you are concerned about any of the clauses in the template or have a unique situation, (e.g.: Fish Renewal BC, Office of Naval Research Grants, provincial MOUs, or arrangements involving



use of the fish resource), please contact the ASD/Partnering Services Unit. Using the standardized sample Collaborative Agreement can reduce the time required for legal and financial review.

Additional points to consider in preparation of the agreement:

- ownership of existing and resulting technology;
- confidentiality and publication rights; and
- control of commercialization.

B. Memorandum of Understanding

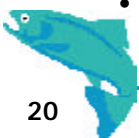
A Memorandum of Understanding (**see Appendix 5**) describes certain understandings as agreed to by its participants. **A memorandum of understanding is not usually intended to be legally binding** and therefore should be used only when:

- the commitments are preliminary and designed to establish a framework for negotiation and completion of a future legally binding agreement, or
- the agreement is between federal departments and agencies, and provincial governments because legal enforcement is not necessary as the Crown does not normally sue Herself.

When made with the private sector, Memorandums of Understanding should be used with extreme caution. Although the obligations are intended to be moral and not legal in nature, they are still obligations that all parties want to treat seriously. Accordingly, there is no guarantee that a court will agree that a MOU has no legal effect. Courts have taken the view that it is the substance of the relationship, and not the form of the relationship, that will determine whether or not it is legally binding.

As a general precaution, Memorandums of Understanding should:

- ensure that legally enforceable rights and obligations are not created (e.g.: make it clear that intention of the agreement is to establish a framework for future negotiations only),
- include a clause confirming that the parties acknowledge and agree that the



agreement is not intended to have any legal effect , and

- avoid using prescriptive and mandatory language (i.e.: must, shall) that is generally associated with the creation of legally binding obligations.

C. Letter for Receipt of Donation

A donation may be received from an external entity with or without conditions. A donation received for no specified purpose and without conditions must be credited to the Consolidated Revenue Fund. Amounts received for a specified purpose, but unconditionally, can be spent in accordance within the mandate of the Department. Conditional amounts received are to be spent only for the purpose stated by the donor. Amounts that can not be used for the purpose stated or within the terms and conditions of the donation must be returned to the donor. Although the acceptance of a donation may impose obligations on the Department, it does not constitute a partnering agreement. An example is included as **Appendix 6**.

OTHER DOCUMENTATION SUPPORTING PARTNERING:

Volunteer Agreements

Often volunteers are used to assist in the delivery of public services to carry out the mandate of the government, Department or sector. For clarity and certainty, this relationship should result in the development of a Volunteer Agreement, which describes:

- the volunteer's activity,
- the Crown's expectations and liabilities, and
- verification of security and reliability of the volunteers.

Depending upon the circumstances of the volunteer's involvement, **consideration may be given to obtaining insurance to cover accidental death, dismemberment or injury to volunteers and/or third party liability coverage for volunteers.**



A sample Agreement for Volunteers is attached (**Appendix 8**) for your use. This agreement should be used to spell out the duties of DFO and the volunteer and to emphasize risk management principles.

The use of volunteers is permitted to support partnering activity provided:

- their contribution is consistent with the mandate of the government, Department or sector, and
- their activities are clearly identified and documented

To ensure that the requirement for volunteers is managed effectively within an appropriate risk management framework, the Treasury Board Risk Management Policy should be followed, and volunteers (as individuals or groups) should:

- be given risk protection similar to that of Departmental employees when faced with comparable risk,
- be trained in or have the expertise for the volunteer activity, and
- have effective material support from their own resources or from Departmental resources including, if necessary, the use of government vehicles

For additional information on risk management relating to volunteers, see:

http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/RiskManagement/CHAP2-3_e.html

3.5 **BEFORE YOU BEGIN**

Before initiating your partnering project, ask yourself if the Department would be obtaining good value for the tax dollar, (e.g.: are we committing to spend \$100,000 worth of DFO A-base salary and infrastructure to deliver a collaborative project that will generate \$10,000 of external funding support from the partner?).

Most importantly, is this a project that we would consider important enough to do even if we were not receiving external funds to support it? It is important to remember that external funding is just a means to an end (e.g.: delivery of more/better program activity) rather than an end in itself, (i.e.: A-base augmentation). Just because a prospective partner thinks the project is important enough to spend money on does not necessarily mean that DFO does or should.

An objective evaluation of the project's ability to support the mandate and objectives of DFO is a critical step that any manager contemplating a partnering opportunity needs to perform.



Before soliciting project funds from external funds providers, you will need to determine if there are any policies or restrictions on the use of SPA/CA imposed by your own branch.

The collaborative/partnering activities of Fisheries Management Branch pose unique challenges. Operations staff pursuing partnering arrangements with fleet sectors should also read the soon-to-be released “**Partnering - A Financial Guide for Developing Co-management Agreements.**”

If you are new to the SPA/Collaborative Agreement process or your arrangement is complex, unique or high in dollar value, it is highly recommended that you contact the Alternate Service Delivery/Partnering Services Unit before proceeding.

The Contracts and Procurement Division should be consulted in any partnering situations where the Department will be establishing contracts with third parties to support partnering initiatives. This requirement is to ensure that the program managers do not inadvertently enter into contracting situations for which the Department does not have adequate authority.

Key Contacts

**For Regional Revenue Unit:
Trudy Scott - (604) 666-6863**

- SPA budgeted coding;
- invoicing partners under MOU, collaborative agreements, etc.;
- year end accounting considerations (e.g.: carry forward of SPA balances to New Year);
- charging of student, term and CFT salaries to SPA; and
- journal vouchering to SPA.

**For Alternate Service Delivery (ASD)/Partnering Services Unit:
Roy Neighbor - (604) 666-5560**

- all questions on Collaborative Agreement preparation, SPA/CA policy/procedures;
- non-standard terms, contribution agreements between DFO and its partners;
- incremental cost considerations;
- intellectual property rights, licensing arrangements;
- alternate service delivery (ASD) opportunities; and
- revenue and cost recovery policy issues.



Any questions on areas not covered above should be directed to the ASD/ Partnering Services Unit.

3.6 **SERVICES**

If at any point in the partnering process you need help or advice, do not hesitate to contact the ASD/Partnering Services Unit. The Unit can help you with:

- Agreement negotiation and development with partners
- Partnering related liaison with Justice, program and corporate sector in Ottawa, and central agencies (e.g.: Department of Finance, Treasury Board)
- Financial advice related to partnering
- Assistance with development of ASD/partnering related Treasury Board submissions
- Partnering documentation review and comment
- Information, policy interpretation and advice on cost recovery, SPA, and revenue retention and re-spending
- Questions on Alternate Service Delivery
- Program-specific partnering related information sessions or training (at your site)
- Template agreements for all your partnering needs
- Information, advice and development of Crown established endowment funds
- Establishing insurance coverage for volunteers
- Making contribution payments to partners

The appendices following are fill-in-the-blanks template agreements to get you started on documenting your partnering initiative.



LIST OF APPENDICES

- Appendix 1:** Collaborative Agreement Components Defined
- Appendix 2:** Collaborative Agreement Approval Routing Slip
- Appendix 3:** A fill-in-the-blanks Collaborative Agreement (governs funds received from any party that is not another federal government department or the Province of BC)
- Appendix 4:** Collaborative Opportunities Checklist
- Appendix 5:** A Memorandum of Understanding (MOU) template may be used to govern funds received from another federal government department, Provincial government, Crown Corporation, or other agent of Her Majesty where the partnering relationship is not meant to have legal effect
- Appendix 6:** A letter of donation (governs funds received from an outside party where the party will take no role in delivering the project, but wishes to support the work being performed)
- Appendix 7:** Contribution or Contract
- Appendix 8:** Volunteer Agreement



APPENDIX 1

COLLABORATIVE AGREEMENT COMPONENTS DEFINED

BETWEEN: HER MAJESTY THE QUEEN IN RIGHT OF CANADA as represented by the Minister of Fisheries and Oceans (hereinafter referred to as “DFO”)

OF THE FIRST PART

AND: an Organization (if applicable) established under the laws of British Columbia, and Canada, and having its head office at:

(Address including postal code)
(hereinafter referred to as “the Organization”)

OF THE SECOND PART

THE PARTIES HERETO COVENANT AND AGREE AS FOLLOWS:

1. THE PROJECT

This section is used to briefly describe the project and its relevance to each party. A detailed appendix should be attached as part of the agreement to provide a more complete description of the projects including costs, cash and in-kind resource contributions. It is crucial to clearly demonstrate in the agreement, the relevance/benefit to both parties.

2. LOCATION AND DURATION

This section is used to identify the location and the duration of the project. It gives specific start and end dates to the project activity.

3. RESOURCE COMMITMENT BY DFO

This area establishes the resources that DFO is providing towards this project. An appendix should be provided that will breakdown the contributions of the Department.

4. RESOURCE COMMITMENT BY THE ORGANIZATION

This area addresses the resources that the Organization is providing towards this project. The resources can be that of an in-kind nature as well as a cash contribution. An appendix should be provided that will show the resources that are being provided both in kind and in cash. This area will also address who the cheque should be made payable to and how the funds are handled once they are in the hands of the Department.



5. PROJECT ADMINISTRATION

This area names the representatives of the parties responsible for ensuring that the project is carried out in accordance to the terms and conditions of the agreement.

6. INDEMNIFICATION

This section is used to indemnify DFO from and against all claims, demands, losses, costs, damages, actions, suits, or other proceedings resulting from negligent acts of the partner.

7. INTELLECTUAL PROPERTY

This section addresses the ownership of technical information, inventions, designs, methods and processes, and other intellectual property rights related to the Project that are conceived, developed or first reduced to practice in the carrying out of the Project. Intellectual property (IP) ownership can be negotiated and included as part of the agreement.

Intellectual property rights may be shared or rest solely with the organization. If it is the latter, the Crown must ensure that it has a licensing agreement in place to use the IP.

8. EQUIPMENT

This section is used to address possession and title of any equipment that is purchased in connection with the project.

9. PUBLICATION

This section is used to address publication of the results of the project and ensure that the Organization is not implying endorsement of any product, process or practice by DFO in any kind of media.

10. RELATIONSHIP

This section is used to clarify the relationship of the parties. I.e. that no master/servant relationship exists.

11. TERMINATION

This section is used to provide both parties the option of terminating the agreement if certain conditions exist. It also addresses what is to happen with funds remaining if the project is terminated early.

12. ACCESS TO GOVERNMENT BUILDINGS AND PROPERTY

This section addresses the rules and regulations regarding access to government buildings and property. I.e., vessels, security, equipment.



13. CANADIAN ENVIRONMENTAL ASSESSMENT ACT (CEAA)

This section is used to address that both the Organization and DFO agree that, if applicable, the project must be assessed and approved in accordance with the Canadian Environmental Assessment Act.

14. RECORDS

This section addresses the responsibilities of both parties with respect to financial records. I.e. retention, audit provisions, etc.

15. GENERAL TERMS AND CONDITIONS

This section is used to address general terms and conditions applicable to any agreements. Some examples are signing of the agreement, amendments, conflict of interest, Government Contracting Regulations and warrants against bribes, gifts, or promises offered to Governments officials for the purposes of obtaining the agreement.



APPENDIX 2

COLLABORATIVE AGREEMENT APPROVAL ROUTING SLIP

Every collaborative agreement/joint project agreement must be reviewed and signed off by the initiating Program Manager and the Branch Director before being forwarded to the collaborator for final sign off. Project related work/expenditures should never be initiated until all approvals have been given. Agreements should never be signed by the partner until all regional approvals are obtained.

Agreement Name: _____

Agreement Number: _____

Financial Coding: _____

Originator:

Name and Title

Signature

RC

Manager:

Name and Title

Signature

Branch

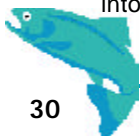
Director:

Name

Signature

Directions for handling the processing of the agreements and Regional Comptroller sign-off:

- 1) Prior to being sent by the program staff to the outside partner for signature, all agreements should be submitted electronically (i.e. instead of hard copies) to Finance, attention Alvin Thompson.
- 2) Finance will review, note changes and electronically return the amended agreement to the originator.
- 3) Program staff may then print, sign and forward the Finance approved version of the agreement to the partner to obtain their sign-off. A finalized, fully signed hard copy will need to be provided by the program staff to Finance & Administration, attention Alvin Thompson, ASD/Partnering Services Unit, Finance and Administration, Suite 440-555 W. Hastings St., Vancouver, B.C. V6B 5G3
- 4) Finance and Administration staff will review the final, partner-signed agreement to ensure it is consistent with the electronic version approved by Finance, and then enter it into the system.



APPENDIX 3

COLLABORATIVE AGREEMENT

BETWEEN: HER MAJESTY THE QUEEN IN RIGHT OF CANADA as represented by the Minister of Fisheries and Oceans (hereinafter referred to as “DFO”)

OF THE FIRST PART

AND: _____,
(the name of the company or organization)

an Organization (if applicable) established under the laws of British Columbia, and Canada, and having its head office at:

(Address including postal code)
(hereinafter referred to as “the Organization”)

OF THE SECOND PART

THE PARTIES HERETO COVENANT AND AGREE AS FOLLOWS:

1. THE PROJECT

DFO and the Organization will jointly conduct the project entitled “_____” as described in detail in Appendix “A” hereto.

It is crucial to clearly demonstrate the relevance/benefit to both parties, to avoid the perception that the agreement is a contract for services/goods.

2. LOCATION AND DURATION

The Project will be carried out at _____, _____,
(Name of establishment) (City)
in province of _____, Canada, between the _____ day of _____, 200_ and
the _____ day of _____, 200_.

3. RESOURCE COMMITMENT BY DFO

DFO’s resource commitment to the Project comprises the items listed in Appendix “B” hereto, and has an estimated in-kind value of \$_____ CDN.



4. RESOURCE COMMITMENT BY THE ORGANIZATION

The Organization's resource commitment to the Project shall comprise the items listed in Appendix "C" hereto and has an estimated value of \$_____ CDN.

As part of this resource commitment, the Organization agrees to provide DFO, upon receipt of an invoice, a cash contribution in the amount of \$_____ CDN to be deposited in a Specified Purpose Account on or before date of _____ and _____ to be used by DFO to fund the items as listed in Appendix "C". Goods and Services Taxes (GST) related to purchases made with funds provided by the Organization under the terms of this agreement will be charged to the Specified Purpose Account. The Organization will be responsible for GST chargeable on purchases related to the project. Interest earned will not be credited to the Specified Purpose Account.

Cheques are to be made payable to the "Receiver General For Canada", and delivered to:

Fisheries and Oceans Canada
Revenue Unit
Suite 440 - 555 W. Hastings St.,
Vancouver, B.C.
V6B 5G3

It is possible to assess a charge on SPA funds for incremental project related costs (e.g.: administration salaries, phones, utilites). Contact the ASD/Partnering Services Unit to determine how to include this in your agreement.

5. PROJECT ADMINISTRATION

The Project activities shall be administered jointly by representatives of the parties, subject DFO's authority over its establishments and vessels.

Unless otherwise notified, the representative of the parties for the purpose of this agreement shall be:

- For DFO:

(Name)

(Title)

(Name of Establishment)



- For the Organization:

(Name)

(Title)

(Location/Address)

It is understood that personnel assigned to the Project by the Organization shall continue to report to the Organization's representative, even while said personnel may be present at DFO's establishments or vessels.

6. INDEMNIFICATION

The Organization agrees to indemnify and save harmless DFO from and against all claims, demands, losses, costs, damages, actions, suits, or other proceedings by whomsoever made, brought or prosecuted in any manner based upon, occasioned by, or attributable to the use of DFO's establishments or vessels by the Organization or any of its agents, servants, employees or invitees.

7. INTELLECTUAL PROPERTY

All technical information, inventions, designs, methods and processes and other intellectual property rights related to the Project that are conceived, developed or first reduced to practice in the carrying out of the Project (collectively, the "Intellectual Property") shall be the property of DFO unless otherwise indicated herein and, subject to the Access to Information Act, shall be treated as confidential. The Organization shall disclose to DFO all Intellectual Property developed in the conduct of the Project.

8. EQUIPMENT

All equipment purchased by DFO in connection with the Project with funds from the Organization shall remain the property of DFO, except where specifically noted in this agreement.

9. PUBLICATION

The results of the project shall not be published or otherwise divulged or publicly communicated by the Organization without prior consent and written approval of DFO, which consent and approval shall not be unreasonably withheld. Acknowledgement of the involvement of DFO shall be included in any such publication upon prior approval by DFO. In all press releases and commercial advertising associated with the results of the project, the Organization shall ensure that the wording does not constitute an explicit or implicit endorsement by DFO of any product, process or practice of the organization.



10. **RELATIONSHIP**

Nothing contained in this Agreement shall be considered or construed as creating the relationship of partners in a joint venture, principal and agent, lessor and lessee, licensor and licensee or of employer and employee between the parties. The Organization agrees to be solely responsible for any and all payments and/or deductions required to be made including those required for Canada Pension Plans, Unemployment Insurance, Workers' Compensation, or Income Tax for all personnel, agents, assigns or other entities engaged by or on behalf of the Organization for the Project. The Organization shall be solely responsible for the supervision, scheduling of work and tasking for any personnel, agent, employee assign or other entity engaged by on or behalf of the Organization for the project.

11. **TERMINATION**

DFO may, with _____ days notice in writing to the Organization, terminate this Agreement if the related DFO establishments, or vessels are destroyed or seriously damaged, the Organization is in breach of its obligations under this Agreement and has not remedied the situation after the time stipulated in a notice from DFO in this respect, or if in DFO's opinion, the circumstances surrounding the Project have changed and are such that further support by DFO to the Project is not warranted, or if, at DFO's discretion, it determines that it is unable to continue it's support for the project.

Upon termination of this Agreement, each party shall forthwith return to the other all papers, materials, unexpended project funds, or other property owned by the other and in the care and control of another party for the purposes of carrying out this Agreement.

12. **ACCESS TO GOVERNMENT BUILDINGS AND PROPERTY**

The Organization and the Organization's personnel, agents, assigns or other entities working for or on behalf of the Organization shall abide by all orders and policies, including those related to security, health and safety in force at DFO's establishments/ vessels involved in the project, with respect to access to buildings and utilization of facilities and shall not bring equipment, materials, or personnel into these establishments/vessels without the express written knowledge and consent of DFO's representative.

13. **CANADIAN ENVIRONMENTAL ASSESSMENT ACT (CEAA)**

The Organization and DFO agree that, if applicable, the project must be assessed and approved in accordance with the Canadian Environmental Assessment Act.

14. **RECORDS**

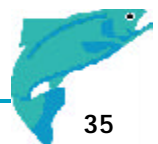
The Organization and DFO shall keep proper accounts and records of all financial activities relating to the delivery of this project, including, but not limited to invoices for project expenditures, for a period of two years after the end date of this agreement. Said records shall, on reasonable notice, be made available to the representatives of each Party to this



agreement for the purposes of verification and audit. Copies of originals may be taken by the representatives of the Parties.

15. GENERAL TERMS AND CONDITIONS

- a) This Agreement may not be assigned in whole or in part by the organization without the prior consent of Fisheries and Oceans Canada.
- b) This Agreement shall be interpreted in accordance with the laws in force in the province where the Department's work site is located.
- c) All amendments to this Agreement shall be in writing and signed by both parties.
- d) The Organization warrants that no bribe, gift, or other inducement has been paid, given, promised or offered to any Government official or employee for the obtaining of this Agreement.
- e) No member of the House of Commons shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom.
- f) It is a term of this Agreement that no former public office holder who is not in compliance with the post-employment provisions of the Conflict of Interest and Post-Employment Code for Public Office Holders shall derive a direct benefit from this Agreement.
- g) If the status of the Organization changes in respect of ownership or control, technical or financial competence, location of the work place or any other way that prejudices the project or the potential Canadian economic benefits therefrom, the Organization shall promptly inform DFO.
- h) Any contracting performed by DFO in support of the delivery of this project shall be governed by the Government Contracting Regulations and shall respect DFO's obligations under applicable trade agreements. Further, any contracting performed by DFO in support of this project shall be in accordance with the Government Contracting Regulations and applicable trade agreements.



IN WITNESS WHEREOF this Agreement has been executed by duly authorized representatives of the parties.

Signed, Sealed and Delivered in duplicate this ____ day of _____, 200__.

- For Her Majesty:

(Signature)

(Witness)

(Title)

- For the Organization:

(Signature)

(Witness)

(Name in block letters)

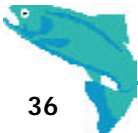
(Title)

(Signature)

(Name in block letters)

(Title)

DFO Specified Purpose Account Project Code _____



APPENDIX “A”

DESCRIPTION OF PROJECT

- a) Objectives/Benefit to parties
 - i) technical problems to be resolved
 - ii) specific, measurable, achievable results
 - iii) starting points/values

- b) Statement of Work (*both what and where*)
 - i) tasks, locations, responsible staff
 - ii) meetings, site visits, conference travel

- c) Schedules
 - i) deliverables, responsible party, destination, dates
 - materials
 - equipment
 - consumables
 - reports
 - ii) go/no-go decisions, responsible party, dates, criteria
 - iii) visits and meetings, locations, dates

- d) Costs
 - i) direct
 - salaries (must identify status of employees classifications, levels, rates of pay and specific period that salaries will be paid from agreement funding)
 - capital
 - Operating and Maintenance
 - travel
 - ii) indirect
 - incremental project related costs

Note: You do not need to fill in all sections and subsections of appendices “A” through “C”. The range of subsections is designed as a guide to assist you in completing the agreement. Those subsections that are not relevant to your agreement can be deleted.

All italicized writing contained in these appendices should be deleted if you are using the template to prepare an actual agreement.



APPENDIX “B”
DFO’S RESOURCE COMMITMENT
(each with cost estimate)

- a) Personnel
 - i) researcher’s time
 - ii) technician’s time
 - iii) finance and administrative time (accounts payable, contracting, etc.)

- b) Site support
 - i) locations
 - ii) facilities
 - iii) necessary permits
 - iv) fuel and maintenance of equipment

- c) Other administrative support
 - i) office space
 - ii) communications
 - iii) clerical support
 - iv) library uses/searches
 - v) laboratory analyses
 - vi) statistical analysis, computer programming

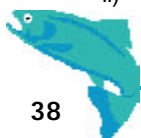
- d) Computertime

- e) Access
 - i) to equipment
 - ii) to databases
 - iii) audit (*if required*)
 - at Organization expense
 - at DFO expense
 - (*if a problem arises*)

- f) Schedule
 - i) expenditures
 - ii) reports

- g) Incremental DFO project costs
 - i) staff (admin., other)
 - ii) utilities, services
 - iii) other

- h) Incremental DFO project costs
 - i) by fiscal year
 - ii) total



APPENDIX “C”

(to the Collaborative Agreement)

ORGANIZATION'S RESOURCE COMMITMENT

(each with a cost estimate)

- a) Personnel (*possible security check required*)
 - i) researchers
 - ii) technicians
 - iii) service contracts
- b) Site support
 - i) locations
 - ii) facilities
 - iii) equipment
 - iv) consumables
 - v) necessary permits
- c) Administrative support
 - i) travel costs
 - ii) patent costs (*if on behalf of the Crown*)
- d) Special spending authorization if required for major items
- e) Schedules
 - i) prepayment to **(SPA)**
 - ii) reports
- f) Incremental cost
 - i) to DFO for incremental costs **(SPA)**
 - ii) incurred by company
- g) Estimated value
 - i) in cash **(SPA)**
 - ii) in kind



APPENDIX 4

COLLABORATIVE OPPORTUNITIES CHECKLIST

The following checklist is designed to assist program staff in assessing the suitability of potential Money-in partnering opportunities. Project proposals that do not meet all of the following criteria cannot be considered partnering arrangements. All potential partnering opportunities must be reviewed by branch management and the Regional Comptroller before any commitment to an external party can be made.

MANDATE FIT - The proposed activities should describe a clear and direct relevance to the Department's mandate. A good test would be: "Is this clearly work we would have done on our own even if we did not have a partner willing to share the costs of project delivery with us?"

NON-MONETARY BENEFITS -The benefits accruing to the Department from the delivery of the proposed activities must be more than financial. The Department must be getting more than just money out of the arrangement for it to be considered a partnering arrangement versus a cost recovery initiative.

NO PROFIT - The proposed activities cannot provide the Department with the opportunity to make a "profit" on the partnering activity (i.e.: the financial contribution that the external party makes to DFO cannot exceed the total incremental cost to Canada of participating in the activity).

DFO'S CONTRIBUTION - The collaborative nature of the activity must be clearly demonstrated by the DFO's quantifiable non-cash, in-kind, contribution towards delivery of the proposed activities. This contribution can include the time of Departmental staff, technical advice and support, the provision of vessel platforms, equipment, sites and the purchase of services and goods related to delivery of the project.

NO SERVICE CONTRACTING BY DFO - The documentation for any arrangement cannot describe a situation where DFO is acting as a vendor under a service contracting relationship. For example, the Department cannot receive a purchase order; cannot be billed "after the fact"; cannot be considered or referred to in documentation as a "contractor" or "vendor" by the external party; cannot be bound to the external party's own rules and policies re: service contracting; cannot hold itself out as a "provider of services"; and cannot bid for work against other commercial service providers.



APPENDIX 5

MEMORANDUM OF UNDERSTANDING

Requisition Number - _____ Approved Financial Coding - _____

THIS MEMORANDUM OF UNDERSTANDING, made this _____ day of _____, 200__.

Between:

HER MAJESTY THE QUEEN IN RIGHT OF CANADA,
as represented by the Minister of Fisheries and Oceans (_____ the "Minister")

and

PREAMBLE:

The Minister and [insert other party's name as defined above] wish to [describe project] (the "Project").

1. Purpose of Memorandum of Understanding:

The parties wish to establish a cooperative and mutually beneficial relationship in order to accomplish the Project. It is the purpose of this Memorandum of Understanding (MOU) to set forth each of the parties' responsibilities for the Project.

2. Duration of MOU:

This MOU will commence on the _____ day of _____, 200__, and will remain in effect until the earlier of (a) _____, 200__; (b) the Project is completed; or (c) the MOU is cancelled.

3. Responsibilities of the Parties:

The parties agree that their responsibilities under this MOU will be as follows:

The Minister: [NB enter the responsibilities of DFO (e.g.: funds, in-kind, value, etc.)]

The _____: [NB enter the responsibilities of the other party (e.g.: funds, in-kind, value, etc.)]



4. Amendment or Cancellation of the MOU:

This MOU may be amended at any time in writing with both parties' consent. This MOU may be cancelled by either party upon sixty (60) days written notice to the other party except where the cancellation is for cause, i.e. a material and significant breach of any of the provisions of this MOU, it may be cancelled upon delivery of written notice to the other party.

5. No Legal Effect:

This MOU is not intended to constitute an agreement, which will be legally binding on the parties, and is not intended to be relied upon by the parties as creating any legal rights or obligations.

Since MOUs describe relationships with other agents of Her Majesty (e.g.: other federal Departments, the Province of B.C., Crown Corporations, etc.), their terms should not be legally enforceable.

Signed on behalf of Fisheries and Oceans Canada

Date: _____
Signature of Responsibility Center Manager

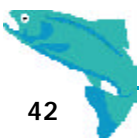
Date: _____
Signature of Branch Director

Date: _____
Signature of Regional Director Finance

Date: _____ (where applicable)
Signature of Regional Director General

Signed on behalf of _____

Date: _____
Representative



APPENDIX 6

LETTER FOR RECEIPT OF DONATION

Fisheries and Oceans Canada
555 West Hastings St.,
Vancouver, B.C.
V6B-5G3

H. Lee Mackeral - President
Fishco Ltd
20000 Nemo Place
Vancouver, B.C.

Dear Sir:

Su: Fishco Ltd. Donation to DFO to Support XXX Program

This letter is to confirm acceptance by DFO of Fishco's generous donation of \$xxxxx to support DFO's XXX program.

As previously agreed, Fishco Ltd, acknowledges that it makes this donation to DFO on a purely gratuitous basis, and on the understanding that it will not receive consideration of any kind from DFO in exchange for its donation (though DFO may at its discretion choose to acknowledge Fishco's support in publications and press releases). DFO understands that it is Fishco Ltd.'s desire that DFO exercise discretion regarding the nature of expenditures it will make with Fishco's donation, providing said expenditures support the delivery of DFO's XXX program.

DFO acknowledges that the only condition(s) Fishco Ltd. attaches to this donation are as follows:

- that the funds must be used to support the delivery of DFO XXX program

DFO acknowledges that Fishco releases DFO from all other obligations except those stated in this letter of acceptance.

Ima Manager
DFO Pacific

Donation letters allow the Department to receive and retain for re-spending funds donated by organizations that wish to financially support program activity, but do not want to participate directly in the project.



APPENDIX 7

CONTRIBUTION OR CONTRACT?

The following questions are designed to assist program managers in identifying the most appropriate funding mechanism to support their Money-Out partnering activities. The greater the number of “yes” responses to the questions below, the greater the chance that the appropriate funding mechanism should be contribution based versus competitive contract based.

1. Will the work to be funded by the program, and performed by the organization, result in something other than the delivery to the program of a clearly defined, tangible product or service (for example, advancement of a social or economic goal of importance to the Department; development of a new DFO stakeholder relationship, etc.)?
2. In selecting an organization to fund, will the program consider criteria other than just lowest cost bid?
3. Does the program wish to provide any part of project funding to the organization in advance of the work actually being performed?
4. Beyond the technical ability of the organization to deliver the body of work, does the program have any other interest in who the delivery organization is, or where it is geographically located (e.g.: would it matter to program staff if the most qualified and lowest cost provider of the work were a Seattle-based, for-profit company)?
5. Is the organization a not-for-profit society, fishing association, native band, community group, charitable organization, or other level of government?
6. Will the organization not retain any profit from the funding it receives from the Department to carry out the work, i.e. the funding will be used for direct costs only?
7. Is the program’s preference to periodically reimburse expenditures incurred by the organization throughout the life of the project versus making one single payment upon completion of the entire body of work?
8. Will the amount of funding provided by the program be less than the total cost to the organization performing the work?
9. Will the funding the organization receives from the program be matched by any in-kind contribution made on the part of the organization?
10. Does the program want to know how the recipient organization spent the funds received, (i.e. versus the program just having an interest in the final product or outcome)?



APPENDIX 8

AGREEMENT FOR VOLUNTEERS

In consideration of being permitted to provide volunteer services for the mutual benefit of myself and Fisheries and Oceans Canada, I do hereby undertake to comply with all lawful requests of the Department respecting my conduct while utilizing Department premises, property or equipment. I shall also endeavor to exercise due care while performing volunteer services and shall promptly report any incident involving potential damage or injuries resulting from the use of such property and/or equipment.

I recognize the intent of the Department and its employees to provide a reasonable measure of safety and security for my person and property while lawfully upon lands and premises controlled by the Department. I acknowledge that I have been advised of potential hazards and normal safety precautions. I understand that it is my responsibility to exercise reasonable care and that I shall obtain medical insurance or, in the alternative, utilize any medical insurance that DFO may procure on my behalf.

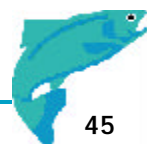
This understanding in no way limits the rights of either party should the above terms and conditions be deemed not to have been met.

Signed

Date

Signed (DFO Representative)

Date



Key Contacts

**For Regional Revenue Unit:
Trudy Scott - (604) 666-6863**

- SPA budgeted coding;
- invoicing partners under MOU, collaborative agreements, etc.;
- year end accounting considerations (e.g.: carry forward of SPA balances to New Year);
- charging of student, term and CFT salaries to SPA; and
- journal vouchering to SPA.

**For Alternate Service Delivery (ASD)/Partnering Services Unit:
Roy Neighbor - (604) 666-5560**

- all questions on Collaborative Agreement preparation, SPA/CA policy/procedures;
- non-standard terms, contribution agreements between DFO and its partners;
- incremental cost considerations;
- intellectual property rights, licensing arrangements;
- alternate service delivery (ASD) opportunities; and
- revenue and cost recovery policy issues.

Forms are available on the Pacific Region intranet at:
<http://fa.info.pac.dfo.ca>