

QIA REVENUE ALLOCATION POLICY

1. PURPOSE

1.1 The purpose of this Policy is:

- (a) To provide benefits to meet the needs and priorities of Qikiqtani Inuit;
- (b) To improve economic self-sufficiency of Qikiqtani Inuit through time, in a manner consistent with Inuit social and cultural needs;
- (c) To guide QIA decision making with respect to Revenue spending;
- (d) To promote transparency and accountability regarding QIA Revenue allocations; and
- (e) To guide QIA's annual work planning and budgeting processes.

2. OBJECTIVES

2.1 The objectives of this Policy are to:

- (a) Consistently deliver services, programs, community resources and opportunities.
- (b) Support economic diversification.
- (c) Establish, maintain, and periodically revise annual allocations of QIA Revenues for the benefit of current generations
- (d) Sustain QIA's core Operations (leadership, office, staff) who are responsible to meet all QIA's responsibilities and objectives.
- (e) Differentiate Revenue spending, as defined under this Policy, from Revenue savings as defined under the Legacy Fund Policy.

3. GLOBAL RULES

- 3.1 Each year QIA will manage and allocate all Revenues for spending according to the provisions of this Policy and all Schedules appended to this Policy.
- 3.2 All QIA Revenues will be classified as either Restricted Revenues or as Unrestricted Revenues for the purposes of this Policy and all Schedules according to the process set forth in the Revenue Allocation Operational Procedures, QIA Financial Policies and requirements specific to a particular Revenue source.
- 3.3 A single source of QIA Revenues may consist of both Restricted Revenue and Unrestricted Revenue.
- 3.4 Restricted Revenues will be spent, saved, or, reallocated only in accordance with the terms of its funding source (e.g., Contribution Agreements, Grants, Commercial Agreements, etc.).
- 3.5 All Revenues must be assigned to one of the following purposes: Operations; Services; Programs; Community Resources and Opportunities; Economic Diversification or Legacy Fund as defined by this Policy.
- 3.6 Allocation of Revenue for the purposes of addressing QIA debts and or loans shall be included in allocations for Operations.
- 3.7 In the event QIA does not have sufficient Revenue to allocate for the financial requirements of all desired spending purposes QIA will allocate Revenue consistent with the following prioritization: Operations; Services; Programs; Community Resources and Opportunities; Economic Diversification and Legacy Fund. For greater clarity, this prioritization is intended to ensure Revenues are allocated toward maintaining consistency

- in meeting QIA's organizational obligations while also providing immediate benefits for current generations.
- 3.8 Revenues once allocated for a specific purpose may only be reallocated for other purposes consistent with approval authorities and processes defined under QIA's Financial Policies.
- 3.9 The Saimaqatigiingniq Fund as set out under Article 4 of this Policy contains Restricted Revenues and exists to support the recommendations of the Qikiqtani Truth Commission (QTC) and has been established for the purpose of managing money received from the Government of Canada in relation to the QTC reconciliation process. This money, including all income derived from Return on Investment (ROI) can only be allocated toward initiatives associated with the recommendations of the QTC as reviewed periodically by the QIA Board of Directors. The rules specific to the Saimaqatigiingniq Fund are set out in Article 4 of this Policy.
- 3.10 For greater certainty, ROI derived from QIA investments will be reinvested for, or added to, the principal of the applicable fund unless otherwise stated in this Policy.
- 3.11 The Schedules attached to this Policy establish specific terms and rules for the accounts and spending described therein and QIA may amend this Policy and Schedules, including to insert additional Schedules relating to other specific Revenue allocation purposes, so long as not inconsistent with the general rules and terms of this Policy, as deemed appropriate and approved by QIA's Board of Directors.

4. SAIMAQATIGIINGNIQ FUND

- 4.1 This Policy replaces the standalone Saimaqatigiingniq Fund Policy as the governing document on the Saimaqatigiingniq Fund.
- 4.2 The Saimaqatigiingniq Fund aims to support the recommendations of the Qikiqtani Truth Commission by effectively managing the funds stemming from the Qikiqtani Truth Commission reconciliation process.
- 4.3 The Saimaqatigiingniq Fund strategic objectives are:
- a. Promote the well-being and empowerment of Qikiqtani Inuit.
 - b. Support new social, cultural and capacity development programs that align with the recommendations of the Qikiqtani Truth Commission.
- 4.4 QIA shall cause the Saimaqatigiingniq Fund to receive contributions from Canada allocated for the purposes of supporting the recommendations of the Qikiqtani Truth Commission.
- 4.5 QIA may designate other sources of funding to the Saimaqatigiingniq Fund that are not otherwise inconsistent with the QIA Revenue Allocation Policy or Legacy Fund Policy.
- 4.6 If there is no money available in the Saimaqatigiingniq Fund due to reasons such as, but not limited to, no revenue and exhaustion of the Saimaqatigiingniq Fund contributions from Canada or other contributions, the Saimaqatigiingniq Fund will not fund the Saimaqatigiingniq Programs.
- 4.7 QIA shall not budget or spend funding from the Saimaqatigiingniq Fund that exceeds two times the previous Fiscal Years budget for the Saimaqatigiingniq Programs unless otherwise agreed upon by QIA's Board of Directors through formal resolution.
- 4.8 The QIA Board has the authority to approve the changes to Saimaqatigiingniq Programs.
- 4.9 The QIA Board will provide oversight to the Executive Director and approve the Annual Budget in conformity with the Saimaqatigiingniq Fund Operational Procedures and QIA Financial Policies.

- 4.10 The Saimaqtigiingniq Fund Operational Procedures shall be approved by the QIA Board of Directors.
- 4.11 Unless otherwise stated in this Policy, the Executive Director will provide final decisions on all administrative and operational matters of the Saimaqtigiingniq Fund, Saimaqtigiingniq Programs, and Saimaqtigiingniq Activities in conformity with the Saimaqtigiingniq Fund Operational Procedures.
- 4.12 An Advisory Committee may be established to support Saimaqtigiingniq Programs and/or Saimaqtigiingniq Activities.
- 4.13 The Saimaqtigiingniq Fund Operational Procedures shall further describe the roles and responsibilities of the QIA Board, Executive Committee, the Executive Director, Advisory Committee, and the Programs Manager regarding administrative and operational matters.
- 4.14 QIA may hire additional employees to directly support the design and delivery of the Saimaqtigiingniq Programs provided costs associated with such employees will be drawn from the Saimaqtigiingniq Fund.
- 4.15 Money may be withdrawn from the Saimaqtigiingniq Fund for funding Saimaqtigiingniq Programs and for the operations and management of the Saimaqtigiingniq Fund.
- 4.16 The Annual Budget for the Saimaqtigiingniq Fund Programs and Activities will be included in QIA's Annual Budgeting process and will comply with the QIA Revenue Allocation Policy and QIA's Financial Policies.
- 4.17 In the event that sufficient funding is not available to support the Saimaqtigiingniq Programs, spending on the Saimaqtigiingniq Programs will be prioritized, followed by staff costs.
- 4.18 QIA will use the Saimaqtigiingniq Fund to deliver the following Saimaqtigiingniq Programs, commencing with the following types of programs:
- a. The Inuit History and Governance program aims to contribute to the healing and empowerment of Qikiqtani Inuit by including a series of linked communications and educational activities about Inuit history and Nunavut governance. The program will be designed to strengthen pride in Inuit resilience, capability, and past political activism and to increase the capacity of Inuit to participate in political processes that affect their families and communities today.
 - b. The Qimmiit Revitalization program aims to revitalize qimmiit practices in the Qikiqtani region by investing in Qikiqtani Inuit who are involved in qimmiit practices and those who aspire to be involved. QIA's long-term vision is that more Inuit, including youth, are engaged in qimmiit practices across the Qikiqtani region, with a high level of technical expertise based in Inuit knowledge and with a commitment to carrying on the tradition.
 - c. The Travel and Healing program aims to support Enrolled Members affected by forced relocations, intending to enhance the healing of the affected Enrolled Members through facilitated visits to former community sites and providing access to therapeutic supports, sponsored visits with family members disconnected by the Dundas Harbour Relocation, and the closing of Kivitoo, Paallavik, and South Camp Communities, and arts-based memorial projects marking the historical events and celebrating Inuit resilience.
- 4.19 The QIA may determine that an application-based component is appropriate for any or all of, or part of, the Saimaqtigiingniq Programs.

- 4.20 Actions required for the annual decision-making process for programming will be further detailed in the Saimaqtigiingniq Fund Operational Procedures.
- 4.21 Monitoring, evaluation, and learning will create a process for gathering information to be assessed to better understand how well Saimaqtigiingniq Programs are working.
- 4.22 All Saimaqtigiingniq Programs will have monitoring and evaluation components which will be used to:
- a. verify whether and to what degree Saimaqtigiingniq Programs are performing adequately in implementing the Qikiqtani Truth Commission recommendations,
 - b. provide a mechanism to improve, amend or terminate Saimaqtigiingniq Programs based on performance, and
 - c. assist in the budget decision making process.
- 4.23 A summary of the Program Evaluations, highlighting their impacts and lessons learned, will be included as a component of the Annual Report. This includes, but is not limited to:
- a. The overhead ratio of each program.
 - b. The total benefits to community.
 - c. The cost to run each program.
 - d. The approximate number of enrolled members that received a benefit.
 - e. The approximate number of communities that received a benefit.
 - f. Assessment of program outcomes.
 - g. Recommendations for changing, replacing or terminating a program.
- 4.24 The Program Evaluation for the previous QIA Fiscal Year shall be performed annually as further detailed in the Saimaqtigiingniq Fund Operational Procedures and will be included as a component of the Annual Report.
- 4.25 The components of the Annual Report with respect to the Saimaqtigiingniq Fund will provide the affairs and accounts of the Saimaqtigiingniq Fund and Saimaqtigiingniq Programs. The Executive Director shall ensure that the production and release of the components of the Annual Report for the Saimaqtigiingniq Fund occurs each year which shall include but is not limited to:
- a. A description of all Saimaqtigiingniq Programs supported by the Saimaqtigiingniq Fund in the previous QIA Fiscal Year,
 - b. The impact of all Saimaqtigiingniq Programs supported by the Saimaqtigiingniq Fund including but not limited to the results of Program Evaluations,
 - c. A discussion of the changes in program funding from the year previous, and
 - d. Any other information the QIA Board believes would be of interest to Enrolled Members and the public.
- 4.26 The Saimaqtigiingniq Programs and the Saimaqtigiingniq Activities shall be reviewed by QIA during an Activities Review. Notwithstanding the foregoing, QIA is not limited to an Activities Review only every four (4) years and may review at any time the Saimaqtigiingniq Activities, Programs, and the performance of the Saimaqtigiingniq Fund.

5. SPENDING RULES

- 5.1 Each year the greater of two-million dollars (\$2,000,000), or, fifty percent (50%) of all Revenue received from the Legacy Fund shall be allocated for spending as QIA Regional Programs after which all remaining Revenue is deemed to be Unrestricted Revenue and shall be allocated according to this Policy with the exception that the Legacy Fund Capital must remain greater than the Legacy Fund Minimum Amount for such allocations to occur.

- 5.2 Each year QIA will allocate up to four percent (4%) of the value of the Saimaqatigiingniq Fund for spending in accordance with this Policy provided the balance of the Saimaqatigiingniq Fund remains greater than twenty (20) million dollars (in 2022 dollars).
- 5.3 QIA will deliver benefits for Inuit through the following primary mechanisms.
- a. Services - QIA advocacy, actions and activities intended to directly serve Inuit interests consistent with QIA's mandate, vision and strategic plan(s) in conformity with Schedule 5 of this Policy.
 - b. Programs – QIA funded or delivered activities designed to meet a specific objective that serves Inuit interests consistent with Inuit social and cultural needs and QIA's mandate, vision and strategic plan(s) in conformity with Schedule 6 of this Policy.
 - c. Community Resources and Opportunities – Revenue allocated to Inuit, communities, or Inuit controlled entities which allow the recipient flexibility to determine the use of funds consistent with specified requirements established by QIA in conformity with Schedule 3 of this Policy.
 - d. Economic Diversification – strategic investment(s) for the purpose of building community or regional capacity, economic activities and/or to contribute to increasing QIA Revenues in conformity with Schedule 7 of this Policy.
- 5.4 When allocating Revenue QIA will ensure that all QIA operational costs are accounted for prior to making additional allocations as permitted by this Policy.
- 5.5 QIA will also ensure that the operational costs associated with the negotiation, management and implementation of all Commercial Agreements are accounted for prior to making additional allocations as permitted by this Policy.
- 5.6 QIA will use its best efforts to maintain consistency in annual allocations with adjustments to allocations guided by revisions to QIA strategic plan(s) and/or the results of a QIA Activities Review.

6. SAVINGS RULES

- 6.1 The Operational Contingency Account exists to support QIA in years where QIA otherwise does not receive sufficient resources from Nunavut Tunngavik Inc, referred to as NTI Core Funding, and, Commercial Agreements to allocate towards QIA Operations.
- 6.2 The Operational Contingency Account is considered the savings function for the purposes of this Policy.
- 6.3 All rules related to the Operational Contingency Account are described under Schedule 2 of this Policy.

7. GOVERNANCE

- 7.1 Compliance with this Policy shall be the responsibility of QIA's Board of Directors which has full authority for any decision related to this Policy.
- 7.2 The Board of Directors may delegate specific authorities for this Policy to the QIA Executive Committee where appropriate. The Executive Committee may also assign specific tasks and responsibilities under this Policy to the Executive Director of QIA.
- 7.3 QIA shall retain and rely upon the advice and expertise of the Investment Advisory Committee and Wealth Manager(s) and any legal and or accounting expertise or other professional services, for any matters related to the management, allocation and investment of QIA Revenues as described in this Policy and the Legacy Fund Policy.
- 7.4 QIA shall ensure that all necessary books and records are properly kept, including proper books of account with respect to all sums of money received and expended and any other

transactions affecting the financial position of QIA, and that records are kept of any advice considered by QIA in making decisions related to this Policy.

7.5 All books and records shall be kept at such place in Nunavut as the Executive Committee directs and conforming to other QIA by-laws and policies generally related to record keeping subject any specific requirements of this Policy.

7.6 In exercising their roles and authority under this Policy, the QIA Board of Directors, QIA Executive Committee Directors, the Executive Director and other QIA employees, shall act honestly, in good faith and with the degree of care and prudence that a reasonable person of their similar skill and knowledge would exercise. Unless they fail to exercise the foregoing standard of care, they shall be entitled to the same protection and indemnity available to members of the QIA Board as set forth in the QIA by-laws relating generally to the conduct of the affairs of QIA.

8. INVESTING AND MANAGING FUNDS

8.1 The Board of Directors shall responsibly supervise the management and investments of all funds governed by this Policy, including but not limited to the Operational Contingency Account, Saimaqatigiingniq Fund or other funds created by QIA as a prudent person would.

8.2 Amounts allocated to the Legacy Fund shall be managed and invested in accordance with the QIA Legacy Fund Policy and the Legacy Fund Investment Policy.

8.3 Without jeopardizing the minimum amounts of any funds established pursuant to this Policy or any conditions attaching to Restricted Revenues, the Board of Directors shall ensure that all funds governed by this Policy are invested and/or expended in a manner consistent with the priorities set out in section 3.7.

8.4 Where necessary or desirable for compliance with this Policy and Schedules and compliance with the QIA Legacy Fund Policy or the Legacy Fund Investment Policy, segregated accounts shall be established for funds allocated pursuant to this Policy and Schedules and/or the Legacy Fund Policy.

9. TRANSPARENCY

9.1 Each year QIA will prepare and release an Annual Report approved by the QIA Board of Directors describing the investment, management, allocation and use of all QIA Revenues and funds.

9.2 The Annual Report shall be written in easily understandable language to the greatest extent possible.

9.3 The Annual Report shall be released to the public on QIA's website and any other means deemed to be necessary or desirable by the Executive Committee.

9.4 The Annual Report shall clearly describe the allocation of QIA Revenues according to Operations; Services; Programs; Community Resources and Opportunities; Economic Diversification and Legacy Fund.

9.5 The Annual Report shall include, at a minimum, all annual reporting items as required by Schedule 9 of this Policy, and shall also include all items required by the Legacy Fund Policy for the Annual Report.

10. ACTIVITIES REVIEW

10.1 The purpose of an Activities Review shall be to determine the effectiveness of QIA in delivering meaningful, impactful, and effective Services, Programs, Community

- Resources and Opportunities and Economic Diversification, including for the Saimaqatigiingniq Programs and Activities.
- 10.2 An Activities Review may include activities associated with QIA's subsidiaries insofar as their activities relate to funding provided by QIA to a QIA subsidiary from QIA Revenues allocated for a specific purpose or objective of this Policy and an associated sub-policy or activities associated with QIA's Strategic Objectives.
- 10.3 An Activities Review will also examine whether and to what extent QIA, and applicable subsidiaries activities with funding provided by QIA, align with QIA's Annual Budgets, work plans and strategic plan(s).
- 10.4 An Activities Review shall be delivered to the QIA Board of Directors every four (4) QIA Fiscal Years. The results and recommendations of the first review shall be delivered no later than March 31, 2028.
- 10.5 The Activities Review shall be presented to QIA's Board of Directors not later than the end of the calendar year in which the Activities Review was commenced so as to enable the QIA Board of Directors to consider the Activities review when establishing QIA Annual Budgets, work plans and QIA strategic plan(s) for approval by the QIA Board of Directors.
- 10.6 The results of an Activities Review may result in minor amendments by the QIA Board to this Policy and associated Schedules and Revenue Allocation Operational Procedures.
- 10.7 Additional provisions for Activities Reviews are set out in Schedule 9 of this Policy.

11. POLICY PERFORMANCE REVIEW

- 11.1 A Policy Performance Review shall be delivered to the QIA Board of Directors every eight (8) QIA Fiscal Years, unless otherwise required by Section 5.2 of the Legacy Fund Policy. The Policy Performance Review shall report on the effectiveness of this Policy, all Policy Schedules, and all related procedures including the Revenue Allocation Operational Procedures, in achieving the purposes and objectives of this Policy and all Policy Schedules. The results and recommendations of the first review shall be delivered no later than March 31, 2032.
- 11.2 The following stakeholders should be engaged during a Policy Performance Review:
- General Members of QIA;
 - The QIA Board of Directors;
 - QIA Staff; and
 - Technical and legal support
- 11.3 All Policy Performance Reviews will be conducted according to Revenue Allocation Operational Procedures approved by the QIA Board of Directors.
- 11.4 Additional provisions for Policy Performance Reviews are set out in Section 4. of Schedule 9 of this Policy.

12. ALLOCATION ADJUSTMENT REVIEW

- 12.1 An Allocation Adjustment Review shall be conducted in any year that QIA's aggregate Revenues, excluding Grants, Contribution Agreements and Restricted Revenues in Commercial Agreements, decreases below fifty percent (50%) of the most recent 5-year average of QIA Revenues, or increases above one hundred percent (100%) of the most recent 5-year average of QIA Revenues.
- 12.2 In the event of a decrease, the Review shall determine, in order or priority:
- Reasonable spending reductions related to any area of expenditures

- b. Reasonable re-allocations of Revenue assigned under the global rules of this Policy;
 - c. Cessation of Economic Diversification allocations.
 - d. Cessation of Community Resources and Opportunities.
- 12.3 In the event of an increase, the Review shall reconsider Revenue allocation priorities, including possible revision of the Global Rules of this Policy.

13. POLICY AMENDMENT, REPLACEMENT OR REPEAL

- 13.1 This Policy may be amended, replaced, or repealed by approval by not less than 75% of all the members of the QIA Board of Directors, such approval to be provided at a QIA Board meeting and/or by written consent pursuant to QIA By-Law No. 5 relating generally to the conduct of the affairs of QIA, as such by-law may be amended, restated, or replaced.

14. OPERATIONAL PROCEDURES

- 14.1 QIA shall ensure that Revenue Allocation Operational Procedures are developed to guide the implementation of this Policy and the Schedules.
- 14.2 The Revenue Allocation Operational Procedures shall include procedures for all Schedules of this Policy which may be approved by the Board of Directors separately for a specific Schedule or set out as component parts of the Revenue Allocation Operational Procedures (collectively, the "Revenue Allocation Operational Procedures"). Additional provisions for Revenue Allocation Operational Procedures are set out in Section 5. of Schedule 10 of this Policy.
- 14.3 The QIA Board of Directors is responsible for ensuring that the Revenue Allocation Operational Procedures are developed, approved, and implemented. The Board of Directors may delegate specific authorities to the QIA Executive Committee where appropriate as set out in the Revenue Allocation Operational Procedures.

15. DEFINITIONS

15.1 Except as defined in this Policy, the *QIA Interpretation Policy for the Legacy Fund and Revenue Allocation Policies*, or as required by the context, a term or phrase used in this Policy has the same meaning as set forth in the *Nunavut Agreement*.

15.2 For the purposes of this Policy and the Schedules:

"Activities Review" or **"QIA Activities Review"** has the meaning set out in Article 10 of this Policy and is further described in Section 3 of Schedule 9 of this Policy.

"Allocation Adjustment Review" has the meaning set out in Article 12 of this Policy.

"Annual Monitoring Report" means the comprehensive monitoring report prepared annually by QIA as described in Section 2 of Schedule 9 of this Policy.

"Base Amount" means the base amount per community of the Community Specific Allocation allocated to a Qikiqtani community as set out in Section A1.1, Annex 1 of Schedule 3 of this Policy.

"Community Resources and Opportunities" has the meaning set out in Section 5.3c. of this Policy and as further described in Schedule 3 of this Policy.

"Community Resources and Opportunities Allocation" has the meaning set out in Section 3. of Schedule 3 of this Policy.

"Community Resources and Opportunities Formula" means the formula referred to in Section 4. of Schedule 3 of this Policy and set out in Annex 1 attached to Schedule 3 of this Policy.

"Community Proposed Opportunities" has the meaning set out in Schedule 3 of this Policy for community projects that are proposed by a Qikiqtani community for spending all or part of the community's Community Resources and Opportunities Allocation on the proposed project(s).

"Community Selected Programs" means spending programs that are specifically determined and requested by a Qikiqtani community for the purpose of spending all or part of its Community Specific Allocation in that community as further described in Schedule 3 of this Policy.

"Community Specific Allocation" means the amount of Community Resources and Opportunities Allocation set aside for a Qikiqtani community as set out in Section 5. of Schedule 3 of this Policy.

"Community Specific Funding" has the meaning set out in Section A1.5, Annex 1 of Schedule 3 of this Policy.

"Community Spending Areas" has the meaning set out in Section 8. of Schedule 3 of this Policy.

"Continuous Improvement" means the model, terms, and requirements for the continuous improvement of this Policy and its Schedules as described in Schedule 9 of this Policy.

"Economic Diversification" has the meaning set out in Section 5.3d. of this Policy and as further described in Schedule 7 of this Policy.

"Economic Diversification Allocation" has the meaning set out in Section 3. of Schedule 7 of this Policy.

"Executive Committee" means the Executive Committee of the QIA Board of Directors.

"General Fund" means the primary QIA bank account described in Schedule 1 of this Policy, and consistent with QIA Financial Policies.

"Global Rules" means the Global Rules set out in Article 3 of this Policy.

"Individual Monitoring Reports" means the individual annual monitoring reports as described in Section 2 of Schedule 9 of this Policy prepared separately for each individual activity, initiative, or project, respectively, for which Revenue has been allocated under this Policy for QIA Services, QIA Programs, Community Resources and Opportunities, and Economic Diversification.

"Key Themes" has the meaning set out in Section 7. of Schedule 6 of this Policy.

"Key Themes Review" has the meaning set out in Section 9. of Schedule 6 of this Policy.

"Key Themes Review Report" has the meaning set out in Section 9. of Schedule 6 of this Policy.

"NTI Core Funding" has the meaning set out in Section 6.1 of this Policy.

"Operational Contingency Account" has the meaning set out in Article 6 of this Policy and further described in Schedule 2 of this Policy.

"Operational Contingency Account Investment Policy" has the meaning set out in Sections 5. and 6.. of Schedule 2 of this Policy.

"Operational Contingency Account Minimum Amount" has the meaning set out in Section 2.. of Schedule 2 of this Policy.

"Operations" or **"QIA Operations"** as referred to in Sections 2.1, 3.5, 3.6, 3.7, 6.1 and 9.4 of this Policy has the meaning set out in Schedule 4 of this Policy.

"Operations Allocation" has the meaning set out in Section 3 of Schedule 4 of this Policy.

"Policy" means this QIA Revenue Allocation Policy.

"Policy Performance Review" has the meaning set out in Article 11 of this Policy and is further described in Section 4. of Schedule 9 of this Policy.

"Population Amount" means the part of a Community Specific Allocation allocated to a Qikiqtani community based on its population as set out in Section A1.2, Annex 1 of Schedule 3 of this Policy.

"Programs" or **"QIA Programs"** has the meaning set out in Section 5.3b. of this Policy and as further described in Schedule 6 of this Policy.

"QIA Annual Program Allocation" means the allocation of QIA Revenue for QIA Programs as set out in Section 3. of Schedule 6 of this Policy.

"QIA Services" or **"Services"** has the meaning set out in Section 5.3a of this Policy and as further described in Schedule 5 of this Policy.

"QIA Services Allocation" has the meaning set out in Section 5 of Schedule 5 of this Policy.

"QIA's Annual Budget" means, for the purposes of this Policy and Schedules, the parts of the QIA annual budget prepared in accordance with QIA Financial Policies that set out amounts of Revenue that are allocated for a QIA Fiscal Year pursuant to this Policy and its Schedules.

"Regional Programs" or **"QIA Regional Programs"** as referred to in Section 5.1. of this Policy means the category of QIA Programs that are described in Schedule 6 of this Policy.

"Restricted Revenue" as referred to in this Policy and Schedules has the meaning provided for and is determined by the processes set out in the Revenue Allocation Operational Procedures, QIA Financial Policies and any requirements specific to a particular Revenue source.

"Revenue Allocation Operational Procedures" means the operational procedures described in Article 14 of this Policy developed for the implementation of this Policy as approved, amended, or replaced from time to time by the QIA Board of Directors.

"Revenue(s)" or **"QIA Revenue(s)"** as referred to in this Policy and Schedules means the aggregate of funding received by QIA that for purposes of this Policy are categorized as Restricted Revenue or Unrestricted Revenue in accordance with the Revenue Allocation Operational Procedures, QIA Financial Policies and any requirements specific to a particular Revenue source.

"Schedules" means the schedules attached to this Policy as amended, replaced, or repealed by the QIA Board of Directors pursuant to Article 13 of this Policy.

"Unrestricted Revenue" as referred to in this Policy and Schedules means Revenues as defined in this Policy that are not Restricted Revenue as determined by the processes set out in the

Revenue Allocation Operational Procedures, QIA Financial Policies and any requirements specific to a particular Revenue source.

16. EFFECTIVE DATE

16.1 This Policy is effective April 1, 2023.

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SCHEDULE 1: GENERAL FUND

1. The General Fund is the primary account of QIA for its operational requirements. Unless deposited in a separate QIA fund or bank account established to receive such funds, all Revenues received by QIA shall be deposited to the General Fund to be allocated, transferred and/or spent in conformity with this Policy.
2. The General Fund shall be managed according to a zero-sum budgeting process.
3. The General Fund shall not be intentionally budgeted to accrue an annual deficit to promote or rely upon withdrawals from the Operational Contingency Fund or vice versa.
4. The General Fund may receive funding from the Operational Contingency Fund to balance annual deficits only in strict compliance with the terms and conditions of this Policy and Schedules.
5. The General Fund may not withdraw funds from the Operational Contingency Fund to balance annual deficits in three (3) consecutive Fiscal Years.
6. The General Fund must distribute funds in accordance with the provisions of the Revenue Allocation Policy.
7. QIA shall not carry unspent funds or unallocated Revenue in the General Fund between fiscal years. All unspent funds or unallocated Revenue in the General Fund shall be transferred to the Operational Contingency Fund.

SCHEDULE 2: OPERATIONAL CONTINGENCY ACCOUNT

1. The Operational Contingency Account is established to accrue surplus and unallocated funds for the purpose of providing QIA with operational stability during occasions of unanticipated reductions in revenue and/or QIA deficits. This account is referred to as the Operational Contingency Account. The Executive Committee may direct that amounts recorded to the Operational Contingency Account are to be held in a separate QIA bank account maintained for that purpose.
2. QIA shall aim to maintain a minimum of (100%) of the one-year budget of all NTI Core Funding and all Commercial Agreement revenue not otherwise allocated to the Community Resources and Opportunities or the QIA Legacy Fund as calculated from the most recent 5-year annual average of QIA's total budgeted expenditures. This is called the Operational Contingency Account Minimum Amount.
3. At the end of each QIA Fiscal Year accumulated revenue that exceeds the Operational Contingency Account Minimum Amount shall be allocated for spending in QIA's next Fiscal Year according to decisions of QIA's Board of Directors in accordance with the requirements of this QIA Revenue Allocation Policy.
4. For greater certainty when calculating the Operational Contingency Account Minimum Amount, QIA shall exclude subsidiaries and significantly influenced investments, Restricted Revenues under Commercial Agreements, Grants or Contribution Agreements and shall include all surpluses that have accumulated in the General Fund.
5. Money that accumulates within the Operational Contingency Account shall be invested and managed according to the Operational Contingency Account Investment Policy as approved, amended or replaced by the QIA Board of Directors from time to time.
6. The Operational Contingency Account Investment Policy shall have as one of its objectives a goal of achieving an annual Return on Investment equal to a minimum of the most recent Consumer Price Index (CPI) plus two percent (2%).

SCHEDULE 3: COMMUNITY RESOURCES AND OPPORTUNITIES

1. Community Resources and Opportunities exist for the purpose of ensuring a portion of QIA's Revenues are allocated for the benefit of communities, and, to allow each community to determine their preferred use of allocated resources.
2. Revenue allocated to Community Resources and Opportunities will be determined each year by QIA's Board of Directors in accordance with the provisions of the QIA Revenue Allocation Policy in each Fiscal Year.
3. The total amount of Revenue allocated to Community Resources and Opportunities is referred to as the Community Resources and Opportunities Allocation.
4. Community specific allocations will be determined according to the Community Resources and Opportunities Formula as described in Annex 1 to this Schedule.
5. The amount of Revenue allocated to each community shall be referred to as the Community Specific Allocation.
6. Spending decisions for each Community Specific Allocation shall be made under the authority of the QIA Community Director working with the local Community Lands and Resources Committee (CLARC), subject to compliance with QIA policies and procedures, including the QIA Revenue Allocation Policy and this Schedule 4 attached thereto.
7. The QIA Community Director is accountable to the QIA Board for all local spending decisions made for his or her community and for reporting thereupon, provided that QIA staff will provide support and guidance to each QIA Community Director to enable the fulfillment of these responsibilities, including annual reporting requirements. The QIA Community Director shall be entitled to rely on the advice of QIA staff as to the conformity of a spending decision with QIA policies and procedures and shall not be liable for any failure to comply with funding requirements where the failure is based on QIA staff advice.
8. Upon allocation, each community will have the opportunity to direct their Community Specific Allocation toward the following Community Spending Areas:
 - a. Augmenting community specific delivery of QIA Regional Programs,
 - b. Community Selected Programs
 - c. Community Proposed Opportunities
9. Communities can decide to spend on any one or all of the Community Spending Areas provided they do not exceed the Community Specific Allocation and there are no known, obvious or practical implications limiting the implementation of what has been decided.
10. Augmenting QIA's Regional Programs is generally expected to occur through adding a Community Specific Allocation together with the amount QIA would have otherwise allocated to the community for delivery of its Regional Programs. It is anticipated that QIA and the QIA Community Director may need to come to mutual agreement on how to best augment a Regional Program.
11. Delivery of Community Selected Programs shall be informed by the type of programs QIA is prepared to deliver according to both QIA capacity and the amount of resources available. It is anticipated that QIA and the Community Director may need to come to mutual agreement on how to best deliver a Community Selected Program.
12. Community Proposed Opportunities are intended to allow each community to act upon an opportunity to deliver benefits to Qikiqtani Inuit of that community.

13. All Community Proposed Opportunities require a project description submitted to QIA by the QIA Community Director.
14. All Community Proposed Opportunities shall include the following:
 - a. General description of the proposed activity or initiative.
 - b. How the proposed activity or initiative will benefit Qikiqtani Inuit of that community.
 - c. Confirmation that the community is responsible for the implementation and delivery of the proposed activity or initiative.
 - d. A clear description for whether and how the proposal is dependent upon QIA support, if any.
 - e. Letters of support from organizations and individuals in the community as appropriate.
15. It is anticipated that QIA and the QIA Community Director may need to come to mutual agreement on whether and how to best fund a Community Proposed Opportunities.
16. All Community Proposed Opportunities are the responsibility of the community and shall be developed and implemented locally without QIA support other than funding from the Community Specific Allocation, unless otherwise agreed by QIA.
17. The QIA Community Director may sponsor and/or encourage the development and submission of Community Proposed Opportunities proposals from community-based organizations and General Members of QIA for any of the following eligible recipients:
 - a. Community-based organizations, including Hamlets, in the Qikiqtani Region are eligible recipients of Community Resources and Opportunities funding.
 - b. Government departments, academics, Designated Inuit Organizations, as well as for-profit organizations are only eligible for Community Proposed Opportunities funding where they demonstrate partnership with one or more eligible recipients and upon the approval and recommendation from the QIA Community Director. The proposal must demonstrate the control and/or authority that Inuit residing in the community will have in project conception and delivery.
18. Communities are able to use Community Proposed Opportunities to leverage funding from other QIA or third-party sources of funding, including QIA subsidiaries.
19. Individual communities can work together to pool their respective allocation of Community Resources and Opportunities resources including but not limited to leveraging such money toward jointly developed proposals.
20. Applicants and/or eligible recipients are encouraged to leverage their own capital to support their application.
21. In general, the following types of applications shall be excluded from receiving money:
 - a. Those from political organizations or campaigns;
 - b. Those that are expressly for religious purposes (provided that proposals that are for the general benefit of the community may be eligible);
 - c. Those that demonstrate no benefit or very limited benefit to Qikiqtani Inuit residing in the community.
 - d. Operating expenses for established programs, or to cover existing capital deficits or debt repayment;
 - e. Retroactive funding for programs or initiatives that are already completed or underway;

- f. Those that in the opinion of the Community Director or QIA Executive Committee are or may be seen to replace or execute operational responsibilities of the municipal, territorial or federal governments; or
 - g. Those for which funding is available elsewhere.
22. The process for approving and releasing funds, including QIA verification of alignment with applicable Revenue Allocation Operational Procedures is summarized in Annex 2 of this Schedule.
23. Unspent Community Resources and Opportunities money may be accumulated for future recommended spending by a QIA Community Director up to a maximum of three consecutive QIA Fiscal Years.
24. Direct payments to or for the benefit of individuals of any kind, except by an eligible recipient as payment for the reasonable value of goods and/or services expressly described in the proposal, are not permitted under any circumstances including for Community Proposed Opportunities.
25. Implementation of this Schedule shall be guided by the Revenue Allocation Operational Procedures as approved by the QIA Board of Directors and as updated or amended by the QIA Board. The QIA Board of Directors may delegate specific authorities to the Executive Committee for the implementation of this Schedule as set out in the Revenue Allocation Operational Procedures.

Annex 1: Community Specific Allocation Formula

Each year QIA Revenue allocated for spending as Community Resources and Opportunities will be shared with each community according to the following formula:

A1.1 Eighty percent (80%) of all allocated Revenue shall be shared equally among all thirteen (13) Qikiqtani communities. This is referred to as the Base Amount.

A1.2 Twenty percent (20%) of all allocated Revenue shall be shared among all thirteen (13) Qikiqtani communities according to the Qikiqtani Inuit population of each community. This is referred to as the Population Amount.

A1.3 The Population Amount shall be determined by dividing the Qikiqtani Inuit population in each Qikiqtani community by the total Qikiqtani Inuit population of all thirteen (13) Qikiqtani communities to determine the relative percentage of Qikiqtani Inuit in each community. The percentage obtained for each community will then be used as the basis for allocating the Population Amount.

A1.4 Together the Base Amount and the Population Amount create the Community Specific Allocation applicable to each Qikiqtani community.

A1.5 In addition to the Community Specific Allocation a community may also receive money from other QIA Revenue sources including but not limited to Restricted Revenue and/or other types of community specific funding agreements. This is referred to as Community Specific Funding. Community Specific Funding shall be spent according to the provisions of this Schedule and subject to the terms and conditions (if any) of applicable Restricted Revenue and specific funding agreements.

A1.6 If the Community Specific Funding is equal to or greater than the Community Specific Allocation, QIA may amend the QIA Revenue Allocation Policy to support the community in management of such Revenue.

A1.7 In addition to the Base Amount, the Population Amount and Community Specific Funding, communities may also apply for and receive funding from other sources to support Community Proposed Opportunities.

Annex 2: Community Specific Allocation Funding Release Process.

A2.1 QIA's ability to release funds for use is contingent upon the following processes:

- a. QIA confirms the amount allocated to each community, including any carry forward amounts from previous years
- b. The QIA Community Director, in association with the Community Lands and Resources Committee (CLARC), shall develop and present a recommended use of the money allocated for their community which may include one or more Community Proposed Opportunities.
- c. A QIA staff member will review the recommendation for spending for compliance with the QIA Revenue Allocation Policy including this Schedule and any other applicable QIA policies, the Revenue Allocation Operational Procedures and any relevant guidelines, i.e. Regional Programs and Community Selected Programs.
- d. Where the verification process determines conformity with applicable QIA policies, procedures and guidelines the QIA Community Director will be informed and QIA will transfer and/or spend available money according to what was proposed by the QIA Community Director. In the case of a Community Proposed Opportunities application a funding agreement between QIA and a designated eligible recipient is required.
- e. Where the verification process results in an inconclusive or negative outcome the QIA Community Director will be informed and QIA staff will be made available to assist the QIA Community Director for the purpose of considering alternative options for consideration for using the Community Specific Allocations and Community Specific Funding.

SCHEDULE 4: QIA OPERATIONS

1. QIA Operations are the organizational actions and activities undertaken by or under the supervision of QIA's Board of Directors and staff for the purpose of serving Qikiqtani Inuit interests consistent with QIA's mandate, vision, and strategic priorities.
2. Activities referred to as QIA Operations are meant to accomplish at least one of the following objectives:
 - a. General operation and duties under the *Societies Act* and QIA By-Laws.
 - b. Operation and management of QIA's duties as a Designated Inuit Organization.
 - c. Enable QIA to provide Services, Programs, Community Resources and Opportunities, and Economic Diversification for Qikiqtani Inuit.
3. Each year QIA is required to allocate a portion QIA Revenues toward QIA Operations. The total amount of Revenue allocated to QIA Operations, in accordance with the provisions of the QIA Revenue Allocation Policy in each Fiscal Year, shall be referred to as the Operations Allocation.
4. The Operations Allocation shall be, without limitation, generally used by QIA for the following types of activities:
 - a. Governance and elections
 - b. Human resources, finance, communications and legal and professional services
 - c. Administration
 - d. Offices and associated costs
 - e. Travel and accommodations.
5. Additionally, the Operations Allocation shall also be used by QIA to address the following types of costs:
 - a. Negotiation, implementation and management of Commercial Agreements
 - b. Negotiation, implementation and management of Grants and Contribution Agreements and other funding agreements.
6. Unspent amounts of the Operations Allocation will be treated as an operational surplus and will be allocated to the Operational Contingency Account and further allocated in accordance with Schedule 2 (Operational Contingency Account of this Policy, unless prohibited according to the Revenue source.
7. When QIA enters into Grants, Contributions Agreements, Commercial Agreements, and other agreements it will seek to have all new operational costs covered by the agreement to the greatest extent possible.
8. QIA Operations will aim to grow Inuit capacity and maximize Inuit participation consistent with QIA's Human Resource Plan and related strategies.

SCHEDULE 5: QIA SERVICES

1. QIA Services are the organizational actions and activities undertaken or supervised by QIA's Board of Directors and staff for the purpose of serving the interests of Qikiqtani Inuit consistent with QIA's mandate, vision, and strategic priorities.
2. QIA Services shall be conducted to benefit Qikiqtani Inuit through societal improvements aimed at enriching cultural, social and economic well-being.
3. QIA Services are required to accomplish at least one of the following objectives:
 - a. Positively benefit Qikiqtani Inuit rights and values
 - b. Result in identifiable improvements to Qikiqtani Inuit cultural, social, and economic well-being.
 - c. Improve equity and fair distribution of opportunities within and between Qikiqtani communities and across generations;
4. QIA Services includes such actions and activities as:
 - a. Monitoring, management and enforcement of Inuit Owned Lands
 - b. Monitoring, management and enforcement of all Qikiqtani Inuit rights and associated responsibilities assigned to QIA by Nunavut Tunngavik Inc.
 - c. Operation and support for QIA Community Liaison Officers and all QIA offices.
 - d. Inuit specific political and policy advocacy and development.
 - e. Engagement with and participation in Inuit governance processes and with individuals, organizations and stakeholders of Inuit rights at the local, regional, national, and international level as appropriate.
 - f. Engagement with and participation in Government of Nunavut activities and activities of other territorial institutions as appropriate.
 - g. Engagement with and participation in Federal Government activities and activities of other federal institutions as appropriate.
 - h. Engagement with other third parties such as industry, non-governmental organizations, academic organizations and other third parties as appropriate.
5. The total amount of Revenue allocated to QIA Services, in accordance with the provisions of the QIA Revenue Allocation Policy including this Schedule in each QIA Fiscal Year, shall be referred to as the QIA Services Allocation.
6. Unspent QIA Services Allocation will be treated as QIA Revenue that is to be re-allocated according to the allocation process in this Policy.
7. If no Revenue is available for QIA Services due to reasons such as but not limited to the QIA Board of Directors not allocating Revenue towards QIA Services then QIA will not complete actions and activities related to QIA Services.
8. QIA Services may augment but shall not duplicate or replace government expenditures, services, or programs. Allocations and expenditures of the QIA Services Allocation shall not be made by QIA in areas where government has primary responsibility.
9. Modifications and improvements to QIA Services may occur following an Activities Review. Modifications and improvements to QIA Services should be approved by the QIA Executive Committee following an evaluation by the relevant QIA Department(s).
10. New QIA Services may be introduced following an Activities Review unless otherwise determined by the QIA Board of Directors. All new QIA Services should be approved following an evaluation by the relevant QIA Department(s).
11. Implementation of this Schedule shall be guided by the Revenue Allocation Operational Procedures as approved by the QIA Board of Directors and as updated or amended by

the QIA Board. The QIA Board of Directors may delegate specific authorities to the Executive Committee for the implementation of this Schedule as set out in the Revenue Allocation Operational Procedures.

SCHEDULE 6: QIA PROGRAMS

1. QIA Programs are the organizational actions and activities undertaken by QIA for the purpose of serving the interests of Qikiqtani Inuit consistent with QIA's mandate, vision, and strategic priorities.
2. QIA Programs are intended to support Qikiqtani communities and/or individuals.
3. The total amount of Revenue allocated to QIA Programs, in accordance with the provisions of the QIA Revenue Allocation Policy including this Schedule in each QIA Fiscal Year, shall be referred to as the QIA Annual Program Allocation.
4. The QIA Annual Program Allocation can include a variety of Revenues consistent with the requirements of this Policy. QIA Programs may receive both Restricted Revenue and Unrestricted Revenue.
5. QIA Programs will consist of the following types of programs:
 - a. QIA Regional Programs:

These programs shall be designed and delivered by QIA in all Qikiqtani communities. The scope and scale of QIA Regional Programs will be adjusted according to the QIA Annual Program Allocation.
 - b. Community Selected Programs:

These programs shall be designed and delivered by QIA upon the request of an individual community and based upon pre-developed programs QIA is able and prepared to deliver upon request. The scope and scale of Community Selected Programs will be adjusted according to each Community Specific Allocation.
 - c. Restricted Revenue Programs
These programs shall be designed and delivered by QIA according to the requirements associated with their revenue source, i.e. Grant, Contribution Agreement, Commercial Agreements or other funding agreements.
 - d. QIA Programs are required to accomplish at least one of the following objectives, subject to any restrictions related to the source of the Revenues used;
 - i. Positively benefit as many Qikiqtani Inuit as possible;
 - ii. Ensure equity and fair distribution of benefits within and between Qikiqtani communities and across generations;
 - iii. Support the economic self-sufficiency of Qikiqtani Inuit or support reaching eventual self-sufficiency so that financial support is no longer needed; and/or
 - iv. Make a specific and measurable contribution to a Qikiqtani community.
6. All QIA Programs shall provide a direct benefit to Qikiqtani Inuit, with a primary focus on the General Members of QIA.
7. QIA Regional Programs and Community Selected Programs shall align with Key Themes, which are the area(s) that shall be identified by the QIA Board of Directors to focus the development and delivery of QIA Programs.
8. Key Themes shall be selected by the QIA Board of Directors once every four-years at the QIA Annual General Meeting, commencing upon QIA's Annual General Meeting in 2023 whereupon the Key Themes selected shall take effect April 1, 2024. QIA's current Key Themes and QIA Programs will continue until March 31st, 2024.

9. The Executive Director is responsible for ensuring that QIA completes a Key Themes Review and presents a Key Themes Review Report to the QIA Board of Directors prior to the selection of Key Themes.
10. Community engagement is required for each Key Themes Review for the purpose of providing the opportunity to General Members of QIA to advise on the Key Theme(s) and suitable QIA Programs. For greater certainty, the QIA Board shall retain unfettered discretion on the selection of Key Themes and QIA Programs following community engagement.
11. The Key Themes Review Report shall be presented to the Board of Directors with sufficient notice to allow this report to be considered prior to selecting Key Themes. The first Key Themes Review shall commence not later than April 1st, 2023 and the Key Themes Review Report shall be presented to the QIA Board of Directors no later than August 1st, 2023 for selection of Key Themes at the 2023 QIA Annual General Meeting. Key Themes Reviews every four-years thereafter shall commence not later than April 1 of the applicable QIA Fiscal Year for presentation of the Key Themes Review Report to the QIA Board no later than August 1 of the same QIA Fiscal Year and final selection at the then next ensuing QIA Annual General Meeting held during the same QIA Fiscal Year.
12. Individual QIA Programs are expected to have program specific guidelines and/or general requirements which must be followed and also comply with this Policy and this Schedule.
13. Carry-over of unspent funds allocated for QIA Programs is permitted provided there are no known requirements that would otherwise restrict or limit QIA's ability to do so, i.e. Grant or Contribution Agreement or other Restricted Revenue requirements.
14. If not otherwise stated, and, in the absence of any restrictions a QIA Program may carry-over Revenue for a period of one-year after which such Revenue shall be re-allocated according to the allocation process in this Policy.
15. Carry-over of unspent Community Specific Allocations are possible provided QIA follows the provisions of Schedule 4 related to carry-overs.
16. If no Revenue is available for the QIA Annual Program Allocation, then QIA will not deliver any QIA Regional Programs in that given QIA Fiscal Year.
17. If no Revenue is available for the QIA Community Specific Allocation, then QIA will not deliver any QIA Community Selected Programs in that given QIA Fiscal Year.
18. For greater certainty, the Operational Contingency Account cannot be used as a Revenue source for QIA Programs.
19. QIA Programs may augment but shall not duplicate or replace government expenditures or programs.
20. Modifications and improvements to QIA Programs should be approved by the QIA Executive Committee following evaluation by the relevant QIA Department(s) and taking into consideration the most recent Activities Review and Key Themes Review.
20. For greater certainty, replacing or discontinuing a QIA Program may only occur following a Key Themes Review, unless otherwise expressly approved by the QIA Board of Directors.
21. Implementation of this Schedule shall be guided by the Revenue Allocation Operational Procedures as approved by the QIA Board of Directors and as updated or amended by the QIA Board. The QIA Board of Directors may delegate specific authorities to the Executive Committee for the implementation of this Schedule as set out in the Revenue Allocation Operational Procedures.

SCHEDULE 7: QIA ECONOMIC DIVERSIFICATION

1. Economic Diversification as described in this Policy including this Schedule is to support QIA to develop and manage strategic projects that contribute to economic self-sufficiency of Qikiqtani Inuit through time, in a manner consistent with Inuit social and cultural needs consistent with QIA's Strategic Objectives.
2. The types of activities and projects that are eligible for Revenue allocation under this Policy include the following:
 - a. QIA investments for the purpose of developing Inuit Owned Lands
 - b. QIA investments in revenue earning projects, activities, and initiatives
 - c. QIA investments in projects and activities that offer QIA and Inuit a leadership / decision-making role which would not otherwise occur without such investments
 - d. QIA investments in infrastructure including projects for which financial return on investment may not be the primary objective
 - e. QIA investments in emerging opportunities and emerging industries where Inuit are positioned to benefit economically
 - f. Activities, projects, and initiatives not traditionally funded by or which are not the responsibility of any form of Government
3. Revenue allocated for the purpose of Economic Diversification initiatives, including a One-Time Allocation as described in the QIA Legacy Fund Policy, is referred to as the Economic Diversification Allocation.
4. An Economic Diversification Allocation may be directed toward the development and assessment of pre-feasibility and feasibility studies and related assessments to better inform QIA's understanding of potential activities and projects.
5. Prior to an Economic Diversification Allocation being used to fund the construction, operation or existence of a project or undertaking, appropriate pre-feasibility and/or feasibility studies shall be presented to the QIA Board of Directors for consideration, direction and approval.
6. Prior to the approval of an Economic Diversification Allocation, QIA shall engage affected communities directly where a particular activity or project relates to a specific Qikiqtani community or group of communities.
7. All Economic Diversification Allocations must be approved by the QIA Board of Directors.
8. Implementation of this Schedule shall be guided by Revenue Allocation Operational Procedures as approved by the QIA Board of Directors and as updated or amended by the QIA Board. The QIA Board of Directors may delegate specific authorities to the Executive Committee for the implementation of this Schedule as set out in the Revenue Allocation Operational Procedures.

SCHEDULE 8: ANNUAL REPORTING

1. The QIA Annual Report shall include, at a minimum, the following:
 - a. A summary of QIA's Annual Monitoring Report;
 - b. A summary of QIA's most recent audited financial statements and the audit report; QIA shall ensure that summaries of QIA's financial statements are consistently developed and presented to permit ease of review among Annual Reports;
 - c. The budgeted amount for each allocation and the actual amount spent according to the categories of: Operations, QIA Services, QIA Programs, Community Resources and Opportunities, QIA Economic Diversification, and the Legacy Fund in conformity with the requirements of the Legacy Fund Policy.
 - d. A statement of the amount of Revenue or other assets received by QIA according to each Revenue source during the period covered;
 - e. A statement of any debts owed by QIA including the value of any debts and to whom such debts are owed;
 - f. A statement of all QIA investments, other than those associated with the Legacy Fund, including the cost and market values of each investment at the beginning and at the end of the period covered;
 - g. A description of all QIA investment activity, other than those associated with the Legacy Fund, during the period covered by the Annual Report;
 - h. A comparison of QIA's investment performance of funds allocated under this Policy, other than funds allocated to the Legacy Fund, relative to the objectives of this Policy including its Schedules and any investment policies associated with the funds or saving rules under this Policy, including the Operational Contingency Account Investment Policy; for greater certainty the investment performance of funds allocated under this Policy, other than the Legacy Fund, shall be conducted separately from the performance review of the Legacy Fund pursuant to the Legacy Fund Investment Policy;
 - i. An estimated timeline to reaching the savings objectives of all funds;
 - j. Updates to annual Revenue sources including any changes relative to the most recent 5-year annual average for the same revenue sources;
 - k. A summary of any new agreements or amendments to existing agreements QIA has approved and a description for how each agreement relates to the QIA Revenue Allocation Policy, i.e. a new Revenue source, a Restricted Revenue source etc. and any contributions to new Revenues.
 - l. All annual reporting requirements of the Saimaqatigiingniq Fund as required by Schedule 3 of this Policy.
 - m. A summary of QIA's Activities Review, if completed in the same QIA Fiscal Year being reported upon. At a minimum this should include a summary the following:
 1. The Activities Review process and recommendations;
 2. Changes to initiatives; and
 3. Amendments or proposed amendments to this QIA Revenue Allocation Policy including its Schedules.

- n. A summary of QIA's Policy Performance Review, if completed in the same QIA Fiscal Year being reported upon. At a minimum this should include a summary the following:
 - 4. The Policy Performance Review process and recommendations;
 - 5. Amendments or proposed amendments to this QIA Revenue Allocation Policy including its Schedules; and
 - 6. Other information that may be of interest to Qikiqtani Inuit.
- o. A summary of all amendments to this QIA Revenue Allocation Policy, whether or not the amendment is related to an Activities Review or a Policy Performance Review, including explanation as to the objectives and rationale for the amendment and the implications to QIA and General Members of QIA.
- p. All annual reporting requirements as required by the QIA Legacy Fund Policy.
- q. Any other information the QIA Board believes would be of interest to the General Members of QIA and the public.

SCHEDULE 9: REVIEW AND CONTINUOUS IMPROVEMENT

1. General Provisions
 - 1.1 QIA will implement a Continuous Improvement model to monitor, report, and evaluate, this QIA Revenue Allocation Policy including its Schedules against its objectives and in accordance with its rules.
 - 1.2 The Continuous Improvement model will:
 - a. Focus on the organization and programs not individuals.
 - b. Use criteria based on organizational values and appropriateness.
 - c. Apply criteria thoughtfully to support high quality, useful evaluation.
 - d. Select criteria based on the purpose of the evaluation. Criteria selected should be specific to QIA's Continuous Improvement goals.
 - 1.3 Criteria used for Continuous Improvement shall consider the following:
 - a. Relevance
 - i. Is the program doing the right thing?
 - b. Harmony
 - i. How well does the program fit?
 - c. Effectiveness
 - i. Are the program targets being met?
 - d. Efficiency
 - i. Are QIA's resources being used well?
 - e. Impact
 - i. Is the program making a difference?
 - f. Sustainability
 - i. Will the outcomes last?
 - 1.4 There are three distinct but related levels in the Continuous Improvement model.
 - a. Ongoing/Annual Monitoring for each individual QIA Services, QIA Programs, Community Resources and Opportunities, and Economic Diversification initiatives.
 - b. Activities Reviews, every 4-years, to comprehensively assess QIA's revenue allocation activities as a whole, including subsidiaries as appropriate.
 - c. Policy Performance Reviews for the effectiveness and appropriateness of this QIA Revenue Allocation Policy including its Schedules and all associated components.
 - 1.5 The Continuous Improvement model will enable QIA to:
 - a. Understand how Revenues are used for the benefit of Qikiqtani Inuit;
 - b. Ensure QIA activities and investments are aligned with QIA's mission, vision and strategic objectives;
 - c. Support annual planning and budget processes and decision-making;
 - d. Provide Qikiqtani Inuit with transparency and accountability regarding QIA activities and initiatives;

- e. Support sustainable long-term delivery of Services and QIA Programs together with improving the economic self-sufficiency of the Qikiqtani Region.
- 1.6 Monitoring activities associated with this Schedule and applicable Revenue Allocation Operational Procedures will be incorporated as priorities in QIA's annual planning process.
 - 1.7 Monitoring will be done against targets and using measures aligned with QIA's strategic objectives.

2. Annual Monitoring

- 2.1 Each of the spending components of this QIA Revenue Allocation Policy will be actively monitored on an ongoing basis not less than annually.
- 2.2 The QIA Executive Director is responsible for ensuring an Annual Monitoring Report is developed each year. The Annual Monitoring Report shall include information and summaries from all Individual Monitoring Reports developed for each individual activity, initiative, or project of the QIA Services, QIA Programs, Community Resources and Opportunities, and Economic Diversification.
- 2.3 The Executive Director may delegate responsibility for Individual Monitoring Reports to specific QIA Community Directors as appropriate, i.e. to the QIA Community Director or Directors responsible for delivering QIA's desired outcome. A QIA staff person will be appointed for the purpose of preparing Individual Monitoring Reports for all Community Resources and Opportunities through engagement with QIA Community Directors and QIA Community Liaison Officers.
- 2.4 The Annual Monitoring Report shall detail how QIA's Annual Budget was delivered over the course of the year, provide any recommendations for adjustments to delivery, to associated monitoring and evaluation efforts and/or to applicable Revenue Allocation Operational Procedures.
- 2.5 The Annual Monitoring Report will be used by the Executive Director to inform the QIA Annual Report and to support subsequent annual planning, budgeting and Revenue allocation efforts.
- 2.6 The results of annual monitoring may be used by the Executive Director to adjust allocations and work plans related to QIA Services, QIA Programs, Community Resources and Opportunities initiatives, or investment in Economic Diversification initiatives.
- 2.7 The Annual Monitoring Report may not be used as the sole grounds for significantly reducing or terminating a QIA Service, QIA Program, Community Resources and Opportunities initiative, or investment in an Economic Diversification initiative.
- 2.8 **QIA Services and QIA Programs**
- 2.9 QIA will monitor, evaluate, and report on each QIA Service and QIA Program that is resourced pursuant to this Policy through QIA's Annual Budget.
- 2.10 Individual Monitoring Reports shall be prepared for each Service area/function and Program, and will include but not be limited to:
 - i. Staff resources dedicated to QIA Service or QIA Program delivery;
 - ii. Cost to deliver the QIA Service or QIA Program;
 - iii. Alignment with relevant project plans, schedules and timelines;
 - iv. Impacts (i.e., outputs and outcomes) specific to each Service or Program;

- v. Community participant/satisfaction, where appropriate, and
 - vi. Alignment with QIA's mission, vision, and strategic objectives.
- 2.11 Departmental Director(s) of the QIA department(s) that deliver the QIA Service or QIA Program are responsible for evaluating success, both in terms of outputs and outcomes, and also the effectiveness of delivery, and for issuing recommendations for improvement where appropriate.
- 2.12 Departmental Director(s) responsible for the QIA Service delivery will produce a report for the Executive Director which details how the Service was delivered over the course of the year, and which provides any recommendations for adjustments to delivery, to associated monitoring and evaluation efforts, and/or to Revenue Allocation Operational Procedures.
- 2.13 **Community Resources and Opportunities**
- 2.14 Individual Monitoring Reports shall be prepared for each community and shall be separately prepared for all QIA resourced initiatives, and at a minimum will include:
- i. Community-based delivery models;
 - ii. Cost to deliver the program or initiative;
 - iii. Impacts to Qikiqtani Inuit (outputs and outcomes);
 - iv. Community/participant satisfaction;
 - v. Alignment with QIA's mission, vision and strategic objectives
- 2.15 Where communities opt to use some or all of a Community Specific Allocation to augment, expand or otherwise supplement an existing QIA Program, QIA will work with the QIA Community Director and QIA Community Liaison Officer to highlight the relative impacts of the additional funding.
- 2.16 The departmental Director of the QIA department that oversees and supports community-based revenue spending will support the QIA Community Directors and CLARCs as appropriate in evaluating the success of Community Resources and Opportunities programs and initiatives as well as the effectiveness of program delivery models governance structures, and for issuing recommendations for improvement where appropriate.
- 2.17 The departmental Director(s) of the QIA department(s) that oversee and support the Community Resources and Opportunities programs and initiatives are responsible for producing the Community Resources and Opportunities parts of the QIA Annual Report for the Executive Director. QIA Community Directors and Community Liaison Officers are expected to support and facilitate the development of annual reporting specific to their community.
- 2.18 Community Resources and Opportunities parts of Annual Reports detail how the programs and initiatives were delivered in their respective communities over the course of the QIA Fiscal Year, and provide recommendations for adjustments to delivery, to associated monitoring and evaluation efforts, and/or to Revenue Allocation Operational Procedures.
- 2.19 Community Resources and Opportunities parts of Annual Reports may also contain additional insight and feedback from the CLARC.
- 2.20 Community Resources and Opportunities parts of Annual Reports are to be produced even if a particular community does not use Revenue allocated by QIA in that QIA Fiscal Year. In such a case the reason for not using allocated Revenue will be documented in the report, i.e. resources may be rolled-over to support larger activities and initiatives.
- 2.10 **Economic Diversification**
- 2.21 QIA will evaluate each Economic Diversification initiative that receives Revenue pursuant to this Policy through QIA's Annual Budget.

- 2.22 Individual Monitoring Reports will be specific to each initiative, but will include and not be limited to:
- i. Amount of QIA's Revenue allocation;
 - ii. Staff resources dedicated to the initiative;
 - iii. Pursuit of additional funding and/or in-kind support;
 - iv. Partnership development;
 - v. Community/regional impact, anticipated and realized;
 - vi. Alignment with QIA's mission, vision, and strategic objectives.
- 2.23 The QIA Executive Director or a designate is responsible for monitoring each Economic Diversification initiative, and for ensuring that QIA's ongoing involvement and efforts are appropriate relative to its current or future impact on Qikiqtani Inuit and are distributed equitably across the Qikiqtani Region.
- 2.24 The Executive Director, or designate, will ensure that Individual Monitoring Reports are produced which detail how each QIA investment in an Economic Diversification initiatives is working to benefit Qikiqtani Inuit.
- 2.25 An Individual Monitoring Report shall be produced even if there are no active Economic Diversification initiatives in that year, and the reason for not using allocated Revenue will be documented in the report.

3. Activities Review

- 3.1 Once every four (4) years, QIA will undertake an Activities Review for the purpose of evaluating the effectiveness of QIA's Revenue spending allocations against their stated objectives, and determining whether the current QIA Services, QIA Programs, Community Resources and Opportunities and Economic Diversification initiatives remain responsive to the needs and preferences of Qikiqtani Inuit.
- 3.2 The Activities Review will include:
- a. An assessment of programs and initiatives which shall evaluate QIA Services and QIA Programs based upon criteria developed in accordance with the this Schedule and applicable provisions of this Policy, and shall consider the results and recommendations of the Annual Monitoring Reports issued during the previous four (4) year period.
 - b. An assessment of Key Themes and the Key Themes Review Report which shall evaluate the appropriateness and effectiveness of QIA's Key Themes for Revenue spending. The Key Themes Review and Key Themes Review Report as described in Schedule 7 of this Policy may be conducted and prepared in conjunction with an Activities Review.
 - c. An assessment of the operational effectiveness which shall evaluate QIA's organizational capacity and overall performance for the purpose of assessing organizational success and opportunities for improvement in delivering Services, Programs and benefits to Qikiqtani Inuit.
- 3.3 As a key component of the Activities Review, QIA will engage General Members of QIA and all communities with respect to awareness, satisfaction and overall QIA performance of QIA Services, QIA Programs, Community Resources and Opportunities, and Economic Diversification initiatives.

- 3.4 An Activities Review may include activities associated with QIA's subsidiaries insofar as their activities relate to funding provided from QIA Revenues allocated for a specific purpose or objective of this Policy and/or any associated sub-policy or activities associated with QIA's Strategic Objectives.
- 3.5 The QIA Executive Director is responsible for presenting the results of the Activities Review to the QIA Board, no later than the end of the calendar year in which the Activities Review commences.
- 3.6 The results of an Activities Review may result in minor amendments to this Policy and associated Schedules and Revenue Allocation Operational Procedures.

4. Policy Performance Review

- 4.1 At a minimum once every eight (8) years, or when the Legacy Fund Savings Objective is achieved whichever occurs first, a Policy Performance Review shall be conducted for the purposes of evaluating the effectiveness of this QIA Revenue Allocation Policy, and all associated Schedules and all Revenue Allocation Operational Procedures in meeting their objectives.
- 4.2 Results from Activities Reviews and Annual Monitoring Reports are key components of a Policy Performance Review.
- 4.3 A Policy Performance Review is distinct from and does not replace an Activities Review completed in the calendar year in which a Policy Performance Review is conducted.
- 4.4 The following stakeholders will be engaged during a Policy Performance Review:
 - a. General Members of QIA residing in the region
 - b. QIA Board Members
 - c. QIA Staff
 - d. Technical and legal support
- 4.5 A Policy Performance Review includes an evaluation of adherence to and effectiveness of the Global Rules, Spending Rules and Savings Rules described in this Policy and its Schedules. This includes, but is not limited to:
 - a. Allocation model and practice
 - b. QIA use of the Operational Contingency Account.
 - c. Increases or decreases to QIA Revenue
- 4.6 The QIA Executive Director is responsible for presenting the results of the Policy Performance Review to the QIA Board, no later than the end of the calendar year in which the Policy Performance Review commences.

5. Revenue Policy Operational Procedures

The Revenue Policy Operational Procedures shall be reviewed and updated regularly as part of Continuous Improvement. Amendments to any part of the Revenue Policy Operational Procedures may be approved by the QIA Board at any time or as the result of an Activities Review or a Policy Performance Review. At a minimum the Revenue Policy Operational Procedures shall provide procedures for the following components:

- 1. QIA Annual Monitoring and Reporting
- 2. QIA Services Individual Monitoring and Reporting
- 3. QIA Programs Individual Monitoring

4. QIA Community Resources and Opportunities Individual Monitoring and Reporting and
QIA Economic Diversification Individual Monitoring and Reporting
5. QIA Revenue Allocation Policy: Activities Review
6. QIA Revenue Allocation Policy: Policy Performance Review