

# **Terms and Conditions**

## **Agricultural Service Board Grant Program for 2020 - 2024**

### **Purpose**

The purpose of the Agricultural Service Board Grant Program is to support Agricultural Service Boards with the administration of legislative requirements under the *Agricultural Service Board Act* and in the development and delivery of resource management extension programming.

The expected Program outcomes include:

1. Targeted prevention and control of agricultural diseases, pests, weeds and delivery of soil conservation programs.
2. Development of effective agricultural policies and plans that are implemented and address the needs and issues of the municipality related to agricultural practices.
3. Support ASBs in the development and delivery of resource management extension programming to increase awareness, understanding and implementation of sustainable agricultural practices with an emphasis on meeting industry standards that support consumer expectations.
4. Development of strong collaborations with Alberta Agriculture and Forestry (AF), other municipalities, governments, agencies etc. to achieve outcomes listed in 1 through 3.

The Program is available to Municipalities within Alberta that satisfy the eligibility requirements in s. 2, and which carry out Legislative Activities and Resource Management Activities approved by the Minister.

There are two parts to the Program:

- Part one is a Legislative Funding Stream which supports Legislative Activities. Funding in this stream is allocated based on satisfaction of the eligibility criteria.
- Part two is a Resource Management Funding Stream which supports Resource Management Activities. Funding in this stream is allocated on a merit basis, subject to satisfaction of the eligibility criteria.

Applicants may apply for the Legislative Funding Stream only, or for the Legislative Funding Stream and the Resource Management Funding Stream.

Funding for both streams of the Program is limited and subject to Program funding constraints.

If an Application is approved by the Minister, the Applicant must enter into a grant agreement with the Minister to be eligible to receive funding under the Program. The

grant agreement will contain the terms and conditions governing the grant under the Program.

## 1. Definitions

1. **Definitions:** In this document and in the Program Application Form, the following terms have the following meanings:
  - 1.1. **AF:** means Alberta Agriculture and Forestry.
  - 1.2. **Agricultural Commodity** means a product that comes from the raising of crops and/or animals, such as wheat, corn, barley, peas, canola, oats, cattle, sheep, hogs.
  - 1.3. **Agricultural Fieldman:** means a person appointed pursuant to the *ASB Act* to implement agricultural policies and programs, and to manage the agricultural resources of the Municipality.
  - 1.4. **Applicant:** means a Municipality that submits an Application and meets the eligibility criteria in section 2.1.1.
  - 1.5. **Application:** means the Program Application Form and all documents required to be submitted pursuant to that form and the Program Terms and Conditions.
  - 1.6. **ASB:** means an agricultural service board constituted under the *ASB Act*.
  - 1.7. **ASB Act:** means the *Agricultural Service Board Act*.
  - 1.8. **Calendar Year:** means January 1<sup>st</sup> to December 31<sup>st</sup>.
  - 1.9. **Eligible Capital Expenses:** means the capital expenses listed in section 2.5.2 that may be incurred by an Applicant for a Project.
  - 1.10. **Eligible Expenses:** means Eligible Capital Expenses and Eligible Non-Capital Expenses.
  - 1.11. **Eligible Non-Capital Expenses:** means the non-capital expenses listed in section 2.5.1 that may be incurred by an Applicant for a Project.
  - 1.12. **Legislative Activities** means the activities identified in section 2.2.1.
  - 1.13. **Legislative Funding Stream:** means the Program funding for Legislative Activities.
  - 1.14. **Minister:** means the Minister of AF and includes his authorized representative(s).
  - 1.15. **Municipality:** means a municipality as defined by the *ASB Act*.
  - 1.16. **Primary Producer:** means an individual or an Alberta registered entity:
    - (a) operating in Alberta; and
    - (b) that is responsible for the day-to-day management and work on the farm, including responsibility for input costs for Agricultural Commodities and producing at least \$10,000 worth of commercial agriculture production annually, but does not include a landlord whose only interest in the Agricultural Commodity is that of ownership of the land.
  - 1.17. **Program:** means the Agricultural Service Board Grant Program for 2020-2024.

- 1.18. Program Application Form:** means the application form for the Program.
- 1.19. Program Terms and Conditions:** means the terms and conditions for the Program set out in this document, as may be amended.
- 1.20. Project:** means the Legislative Activities and, if applicable, the Resource Management Activities, as described in the Application submitted by the Applicant and approved by the Minister.
- 1.21. Provincial Crown:** means Her Majesty the Queen in Right of Alberta.
- 1.22. Resource Management Activities:** means the activities identified in section 2.2.2.
- 1.23. Resource Management Funding Stream:** means the Program funding for Resource Management Activities.
- 1.24. Term:** means the time period for the Program, being January 1, 2020 to December 31, 2024.

## **2. Eligibility**

### **2.1. Eligible Applicants**

- 2.1.1 To apply to the Program, an Applicant must:
- a) have formed an ASB pursuant to the ASB Act;
  - b) be an Alberta Municipality that is required to file audited financial statements to Alberta Municipal Affairs pursuant to Section 278 of the Municipal Government Act;
  - c) have Primary Producers farming agricultural land that produces Agricultural Commodities within the Municipality; and
  - d) have appointed an Agricultural Fieldman pursuant to the ASB Act.

### **2.2. Eligible Activities:(Must be approved by the Minister)**

- 2.2.1. Activities under the Legislative Funding Stream shall include activities under the *ASB Act* and one or more of the following:
- (a) *Weed Control Act*;
  - (b) *Agricultural Pests Act*;
  - (c) *Soil Conservation Act*; and
  - (d) *Animal Health Act*.
- 2.2.2 Activities under the Resource Management Funding Stream shall include education and extension activities that facilitate the increased awareness, understanding and implementation of resource management agricultural practices and programs related to supporting the agriculture industry in meeting social license requirements. Priority will be on support for EFP delivery and promotions of environmental CAP programs.
- 2.2.3 In completing a Project under the Program, the Applicant must:
- (a) comply with all applicable laws and regulations; and

- (b) obtain all required governmental approvals prior to commencing the Project including those related to public health and safety, labour codes and standards and environmental protection.

### **2.3. Ineligible Activities**

- 2.3.1. Activities ineligible for funding under any of the Program funding streams include:
  - (a) non-agriculture related education and extension activities;
  - (b) school programs, and
  - (c) any other activity deemed to be ineligible by the Minister.

### **2.4. Eligible Expenses**

- 2.4.1. Eligible Non-Capital Expenses, as approved by the Minister and stated in the grant agreement, may include:
  - (a) manpower - salary, wages, benefits and professional development of ASB staff;
  - (b) operating expenses for vehicles and equipment;
  - (c) materials and supplies;
  - (d) office operations;
  - (e) contracted services; and
  - (f) extension and education related activities.
- 2.4.2. Eligible Capital Expenses, as approved by the Minister and stated in the grant agreement, may include:
  - (a) in each year of the Term, costs for the purchase or lease of capital items up to a maximum of \$5000 in support of Legislative Activities and, if applicable, up to a maximum of \$5000 in support of Resource Management Activities.
- 2.4.3. In incurring Eligible Expenses, the Applicant must follow a process that is transparent, fair, and promotes the best value for the money expended. Eligible Expenses incurred by the Applicant must be at competitive prices that are no greater than fair market value.
- 2.4.4. If the Minister, in his sole discretion, considers the amount of any Eligible Expense claimed by the Applicant to be unreasonable, the Minister may adjust the amount of that Eligible Expense to an amount the Minister considers reasonable.

### **2.5. Ineligible Expenses**

- 2.5.1. Expenses not eligible for funding under the Program include:
  - (a) in each year of the Term, costs for the purchase or lease of capital items over \$5000 in support of Legislative Activities and over \$5000 in support of Resource Management Activities;
  - (b) Goods and Services Tax (GST);

- (c) alcohol;
- (d) expenses funded through any other federal or provincial government grants, programs or projects;
- (e) speaker fees from any government employee (includes all levels of government);
- (f) producer contributions of any kind such as land, labour, mileage etc.;
- (g) livestock arrangements of any kind;
- (h) expenses incurred by the Applicant outside of the Term; and
- (i) any other expense deemed by the Minister to be an ineligible expense.

### **3. Applications**

- 3.1.** There is limited funding in the Program.
- 3.2.** Program Application Forms must be received by AF or postmarked on or before April 24, 2020.
- 3.3.** An Applicant may apply for funding from the Legislative Funding Stream only, or for funding from both the Legislative Funding Stream and the Resource Management Funding Stream.
- 3.4.** Applications submitted must have the Program Application Form fully completed, as follows:
  - (a) Legislative Funding Stream Applications must have Schedule A, Part A of the Program Application Form completed; and
  - (b) Legislative Funding Stream and Resource Management Funding Stream Applications must have Schedule A, Part A and Part B of the Program Application Form completed.
- 3.5.** Program Application Forms must be signed by an authorized representative of the Applicant. The Minister may require evidence of authorization.
- 3.6.** An Application will not be considered complete unless the Statement of Certification on the Program Application Form is signed, and all required supporting documentation is provided to the satisfaction of the Minister.
- 3.7.** Submission of an Application does not entitle the Applicant to grant funding under the Program.
- 3.8.** The Minister may, in his sole discretion, reject any Application that is ineligible, inaccurate or incomplete.
- 3.9** If two or more Municipalities intend to work co-operatively on a Project under the Resource Management Funding Stream, only one Municipality may submit an Application and shall name each of the other Municipalities as a participating municipality. If the Application is approved, the Applicant shall enter into a grant agreement and receive all of the funding on behalf of the Applicant and the participating municipalities.

## **4. Evaluation of Applications**

**4.1.** Applications for the Legislative Funding Stream will be considered for approval subject to satisfaction of the eligibility criteria and Program funding constraints.

**4.2** Applications for the Resource Management Funding Stream will be considered for approval subject to satisfaction of the eligibility criteria and Program funding constraints, and evaluation of the Application using the following merit based criteria:

**4.2.1 Strength and impact of the sustainable resource management application (Weighting 60%)**

- (a) Application goals, strategies, actions and performance measures;
  - i. Are the goals SMART: Specific, Measurable, Achievable, Relevant and Time Specific.
  - ii. Strategies, describe how you will move from the current situation to your goal? This includes the manpower requirements and skill set.
  - iii. Are you delivering resource management self assessment tools (EFP) and CAP to your local producers.
  - iv. Do the activities support the goals/strategies.
  - v. How will you measure success of your “Local Resource Management Initiatives”? Consider qualitative and quantitative measures such as attendance numbers, surveys, one-on-one meetings with clients, etc.
- (b) Resource Management Impact. Within your goals, strategies and/or actions you are demonstrating how your program will have an impact on improving the sustainability of your local agricultural resources;
- (c) Partnering municipalities (and/or Applied Research and Forage Associations). The extent to which the roles and responsibilities of each participating partners are clearly identified, and the roles and responsibilities identified;

**4.2.2 Program History and Continuity (weighting 20%)**

- (a) What is the value of continuing the program? What do they want to build on in the future based on the success that they have had in the past and what do they want to drop;
- (b) List successes from the past three years, for the Environmental Funding Stream program AND municipally supported environmental programs;
  - i. Must report on successes/how goals were achieved if Environmental Funding Stream dollars were received under the 2017-2019 ASB Grant Program.

**4.2.3 Matching Contributions (weighting 10%)**

- (a) The matching funding of applicant and partners is clearly identified;

#### 4.2.4 Agricultural intensity (**weighting 10%**)

- (a) The committee will use the 2011 Agricultural Intensity Index map attached as Appendix 1 to indicate agricultural intensity for an area (map attached). In accordance to the map the following score will be automatically applied;

0.0-0.2 = 1 score

0.3-0.4 = 2 score

0.5-0.6 = 3 score

0.7-0.8 = 4 score

0.9-1.0 = 5 score

The Agricultural Intensity Map was based on Census of Agriculture 2011 variables for fertilizer and lime purchases (\$), purchases of pesticides (\$) and manure production (tonnes). Intensities were determined by dividing each variable by the area in square miles of each municipality. This data was then normalized and summed to produce the final Agriculture Intensity Index.

## 5. Funding Level

- 5.1** Approved Applicants to the Legislative Funding Stream will receive a grant amount determined by the Minister following review of the applications and subject to Program funding constraints.
- 5.2** Approved Applicants to the Resource Management Funding Stream will receive funding amounts that are determined based on the evaluation of the Application using the merit based criteria in s. 4.2 and subject to Program funding constraints.
- 5.3** In the event that provincial funding levels are changed to the extent that the money available to the Minister to make a grant under the Program is reduced or eliminated, the Minister may, in his sole discretion, reduce the amount of any grant made under the Program or cancel any grant made under the Program and terminate any grant agreement.

## 6. Payments

- 6.1.** Successful Applicants will be required to enter into a five year term grant agreement with the Provincial Crown prior to any payment being made to the Applicant.
- 6.2.** To receive payment under the Program, the Applicant must maintain its eligibility for funding under the Program, and be in compliance with the grant agreement and the Program Terms and Conditions.
- 6.3.** Subject to the terms and conditions of the grant agreement and s. 6.4, the Minister expects to pay the grant as follows:
- (a) payment for the 2020 Calendar Year upon execution of the Agreement;
  - (b) payment for the 2021 Calendar Year following receipt of Annual Report 1 to the satisfaction of the Minister;

- (c) payment for the 2022 Calendar Year following receipt of Annual Report 2 to the satisfaction of the Minister;
  - (d) payment for the 2023 Calendar Year following receipt of Annual Report 3 to the satisfaction of the Minister; and
  - (e) payment for the 2024 Calendar Year following receipt of Annual Report 4 to the satisfaction of the Minister.
- 6.4** Each of the payments described in s. 6.3 is subject to the approval of the Minister and to funds being available for the Program. The Minister may, in his sole discretion, cancel, reduce or increase the amount of each payment.
- 6.5** Applicants cannot assign or defer any payment under this Program.
- 6.6** The Applicant shall not return for refund any capital items which the Applicant has purchased using grant funds. The Applicant shall not sell or trade any capital items which the Applicant has purchased using grant funds for at least three years after the end of the Term

## **7. Reporting Requirements**

- 7.1.** Approved Applicants shall provide the Minister with the following annual reports (the “Annual Reports”) in writing to the Minister’s satisfaction and in the form specified by the Minister, detailing, for the time period covered by the Annual Report:
- (a) a statement of the Applicant’s ASB income and expenditures for the Calendar Year covered by the Annual Report, certified by a financial officer of the Applicant;
  - (b) a report highlighting the results of the Schedule “A” activities for the Calendar Year covered by the Annual Report;
  - (c) confirmation that the Applicant has filed its annual financial information return, including audited financial statement and auditor’s report, to Municipal Affairs as per section 278 of the Municipal Government Act;
  - (d) the status of the grant proceeds, including all expenditures of the grant proceeds and the amount of grant proceeds currently held by the Applicant;
  - (e) any other grants from any level of government in respect of the Project; and
  - (f) any other information requested by the Minister.
- 7.2** The Annual Reports must be submitted between the following dates:
- i. Annual Report 1, to be submitted between May 1, 2021 and June 30, 2021 covering the time period from January 1, 2020 to December 31, 2020;
  - ii. Annual Report 2, to be submitted between May 1, 2022 and June 30, 2022, covering the time period from January 1, 2021 to December 31, 2021; and
  - iii. Annual Report 3, to be submitted between May 1, 2023 and June 30, 2023, covering the time period from January 1, 2022 to December 31, 2022.
  - iv. Annual Report 4, to be submitted between May 1, 2024 and June 30, 2024, covering the time period from January 1, 2023 to December 31, 2023; and



- v. Annual Report 5, to be submitted between May 1, 2025 and June 30, 2025, covering the time period from January 1, 2024 to December 31, 2024.

The Minister may require that any Annual Report be reviewed, assessed and reported on by the Applicant's auditors. Upon request by the Minister, the Applicant shall in a timely manner elaborate on any particular aspect of an Annual Report.

- 7.3** The Applicant shall provide the Minister with prompt notice of any material events, developments or circumstances arising in relation to the Project.
- 7.4** The Minister may request the Applicant to submit additional reports during the Term which the Applicant shall submit, to the Minister's satisfaction by the dates specified by the Minister.

## **8. Verification**

- 8.1** The Applicant agrees to provide such information and records as the Minister may require to verify the Applicant's eligibility for payment from the Program.
- 8.2** The Applicant consents to the Minister releasing any information contained in the Application or related to it and obtained by the Minister in the course of verifying the Application, to any other government department, agency or other body for the purposes of verifying this Application, determining the Applicant's eligibility for this Program, or both. The Applicant expressly authorizes the Minister to obtain information from any government department agency or other body to verify the contents of this Application and to determine the Applicant's eligibility for this Program.
- 8.3** The Applicant agrees to make available to the Minister all records, books of account, and income tax returns necessary to audit their Application under this Program. If the Applicant fails to provide records within a reasonable time on reasonable notice, as determined by the Minister, the Applicant may be required to refund any payments received under the Program, as well as forfeit any future payment for the Program.

## **9. Program Changes**

- 9.1.** The Minister may change or terminate the Program at any time without prior notice. If the Minister terminates or changes the Program, a notification or the revised Program Terms and Conditions will be posted on the Program website.

## **10. False or Misleading Information**

- 10.1.** An Applicant who provides false or misleading information under the Program foregoes all rights to benefit from the Program.

## **11. Collection of Information**

- 11.1.** The Applicant acknowledges that the information provided to the Minister is subject to both the access and privacy provisions of the Freedom of Information and Protection of Privacy Act (Alberta).

## **12. Refunds**

- 12.1** The Applicant shall immediately refund to the Provincial Crown any payment received under the Program not in accordance with the Program Terms and Conditions and the grant agreement upon notice being provided to the Applicant by the Minister. Failure to make repayment as required by the Minister creates a debt owing to the Provincial Crown that can be set off against any money the Provincial Crown owes to the Applicant.

## **13. Right of Set-Off**

- 13.1** The Applicant agrees that the Minister may set-off against any other grant or amount payable to the Applicant under any programs administered within AF any amounts that become repayable by the Applicant to the Minister under this Program.

## **14. Debts to Provincial Crown**

- 14.1** The Minister has the right to deduct from the Applicant's entitlement any amount due and owing to the Provincial Crown.

## **15. Representations and Warranties**

- 15.1** The Applicant represents and warrants that:
- a) the Applicant is an eligible applicant pursuant to s. 2.1.1;
  - b) the person signing the Application is duly authorized to make the Application and bind the Applicant to the Program Terms and Conditions;
  - c) no Application has been made for the same activities by any other person, including without limitation, a participating municipality;
  - d) it has made full, true and plain disclosure to the Minister of all facts relating to the ASB and the Project that are material to its Application, including without limitation all sources of funding from other governments;
  - e) it has adequate human resources, experience and skills to carry out the activities described in the Application;
  - f) there is presently no action, suit, or proceeding being brought or pending or threatened against or affecting the Applicant which could result in the expropriation of any property of the Applicant, or which could affect its operations, properties, financial condition, or its ability to complete the Project;
  - g) it is in compliance with all laws, orders and authorizations which relate to or affect it and is not subject to any order of any court or other tribunal affecting its operations;

- h) it has the power and authority and all necessary licenses and permits to own and operate its properties and carry on its operations, to make the Application, and to carry out the Project; and
- i) the execution of the statement of certification in the Application has been duly and validly authorized by the Applicant in accordance with applicable law, and shall constitute a binding legal obligation of the Applicant.

## **16. Grant Regulation and Disclosure of Grant Recipient Information**

**16.1** Payments under this Program are grants subject to the Agriculture and Rural Development Grant Regulation. The Applicant acknowledges that, in addition to complying with these Program Terms and Conditions and the grant agreement, the Applicant must comply with the Agriculture and Rural Development Grant Regulation.

**16.2** The Applicant acknowledges that the Minister publicly discloses the following information for all grant recipients: the grant recipient name, the amount of the grant, the program the grant is paid under, and the payment date.

## **17. Ministerial discretion**

**17.1** The Minister has the absolute discretion to determine the eligibility of any Applicant and any payment due under this Program. The decision of the Minister is final.

## Appendix 1 – Agricultural Intensity Index Map

