

ADMINISTRATIVE TERMS AND CONDITIONS

1. TERMS OF PAYMENT

1.1 Payment Terms for 2006-07 (April 1, 2006, to March 31, 2007) are as follows:

- 1.1.1 Canada agrees to pay the contribution of \$10,435,980 (including provincial and territorial transfers in the amount of \$944,980) referred to in section 3 of this Agreement.

The Corporation acknowledges that the period between April 1 and July 31, 2006, was covered within the final payment of the Corporation's fiscal year completed on July 31, 2006, and that the portion of the final payment for the period of April 1 to July 31, 2006, is considered the first payment of the 2006-07 fiscal year.

The remaining amount of Canada's contribution for 2006-07 for the period from August 1, 2006, to March 31, 2007, is \$8,396,792 and will be paid as follows:

- 1.1.1.1 A second advance payment representing a maximum of 90 per cent of the balance of Canada's contribution for 2006-07 shall be made following the signing of this Agreement and following receipt and acceptance by Canada of

- a) a interim financial statement reporting anticipated expenditures made during the period from August 1, 2006, to March 31, 2007, submitted no later than February 28, 2007; and
- b) a report detailing the names and permanent addresses of all language assistants hired during the period from September 1, 2005 to May 31, 2006, submitted no later than December 15, 2006.

- 1.1.1.2 A final payment not exceeding the balance of the remaining amount of Canada's contribution for 2006-07 shall be made following receipt and acceptance by Canada of

- a) a certified interim financial statement presenting the Corporation's actual expenditures during the period from August 1, 2006, to March 31, 2007. The certified interim financial statement shall be certified by two senior officials duly authorized by the Corporation.

- 1.1.2 The Corporation agrees to submit by September 30, 2007, the audited financial statements for the 2006-07 fiscal year and shall include copies of letters sent to departments of education indicating payments made to the institutions in each province and territory. The audited financial statements shall provide details of expenses incurred by the Corporation for each activity described in Schedule 3 and shall be performed by professional accountants who are independent of the organization and are active members in good standing of one of the following professional associations: CA, CMA, CGA. In addition to the above Audited Financial Report, the recipient shall provide the auditors' management letter, if any, and an action plan to address the issues raised in the management letter. If there is no management letter, this will have to be confirmed in writing by the accounting firm.

1.2 Payment Terms for 2007-08 (April 1, 2007, to March 31, 2008) are as follows:

1.2.1 Canada agrees to pay the contribution referred to in schedule 3 of this Agreement to the Corporation as follows:

1.2.1.1 An initial advance payment representing a maximum of one half (50 per cent) of Canada's contribution for 2007-08 shall be made on April 1, 2007, following the receipt and acceptance of updated Schedule 3 for 2007-08.

1.2.1.2 A second advance payment representing a maximum of 20 per cent of Canada's contribution for 2007-08 shall be made on September 1, 2007, at the latest, without conditions.

1.2.1.3 A third advance payment representing up to 25 per cent of Canada's contribution for 2007-08 shall be made following receipt and acceptance by Canada of

a) a certified interim financial statement reporting actual expenditures made by the Corporation during the period from April 1 to November 30, 2007, and anticipated expenditures from December 1, 2007, to March 31, 2008, submitted no later than January 15, 2008. The certified interim financial statement shall be certified by two senior officials duly authorized by the Corporation; and

b) a report detailing the names and permanent addresses of all language assistants hired during the period from September 1, 2006, to May 31, 2007, submitted no later than December 15, 2007.

1.2.1.4 A fourth and final payment not exceeding the balance of Canada's contribution for 2007-08 shall be made following receipt and acceptance by Canada of

a) a certified interim financial statement presenting the Corporation's actual expenditures during the period from April 1, 2007, to March 31, 2008. The certified interim financial statement shall be certified by two senior officials duly authorized by the Corporation.

1.2.2 The Corporation agrees to submit by September 30, 2008, the audited financial statements for the 2007-08 fiscal year and shall include copies of letters sent to departments of education indicating payments made to the institutions in each province and territory. The audited financial statements shall provide details of expenses incurred by the Corporation for each activity described in Schedule 3 and shall be performed by professional accountants who are independent of the organization and are active members in good standing of one of the following professional associations: CA, CMA, CGA. In addition to the above Audited Financial Report, the recipient shall provide the auditors' management letter, if any, and an action plan to address the issues raised in the management letter. If there is no management letter, this will have to be confirmed in writing by the accounting firm.

1.3 Payment Terms for 2008-09 (April 1, 2008, to March 31, 2009) are as follows:

1.3.1 Canada agrees to pay the contribution referred to in schedule 3 of this Agreement to the Corporation as follows:

1.3.1.1 An initial advance payment representing a maximum of one half (50 per cent) of Canada's contribution for 2008-09 shall be made on April 1, 2008, following the receipt and acceptance of updated Schedule 3 for 2008-09.

1.3.1.2 A second advance payment representing a maximum of 20 per cent of Canada's contribution for 2008-09 shall be made on September 1, 2008, at the latest, without conditions.

1.3.1.3 A third advance payment representing up to 25 per cent of Canada's contribution for 2008-09 shall be made following receipt and acceptance by Canada of

a) a certified interim financial statement reporting actual expenditures made by the Corporation during the period from April 1 to November 30, 2008, and anticipated expenditures from December 1, 2008, to March 31, 2009, submitted no later than January 15, 2009. The certified interim financial statement shall be certified by two senior officials duly authorized by the Corporation; and

b) a report detailing the names and permanent addresses of all language assistants hired during the period from September 1, 2007, to May 31, 2008, submitted no later than December 15, 2008.

1.3.1.4 A fourth and final payment not exceeding the balance of Canada's contribution for 2008-09 shall be made following receipt and acceptance by Canada of

a) a certified interim financial statement presenting the Corporation's actual expenditures during the period from April 1, 2008, to March 31, 2009. The certified interim financial statement shall be certified by two senior officials duly authorized by the Corporation.

1.3.2 The Corporation agrees to submit by September 30, 2009, the audited financial statements for the 2008-09 fiscal year and shall include copies of letters sent to departments of education indicating payments made to the institutions in each province and territory. The audited financial statements shall provide details of expenses incurred by the Corporation for each activity described in Schedule 3 and shall be performed by professional accountants who are independent of the organization and are active members in good standing of one of the following professional associations: CA, CMA, CGA. In addition to the above Audited Financial Report, the recipient shall provide the auditors' management letter, if any, and an action plan to address the issues raised in the management letter. If there is no management letter, this will have to be confirmed in writing by the accounting firm.

1.4 The amounts to be paid to the Corporation by Canada under this Agreement shall be paid within approximately thirty (30) business days following acceptance by Canada of the documents referred to in section 1 of this schedule. Canada's acceptance is conditional on the information presented in the said documents complying with the terms and conditions of this Agreement and on the Corporation acting on any matters raised by Canada.

2. TRANSFERS

- 2.1 Canada and the provincial and territorial governments, through the Corporation, may agree to transfer a portion of the amounts identified for Odyssey and Accent to Explore and Destination Clic and vice versa. These transfers shall be subject to prior approval by the Director, Operations and Regional Coordination, Official Languages Support Programs, Department of Canadian Heritage, hereinafter referred to as “the Director.” The Corporation shall submit a written request for such transfers to Canada before January 31 of each year of this Agreement.
- 2.2 A provincial or territorial government may, with the prior consent of Canada, transfer to the Programs a portion of the financial assistance provided by Canada to that provincial or territorial government for each year of this Agreement to implement the activities and measures described in its action plans related to minority-language education and second-official-language instruction.
- 2.3 The provincial and territorial governments, through the Corporation, may submit proposals to Canada seeking its approval to use any unexpended portion of the funds allocated for each year of this Agreement.
- 2.4 If the funding allocated in Schedule 3 applies to more than one category of expenses, the recipient may transfer funds from one category of approved expenses to another on the following terms and conditions:
 - 2.4.1 after receiving written authorization from the Director, when the total amount transferred from a given category exceeds 15 per cent of the funds in that category;
 - 2.4.2 without the authorization of the Director, providing the amount transferred from a given category does not exceed 15 per cent of the funds in that category.

3. REPORTS TO THE PUBLIC

- 3.1 Canada and the Corporation agree that the principles of transparency, accountability, consistency, accuracy, timeliness, and clarity shall guide the production of public reports related to this Agreement. The dissemination of this information by the parties shall be in accordance with their respective privacy and access to information legislation and policies.
- 3.2 Canada and the Corporation agree to make the text of this Agreement and its schedules available to the Canadian public, in particular on their respective Web sites, within a reasonable time frame following the signature of this Agreement.
- 3.3 Canada and the Corporation agree that all official public reports related to the Programs covered by this Agreement shall be made available to the Canadian public, in particular on their respective Web sites, after the documents have been accepted by Canada.
- 3.4 The Corporation agrees to take all reasonable measures to make available to any researcher, establishment, provincial or territorial government and the general public audiovisual material, program material, films, research, studies, or other material developed using Canada’s financial contribution to the Programs. Accordingly, the Corporation may catalogue such material and make it available to the public. The Corporation further agrees that all costs related to the provision of such items shall be calculated taking into account Canada’s financial contribution. Where possible, such costs shall be calculated based only on the costs related to the provision, not the development, of the items.
- 3.5 The Corporation agrees to give recognition to Canada’s participation when conducting publicity for the Programs for which financial assistance was provided by Canada. For the purposes of this Agreement, publicity includes, but is not limited to, newspaper advertisements, posters, brochures, application forms, news releases, CMEC reports, and correspondence to institutions. The Corporation agrees to provide Canada with samples of these different types of publicity.

- 3.6 Canada and the Corporation agree that communications, including publications made available to the public, and services provided to the public in relation to this Agreement shall be in both official languages. The Corporation undertakes as well to carry out the spirit and the objectives of Part VII of the federal *Official Languages Act* whenever its projects or activities involve an audience comprising representatives of the two official-language groups.

4. OVERPAYMENT

- 4.1 The parties agree that, if payments made to the Corporation under this Agreement exceed the amounts to which the Corporation is entitled, the overpayment shall be returned to Canada, failing which Canada may reduce its future contributions to the Corporation by an equivalent amount.

5. FINANCIAL AUDITS

- 5.1 The parties agree that Canada reserves the right to audit or to have an audit conducted of the accounts and records of the Corporation in connection with the provisions of this Agreement to ensure compliance with those provisions, and the Corporation agrees to make all records, documents, and information relevant to this Agreement available to auditors who may need them. The scope and extent of financial audits and the timing chosen to conduct them will be determined by Canada, and, if needed, these audits may be conducted by Department of Canadian Heritage officials or their agents. Canada shall cover any costs associated with audits.
- 5.2 The Corporation agrees to keep accounts and records of revenues and expenditures for the subject matter of this Agreement, in particular, all invoices, receipts, and vouchers. The Corporation shall submit the financial statements and other documents prescribed in this Agreement and shall manage its financial affairs in accordance with generally accepted accounting principles. For the purposes of this Agreement, the Corporation shall keep all financial accounts, vouchers, and other useful documents for at least five (5) years after this Agreement expires.
- 5.3 Canada agrees to inform the Corporation of the results of any financial audit and to pay to the Corporation, as soon as possible after completion of the audit, any monies that the audit may show to be then due and owing to the Corporation. The Corporation agrees to pay to Canada, on being informed of the results of such financial audit, any monies that the audit may show to be then due and owing to Canada.

6. EVALUATION

- 6.1 The Corporation is responsible for evaluation of the programs. The Corporation undertakes to share with Canada the results of such evaluations.
- 6.2 Canada's programs, including the *Development of Official-Language Communities Program*, *Minority-Language Education* component, and the *Enhancement of Official Languages Program*, *Second-Language Learning* component, shall be evaluated regularly. For such evaluations, Canada shall encourage input from the Corporation and shall use the information provided in connection with this Agreement. If other information proves necessary, it shall be discussed between Canada and the Corporation.

7. CONSULTATIONS

- 7.1 The Corporation shall invite a representative of each province and territory and representatives of the Department of Canadian Heritage to attend regular meetings of its interprovincial and interterritorial committee dealing with implementation of the programs covered by this Agreement.
- 7.2 The Corporation shall invite a representative of the Department of Canadian Heritage to accompany the Director or National Coordinator of the Official-Languages Programs designated on a number of site visits.