

Letter of Understanding

LETTER OF UNDERSTANDING dated the ____ day of _____, 20__.

BETWEEN:

THE COMMUNITY COUNCIL

AND

THE DEPARTMENT OF INDIGENOUS AND NORTHERN RELATIONS

Respecting the delivery of the community project known as:

_____.

Estimated at a total cost of \$ _____.

A. The Community Council understands and agrees to:

1. Comply with the specific conditions respecting the project, as per attached.
2. Hire/engage the necessary employees and equipment required to carry out the project within the approved budget and guidelines. Adhere to Policy G5 and Policy G8. The signed agreement is the Community Councils authority to purchase assets within the approved budget for this project.
3. Abide by direction and instructions received from department staff where such directions and instructions are deemed necessary by the Department to ensure the successful completion of the project. No changes will be made to the original approved budget without prior department approval.

Your project contact is: _____.

4. Ensure suppliers provide training or instruction for new or replaced tools, equipment, machines, devices or chemical or biological substances, as is required by workplace safety and health legislation.
5. Prudently manage and expend project funds keeping quality and economy in mind. Where the funds provided are insufficient to complete the project, the Community Council will notify the project contact as to the anticipated shortfall. In this situation, prior to completion of the project, the Community Council will require written department authorization of additional funding. Funding may or may not be forthcoming, depending upon the reasons of the shortfall and funding available.
6. Submit regular monthly capital project financial reports and a final capital project financial report within 60 days of completion of work activity with supporting documentation to the Department.

7. In the case of continuing projects, submit a financial report with supporting documentation at fiscal year-end. Such report will be accompanied by a resolution stating that the project is ongoing.

B. The Department of Indigenous and Northern Relations undertakes and agrees to:

1. Meet with the Community Council prior to project commencement to discuss the details of the project to be undertaken.
2. Provide to the Community Council prior to project commencement, a release of funds in the amount of \$_____. The balance of funds in the amount of \$_____, will be released when required and upon submission of monthly/final project reports by the Community Council. Where a shortfall is identified during project delivery, the Department will, on the advice of the project contact, make necessary additional funds available for project completion, if and when such funds are available.
3. Make available to the Community Council on a request basis, necessary technical staff and other related assistance as may be required to ensure successful project delivery.
4. Monitor this project periodically, and if the inspections show that the project is not progressing in a manner that will ensure a successful completion, the Department reserves the right to terminate this agreement.

The above terms and conditions are understood and agreed to by:

The Community Council of: _____.

Signatures:

Mayor

Department of Indigenous and Northern Relations

SPECIFIC CONDITIONS

1. These funds are to be used as follows: