

Appendix 8: First Nations Child and Family Services Terms and Conditions

This document presents the amendments to FNCFS Terms and Conditions that will be made to support the implementation of the Ontario Final Agreement. The inclusion of Appendix A: Reformed FNCFS Program in Ontario as well as the underlined and highlighted amendments in the national Terms and Conditions will be implemented on the Effective Date of the Ontario Final Agreement. Note these changes are presented against updated FNCFS Terms and Conditions (effective April 1, 2025).

FNCFS Terms and Conditions: Contributions to provide children, youth, young adults, families and communities, with prevention and protection services

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Context

In January 2016, the Canadian Human Rights Tribunal (CHRT or Tribunal) ordered Canada to cease its discriminatory practices and reform the First Nations Child and Family Services (FNCFS) program and the 1965 Agreement with the Province of Ontario. This order, and subsequent orders, arose from a human rights complaint filed by the First Nations Child and Family Caring Society of Canada and the Assembly of First Nations in 2007. Canada accepts the orders and acknowledges that the discriminatory funding as found by the CHRT has created various adverse impacts for many First Nations children, youth and families. More details on these decisions are available online through the Canadian Human Rights Tribunal.

On February 26, 2025, Canada, the Chiefs of Ontario and Nishnawbe Aski Nation reached a Final Agreement on Long-Term Reform of the FNCFS Program in Ontario. The agreement came into effect on [Effective Date of the Ontario Final Agreement] following approval by the CHRT. The agreement supersedes and replaces all CHRT orders relating to the FNCFS Program in Ontario. Appendix A to these terms and conditions supports the implementation of the Reformed FNCFS Program in Ontario.

Outside of Ontario, these terms and conditions continue to improve aspects of the program that were determined by the Tribunal to be discriminatory. These transitional terms and conditions are to support the implementation of the immediate measures toward reform of the child and family services program.

Outside of Ontario, where there are inconsistencies between these terms and conditions and the Canadian Human Rights Tribunal decisions or decisions by any other Canadian court, in the context of the *First Nations Child and Family Caring Society of Canada et al. v. Attorney General of Canada (T1340/7008)* matter, the orders prevail and Canada will amend these terms and conditions to comply with the applicable orders. The changes also support the broader reform of the program to address discrimination identified by the Tribunal (2016 CHRT 2) which focused on addressing the real needs of First Nations children, youth and families living on reserve or in Yukon and preventing the perpetuation of historical disadvantage.

Canada is committed to a child and family services program that promotes culturally-based and substantively equitable funding to support interventions to ensure the well-being and continuity of family, community and that cultural connections are preserved for First Nations children, including those in alternate care.

The intention is that these terms and conditions are consistent with the United Nations Convention on the Rights of the Child (UNCRC). Changes to the FNCFS Program emphasize that children and family well-being, including, the safety and best interest of child(ren) are paramount and that cultural and linguistic connections should be upheld.

Canada is committed to working with partners, including provinces and Yukon, to transition the program to be needs based, impartial and inclusive, child-centered, community-directed, and focused on prevention and early intervention.

Outside of Ontario, these Terms and Conditions are transitional in nature, and the purpose is to advance reform and help move the program toward a child, youth, young adult, family, and community focused approach to service delivery. The program intends to support the well-being of First Nations children, youth, young adults, families, and communities, and recognizes program delivery is unique and complex. A centered approach to service delivery promotes, cultural safety, reunification, repatriation, interconnectedness and seeks to prevent separating a child or youth from their family, wherever possible, while ensuring supports are in place that enable children, youth, young adults and families to thrive. Prevention programming enriches options to enhance protective factors and promote positive outcomes.

1. Introduction

The First Nations Child and Family Services (FNCFS) program oversees, administers and provides contribution funding for the ongoing provision of culturally appropriate prevention, including early intervention, and legislated protection services, including least disruptive measures, to respond to children at risk of harm or maltreatment, support family preservation and well-being, including cultural and linguistic connections for First Nations children, youth and families ordinarily resident on reserve or in Yukon. Canada recognizes the need for culturally-appropriate child and family services that would speak to the unique needs and circumstances of First Nations children and families, as defined by First Nations.

As of January 1, 2020, child and family services provided to Indigenous children must be delivered in accordance with the national principles and minimum standards set in [*An Act respecting First Nations, Inuit and Métis children, youth and families*](#) (The Act). The Act's national principles of substantive equality, cultural continuity, and the best interests of the child have been established to help guide the provision of Indigenous child and family services while supporting Indigenous groups and communities should they choose to transition toward exercising partial or full child and family services jurisdiction at a pace and time that they choose. Until an Indigenous group, community or people exercises jurisdiction utilizing the framework of the Act, agreements related to existing service providers remain valid unless the Indigenous groups and service provider concerned decide otherwise.

As of April 1st, 2022, the FNCFS Program funds post-majority support services to youth ageing out of care and young adults who were formerly in alternative care up to their 26th birthday across all provinces and in Yukon. Children are defined as persons under the age of majority, which means the age at which a person is granted the rights and responsibilities of an adult, in accordance with applicable child and family and First Nations legislation. Young adults are defined as persons

who have reached the age of majority as defined in applicable First Nations, provincial/territorial legislation and have not reached their 26th birthday.

Child and family services, including First Nation Representative Services (formerly known as Band Representative Services in Ontario), are provided in accordance with the Act as well as applicable legislation and standards of the province, Yukon or First Nation.

Funding under the FNCFS Program is available to First Nation communities who are not receiving funding through a federal funding transfer agreement for child and family related services.

In order to provide equal opportunity and achieve equitable results and outcomes, the program supports variations in service provision.

2. Authority

The FNCFS Program is delivered **across Canada** under the authority of the *Department of Indigenous Services Act*, S.C., 2019, c. 29, s.336., which provides the Minister of Indigenous Services with powers, duties and functions that extend to and include all matters over which Parliament has jurisdiction and that are not by law assigned to any other department, board or agency of the Government of Canada, relating to the provision of services to Indigenous individuals who are eligible to receive those services under an Act of Parliament or a program of the Government of Canada for which the Minister is responsible.

The Canadian Human Rights Tribunal orders relating to the FNCFS Program **outside of Ontario** include the reform of the FNCFS Program, including ceasing discriminatory practices, protocol on consultations, determination of budget, funding deficiencies, **and** immediate funding relief. Certain remedial orders are intended to address the discrimination identified by the CHRT and prevent its recurrence. More details on decisions are available on the Tribunal's website or by clicking on the CHRT decision links below:

- [January 26, 2016, order, \(2016 CHRT 2\)](#)
- [April 26, 2016, order, \(2016 CHRT 10\)](#)
- [September 14, 2016, order, \(2016 CHRT 16\)](#)
- [February 1, 2018, order, \(2018 CHRT 4\)](#)
- [August 11, 2020 order \(2020 CHRT 24\)](#)
- [February 11, 2021, order, \(2021 CHRT 6\)](#)
- [March 17, 2021, order \(2021 CHRT 12\)](#)
- [January 18, 2022, order, \(2021 CHRT 41\)](#)
- [March 24, 2022, order, \(2022 CHRT 8\)](#)

3. Purpose, objective and outcomes

3.1 Purpose

The FNCFS Program is intended to provide resources and funding to support the holistic and culturally appropriate delivery of prevention and protection services to meet the needs of children, youth and families ordinarily resident on reserve or in Yukon. The FNCFS Program funds eligible recipients to provide services that account for the distinct needs of First Nations children, youth and families including cultural, historical and geographical circumstances. Child and family services also includes post-majority support services.

3.2 Objective

The objective of the FNCFS Program is to support thriving children, youth, young adults, families and communities by funding eligible recipients, as outlined in Section 4, to deliver prevention and protection services such as child protection, guardianship and support and child maintenance and care for children and families ordinarily resident on reserve or in Yukon; and in Section 7, to deliver First Nations Representative Services.

Services under the FNCFS Program will be provided in an inclusive and impartial manner based on substantive equality to address the specific needs and circumstances of First Nations children and families living on reserve or in Yukon. Services may take into account First Nations' cultural, historical and geographical needs and circumstances, in a manner that accounts for the best interest of the child, as defined by First Nations. Funding under the program will also consider cost drivers related to inflation and increased needs or numbers of children in care and their families or children and families receiving FNCFS services; including prevention services.

The program provides access to linguistic supports such as translation or interpretation services of Indigenous languages, where appropriate, to ensure a culturally appropriate service delivery pursuant to Canada's authorities under the *Indigenous Languages Act*.

3.3 Outcomes

Indigenous Services Canada's Departmental Results Framework consists of the department's Core Responsibilities, Departmental Results and Departmental Results Indicators. The FNCFS Program contributes to the following Departmental Results Framework result: *Indigenous Peoples are culturally safe and socially well*.

The FNCFS Program aims to achieve the following immediate, intermediate and ultimate outcomes:

Immediate: 1 to 2 years

- First Nations and FNCFS Service Providers are informed of current and upcoming service possibilities and associated delivery requirements, including roles and responsibilities
- First Nations and FNCFS Service Providers have the resources to plan for and deliver culturally appropriate services to First Nations children, youth, young adults, and families
- First Nations and First Nation Service Providers are aware of the different roles and responsibilities of First Nations and FNCFS Agencies
- First Nations children have access to culturally adapted prevention services
- First Nations children and youth have access to a culturally appropriate environment
- First Nations children and families have access to First Nation Representative Services
- First Nations youth aging out of care and young adults formerly in care have access to post-majority support services

Intermediate: 3 to 5 years

- First Nations, FNCFS Agencies and First Nation Service Providers are working collaboratively toward service delivery
- First Nations, FNCFS Agencies and First Nation Service Providers are working collaboratively as a network of support for children and families
- Protective factors are built, and risk factors are identified and addressed within families and communities
- First Nations children and youth in care remain connected to their family, community, and culture
- Post-majority support services are provided routinely to First Nations youth aging out of care and young adults formerly in care

Ultimate: 5 years and beyond

- Thriving children and families are supported by First Nation community-driven child and family services

4. Eligible FNCFS funding recipients

The following section does not apply in Ontario. Eligible FNCFS funding recipients in Ontario and funding available to them under the Reformed FNCFS Program in Ontario are outlined in Appendix A, Section A.3.

1. **First Nation(s)**, meaning a “band” as defined in subsection 2(1) of the Indian Act, RSC, 1985, C 1-5, as amended, and which is delivering services and receives funding under the FNCFS Program.
2. **FNCFS Service Provider:**
 - a) **FNCFS agency**, meaning an agency established by and affiliated with one or more First Nations and fully or partially delegated or authorized pursuant to provincial or other authorities to provide legislated child welfare services on reserve.
 - b) **First Nation Service Provider**, meaning an entity authorized by the First Nation to support the implementation of the FNCFS Program, and the delivery of services, on reserve, including non-delegated service providers, not-for-profit First Nation organizations, and mandated organizations (i.e. Tribal Councils or regional Indigenous organizations).
3. **Provincial and Yukon Governments**, meaning a provincial or Yukon government responsible for delivering and/or delegating the authority to deliver legislatively mandated child and family services (i.e. child protection and intervention services) in accordance with the respective jurisdiction’s child and family services law.
4. **National, Regional and Local Organizations**, meaning an organization representing First Nations in Canada on a local, regional or national basis, and has a mandate to protect and promote the social and cultural interests of First Nations as they relate to the implementation and delivery of FNCFS Program.

The table below outlines the FNCFS services and initiatives available to eligible FNCFS funding recipients **outside of Ontario**.

FNCFS Program services and initiatives	Eligible FNCFS funding recipients
FNCFS Program services	
Child Protection Services (child protection, least disruptive measures, guardianship and support and maintenance and care)	• FNCFS agency • First Nation Service Provider, pursuant to applicable child and family legislation • Provincial and Yukon Governments
Prevention services	• First Nation • FNCFS agency • First Nation Service Provider, if requested by the First Nation(s)

Post-majority support services	• First Nation • FNCFS agency • First Nation Service Provider, if requested by the First Nation(s)
First Nation Representative Services	• First Nation • First Nation Service Provider, if requested by the First Nation(s) • FNCFS agency, if requested by the First Nation
Other FNCFS Program initiatives	
Supporting initiatives	• First Nation • FNCFS Service Provider • National, regional and local organizations

5. Eligible program activities

The following section does not apply in Ontario. Eligible program activities under the Reformed FNCFS Program in Ontario are outlined in Appendix A, Section A.2.

The following are the eligible streams of activities:

- Child protection, guardianship and support (Section 5.1): agency operations, service delivery to support the provision of protection services, multi-year planning (Section 5.1.1)
- Maintenance and care (Section 5.2): direct services related to placing First Nations children into temporary or permanent care out of the parental home
- Prevention (Section 5.3): resources to support the delivery of prevention services
- Post-majority support services (Section 5.4): resources to support the delivery of post-majority support services
- First Nation Representative Services (Section 5.5): resources to support the delivery of First Nation Representative Services
- Supporting initiatives (Section 5.6): resources to support implementation of the FNCFS Program.

5.1 Protection: Child protection, guardianship and support

The intention of protection funding is to ensure children and youth are safe, well, healthy, and living free of harm or child maltreatment, in the context of the provision of child and family services. Protection is not intended to be punitive and can be framed as a support to communities and families. Protection and prevention services are not mutually exclusive.

Least disruptive measures are measures that flow from a child maltreatment assessment or investigation and are critical to safety planning for children and families involved with child and family services and include:

- targeted actions or services that meet the threshold of risk for involvement with an FNCFS agency. These actions or services seek to prevent separating children or youth from their families or support reunification of families, while ensuring supports are in place that mitigate the risk of child maltreatment or harm; and
- supports to children, youth and families who have been identified by an FNCFS agency as being at risk, and is undergoing an assessment of child maltreatment or harm.

Child protection services are prompted when a child, ordinarily resident on reserve or in Yukon, registered or entitled to be registered under the *Indian Act*, is identified as potentially being at risk of harm or maltreatment.

Protective child and family services must be delivered in accordance with the federal Act, provincial, territorial or First Nation legislation and standards, and are funded accordingly. As of January 1, 2020, service providers delivering these services must also comply with the national principles and minimum standards set in the Act.

Eligible services and activities include:

- intake, assessment and investigation of child maltreatment reports, including after-hours services
- intervention planning implementation and evaluation to address identified risks and promote protective factors (least disruptive measures)
- after hours and crisis line services
- alternative dispute resolution services and proceedings, such as family group conferencing
- legal fees associated to child and family services, or other legal fora
- supervision orders
- guardianship, voluntary and special needs custody agreements
- adoption and customary care services
- community and stakeholder engagement and education on child and family services and child maltreatment including associated risk and protective factors
- placement development including recruiting, assessing, training, supporting, monitoring and evaluating care providers
- placement services, community liaison and outreach
- alternative care resource development, training, support and monitoring
- services to support the delivery of culturally appropriate supports and intervention services
- placement planning, development and implementation provisions, culturally-based standards that could be applied by First Nations for child welfare

5.1.1 Multi-year planning

Each FNCFS agency and service provider with an existing plan for child and family services can update this plan to outline agency/service provider's response to needs and priorities identified within the communities it serves, including how service delivery will be coordinated with other service providers, and contribute to the expected outcomes. The plans are intended to provide a better understanding of priorities and alignment with the First Nations needs over the medium-term and how to best support these priorities going forward.

Eligible activities include:

- community consultations and coordination to support the development, implementation and the delivery of child and family services
- stakeholder, and community engagement and education
- policy development to support the delivery of FNCFS programming
- design of service and delivery models including staffing requirements
- design, implementation and evaluation of change management
- development and implementation of operational plans
- strategic planning and implementation
- negotiation and implementation of agreements
- development, implementation and evaluation of service standards and outcomes
- development and implementation of cultural services and supports
- development, implementation and evaluation of emergency measures related to child, youth and family (for example, pandemic or natural emergencies that place children at higher risk of maltreatment or mental health crisis)

5.2 Maintenance and care

Child maintenance and care include the services associated to placing First Nations children into alternate care. Eligible activities and services are delivered in accordance with applicable legislation and standards and funded accordingly.

Eligible activities include:

- neurodiversity services such as special needs assessment and testing
- placement, support and supervision for children and youth in alternate care while measures are taken with the family to remedy the situation, such as kinship, foster or group care, residential treatment, support for Elders and extended family members caring for children, independent living
- family visitation, including parents, siblings and extended family members
- services for children with behavioural problems
- non-medical, time-limited services
- mental health or addiction services

- direct services and supports not covered by First Nation and Inuit Health Branch (FNIHB) or other federal or provincial programs
- other provincially approved professional services, including child representation and/or associated legal services, where funding from other sources was or will not be received, in whole or in part, to support that activity
- formal customary care, adoption and post-adoption services
- direct services to support a child's care plan
- activities to meet the needs of children in care, including land-based or cultural activities
- provision of child custody/guardianship
- reunification of children and youth in, or formerly in, care with families on reserve or in Yukon
- extension of services to facilitate the transition of First Nations youth into adulthood toward self-care and independence

5.3 Prevention

Canada funds, as of April 1, 2022, prevention at \$2,500 per registered First Nation person resident on reserve and in Yukon in total prevention funding in advance of the complete reform of the FNCFS Program funding formulas, policies, procedures and agreements. Canada shall fund the \$2,500 on an ongoing basis adjusted annually based on inflation and population until the reformed FNCFS Program is fully implemented.

Funds will be directed to the First Nations and/or First Nations child and family service providers(s) responsible for the delivery of prevention services. These funds shall be eligible to be carried forward by the First Nation and/or First Nations child and family service providers(s).

The development and delivery of prevention services aims to support the safety and well-being of First Nations, children, youth, young adults, families and communities, in an approach that is culturally appropriate, in their best interests, and in accordance with substantive equality.

Prevention services including at the primary, secondary or tertiary levels, are evidence-informed and culturally-appropriate, address identified risk factors, and build protective factors within families and communities. Prevention includes targeted services and activities that address structural drivers in order to mitigate the risks factors that could to place children at risk of harm and reduce the likelihood of children being taken into care. Prevention is a continuum of care that is based on the needs of the child and interventions can be included at all stages of prevention. Stages of prevention are not mutually exclusive.

Prevention projects or activities also support the implementation and operationalization of the minimum standards and principles laid out in the Act, as

well as projects and activities intended to build a greater evidence for culturally specific supports or intervention.

In promoting positive outcomes, child and family service programming may focus on building up a child, youth, young adult, or family's sense of purpose, optimism and hope, resilience, and confidence.

5.3.1 Primary prevention

Primary prevention services are aimed at the community as a whole. A community centered approach to prevention programming could include the ongoing promotion, public awareness and education of traditional child caring approaches, healthy families and child development. Activities could include those that enhance protective factors at a community-level, and help to create the network that supports family retention and healing, cultural engagement, connection, and a sense of belonging.

Eligible activities for primary prevention for the purpose of supporting the best interests of the child and substantive equality, could include:

- classes, workshops and outreach to improve family preservation and well-being, for example:
 - domestic violence healthy relationships, sexual education, and anger management awareness
 - culture, language, and nutrition classes for parents and teen parents
 - parent education programs to enhance family preservation and well-being such as nurturing adult-child relationships
 - community outreach and awareness campaigns on child maltreatment, children's rights, prevention and how and where to report suspected child maltreatment
 - financial management and independent life skills
- after hours and crisis/help line services (including chat, virtual)
- well-being services, including cultural and recreational activities, that support children and families at risk in the home and community
- coordination efforts with other relevant federal or provincial sectors or programs including addictions and mental health, income support, housing and domestic violence to support community wide information and awareness sessions

5.3.2 Secondary prevention

Secondary prevention services are activated when a child may be at risk of harm or child maltreatment and where intervention could enhance protective factors and remediate the risk.

Secondary prevention programming could include services that establish and build on secure and responsive social relationships between children and caregivers, and support parents in meeting their family's developmental, health, educational, social, cultural, and spiritual needs.

Eligible activities for secondary prevention for the purposes of supporting the best interests of the child and substantive equality, could include:

- group interventions or supports
- home visit programs for parents
- parent mentoring, parenting skills programs, in-home supports, respite care
- family counseling, guidance and assessment
- addictions treatment for parents as an alternative to taking children into care or as part of a plan for family reunification
- addictions treatment for youth as part of a plan for family remediation
- mediation and alternative resolution disputes
- coordination and references to other providers related to wrap-around services and interventions to ensure a coordinated approach based on identified needs including income support, housing, addictions and mental health
- cultural and recreational activities for children and youth at risk
- services to support reunification and repatriation of children and youth with families on reserve or in Yukon, including maintaining and enhancing community connections

5.3.3 Tertiary prevention

Tertiary prevention services target specific families when a child has been identified as at risk of harm or child maltreatment. Tertiary prevention attempts to mitigate the risks of separating a child from their family and end the crisis. Targeted, least disruptive interventions and measures, as defined in Section 5.1, refer to the most appropriate level of service needed by a family whose child(ren) is/are at risk of harm or maltreatment or where maltreatment has taken place.

Eligible activities for tertiary prevention for the purposes of supporting the best interests of the child and substantive equality, could include:

- immediate crisis interventions that are identified on the basis of the child's best interest including cultural, communal and other activities to build self-esteem and healing
- domestic violence interventions
- intensive family preservation services
- restorative intervention services
- mental health and addictions treatment for parents as an alternative to taking children into care or as part of a plan for family reunification

- mental health and addictions treatment for youth as part of a plan to remediate risk and promote family wellness

5.4 Post-majority support services

Canada shall fund First Nations and FNCFS services providers at actual cost for post-majority support services to youth in care approaching the age of majority and young adults who have transitioned out of care at the age of majority up to their 26th birthday or to the age as defined in provincial/Yukon legislation (whichever is greater), across all provinces and in Yukon.

Eligible activities, as they relate to child and family services include:

- operational and direct support services to implement a young adult's transition plan
- direct services and supports not covered by First Nation and Inuit Health Branch (FNIHB) or other federal or provincial programs
- other provincially approved professional services, including child representation and/or associated legal services, where funding from other sources was or will not be received, in whole or in part, to support that activity
- neurodiversity services such as assessment and testing
- psychological and diagnostic testing and assessment
- supports that assist First Nation youth transition into adulthood and independence, housing, food security, health and wellness activities and supports, life skills development, education activities or assistance, community and cultural (re)connection and assistance to establish family and social relationships and self-care supports
- needs-based financial support (budgeting, credit, money management)
- equitable funding to meet basic needs and access clothing and hygiene items
- livable basic income based on local realities and inflation
- financial literacy programs, planning and access to financial advisors
- financial costs and support to acquire various forms of identification (birth certificate, government ID, passports)
- financial cost and support for driver's permit and driver's education
- education mentorship and support, including education related costs
- assistance to navigate education systems and options
- professional development and skills training, and/or career path planning, tutoring and career counselling
- technology required for education
- financial support for training/certifications (i.e. first aid, food safe, childcare)
- rent and rent subsidies
- interim housing options during transition of youth to independence
- supports in viewing housing, guidance, transportation, housing related skills training

- moving costs and support
- basic household necessities, including home repairs
- basic household utilities, including internet connectivity and clean water
- life/home skills including in home supports (i.e., cooking, housekeeping, planning, life coaching)
- clothing including clothing required for employment
- personal care and hygiene including menstrual supplies
- non-insured medical, dental and allied health services prescribed by relevant professional
- sexual and gender identity health supports, i.e. education related to sexually transmitted diseases, sexual health
- funding to ensure consistent access to holistic health services, transportation to and from, support navigating health systems
- counselling and support including support for family violence
- trauma informed mental health and addictions support options
- early intervention and parenting services for youth expecting a child or who have dependents, if needed
- nutrition training, mentorship re: groceries, meal planning
- access to physical activity, recreation and sport
- rehabilitative supports, when required
- mentorship and peer supports
- family mediation and counselling
- safe reintegration into community and culture of origin, including visits to community of origin
- cultural programs, regalia and ceremony, land-based wellness
- support and guidance from Indigenous Elders and Knowledge Keepers, traditional knowledge

5.5. First Nation Representative Services

The FNCFS Program supports the functions of First Nation Representative Services when it relates to First Nations child and family service matters, including the representation and advocacy of the children's rights and collaboration with other service providers to ensure the best interest of the child.

"First Nation Representative Services" means the services delivered by a First Nation or an entity authorized by a First Nation that provide for a First Nation's participation in child and family services and child welfare processes involving its members, and which are funded under the FNCFS Program.¹

First Nation Representative Services will be funded in accordance with the applicable guide. Funding is intended to account for First Nation-derived FNRS

¹ Pursuant to the Merits Decision and subsequent rulings, the Tribunal referred to First Nation Representative Services as "Band Representative Services" in Ontario.

mandates, the cultural needs of a child; and the need for First Nations to participate in the development a child's plan of care.

Eligible activities may include:

- serving as the main liaison, on behalf of families and communities, between First Nations and a FNCFS service provider
- providing cultural training and advice to FNCFS stakeholders
- delivering and supervising customary care
- monitoring custody agreements with FNCFS service providers; securing access to legal resources
- attending and participating in court proceedings
- receiving and responding to notices under federal and provincial legislation
- adoption, customary adoption and other forms of permanency planning
- ensuring that the cultural needs of a child are being addressed by a FNCFS service provider; and participating in the development a child's plan of care

5.6 Supporting initiatives

Supporting initiatives align with the purpose and objectives of the FNCFS Program outlined in Section 3, and include activities to support and inform the implementation of the FNCFS Program.

- Promoting of the governance of and access to evidence-based data and tools to support and inform the delivery of FNCFS programming.
- Developing and designing supports and structures to support the purpose and objective of the FNCFS Program, as outlined in Section 3.

6. Eligible expenditures

The following section does not apply in Ontario. Eligible expenditures under the Reformed FNCFS Program in Ontario are outlined in Appendix A, Section A.4.

6.1 Protection

Protective child and family services must be delivered in accordance with applicable legislation and standards, and are funded accordingly. Eligible expenditures are considered the costs necessary to operate, deliver and support the provision of child and family services and activities in the best interests of the child and in accordance with substantive equality outlined in Section 5.

Eligible expenditures include:

- staff salaries and benefits to support the direct delivery of protection services and post majority services

- employee assistance program costs
- staff travel and transportation
- staff recruitment, training and professional development costs (training, workshops)
- costs supporting orientation and training of local committees
- costs to support board and committee operations
- honoraria for Elders and Knowledge Keepers
- interpretation costs including cultural and First Nations language supports to ensure the delivery of culturally appropriate services
- paraprofessional and professional fees
- legal fees associated to child and family services, or other legal fora
- costs related to supervision orders
- after hours and crisis intervention supports
- placement development such as recruiting, assessing, training, supporting, monitoring and evaluating care providers
- costs to support the governance and central administration functions (administrative overhead and costs) such as office lease, computer and IT, utilities, insurance and janitorial and ground maintenance services to support the delivery of services
- maintenance such as general repairs, painting, plumbing, electrical
- professional dues and subscriptions, licenses, memberships, insurance fees, etc.
- costs related to development or purchase, implementation and evaluation of client information management and technology systems, data collection, data management and analysis
- costs to support the development and implementation, audits, monitoring, program evaluation
- provisions to ensure privacy, security and proper management of records
- incorporation costs and incorporation reporting costs including annual general meetings

6.2 Maintenance and care

Maintenance and care expenditures are the direct costs of placing First Nations children into temporary or permanent care out of the parental home, including foster care rates and group home rates. Eligible expenditures support services delivered in accordance with the applicable legislation and standards, and are funded accordingly.

Eligible expenditures include:

- allowance for assessment
- placement development costs, such as recruiting, assessing, training, supporting, monitoring and evaluating care providers
- direct costs and supports related to a child's care plan
- costs to support children in alternative care

- purchases on behalf of children in care
- special needs assessment and testing costs
- non-medical services to children with behavioural problems
- non-medical, limited-duration services
- direct costs for a child to support services not covered by FNIHB or other federal or provincial programs
- other provincially approved, professional services and costs, including child representation and associated legal fees, where funding from other sources was not and will not be received in whole or in part to cover the costs
- costs to support the establishment and maintenance of Registered Education Saving Programs when necessary to comply with provincial legislation or policy
- costs to support formal customary care and adoption
- post-adoption subsidies and supports
- costs to support the provision of child custody or guardianship
- costs to support activities to meet the needs of children in care, including land-based or cultural activities and equipment
- costs to support the reunification of children and youth in care with families on reserve or in Yukon
- costs related to family preservation, cultural and linguistic connections and supports to ensure the provision of inclusive and impartial child and family services including needs related to disability, sexual orientation, gender diversity and other characteristics protected by law

6.3 Prevention

Eligible expenditures include:

- salary & benefits to support the delivery of prevention services
- costs related to supporting recruitment, training or professional development of prevention workers
- honorariums for Elders and Knowledge Keepers
- professional and paraprofessional services and professional fees
- professional dues and subscriptions, licenses, memberships, etc.
- general program delivery costs
- non-medical travel costs and accommodations to support the delivery of services
- court related costs for families
- travel or other costs, including addictions treatment to support the reunification and repatriation of children or youth in care or formerly in care with families on reserve or in Yukon
- costs to support governance and the central administration functions (administrative overhead and costs) such as office lease, computer and IT, utilities, insurance and janitorial and ground maintenance services to support the delivery of prevention services

- program costs and assistance to support specific needs for children, youth, and families at risk of becoming involved with the child and family services system and those already involved in the child and family services system:
 - episodic or emergency supports to assist caregivers in meeting children's and caregivers' basic needs
 - assistance for children and families to support and facilitate the maintenance and enhancement of community connections by coordinating access to culture and language programs, including one-on-one assistance to strengthen families
 - costs supporting an extension of services for youth transitioning out of the child welfare system to adulthood that are complementary to, and not covered under the provincial or territorial legislation
 - costs and supports to ensure impartial provision of child and family services for persons with distinct identities and characteristics protected by law such as persons with disabilities or 2SLGBTQQIA+ people

6.4 Post-majority support services

Eligible expenditures include:

- staff salaries and benefits to support the direct delivery of post majority care services
- employee assistance program costs
- staff travel and transportation
- staff recruitment, training and professional development costs (training, workshops)
- costs to support the central administration functions (administrative overhead and costs) such as office lease, computer and IT, utilities, insurance and janitorial and ground maintenance services to support the delivery of services
- maintenance such as general repairs, painting, plumbing, minor electrical
- interpretation costs including cultural and First Nations language supports to ensure the delivery of culturally appropriate services
- legal fees associated to child and family services, or other legal fora
- after hours and crisis intervention supports
- professional dues and subscriptions, licenses, memberships, insurance fees, etc.
- costs related to development or purchase, implementation and evaluation of client information management and technology systems, data collection, data management and analysis
- costs to support the development and implementation, audits, monitoring, program evaluation
- provisions to ensure privacy, security and proper management of records

- incorporation costs and incorporation reporting costs including annual general meetings
- costs to support eligible First Nations young adults transition into adulthood and independence, housing assistance, health and wellness activities and supports, life skills development, education activities or assistance, community and cultural (re)connection and assistance to establish family and social relationships and self-care supports

6.5 First Nation Representative Services

Eligible expenditures include:

- salaries, benefits, and costs to support the delivery of services
- human resources recruitment, training or professional development including daily honorariums for Elders and Knowledge Keepers
- paraprofessional and professional fees (such as legal services, professional dues and subscriptions, licenses, memberships, etc.)
- general program delivery costs such as non-medical travel costs, accommodations, transportation, or meals for First Nations Representatives to support the delivery of services
- program delivery costs and family support services including supporting specific needs for children, youth, and families at risk of becoming involved with the child and family services system and those already involved in the child and family services system. These include the following:
 - episodic or emergency supports to assist caregivers in meeting children's and caregiver's basic needs (child essentials of life such as food, diapers, clothing, cleaning or hygiene supplies, bedding and towels, children's furniture, car seats, etc.)
 - supports to caregivers involved with FNCFS service providers or Provincial/Yukon Child and Family Service Agencies, such as parental capacity assessments and related travel costs (when not covered by the delegated agency or FNIHB)
 - assistance for children and families to support and facilitate reunification, repatriation, maintenance and enhancement of community connections by coordinating access to culture and language programs, including one-on-one assistance to strengthen families
- overhead, administrative costs such as office rent, computer and IT, utilities, insurance to support the delivery of First Nation Representative Services

6.6 Supporting initiatives

Eligible expenditures include the costs deemed necessary to support the planned activities outlined above to achieve the expected results. Eligible expenditures support project operations, organizational functions and overhead costs, including

the administration and direct costs associated to implement activities or deliver services.

Funding may be approved and provided based on funding proposals or detailed plan(s) with a funding request.

6.7 Capital

Capital expenditures are funded in accordance with the Tribunal's orders (2021 CHRT 41) to support infrastructure and capital required to support the delivery of child and family services (as listed in Section 5 above) to First Nations children, youth and families on reserve and in Yukon.

The [Capital Assets Guide](#) sets out eligible project costs, which could include the acquisition or new construction of a building, lot servicing, or expansion to the existing office or program space aimed to support the delivery of services. Capital project development, preliminary work and assessment leading up to the completion of the capital project are also eligible.

Regarding the purchase and sale of capital assets and buildings, the FNCFS terms and conditions are consistent with those outlined in the applicable program directive.

7. Application requirements and assessment criteria

The following section does not apply in Ontario. Application requirements and assessment criteria under the Reformed FNCFS Program in Ontario are outlined in Appendix A, Section A.5.

Before entering into a contribution agreement, ISC will confirm its authorities to enter into an agreement with the recipient and to fund the proposed activities. The departmental review procedures for verifying eligibility, entitlement, and application approval (including risk assessments) are detailed in relevant departmental program directives and procedures.

Specific requirements include:

- legal entity's name, address and telephone
- provincial delegation document or certification when applicable
- for corporations: incorporating documents (articles of incorporation or Patents Letters), by-laws
- band council resolution for each community being represented or serviced by the agency, or service provider

- disclosure of any involvement of former public servants who are subject to the Conflict of Interest and Post-Employment Code for Public Office Holders or the Conflict of Interest and Post-Employment Code for the Public Service
- funding proposals or details plans with a funding request, or
- a multi-year plan identifying community's needs, planned activities, performance measures and reporting requirements, along with evidence of consultation and collaboration with communities

8. Method for determining the amount of funding

The following section does not apply in Ontario. The method for determining the amount of funding under the reformed FNCFS Program in Ontario is outlined in Appendix A, Section A.6.1.

8.1 Capital assets

Eligible capital assets are funded in accordance with 2021 CHRT 41, until such time as a new funding process is developed for the program.

8.2 First Nations and FNCFS Service Providers

Pursuant to 2018 CHRT 4 and 2021 CHRT 41, until a new funding methodology is developed, Canada is funding FNCFS agencies on actual costs for intake and investigation, legal fees, building repairs, the child service purchase amount, the full cost for small agencies, and the full cost of capital to support the delivery of child and family services and First Nation Representative Services under the program.

Pursuant to 2022 CHRT 8, the Tribunal amended the orders on actual costs to reflect that, as of April 1, 2022, prevention is funded at \$2,500 per person resident on reserve and in Yukon in total prevention funding in advance of the complete reform of the FNCFS Program funding formulas, policies, procedures and agreements. Canada shall fund the \$2,500 on an ongoing basis adjusted annually based on inflation and population until a reformed FNCFS Program is fully implemented.

8.3 Supporting initiatives

Funding for Supporting initiatives may be approved based on the costs necessary to implement the activities and achieve the expected results, in alignment with the detailed plan(s) or proposal(s) provided.

9. Maximum amount payable

The following section does not apply in Ontario. The maximum amount payable under the Reformed FNCFS Program in Ontario is outlined in Appendix A, Section A.6.2.

The program's funding methodology is being reformed as per the orders from the Tribunal. While the department has a temporary exception to item 8 of Appendix E of the Directive on Transfer Payments, from an operational perspective, the maximum amount payable is currently considered to be the full eligible cost of the claim of actual eligible expenditures approved by ISC, meets the reasonableness requirements included in Section 10 (Basis for payment). Once the revised funding methodology has been established, and studies completed, the department will return to the Treasury Board with a maximum amount payable that adheres to the Policy on Transfer Payments.

10. Basis for payment

The following section does not apply in Ontario. The basis for payment under the Reformed FNCFS Program in Ontario is outlined in Appendix A, Section A.6.4.

Payments will be made in accordance with federal policies as reflected in the contribution agreement, including the funding approach and conditions of payment principles. The department shall offer fixed or flexible funding to Indigenous recipients, in accordance with Appendix K of the Directive on Transfer Payments.

The reasonableness of a particular cost will be established by determining whether the expense is consistent with the CHRT legal orders and was reasonable to ensure substantive equality and the provision of culturally appropriate services, given the distinct needs and circumstances of the individual child or family, and community including their cultural, historical and geographical needs and circumstances.

Notwithstanding the above, ISC will fund, as required pursuant to CHRT orders, the following expenses when eligible recipients have not already received funding through another federal program (including another program of ISC), or any provincial, territorial or municipal government funding source for that activity:

- intake and investigations services
- legal fees
- building repairs
- full eligible agency operations costs for small agencies
- child service purchase costs
- capital expenditures for the delivery of FNCFS
- post-majority support services

In accordance with the Treasury Board of Canada Secretariat's Policy on Transfer Payments, advance payments are permitted, based on a forecast cash flow provided by the recipient and supported by the community plan. Progress payments will be subject to periodic reviews of activities and expenditures reports, as specified within the contribution agreement, which will be reviewed and validated by the department. Officials will ensure that all applicable requirements are met prior to processing a payment.

Eligible recipients may be reimbursed for eligible expenditures incurred between April 1st and March 31st of the previous fiscal year for funding agreements in place. Reimbursement of retroactive eligible expenditures requires the submission of supporting documentation in accordance with FNCFS Program guidelines and the approval of the FNCFS Program, subject to the parameters specified in both these terms and conditions and the contribution agreement.

Holdback requirements, when applicable, will be determined based on risk assessment (i.e. general assessment of the recipient and adherence to the terms and conditions of the contribution agreement) and may be up to 20% of the total contribution. This provision is not applicable to the funding of actuals and cannot lead to the Program not upholding the CHRT orders. Final payment will be contingent on the receipt by the department of the final activity, performance, and financial reports, as specified in the contribution agreement.

Funding under the FNCFS Program is targeted and cannot be used for any other purposes.

11. Stacking limits

The purpose of the clause is to promote the balance of the intended use of funds, while empowering First Nations and FNCFS service providers to leverage funds from multiple sources and support the goals of First Nations and FNCFS service providers in the delivery of programs and services.

The stacking limit is the maximum level of funding to a recipient from all sources (including federal, provincial, territorial, and municipal) for any one activity, initiative or project. The limit is 100% of eligible costs. The stacking limit will not be triggered in the case of retroactive payments ordered by the CHRT to rectify discriminatory underfunding.

It is important to note that compensation arising from the Canadian Human Rights Tribunal or the class actions (Federal Court file numbers T-402-19, T-141-20, and T-1120-21), the Children's Special Allowance or other federal child benefits, and First Nations own source revenue, are not to be considered as a source of revenue for stacking purposes.

12. Performance measurement and reporting

Data will be collected by recipients using various methods and sources, and will meet requirements set out in [the reporting guide](#). Frequency of financial and performance reporting will be specified in the contribution agreement. All recipients will be required to report at least annually.

12.1 Performance measurement

The FNCFS Program will collect, analyze, and report on data to demonstrate performance and achievement of outcomes set out in Section 3.3 of these terms and conditions, as of fiscal year 2025-2026. To ensure that a balanced approach is implemented and that the reporting burden is minimized, funding recipients will be required to provide the department only the performance data required to demonstrate performance and achievement of program outcomes. Data will continue to be collected by recipients using various methods and sources and will meet requirements set out in the reporting guide.

The frequency of financial and performance reporting will be specified in the contribution agreement, but all recipients will be required to report at least annually on the applicable plan for Child and Family Services. Financial reviews will be conducted to ensure each recipient submits financial reports in accordance with its contribution agreement specifications. An annual audited financial statement will be required in all cases.

12.2 Financial reporting

Financial reporting requirements will be determined based on the recipient's risk assessment and the type of contribution agreement. Appropriate financial reporting obligations, including frequency, will be contained within each contribution agreement.

As per the department's Management Control Framework, annual reviews will be undertaken to ascertain whether funds provided are being expended for the purposes intended, and whether a recipient's financial situation is sufficiently stable to enable continued delivery of funded activities. Where any instability is due to the department's funding structures or levels of funding, the department will take appropriate measures to mitigate and remediate these risks. The department will respect privacy laws and regulations respecting the First Nations child and family service records of children, youth and families.

13. Official languages

Where a program supports activities that may be delivered to members of either official language community, which means where there is significant demand, the

recipient is required to provide access to services in both official languages. In addition, the department will ensure that the design and the delivery of programs respect the obligations of the Government of Canada as set out in the *Official Languages Act*.

14. Redistribution of contributions

Recipients may redistribute contributions, as per the terms of their contribution agreement. Redistributions should be done in line with program objectives, eligibility criteria and eligible expenses. In doing so, however, recipients will not act as agents of the federal government.

Where a recipient further distributes contribution funding to another service delivery organization (such as an authority, board, committee, or other entity authorized to act on behalf of the recipient), the recipient will enter into a written agreement with the organization. The recipient also remains liable to the department for the performance of its obligations under the contribution agreements. Neither the objectives of the programs and services nor the expectations of transparent, fair and substantively equivalent services will be compromised by any redistribution of contribution funding.

Appendix A: Reformed FNCFS Program in Ontario

The following elements of this Appendix are only applicable to FNCFS Program services, funding strategies, and initiatives in Ontario.

A.1 Context

On [Date of signature], Canada, the Chiefs of Ontario (COO) and Nishnawbe Aski Nation (NAN) reached a Final Agreement on Long-Term Reform of the FNCFS Program in Ontario. The agreement came into effect on [Effective Date of the Ontario Final Agreement]. This Appendix supports the implementation of the Reformed FNCFS Program in Ontario to:

- support the well-being and safety of First Nation children, youth, young adults, families and communities;
- support First Nations designed models and service delivery;
- address and mitigate structural drivers that could place children, youth and families at risk of child maltreatment;
- provide predictable and flexible funding to First Nations and FNCFS Agencies; and
- support First Nations and FNCFS Agencies in working collaboratively together to address the overrepresentation of First Nations children in care by supporting prevention focused delivery models.

A.2 Program services, funding strategies and initiatives in Ontario

The Reformed FNCFS Program in Ontario funds services that promote the cultural safety and well-being of First Nations children, youth, young adults and families, including legislated services that are prevention-focused, support early interventions and build protective factors to prevent and mitigate family involvement with child and family services. The Reformed FNCFS Program strategies provide for the delivery of enhanced FNCFS Program services, that acknowledge the unique needs, strengths, and priorities of First Nations communities and account for the cultural, historical, and geographical circumstances and needs.

The Reformed FNCFS Program in Ontario prioritizes the allocation of funding to First Nations to support their autonomy to develop, plan, invest, and deliver services based on First Nation needs, circumstances, and priorities.

FNCFS Program services	
Prevention services	Prevention services are evidence-informed and culturally appropriate services intended to support healthy child development, strengthen families, and promote wellbeing. Prevention needs are defined by First Nations, and services are implemented based on the well-being priorities identified by the community. Prevention services can divert families from unnecessary contact with protection services and prevent child maltreatment and harm through early and ongoing intervention and First Nation-based services that support family wellness. Eligible activities support: • Targeted services and activities that address structural drivers² in order to mitigate the risks factors that could place children at risk of harm and reduce the likelihood of children being taken into care. • Services and activities that support children and families at risk in the home and community. • Activities and access to programming and services that promote physical, cultural, mental and emotional safety and well-being. • Classes, workshops, and outreach to support family preservation and well-being. • Coordination efforts and referrals with other relevant federal or provincial programs to support individual, family, and community well-being. • Group, family, and individual interventions services or supports to promote community based prevention, family well-being, family reunification and/or preservation.

² Structural drivers means the factors that are largely out of a caregiver's control which contribute to the over-representation of First Nations children and youth in the child welfare system, including poverty, poor housing, racism – including systemic racism – and intergenerational trauma.

	Interventions that are identified to support the child's best interests including cultural, communal and other activities to build self-esteem, resilience and healing.
Post-majority support services	Post-majority support services support First Nations youth in care approaching the age of majority and young adults who have transitioned out of care at the age of majority up to their 26th birthday or to the age as defined in provincial legislation (whichever is greater). - Eligible activities support the self-identified best interests of the youth leaving care or young adult formerly in care in: - learning, education and professional development opportunities, - financial supports to further physical, mental & social wellbeing and safe, stable, housing, such as rent, household necessities and utilities or to ensure basic needs are addressed, and (re)connection with land, culture, language and family and community. - Interventions are provided on the basis of the youth or young adult's self-identified best interests, and other activities to promote protective factors as well as family and community preservation, repatriation, and/or reunification. - Direct support services to implement a youth or young adult's transition plan, including services and supports not eligible through other federal or provincial programs or where funding from other sources was or will not be received, in whole or in part, to support that activity.
First Nation Representative Services	First Nation Representative Services (sometimes referred to as Band Representative Services or Band Designate) support First Nations when children, youth, young adults, and families from their community are involved, or at risk of involvement, with the child and family services system. First Nation Representative Services will be First Nations-defined and may include engaging with child and family services providers and participating in child and family service matters as set out in provincial, territorial and federal child and family services laws. First Nation Representative Services supports programming that is substantively equal and culturally-informed and that helps families access supports that foster the connection of First Nations children, youth, and families with the lands, languages, cultures, practices, customs, traditions, ceremonies and knowledge of their First Nation. Eligible activities support: - Serving as the main liaison, on behalf of families or communities, between First Nations, FNCFS agencies and/or the Government of Ontario on the basis of the child's best interests (defined by the First Nation) including interventions that mitigate risks and build protective factors, and activities that promote the child's safety, and the child's connection to their community and culture, family preservation, reunification and/or permanency planning. - Support discussions, planning, and/or coordinating and advocacy when a child and family has involvement with child and family services, including Indigenous dispute resolution approaches and court proceedings.

	• Ensuring that the cultural needs of a child are being addressed, which includes participating in the development of a child and family's plan of care. • Collaborative service planning and delivery with other FNCFS Service Providers. • Serving as a point of contact and responding to notices and performing the functions of a First Nation Representative as set out under federal and provincial legislation and as laid out in An Act respecting First Nations, Inuit and Metis children, youth and families.
Child protection services	Child protection services that form part of Child and Family legislation and are to be delivered in accordance with the national principles and minimum standards set in An Act Respecting First Nation, Inuit and Métis children, youth and families, and applicable provincial or First Nation legislation, regulations, policies and standards and as outlined below. Child protection services are linked to an assessment of risk, conducted by personnel delegated by the provincial or First Nation child and family services legislation, to ensure identified children and youth are safe, well, healthy, and living free of harm or child maltreatment. Child protection services include: Maintenance and care: Services associated with placing and maintaining the care of children in out-of-home or alternate care arrangements. Least disruptive measures: Measures that flow from a child maltreatment assessment or investigation and are critical to safety planning for children and families involved with child and family services and include: • targeted actions or services that meet the threshold of risk for involvement with an FNCFS agency. These actions or services seek to prevent separating children or youth from their families or support reunification of families, while ensuring supports are in place that mitigate the risk of child maltreatment or harm; and • supports to children, youth and families who have been identified by an FNCFS agency as being at risk, and is undergoing an assessment of child maltreatment or harm. Operations: Resources used by an organization to deliver child and family services in line with provincial and First Nation legislation, regulation, and policies as well as planning activities. Eligible activities support: • Intake, intervention, planning, implementation, evaluation, assessment and investigation to address reports of identified risks to children, including after-hours services, and the continuation of services to facilitate the transition of youth into adulthood. • Alternative dispute resolution services and coordination with a child and family's network of support. • Legal services, child representation, or other activities related to child protection proceedings.

	• A range of alternate custody, and kin care arrangements, agreements, and/or orders to ensure the safety and wellbeing of the child(ren) and supports for the family and care providers. • Placement services including recruiting, assessing, training, educating, supporting, monitoring and evaluating alternate care providers. • Interventions that are identified on the basis of the child's best interests including cultural, land-based, communal and other activities and access to programming to promote protective factors and family preservation or reunification. • Collaborative service delivery planning, implementation, evaluation and assessment with other service provider(s). • Direct mandated services and supports not eligible through other federal or provincial programs or where funding from other sources was or will not be received, in whole or in part, to support that activity. • Other activities that support the delivery of the legislated mandate of child protection services in accordance with applicable provincial or First Nation legislation, and the national principles and minimum standards set in <u>An Act Respecting First Nation, Inuit and Métis children, youth and families</u>
Reformed FNCFS Program funding strategies	
Information technology funding	Funding supports recipients with their IT needs to implement and deliver services and activities listed in the FNCFS Program Services outlined in Section A.2 of this appendix above.
Results Funding	Funding supports recipients in implementing the performance measurement, framework as outlined in Section A.8.2 of this appendix, to support the FNCFS Program Services outlined in Section A.2 of this appendix above.
Emergency funding	Funding supports recipients in responding to unanticipated circumstances or situations affecting activities funded by the FNCFS Program. Emergency funding supports First Nations and FNCFS Service Providers with unexpected situations (wildfire evacuations, the introduction into care of a few children with very high needs, a community crisis) that might make it difficult for a First Nation or an FNCFS Service Provider to deliver the FNCFS Program Services outlined in Section A.2 of this appendix above.
Household support funding	Funding supports First Nations in meeting the basic needs of families, particularly those needs that, if left unmet, could lead to children being placed in care, may result in a family being involved in the child welfare system or that may prevent a family from reuniting. Funding supports service-delivery and activities to help mitigate effects that may lead to involvement of a child in the child welfare system.
Other FNCFS Program initiatives	
Supporting initiatives	Supporting initiatives support the governance and implementation of the Reformed FNCFS Program in Ontario. Eligible activities support: • Promotion of the governance of and access to evidence-based data and tools to support and inform the delivery of FNCFS programming.

	Developing and designing supports and structures to support the purpose and objective including the implementation of the Reformed FNCFS Program in Ontario.
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A.3 Eligible FNCFS funding recipients in Ontario

While the Reformed FNCFS Program in Ontario considers First Nation children, their families, and the First Nation community to be the ultimate beneficiaries of these funds, a funding recipient is an entity that has met the eligibility, and the application and assessment criteria outlined in these terms and conditions and has signed a funding agreement with Indigenous Services Canada (ISC) to deliver an eligible child and family service, funding strategy or initiative.

Consistent with the recipients defined for the FNCFS Program in Section 4 of these terms and conditions, the eligible recipients in Ontario are:

1. **First Nation(s)**, meaning a “band” as defined in subsection 2(1) of the *Indian Act*, RSC, 1985, C 1-5, as amended, and which is delivering services and receives funding under the FNCFS Program.
2. **FNCFS Service Providers**
 - a) **FNCFS agency**, meaning an agency established by and affiliated with one or more First Nations and fully or partially delegated or authorized pursuant to provincial or other authorities to provide legislated child welfare services on reserve.
 - b) **First Nation Service Provider**, meaning an entity authorized by the First Nation to support the implementation of the FNCFS Program, and the delivery of services, on reserve, including non-delegated service providers, not-for-profit First Nation organizations, and mandated organizations (i.e. Tribal Councils or regional Indigenous organizations).
3. **National, Regional and Local Organizations**, meaning an organization representing First Nations in Canada on a local or regional basis, and has a mandate to protect and promote the social and cultural interests of First Nations as they relate to the implementation and delivery of the FNCFS Program.
4. **The Government of Ontario**, meaning the provincial government responsible for delivering and/or delegating the authority to deliver legislatively mandated child and family services (i.e. child protection and intervention services) in accordance with the respective jurisdiction’s child and family services law.

Program services, funding strategies and initiatives	Eligible FNCFS funding recipients
FNCFS Program services	

Prevention services	• First Nation • First Nation Service Provider, if requested by the First Nation(s) • FNCFS agency
Post-majority support services	• First Nation • First Nation Service Provider, if requested by the First Nation(s) • FNCFS agency, if requested by the First Nation(s)
First Nation Representative Services	• First Nation • First Nation Service Provider, if requested by the First Nation(s) • FNCFS agency, if requested by the First Nation(s)
Child protection services	• FNCFS agency • First Nation Service Provider (pursuant to applicable child and family legislation) • The Government of Ontario
Reformed FNCFS Program funding strategies	
Information Technology Funding	• First Nation
Results Funding	• First Nation
Emergency Funding	• First Nation • FNCFS agency
Household Support Funding	• First Nation
Other FNCFS Program initiatives	
Supporting initiatives	• First Nation • First Nation Service Provider • Regional and Local Organizations

Where a First Nation receives funding for services pursuant to a jurisdictional agreement, including a coordination agreement related to [An Act Respecting First Nations Inuit and Metis children, youth and families](#), S.C. 2019, c. 24, that First Nation and its affiliated FNCFS Service Providers and the Government of Ontario shall not receive FNCFS Program funding under the Reformed FNCFS Program Funding Approach in Ontario outlined in Section A.6.1 of this appendix for the services for which they are receiving funding under the jurisdictional agreement.

A.4 Type and nature of eligible expenditures in Ontario

Eligible expenditures are those direct costs necessary to support the activities as outlined in Section A.2 of this appendix under Program Services and Initiatives, which can include the following:

- Salaries, employee benefits, and costs related to supporting recruitment, training or professional development.

- Consultants, qualified professionals, paraprofessional services and fees, including honoraria for Elders, Knowledge Keepers, and others.
- Insurance, legal, banking, audit and evaluation fees.
- Purchase, installation and maintenance of IT hardware and software and internet services, subscriptions or upgrades.
- Operation and administrative costs, including transportation, necessary to support the implementation and the delivery of child and family services, as outlined in Section A.2 of this appendix. International travel may be an eligible expenditure, and is subject to ISC pre-approval.
- Costs that support the Reformed FNCFS Program Planning and Reporting in Ontario, as outlined in Section A.7 of this appendix, including the capture, analysis and reporting of data.
- Consultation and engagement to support the development, implementation and evaluation of plans, service delivery models and standards.
- Other costs that support the purpose and objective of the FNCFS Program may be considered eligible based on the direct link to supporting the FNCFS Program Services and Initiatives, subject to FNCFS Program approval.
- Capital assets that support the delivery of Program Services outlined in Section A.2 of this appendix and pre-approved by ISC through the plans as outlined in Section A. 7 of this appendix, including unexpended funding plans.
 - The Government of Ontario is not eligible to receive capital funding under the FNCFS Program.

A.5 Application requirements and assessment criteria in Ontario

Before entering into a funding agreement or initiating an amendment, ISC will confirm eligibility and entitlement of recipients in accordance to the Reformed FNCFS Program in Ontario terms and conditions outlined in this Appendix and the departmental directives by conducting risk assessments, including an assessment of the recipient's accountability and capacity to administer and manage FNCFS funding in alignment with the Directive on Transfer Payments. The risk assessment will cover elements such as:

- governance structure;
- organization for purposes of program management, financial and administrative experience, and capacity to deliver programs;
- processes and procedures for program management and financial control;
- accountability mechanisms for transparency, disclosure, responsibility and redress; and
- financial position.

General Program Requirements:

Information required by ISC for all funding recipients includes:

- Legal entity's name, address and telephone number.
- First Nation legislated delegation documentation or certification, when applicable.
- Incorporating documents (articles of incorporation or Patents letters), when applicable, and by-laws.
- FNCFS Program Plan as outlined in Section A.7.1 of this appendix below.
- Band Council Resolution (or comparable documentation) for each First Nation being represented or served by the First Nation Service Provider, when applicable.
- Disclosure of any involvement of former public servants who are subject to the Conflict of Interest and Post-Employment Code for Public Office Holders or the Conflict of Interest and Post-Employment Code for the Public Service.

Additional documentation may be requested by ISC to assess new funding recipients for the purpose of determining funding eligibility and approaches under the FNCFS Program. Based on the assessment criteria and requirements outlined above in Section A.5 of this appendix, ISC will conduct ongoing reviews prior to issuing funding to ensure recipients continue to meet the FNCFS Program's eligibility. As applicable, ISC will also conduct annual reassessments of funding recipients' accountability and capacity, including their funding entitlement. This reassessment may result in adjustments, offering either more or less flexibility to the funding approach used and the manner in which funds are provided.

A.6 Program funding in Ontario

A.6.1 Method for determining the amount of funding

As part of the method for determining the amount of funding, the Reformed FNCFS Program in Ontario funding contains a number of adjustments, including remoteness, inflation and population. Any references included in these terms and conditions should be read in accordance with the funding adjustment details outlined in Section A.6.1.9 of this appendix.

A.6.1.1 Prevention services

Starting in fiscal year 2025-2026, funding for prevention services will be calculated by multiplying the amount of \$2,655.62 by the total population, plus the amount necessary to provide to each First Nation a minimum of \$75,000. This funding will be adjusted annually for inflation and to account for the increased costs of delivering services in remote First Nations in Ontario.

As of [Effective Date], a First Nation may give a written notice to ISC directing the manner in which to allocate the prevention funding attributable to the First Nation. Such notice needs to be submitted to ISC by the September 30th prior to the fiscal

year to which the prevention funding is applicable. Until and unless a First Nation provides such written notice to ISC, prevention funding will continue to be split based on the approach to allocating prevention funding among First Nations and FNCFS Service Providers for 2025-2026.

Non-affiliated First Nations:

First Nations that are not served by a FNCFS agency will receive all prevention funding attributable to that First Nation.

A.6.1.2 Post-majority support services

As of [Effective Date]³, funding to support post-majority support services will be directed to First Nations, or, as otherwise requested by the First Nation(s) as outlined in Section A.3 of this appendix. This funding will be adjusted annually to account for the increased costs of delivering services in remote First Nations.

A First Nation's funding is determined using the following calculation:

- a) Multiply 80% by the post-majority segment of the individual First Nation's population data based on ISC's Indian Registration System (IRS), as outlined in Section A.6.1.9, the post-majority segment being comprised of youth and young adults between the age at which a youth can voluntarily exit care and the age at which a young adult's eligibility for post-majority support services ends;
- b) Estimate the number of individuals eligible for post-majority support services for the First Nation and in Ontario, and divide the First Nation's estimate by Ontario's estimate, the estimates being projections based on children in care data recorded in ISC's Information Management System / Data Management System;
- c) Multiply (a) by 1 + (b);
- d) Divide (c) by the sum of (c) for all First Nations in Ontario eligible to receive funding under the Reformed FNCFS Program in Ontario;
- e) Multiply \$75,000, adjusted for inflation, by the number of First Nations in Ontario eligible to receive funding under the Reformed FNCFS Program in Ontario, and subtract that amount from the total annual funding available for post-majority support services;
- f) Multiply (d) by the difference in (e);
- g) Add \$75,000, adjusted for inflation, to (f).

³ As outlined in Section A.8, ISC will continue to meet its obligations until [Effective Date of the Ontario Final Agreement] for funding agreements in place, including actual costs incurred by [Effective Date of the Ontario Final Agreement] for post-majority support services, which are subject to the [FNCFS Terms and Conditions](#).

A.6.1.3 First Nation Representative Services

Starting in fiscal year 2026-2027, funding will be provided to each First Nation at its highest annual amount of First Nation Representative Services funding received between fiscal year 2019-2020 to fiscal year 2023-2024. This amount will be adjusted annually for inflation and to account for the increased costs of delivering services in remote First Nations.

A.6.1.4 Child Protection Services (Baseline Funding)

Starting in fiscal year 2026-2027, baseline funding will be provided to eligible FNCFS funding recipients as outlined in Section A.3, and based on:

- For FNCFS agencies, baseline funding will be based on 2022-2023 actual expenditures funded directly by ISC and incurred for intake and investigation, legal fees, and building repairs. Funding will be adjusted for population and inflation. In subsequent years, baseline funding will continue to be adjusted annually for population and inflation; and,
- For the Government of Ontario, operations and maintenance expenditures will be reimbursed for services on reserve further to the federal-provincial agreement.

A.6.1.5 Information Technology Funding Strategy

Funding for information technology (IT) equals 6% of a FNCFS agency's baseline funding or the provincial baseline funding. This funding will be adjusted to account for the increased costs of delivering services in remote First Nations.

A.6.1.6 Results funding strategy

Funding for results equals 5% of a FNCFS agency's baseline funding, or the provincial baseline funding. This funding will be adjusted to account for the increased costs of delivering services in remote First Nations.

A.6.1.7 Emergency funding strategy

Funding for emergency equals 2% of a FNCFS agency's baseline funding or the provincial baseline funding.

For First Nation served by an FNCFS agency, funding will be shared equally with 50% being provided to the FNCFS agency and 50% proportionally allocated among the First Nations affiliated with that FNCFS agency.

First Nations not served by an FNCFS agency will receive 100% of this funding.

This funding will be adjusted to account for the increased costs of delivering services in remote First Nations.

A.6.1.8 Household supports funding strategy

As of [Effective Date], funding for household supports will be provided to First Nations. This funding will be adjusted annually for inflation, and to account for the increased costs of delivering services in remote First Nations.

A First Nation's household supports funding is determined using the following calculation:

$$\frac{\text{The First Nation's population} \times \text{The percentage of the First Nation's population below the Low-Income Measure-After Tax (LIM-AT)}}{\text{The total population below the LIM-AT of all First Nations eligible to receive funding under the Reformed FNCFS Program in Ontario}} \times \text{The Reformed FNCFS Program in Ontario's total annual funding for household supports}$$

A.6.1.9 Funding adjustments

The Reformed FNCFS Program in Ontario funding contains a number of adjustments for specific components of the program. These adjustments are calculated and applied as follows:

Remoteness adjustment funding
Where a First Nation's 2021 Index of Remoteness score is 0.40 or greater, funding will be upwardly adjusted based on the Remoteness Quotient Adjustment Factor methodology.
Inflation
Funding will be adjusted for inflation annually, in accordance with the Consumer Price Index (CPI) measured over the twelve-month period ending September 30th of the applicable fiscal year. In no event shall any such adjustment be less than zero.
Population
The population of a First Nation will be determined as follows: - The registered on-reserve or on Crown land population will be drawn from the Indian Registration System (IRS), as of September 30th of the year preceding the year in respect to which the population adjustment will apply. For example, ISC will use the IRS population on September 30, 2024 to adjust funding for the 2025-26 fiscal year. - For the purpose of an FNCFS agency or First Nation Service Provider, population will be the sum of the populations of the First Nations to which it is affiliated.

- The approach to calculating population described herein may vary where a First Nation has a self-government agreement or a modern treaty.
- Where a component of the Reformed FNCFS Funding Approach is to be adjusted for population but is not calculated on a per capita basis, funding will be adjusted annually by an amount proportional to the previous fiscal year's change in the First Nation's or the FNCFS Agency's population. For clarity, the previous fiscal year's change in population will be measured over a one-year period to September 30th of the fiscal year preceding the fiscal year in respect to which the population adjustment will apply.

A.6.1.10 Supporting initiatives

Funding may be approved and provided based on detailed plan(s) or proposal(s) and budget which support the FNCFS Program's purpose and objective.

A.6.2 Maximum amount payable

The maximum amount payable will be based on the FNCFS recipient's funding allocation, pursuant to the Reformed FNCFS Funding Approach in Ontario as outlined in Section A.6, and shall not exceed \$150,000,000 per recipient per fiscal year.

A.6.3 Funding mechanism approach

Funding will be provided using the flexible funding approach, in accordance with the Directive on Transfer Payments, and in alignment with the principles of the FNCFS Program.

Where an eligible recipient as identified in Section A.3 does not qualify for the flexible funding approach, ISC will use a fixed funding approach, and inform and work with the recipient to assist them in meeting the requirements for a flexible funding approach based on the results of the assessment completed.

A.6.3.1 FNCFS funding mechanism ("Flexible Funding Approach")

In alignment with Section A.6.3, when eligible for the Flexible Funding Approach, ISC will enter into multi-year(s) flexible agreement. Within the Flexible Funding Approach:

- Recipients may redirect funding *in year* between the funded Program Services, Funding Strategies and Initiatives as outlined in Section A.2, with the following exceptions:
 - Redirection of prevention services funding to child protection services is not permitted, except to fund least disruptive measures; and
 - Redirection of child protection services funding is not permitted given that funding is provided to support mandated legislative services which include operations, maintenance and least disruptive measures.

- Recipients may retain unexpended funding at year end to continue to support the implementation of the Reformed FNCFS Program in Ontario and the delivery of child and family services in the following year(s), subject to ISC's review and approval of unexpended funding plans submitted by funding recipients. FNCFS agencies, in working with their First Nation, may identify all or a portion of unexpended funding to support First Nation(s) in addressing housing adequacies as one of the structural drivers leading First Nations children into care.
 - ISC will support recipients in the transfer of funds to ensure accountability and compliance with the funding obligations and reporting requirements outlined below in Section A.7.
 - As required, ISC may amend flexible funding agreements, prior to expiry, to align with the timelines identified in the unexpended funding plans.

A.6.3.2 Fixed funding approach

Where an eligible recipient is not eligible for the Flexible Funding Approach, ISC will provide funding through a fixed funding approach. Fixed funding agreements are one year agreements that support recipients in delivering the Reformed FNCFS Program in Ontario. Within the fixed funding approach:

- Recipients may only spend funding on the Reformed FNCFS Program in Ontario Service, Funding Strategy or Initiative for which it was received, meaning it may not redirect funding in year to other Reformed FNCFS Program in Ontario Services, Funding Strategies or Initiatives outlined in Section A.2.
- Recipients may retain unexpended funding to support the objectives of the FNCFS Program in the following year, based on an ISC approved unexpended funding plan and provided that unexpended funds are used for the purpose of which they were originally intended for, as outlined in Section A.2.

A.6.4 Basis for payment

Payments will be issued to recipients based on the eligibility to receive funding under the Reformed FNCFS Program in Ontario terms and conditions outlined in this Appendix, and in alignment with the terms and provisions of the funding agreement. Accordingly, and in line with the Directive on Transfer Payments, payments may be based on one or a combination of the following, as specified in the funding agreement:

- Reformed FNCFS Funding Approach in Ontario outlined in Section A.6.1;
- reimbursement of eligible expenditures;
- proposal, plan and budget supporting eligible activities and services as outlined in Section A.2; or,
- achievement of predetermined performance expectations or milestones.

A.6.4.1 Advance and progress payments

Advance Payments are permitted, based on the cash flow requirements, as forecasted by the recipient and supported by the FNCFS Program Plan.

Progress Payments are subject to periodic reports of activities and expenditures incurred. ISC will process payments in accordance to funding agreement provisions, including cash flow requirements, and as applicable, funding recipient's planning and reporting obligations.

A.6.4.2 Holdbacks

Holdbacks may be up to 20% of the total FNCFS Program funding allocated within the funding agreement. Final payment will be contingent on the receipt and approval by the department of the final activity, performance, and financial reports, as specified in the funding agreement.

A.7 Program planning and reporting in Ontario

Planning is intended to provide a better understanding of how the Reformed FNCFS Program in Ontario is addressing child, youth, family and community well-being priorities through a collaborative and coordinated approach to service delivery.

Reporting requirements and frequency will be outlined in funding agreements, and will be based on departmental practices and FNCFS Program Assessment criteria. All recipients will be required to report on funding, including Unexpended Funding Plans.

A.7.1 First Nation Multi-Year Plan
Who: First Nations <i>First Nation Multi-Year Plan</i> outlines the details regarding the implementation of activities or specific initiatives for which funding is provided for, in alignment with the FNCFS Program's Purpose and Objectives, and includes the planned expenditures for each funded services as outlined in Section 4.
A.7.2 Child and Community Wellbeing Plan
Who: FNCFS agencies and First Nation Service Providers <i>Child and Community Wellbeing Plan:</i> FNCFS agencies and First Nation Service Providers will develop their plan in consultation with their affiliated First Nation(s). The plan must include environmental scans for each First Nation served, identification of the First Nation's needs, activities, planned expenditures for the provision of each child and family services for which funding is provided, concrete objectives that align with the purpose and objectives of the FNCFS Program, risk management strategies, performance measures and reporting requirements. and include how service delivery will address the unique factors of the First Nation, be coordinated with other service

providers and how it contributes to the Outcomes outlined in Section 3.3 of these terms and conditions.
A.7.3 FNCFS Program plan
Who: Regional and local organizations
The FNCFS Program plan and budget includes the activities to be undertaken over the course of the agreement. Plans must include activities that support the FNCFS Program objectives, and outline the results to be achieved.
A.7.4 FNCFS unexpended funding plan
Who: All
In addition to the plans listed above all recipients must submit, when an unexpended balance remains at the end of the fiscal year, an unexpended funding plan. The plan must include key child and family well-being, services and strategic priorities on which the unexpended funding will be spent and how it contributes to the Outcomes outlined in Section 3.3 of these terms and conditions.

A.8 Effective date

This Appendix is effective as of [Effective Date as per subparagraph 4(x) of the Ontario Final Agreement].

In order to support the transition to the Reformed FNCFS Program in Ontario, ISC will continue to meet its obligations until March 31, 2026 for funding agreements in place, including actual costs for operations and maintenance and First Nation Representative Services incurred by March 31, 2026, which are subject to the [FNCFS Terms and Conditions: Contributions to provide children, youth, young adults, families and communities, with prevention and protection services](#). ISC will also continue to meet its obligations until [Effective Date of the Ontario Final Agreement] for funding agreements in place, including actual costs for post-majority support services incurred by [Effective Date of the Ontario Final Agreement], which are subject to the FNCFS Terms and Conditions.