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Budget submission guidance

Settlement Program - Budget submission details

This will help you with Section 7: Budget in the [Partner Portal](#) application for funding form.

A few points to note:

- Only costs listed below are eligible under CFP 2019
- Only complete sections that apply to you
- It is important that the overall cost of your project be as accurate as possible
- Successful applicants may be asked to provide additional budget details
- When providing budget details, please note that IRCC will fund its proportionate share of the total costs (for example, if you are proposing that an employee is to work only 30% of his/her time on the project, IRCC will fund up to 30% of the salary cost)
- Where costs are to be shared among different funders and/or projects, a cost allocation matrix/model is required to ensure the fair share of cost distribution. This should include the methodology used to determine cost drivers (for example, square footage, full-time

equivalents, level of funding, etc.) and the breakdown by funders (including IRCC's share)

Eligible costs for the Settlement Program

Salaries, wages and benefits

IRCC contributes toward the proposed expenses related to the **position** providing services under a contribution agreement, not the **person**. This means that IRCC will contribute to the costs of a position, for example a language instructor. If the person hired for this position were to take maternity leave, IRCC would no longer contribute to their salary costs. IRCC would contribute to the cost of replacement staff.

Gross salaries and wages

- The IRCC salary contribution will match the prevailing rate for jobs at a similar level in the local labour market. IRCC will limit its contribution in cases where it determines the recipient is paying above market wages
- When preparing the budget form, each part-time and full-time position, if applicable (including those at different wage levels in the same job), should be listed by job title grouping multiple personnel in the same category (for example, 50 language instructors). The rates of pay, hours of work per week and number of weeks (or any other frequency based on the pay frequency) should be listed for each position. For full-time positions, either fully or partially funded by IRCC, where salary is based on an annual rate, the annual salary (pro-rated, if applicable) should be listed. In addition, for shared costs, the percentage of IRCC's portion should be clearly stated
- Vacation pay and paid leave are eligible expenses; however, IRCC will **not fund both** for an individual employee, only one or the other

- **Vacation pay** is expressed as a percentage of the wages or salary which is paid to the employee every pay period OR as a lump sum payout annually. Where there is no collective agreement, provincial/territorial rates can be consulted when establishing the basis for vacation pay. For temporary/casual employees, earned vacation pay is generally included as part of their regular pay and therefore do not receive any pay when they are on leave/vacation
- **Paid leave** represents vacation time off earned by employees as they work
- Overtime is only paid in exceptional circumstances and therefore should not be included in the budget submission
- For language instructors, the time required for Portfolio-Based Language Assessment (PBLA) training and implementation should be guided by the following estimates of time required to implement the PBLA in LINC classes:
 - Lead teachers will require 5 hours per week ¹ on an ongoing basis to:
 - participate in the initial 12-week online PBLA training (note: in some locations a one day in-person workshop may replace one week of training)
 - apply the PBLA in their classroom
 - train their colleagues on how to implement the PBLA
 - support their colleagues in the implementation of PBLA in all classes
 - Classroom teachers will require the equivalent of 4 days over the course of 5 to 6 months to receive PBLA training from the Lead Teachers
 - For an initial period of up to 2 years it is likely that classroom teachers will require additional preparation time ² to introduce

PBLA practices

- Provides classroom teachers with the equivalent of 4 hours per term to conduct student language assessments and improve their assessment

Mandatory employment related costs (MERCs)

- In the budget submission, describe the MERCs and other benefits that will be provided and the average percentage of wages these represent
- MERCs are costs that employers are required to pay based on federal and provincial/territorial laws
- Under Canadian federal law, MERCs include employment insurance (EI) and Canada Pension Plan (CPP)
- Vacation pay (if paid vacation is not provided as part of benefits) is mandatory in all provinces and territories. Provinces and territories may also require such things as workers' compensation (for example, Workplace Safety and Insurance Board in Ontario), health taxes (for example, Employers Health Tax (EHT) in Ontario), Worker's Compensation (for example, Workplace Safety and Insurance Board (WSIB) in Ontario), education taxes, provincial pension plans; etc.
- The budget submission should identify the specific MERCs for which funding is being sought
- Statutory holidays will be funded according to the employment standards of the province or territory. These must be identified in the employer's personnel policy or equivalent

Other benefits

- Discretionary benefits as per the employer's personnel policy or equivalent, may include:
 - medical insurance plans
 - dental insurance plans

- life insurance
- private pension plans or registered retirement savings plans (RRSPs)
- Discretionary benefits must be offered to all staff under the employer's personnel policy or equivalent, not solely to those staff members working on the project which is to be IRCC funded
- Typically not all employees will take full advantage of all these benefits (for example, some employees might decline one or more health care benefits if they are covered under a spousal plan). The budget submission should reflect an amount that corresponds to the rate of uptake. IRCC is not mandated to contribute 100% of these benefits

Ineligible salaries, wages and benefits

- Pay in lieu of benefits
- Employee benefits not administered by a third party
- Severance pay (except if legislated mandatory employer cost)
- Long-term disability (IRCC can require that the recipient specify what is meant by 'short term' in their HR policy. Where there is no provision for this in the HR policy, IRCC defines long-term as greater than 8 weeks)
- Any forms of remuneration for board of directors
- Payroll penalties (as assessed by the Canada Revenue Agency (CRA) or other bodies)
- Staff bonuses
- Salary costs related to union activities
- Paid lunch breaks (except if legislated mandatory employer costs)
- Retroactive salary adjustments and signing bonuses resulting from collective agreement bargaining (unless within funding period)

- Claims for sick-days that employees have accumulated, but not used, are not eligible (that is, pay-out of unused sick-leave is not an eligible expense)
- Extra costs resulting from paid leave, except for eligible replacements for language instructors and child care providers and lead teachers. Estimated costs for sick leave replacements should not be included in the CA budget, as this can often be managed with slippage and may not be required. Long term sick leave is not eligible
- Costs associated with staff retention and recognition
- Maternity or parental leave, except if required by legislation

Training and professional development

- Professional development activities must be directly related to the activities and objectives of the project as well as improve staff performance in the delivery of programs
- Eligible costs include tuition and registration fees
- IRCC will contribute towards the salary costs when an employee is on training

Ineligible training and professional development costs

- Training and professional development that is directed towards capacity building (for example, employees hired for a position should have the skills required to perform the duties of said position)
- Costs for replacement employees hired to work during a training activity, with the exception of replacements for LINC instructors, childcare providers and lead teachers when performing Portfolio Based Language Assessment activities

Travel and accommodation costs

- Employees and volunteers can claim for travel that is directly related to delivery of the project, including travel for professional development, workshops, conferences, training and field trips that are part of the curriculum done **in lieu** of class time
- Travel must be considered necessary and reasonable for the provision of services, as determined by the Department
- Travel should be by the least costly method considering time and expense – mileage, taxi, rental, airfare, etc.
- Travel is restricted to economy class and alternatives to travel must be considered first
- Eligible costs include transportation, meals, incidentals and accommodation during travel status, specifically related to the delivery of the program, for employees and volunteers only
- IRCC will fund the lesser of the rate outlined in the:
 - recipient's internal travel policy, **or**
 - National Joint Council Travel Directive (meals and incidentals up to the allowances set out in the Directive). Note that mileage rates include GST/HST. Recipients may separate out GST/HST costs if they wish to claim it separately

Ineligible travel and accommodation costs

- International travel ³
- Travel costs for executive or board meetings
- Employee travel from home to work

Delivery assistance tools and materials

- Delivery assistance tools and associated costs must support direct service delivery to clients
- IRCC will fund photocopying or printing costs of non-copyrighted and copyrighted material approved for copying which related directly to

program delivery (for example, handouts to newcomers)

- For ongoing programs, IRCC will fund textbooks and other instructional material to augment existing delivery materials or to replace what is outdated broken or unusable. For new programs IRCC will fund the development or purchase of new delivery tools and materials

Note

- Other photocopying or printing is normally included in administration costs
- General stationery and/or materials used for delivery assistance (for example, pens, pencils, paper, etc.) are always to be included in administration costs

Research

- Research for projects that develop a policy or program as an outcome (that is, indirect services) or for direct service projects
- Honoraria for participants in focus groups are eligible
- Consultant costs are to be included as 'professional and consultant fees'

Conferences and workshops

- Costs related to the organization of conferences, workshops and professional development days such as logistics and venue; costs for attendees to travel to these events are to be identified as travel costs
- Honorariums payable to speakers at conferences and workshops
- Food and/or refreshments for meetings, workshops, conferences and receptions
- Food and beverage should always be the minimum necessary to accomplish the objective. The most common forms include:

- meals (food and non-alcoholic beverages offered as breakfast, lunch and/or dinner)
- refreshments (snacks and/or non-alcoholic beverages served between meals) and as part of meetings, reception, workshops and conferences
- Food and beverages should be the lesser of the:
 - recipient's policy on food and beverages, or
 - TB Policy on Travel, Hospitality, Conference and Event Expenditures

Not eligible

- Purchase of alcoholic beverages or illegal substances
- Food and beverage for staff functions and events
- Employee food (breakfast, snack, lunch, etc.)
- Food and beverages routinely offered during training courses or recurring/regular meetings
- Food and beverages for field trips
- Food and beverage for meetings with public servants

Publicity

Includes costs related to publicity, purchase of promotional items and advertising to market or promote a particular service funded by IRCC, but not to promote the recipient organization itself.

Professional and consultant fees

- Costs included by partner organizations in support of the CA with IRCC can incorporate both salary and non-salary costs of that organization and are to be claimed under this line item Support for these costs should be based on an agreement between the partner organization and the recipient holding the CA with IRCC

- Direct program/project costs such as translators, interpreters, subject matter experts, third party evaluators, and computer consultants

Note

- Professionals and consultants are not employees. Therefore, MERCs or mandatory salary related costs and other benefits do not apply
- Computer maintenance plan costs are not professional fees, but rather are included as an administrative cost

Copyright fees

Fees related to approval of duplication/printing of copyrighted materials.

Support services

- Support services include client transportation, translation and interpretation, provisions for disabilities, short-term counselling and child care.
- Support services, including child care, are normally limited to a maximum of 20% of the value of the contribution agreement

Translation and interpretation

- Costs associated with translation of written documents (for example birth certificate, educational transcripts)
- Costs associated with an oral interpretation service which is essential to a client's immediate needs (for example, to enable communication with service provider staff or school staff)
- These costs would generally be listed under salary, wages and benefits or professional and consultant fees

Provisions for disabilities

- Costs to allow a client with a physical or learning disability to participate in IRCC-funded Settlement programming are eligible and include up to \$1,000 worth of equipment, as well as non-equipment provisions and arrangements, such as special training materials and software (for example, Braille or large print material). This include interpretation costs to support communication between the deaf or hearing-impaired clients and recipient staff
- Provisions and arrangements over \$1,000 are considered capital expenditures; refer to the Capital expenditures category under costs related to arrangements and devices for eligible clients with disabilities
- Provisions and arrangements under \$1,000 would generally be listed under overhead costs

Child care

- Child care can be short-term, long-term or a combination of the two
- Child care can include costs for:
 - unlicensed care that conforms with CMAS standards
 - buying licensed spaces for children, if onsite services are not available
- Salaries and wages for child care staff to care for children, including set-up as well as clean-up time before and after the program on a daily basis as well as other related costs

Client transportation

Transportation costs such as bus tickets or transportation tokens are eligible for clients who might otherwise have difficulty in attending settlement programming. Exceptions will be considered when other modes of transportation are necessary due to lack of public transportation, for example, transportation costs such as taxis, car rentals or the cost to run

vehicles are eligible where public transportation is not available or is not feasible. Recipients' staff may claim mileage – please refer to the National Joint Council kilometric rates

Short-term counselling

Costs associated with short-term counselling would generally be listed under salary, wages and benefits or professional and consultant fees.

Overhead costs (other non-salary program delivery costs)

Other incremental costs directly related to program activities/delivery, excluding all “costs associated with administration” listed above.

Includes:

- Rental of office space, utilities and equipment associated with program delivery
- Communications costs directly related to program delivery such as internet access and telephone landlines that are used to deliver online classes, conference calls/telephone lines used to conduct surveys
- Communication costs not directly related to program delivery are to be claimed under the administrative category. Recipients are to use the **principles outlined below** to help them determine whether communication costs should be listed under administrative or program delivery
 - Administrative: Costs for telephone lines used to schedule appointments and respond to general enquiries, including costs to connect program delivery staff workstations to the internet and/or telephone
 - Program delivery: Communication costs solely related to program delivery (for example, a teleconference line to conduct focus groups for an indirect service)

- Organizational membership/association fees associated with program delivery
 - Support for the maintenance of individual worker's credentials is not eligible
- Specific insurance costs related to delivery activities (for example, child care)
- Volunteer recognition awards (for example, plaques) for IRCC funded programs
- Security costs directly related to the delivery of a specific activity, rather than the project as a whole

Capital expenditures

- Necessary costs to the operation of the program for capital assets such as computers, licensing fees, furniture, other tangible property, purchased and/or leased (with option to buy). It also includes leasehold improvements as well as costs for arrangements and devices for eligible clients with disabilities
- Any assets costing more than the equivalent of \$1,000 CAD should be included in the capital category
 - Multiple items of one kind costing more than \$1,000 CAD are to be considered capital, even if less than \$1,000 CAD individually (for example, desks/tables and chairs for classes)
 - Components: items that work together to make a whole are to be considered capital even if each item taken individually is less than the equivalent of \$1,000 CAD (for example, a computer, printer, screen, keyboard)
- Leased assets are to be considered capital if there is an option to buy in the lease agreement and if there is reasonable expectation that the lessee will obtain ownership at the end of the lease agreement

- **Maximum to be funded by IRCC:** There are two thresholds to be aware of with regard to capital expenditures, which should be considered in the following order (all costs refer to the Canadian dollar equivalent):
 1. The department will reimburse capital expenditures up to and including 15% of the total direct program delivery expenditures
 2. Within this 15% threshold, the department will not reimburse capital expenditures in excess of 50% of the total direct program delivery in any given fiscal year

The following table demonstrates a few scenarios in which the above are applied:

	Fiscal Year 1 (Capital Expenditures)	Fiscal Year 2 (Capital Expenditures)	Total
Total Direct Program Delivery Expenditures	\$600,000	\$1,500,000	\$2,100,000
Maximum Capital Expenditures for the Agreement	n/a	n/a	\$315,000 (15% * \$2.1M)
Maximum Capital Expenditures/Fiscal Year (50% of Program Delivery)	\$300,000	\$750,000	n/a

Scenarios	Fiscal Year 1 (Capital Expenditures)	Fiscal Year 2 (Capital Expenditures)	Total
Scenario 1: A maximum of \$300K can be spent on capital expenditures in FY 1, with the remaining	\$300,000	\$15,000	\$315,000

amount (up to \$315K) in the remaining fiscal years.

	Fiscal Year 1 (Capital Expenditures)	Fiscal Year 2 (Capital Expenditures)	Total
Scenario 2:			\$315,000
A maximum of \$315K can be spent in FY 2, with no capital expenditures in FY 1.			
Scenario 3:	\$200,000	\$115,000	\$315,000
Less than \$300K can be spent on capital expenditures in FY 1, with the remaining amount (up to \$315K) to be spent in the remaining fiscal years			

Capital costs related to arrangements and devices for eligible clients with disabilities

- Costs to allow a client with a physical or learning disability to participate in IRCC-funded settlement programming. This includes provisions and arrangements for people with disabilities consisting of items over \$1,000, such as, special equipment or furniture, ramps, and/or other features to make buildings and premises more accessible; this cannot exceed \$10,000 per disabled client, up to a maximum of \$100,000 per year per CA
- Applicants are to research what financial assistance may be offered by building owners, other levels of government or other funders

Ineligible capital costs

In general, IRCC does not:

- reimburse capital assets for administrative uses. It is expected that applicants will have this capital infrastructure in place and any capital funding requests will need to be directly tied to the delivery of the

project/services (that is, should not have the intention of building capacity). The proposed costs should add to the existing infrastructure and their necessity should be directly related to the successful delivery of the program/activity

- co-fund capital asset acquisitions because it makes disposal difficult
- reimburse costs to acquire vehicles
- reimburse costs related to the depreciation/amortization of capital assets.

Eligible GST/HST

- Where the recipient is eligible for a tax rebate or an input tax credit, IRCC will fund up to 100% of the taxes paid on purchases, less the tax rebate entitlements
- When preparing the budget form, the amount to be funded by IRCC should be estimated and included as a lump sum on the “HST/GST or other government taxes” line, if applicable, for both program delivery and capital cost categories. The amounts estimated on the individual line items will be the invoice amount net of the taxes
- Penalties associated with government tax assessments/audits are not eligible

See below for the Canadian GST/PST eligible rates.

* Select a province (required)

Make your selection...

Select

Links to Canada Revenue Agency and Revenu Québec

- [GST/HST rates \(excluding Quebec\)](#)
- [Public Service Bodies' Rebates \(excluding Quebec\)](#)

- Revenu Québec GST and QST
- Revenu Québec - Public Service Bodies' Rebates
- Sales or supplies to provincial and territorial governments

Consult the Government of Canada website for up-to-date GST/PST eligible rates.

Negotiated administration rate

- The Department uses a flat rate for administration-related expenses. The flat rate constitutes a percentage (generally not exceeding 15%) of IRCC's total contribution for program delivery expenses
- When preparing your budget submission, you must ensure that no cost associated with administration is included under the program delivery cost category and vice-versa
- Administrative costs are presented as a single line item on the budget, and will normally be exempt from detailed review and audit as the CA is managed and monitored. Additional details regarding the determination of the percentage will be requested during negotiations for successful applicants
- The flat rate will be applied against the total eligible program delivery costs for each claim submitted over the life cycle of the agreement (that is, the maximum amount of administrative expenses claimable are directly related to the amount of program delivery expenses incurred in any given period)
- The following costs are considered administrative:
 - personnel costs associated with corporate functions (for example, executive director's office, finance, human resources, corporate administrative assistant, etc.)
 - rent and utility as well as other facility charges associated with the corporate functions

- telephone, facsimile, Internet or other communications costs that are administrative in nature or normally centralized (for example, communication costs for scheduling appointments, responding to enquiries, internet/phones at an employee's desk who delivers services)
- all postage
- printing and photocopying, except for delivery assistance tools and materials;
- photocopier lease (if not considered capital)
- bank charges
- payroll charges
- all office supplies
- travel, accommodation and other costs related to the administration of the contribution agreement for corporate personnel
- financial statement audit costs
- standard insurance costs (for example, property and board of directors liability)
- payroll charges (if outsourced)
- staff recruitment, including, but not limited to security/police checks, costs related to posting advertisements, etc.
- general software upgrades and purchases and/or licenses (for example, MS Office products, Windows, etc.)
- consultants used to evaluate the feasibility, creation or modification of/to existing infrastructure (for example, accessibility (ramps, elevators, etc.), information systems (accounting, databases, etc.), health and safety (HVAC, etc.) servers, etc.)
- legal fees

- In certain situations, the costs can be split between administrative and program delivery. Exceptions to the strictly administrative costs listed above include:
 - executive director's salary if that person contributes directly to the program delivery (for example, s/he delivers a language class)
 - communication costs if they are used exclusively for program delivery (for example, teleconference line to conduct focus groups for indirect services)
 - incremental insurance (for example, additional insurance beyond the organization's basic coverage, such as insurance needed for transportation of clients to attend services, etc.)
 - software specifically for direct delivery (for example, a language program installed on computer lab computers used solely by clients)

Other ineligible costs

The following are other costs that are ineligible. Note that IRCC reserves the right to identify other ineligible expenses on a case-by-case basis.

- Eligible costs that exceed the National Joint Council's Travel and Hospitality Directive
- Activities/costs already paid for by other partners and/or funders
- Activities/costs undertaken/incurred before the signing of a contribution agreement
- Annual general meetings or regular executive board meetings of an organization or association, including related travel
- any type of fees for board of directors such as directors' fees, volunteer board members or other governing bodies
- Compliance Audits
- Contingency/miscellaneous fees

- Costs related to validation of clients' professional credentials
- Depreciation/amortization of capital assets
- Costs associated with in-kind contributions
- Profit making activities
- Start-up and operational costs for organizations (that is, capacity building costs)
- Cash payments to eligible client
- Gift cards for staff recognition
- **Unless specifically allowed in the CA, no user fees can be charged to clients for services funded by IRCC**

Resettlement Assistance Program - Budget submission details

This will help you with Section 7: Budget in the partner portal application for funding form.

A few points to note:

- Only costs listed below are eligible under CFP 2019
- Only complete sections that apply to you
- It is important that the overall cost of your project be as accurate as possible
- Successful applicants may be asked to provide additional budget details
- When providing budget details, please note that IRCC will fund the fair share of the total costs (for example, if you are proposing that an employee is to work only 30% of his/her time on the project, IRCC will fund up to 30% of the salary cost)
- Where costs are to be shared among different funders and/or projects, a cost allocation matrix/model may be required to ensure the fair

share of cost distribution. This should include the methodology used to determine cost drivers (for example, square footage, full-time equivalents, level of funding, etc.) and the breakdown by funders (including IRCC's share)

Eligible costs for the Resettlement Program

Salaries, wages and benefits

In general, IRCC will contribute towards the proposed expenses related to the **position** for the provision of services under a contribution agreement, not the **person**. This means that IRCC will contribute to the costs of a position, for example a reception house staff. If the person hired for this position were to take maternity leave, IRCC would no longer contribute to their salary costs; however IRCC would contribute to the cost of replacement staff.

Gross salaries and wages

- Wages should reflect the prevailing rate for jobs at a similar level in the local labour market
- When preparing the budget form each part-time and full-time position, if applicable (including those at different wage levels in the same job), should be listed by job title grouping multiple personnel in the same category (for example, 3 reception house staff). The rates of pay, hours of work per week and number of weeks (or any other frequency based on the pay frequency) should be listed for each position. For full-time positions, either fully or partially funded by IRCC, where salary is based on an annual rate, the annual salary (pro-rated, if applicable) should be listed. In addition, for shared costs, the percentage of IRCC's portion should be clearly stated

- Vacation pay and paid leave are eligible expenses; however, IRCC will **not fund both** for an individual employee, only one or the other
 - **Vacation pay** is expressed as a percentage of the wages or salary which is paid to the employee every pay period OR as a lump sum payout annually. Where there is no collective agreement, provincial/territorial rates can be consulted when establishing the basis for vacation pay. For temporary/casual employees, earned vacation pay is generally included as part of their regular pay and therefore do not receive any pay when they are on leave/vacation
 - **Paid leave** represents vacation time off earned by employees as they work
- Overtime is only paid in exceptional circumstances and therefore should not be included in the budget submission

Mandatory employment related costs (MERCs)

- In the budget submission, describe the MERCs and other benefits that will be provided and the average percentage of wages these represent
- MERCs are costs that employers are required to pay based on federal and provincial/territorial laws
- Under Canadian federal law, MERCs include employment insurance (EI) and Canada Pension Plan (CPP)
- Vacation pay (if paid vacation is not provided as part of benefits) is mandatory in all provinces and territories. Provinces and territories may also require such things as workers' compensation (for example, Workplace Safety and Insurance Board in Ontario), health taxes (for example, Employers Health Tax (EHT) in Ontario), Worker's Compensation (for example, Workplace Safety and Insurance Board (WSIB) in Ontario), education taxes, provincial pension plans; etc.

- The budget submission should identify the specific MERCs for which funding is being sought (note that although employees also contribute to EI and CPP these costs are part of gross salary and therefore would be included in the budget as part of salary expenses)
- Statutory holidays will be funded according to the employment standards of the province or territory. These must be identified in the employer's Personnel Policy or equivalent

Other benefits

- Discretionary benefits as per the employer's personnel policy or equivalent, may include:
 - medical insurance plans
 - dental insurance plans
 - life insurance
 - private pension plans or registered retirement savings plans (RRSPs)
- Discretionary benefits must be offered to all staff under the employer's personnel policy or equivalent, not solely to those staff members working on the project requesting IRCC funding
- Typically not all employees will take full advantage of all these benefits (for example, some employees might decline one or more health care benefits if they are covered under a spousal plan). The budget submission should reflect an amount that corresponds to the rate of uptake. IRCC is not mandated to contribute 100% of these benefits

Ineligible salary, wage and benefit costs

- Pay in lieu of benefits
- Employee benefits not administered by a third party
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- Long-term disability (IRCC can require that the recipient specify what is meant by 'short term' in their HR policy. Where there is no provision for this in the HR policy, IRCC defines long-term as greater than 8 weeks)
- Any forms of remuneration for board of directors
- Payroll penalties (as assessed by the Canada Revenue Agency (CRA) or other bodies)
- Staff bonuses
- Salary costs related to union activities
- Paid lunch breaks (except if legislated mandatory employer costs)
- Retroactive salary adjustments and signing bonuses resulting from collective agreement bargaining (unless within funding period)
- Claims for sick-days that employees have accumulated, but not used, are not eligible (that is, pay-out of unused sick-leave is not an eligible expense)
- Extra costs resulting from paid leave
- Costs associated with staff retention and recognition
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Training and Professional Development

- Professional development activities must be directly related to the activities and objectives of the project as well as improve staff performance in the delivery of programs
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Ineligible training and professional development costs

- Training and professional development that is directed towards capacity building (that is, employees hired for a position should have

the skills required to perform the duties of said position)

- Costs for replacement employees hired to work during a training activity

Travel, accommodation and related costs

- Employees and volunteers can claim for travel that is directly related to delivery of the project, including travel for professional development, workshops, conferences and training
- Travel must be considered necessary and reasonable for the provision of services, as determined by the Department
- Travel should be by the least costly method considering time and expense – mileage, taxi, rental, airfare, etc.
- Travel is restricted to economy class and alternatives to travel must be considered first
- Eligible costs include transportation, meals, incidentals and accommodation during travel status, specifically related to the delivery of the program, for employees and volunteers only
- IRCC will fund the lesser of the rate outlined in the:
 - recipient's internal travel policy, **or**
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Ineligible travel costs

- International travel
- Travel costs for executive or board meetings
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Delivery assistance tools and materials

- The delivery assistance tools and other associated costs must support direct service delivery to clients
- IRCC will fund photocopying or printing costs of non-copyrighted and copyrighted material approved for copying which related directly to program delivery (for example, handouts to newcomers)

Note

- Other photocopying or printing is normally included in administration costs
- General stationery and/or materials used for delivery assistance (for example, pens, pencils, paper, etc.) are always to be included in administrative costs

Research

- Research for projects that develop a policy or program as an outcome (that is, indirect services) or for direct service projects
- Honoraria for participants in focus groups are eligible
- Consultant costs are to be included as 'professional and consultant fees'

Conferences and workshops

- Costs related to the organization of conferences, workshops and professional development days, such as logistics and venue; costs for attendees to travel to these events are to be identified as travel costs
- Honorariums payable to speakers at conferences and workshops
- Food and/or refreshments for meetings, workshops, conferences and receptions
- Food and beverage should always be the minimum necessary to accomplish the objective. The most common forms include:

- meals (food and non-alcoholic beverages offered as breakfast, lunch and/or dinner)
- refreshments (snacks and/or non-alcoholic beverages served between meals) and as part of meetings, reception, workshops and conferences
- Food and beverages should be the lesser of the:
 - recipient's policy on food and beverages, or
 - TB Policy on Travel, Hospitality, Conference and Event Expenditures

Not eligible

- Purchase of alcoholic beverages or illegal substances
- Food and beverage for staff functions and events
- Employee food (breakfast, snack, lunch, etc.)
- Food and beverages routinely offered during training courses or recurring/regular meetings
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Includes costs related to publicity, purchase of promotional items and advertising to market or promote a particular service funded by IRCC, but not to promote the recipient organization itself.

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- Direct program/project costs such as translators, interpreters, subject matter experts, third party evaluators, and computer consultants

Note

- Professionals and consultants are not employees. Therefore, MERCs or mandatory salary related costs and other benefits do not apply
- Computer maintenance plan costs are not professional fees, but rather are included as an administrative cost

Copyright fees

Fees related to approval of duplication/printing of copyrighted materials.

Support services

Support services include client transportation, translation and interpretation, provisions for disabilities, and child care. (Note: child care is described separately, below).

Translation and interpretation

- Costs associated with translation of written documents (for example birth certificate, educational transcripts)
- Costs associated with an oral interpretation service which is essential to a client's immediate needs (for example communicate with recipient staff, schools)
- These costs would generally be listed under salary, wages and benefits or professional and consultant fees

Provisions for disabilities

- Costs to allow a client with a physical or learning disability to participate in IRCC-funded Resettlement Assistance programming are eligible and include up to \$1,000 worth of equipment, as well as non-

equipment provisions and arrangements, such as special training materials and software (for example, in Braille material or large print) They also include interpretation costs to support communication between the deaf or hearing-impaired clients and recipient staff

- Provisions and arrangements over \$1,000 are considered capital expenditures; refer to the capital expenditures category under costs related to arrangements and devices for eligible clients with disabilities
- Provisions and arrangements under \$1,000 would generally be listed under overhead costs

Child care

- Short-term child care services, while parents are on-site, may be delivered under RAP to reduce barriers to access and enable participation of clients in RAP services
- Child care costs can include costs for unlicensed care that is in conformity with CMAS standards
- Salaries and wages costs for child care staff to care for children, including set-up as well as clean-up time before and after the program on a daily basis as well as other related costs

Client transportation

- In-Canada costs to transport clients (for example, from the POE to temporary accommodation) are eligible
- Recipients' staff may claim mileage. IRCC will fund the lesser of the mileage rate in the recipient's internal travel policy or the National Joint Council kilometric rates
- Transportation costs such as bus tickets or transportation tokens are eligible for clients who might otherwise have difficulty in attending RAP programming

- Exceptions will be considered when other modes of transportation are necessary due to lack of public transportation, for example, transportation costs such as taxis, car rentals or the cost to run vehicles are eligible where public transportation is not available or is not feasible

Temporary accommodation

- Costs associated with maintaining a facility to house and feed eligible RAP clients prior to placement in permanent accommodation (that is, reception house)
- Commercial accommodation format is also eligible but should be used under the following situations where:
 - there is no reception house
 - there are no available spaces in the reception house or
 - the reception house cannot accommodate certain needs (that is, mobility)

Temporary allowance

Reasonable and necessary daily allowances to cover the costs of incidental expenditures necessary to the client while they are residing in temporary accommodations (for example, costs related to the purchase of calling cards, costs associated with providing transportation (bus tickets/tokens, etc.).

Costs of meals for RAP clients

- The costs associated with providing meals to eligible clients (that is, in a reception house)
- Costs associated with providing eligible RAP clients a means to obtain food while the client is residing in temporary accommodations

Overhead costs (other non-salary program delivery costs)

Other incremental costs directly related to program activities/delivery, excluding all “costs associated with administration” listed above.

Includes:

- Rental of office space, utilities and equipment associated with program delivery
- Communications costs directly related to Program Delivery such as internet access for a computer dedicated to eligible RAP clients (for example, internet to a computer in a general area (lobby) for eligible RAP clients to use)
- Communication costs not directly related to program delivery are to be claimed under the administrative category. Recipients are to use the **principles outlined below** to help them determine whether a communication cost should be claimed under admin or program delivery:
 - Administrative: Costs for telephone use to schedule appointments, respond to general enquiries, including communication costs to connect a program delivery staff workstations to the internet and/or a telephone
 - Program delivery: Communication costs can be claimed under program delivery only if they are solely used for program delivery (for example, a teleconference line to conduct focus groups for indirect services)
- Organizational membership/association fees associated with program delivery
- Specific insurance costs related to delivery activities (for example, transportation, child care)

- Volunteer recognition awards (for example, plaque) for IRCC funded programs – gift cards are not eligible
- Security costs directly related to the delivery of a specific activity, rather than the project as a whole

Ineligible overhead costs

- Support for the maintenance of individual worker credentials
- Short-term counselling
- Employee mileage and car allowance (from home to work)

Capital expenditures

- Necessary costs to the operation of the program for capital assets such as computers, licensing fees, furniture, other tangible property, purchased and/or leased (with option to buy). It also includes leasehold improvements as well as costs for arrangements and devices for eligible clients with disabilities
- Any assets costing more than the equivalent of \$1,000 CAD should be included in the capital category
 - Multiple items of one kind costing more than \$1,000 CAD are to be considered capital, even if less than the equivalent of \$1,000 CAD individually (for example, desks/tables and chairs for classes)
 - Components: That is, items that work together to make a whole are to be considered capital even if each item taken individually is less than the equivalent of \$1,000 CAD (for example, computer, printer, screen, keyboard)
- Leased assets are to be considered capital if there is an option to buy in the lease agreement and if there is reasonable assurance that the lessee will obtain ownership at the end of the lease agreement
- Maximum to be funded by IRCC: There are two thresholds to be aware of with regard to capital expenditures, which should be considered in

the following order (all costs refer to the Canadian dollar equivalent):

1. The department will reimburse capital expenditures up to and including 15% of the total value of the contribution agreement
2. Within this 15% threshold, the department will not reimburse capital expenditures in excess of 50% of the total contribution agreement amount in any given fiscal year

The following table demonstrates a few scenarios in which the above are applied:

	Fiscal year 1 (capital expenditures)	Fiscal year 2 (capital expenditures)	Total
Total Direct Program Delivery Expenditures	\$600,000	\$1,500,000	\$2,100,000
Maximum capital expenditures for the agreement	n/a	n/a	\$315,000 15% * (\$2.1M)
Maximum Capital Expenditures/Fiscal Year (50% of Total Contribution Agreement)	\$300,000	\$750,000	n/a

Scenarios	Fiscal year 1 (capital expenditures)	Fiscal year 2 (capital expenditures)	Total
Scenario 1: A maximum of \$300K can be spent on capital expenditures in FY 1, with the remaining amount (up to \$315K) in the remaining fiscal years	\$300,000	\$15,000	\$315,000

remaining fiscal years.

Scenarios	Fiscal year 1 (capital expenditures)	Fiscal year 2 (capital expenditures)	Total
Scenario 2: A maximum of \$315K can be spent in FY 2, with no capital expenditures in FY 1.	\$0	\$315,000	\$315,000
Scenario 3: Less than \$300K can be spent on capital expenditures in FY 1, with the remaining amount (up to \$315K) to be spent in the remaining fiscal years	\$200,000	\$115,000	\$315,000

Note

- In general, IRCC does not:
 - reimburse capital assets for administrative uses. It is expected that applicants will have this capital infrastructure in place and any capital funding requests will need to be directly tied to the delivery of the project/services (that is, should not have the intention of building organizational capacity). The proposed costs should add to the existing infrastructure and their necessity should be directly related to the successful delivery of the program/activity
 - co-fund capital asset acquisitions because it makes the disposal difficult
 - reimburse costs to acquire vehicles

Capital costs related to arrangements and devices for eligible clients with disabilities

- Capital costs to allow a client with a physical or learning disability to participate in IRCC-funded resettlement programming including provisions and arrangements for people with disabilities consisting of

items over \$1,000, such as, special equipment or furniture, ramps, and/or other features to make buildings and premises more accessible

- The portion related to arrangements and devices for RAP clients with disabilities cannot exceed \$10,000 per disabled client up to a maximum of \$100,000 per year per arrangement unless otherwise approved by the Department to respond to RAP clients' needs
- Applicants are to research what financial assistance may be offered by building owners, other levels of government or other funders

Ineligible capital costs

Depreciation/amortization of capital assets.

Eligible GST/HST

- Where the recipient is eligible for a tax rebate or an input tax credit, IRCC will fund up to 100% of the taxes paid on purchases, less the tax rebate entitlements
- When preparing the budget form, the amount to be funded by IRCC should be estimated and included as a lump sum on the "HST/GST or other government taxes" line, if applicable, for both program delivery and capital cost categories. The amounts estimated on the individual line items will be the invoice amount net of the taxes

See below for the Canadian GST/PST eligible rates

* **Select a province (required)**

Links to Canada Revenue Agency and Revenu Québec

- [GST/HST rates \(excluding Quebec\)](#)

- Public Service Bodies' Rebates (excluding Quebec)
- Revenu Québec GST and QST
- Revenu Québec - Public Service Bodies' Rebates
- Sales or supplies to provincial and territorial governments

Consult the Government of Canada website for up-to-date GST/PST eligible rates.

Ineligible GST/PST costs

Penalties associated with government tax assessments/audits.

Negotiated administration rate

- The Department uses a flat rate for administration-related expenses. The flat rate constitutes a percentage (generally not exceeding 15%) of IRCC's total contribution for program delivery expenses
- When preparing your budget submission, you must ensure that no cost associated with administration is included under the program delivery cost category and vice-versa
- Administrative costs are presented as a single line item on the budget, and will normally be exempt from detailed review and audit as the CA is managed and monitored. Additional details regarding the determination of the percentage will be requested during negotiations for successful applicants
- The flat rate will be applied against the total eligible program delivery costs for each claim submitted over the life cycle of the agreement (that is, the maximum amount of administrative expenses claimable are directly related to the amount of program delivery expenses incurred in any given period)
- The following costs are considered administrative:

- personnel costs associated with corporate functions (for example, executive director's office, finance, human resources, corporate administrative assistant, etc.)
- rent and utility as well as other facility charges associated with the corporate functions
- telephone, facsimile, Internet or other communications costs that are administrative in nature or normally centralized (for example, communication costs for scheduling appointments, responding to enquiries, internet/phones at an employee's desk who delivers services)
- all postage
- printing and photocopying, except for delivery assistance tools and materials
- photocopier lease (if not considered capital)
- bank charges
- payroll charges
- all office supplies
- travel, accommodation and other costs related to the administration of the contribution agreement for corporate personnel
- financial statement audit costs
- standard insurance costs (for example, property and board of directors liability)
- payroll charges (if outsourced)
- staff recruitment, including, but not limited to security/police checks, costs related to posting advertisements, etc.
- general software upgrades and purchases and/or licenses (for example, MS Office products, Windows, etc.)

- consultants used to evaluate the feasibility, creation or modification of/to existing infrastructure (for example, accessibility ramps), information systems (for example, accounting systems, servers, databases, etc.), health and safety (for example, an HVAC system)
- legal fees
- In certain situations, the costs can be split between administrative and program delivery. Exceptions to the strictly administrative costs listed above include:
 - executive director's salary if they contribute directly to the program delivery (for example, they deliver a workshop)
 - communication costs if they are used exclusively for program delivery (for example, teleconference line to conduct focus groups for indirect services)
 - incremental insurance (for example, additional insurance beyond the organization's basic coverage, such as insurance needed for transportation of clients to attend services, etc.)
 - software specifically for direct delivery

Other ineligible costs

The following are other costs that are ineligible. Note that IRCC reserves the right to identify other ineligible expenses on a case-by-case basis.

- Eligible costs that exceed the National Joint Council's Travel and Hospitality Directive
- Activities/costs already paid for by other partners and/or funders
- Activities/costs undertaken/incurred before the signing of a contribution agreement
- Annual general meetings or regular executive board meetings of an organization or association, including related travel

- Any type of director's fees for volunteer members of boards or other governing bodies
 - Compliance audits
 - Contingency/miscellaneous fees
 - Costs related to validation of clients' professional credentials
 - Depreciation/amortization of capital assets
 - In-kind expenses
 - Profit making activities
 - Eligible costs which exceed the NJC's Travel and Hospitality Directive
 - Start-up and operational costs for organizations (that is, capacity building costs for the organization)
-

Footnotes

- 1 Recipients are responsible for determining how to provide time to learn about and implement the PBLA in the classroom. Approaches can be in the form of salary (for example, additional pay or use of professional development days) or time (for example, reduce class time) to provide the time for PBLA implementation.
- 2 IRCC acknowledges that initially teachers may require approximately 5 minutes per hour of instruction to train for and to implement the PBLA. The recipient negotiates the amount of preparation time and how it will be compensated. The 5 minutes per hour for PBLA is not in addition to any other allowance for preparation time. That is, if teachers are already provided 1 hour of preparation time per week and 2 hours is required for PBLA, the preparation time will be 2 hours total.

3 Note: international travel is an eligible cost for pre-arrival services.

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