



PROGRAM GUIDELINES

QIKIQTANI COVID-19 BUSINESS RELIEF PROGRAM

Program Objectives

1. The Qikiqtani COVID-19 Business Relief Program (the Program) is designed to provide short - term financial support to small Inuit-owned businesses that have been significantly negatively impacted by the COVID-19 Pandemic. The focus for the program is to assist small businesses that have been forced to cease operations, or continue to operate but are experiencing substantially decreased revenues, and do not have sufficient working capital to meet operating cost requirements.

Eligible Applicants

The Program is open to all Inuit owned and controlled firms operating in the Qikiqtani Region. These firms may be:

- a) A sole proprietorship owned by an Inuk;
- b) A partnership between two or more Inuit;
- c) A limited company with at least 51% of the company's shares beneficially owned by Inuit;
- d) A cooperative controlled by Inuit; and
- e) Must have been operating a business full-time up to the time COVID-19 response
 - i) required either the partial or temporary closure of the business, or
 - ii) caused the substantially decreased revenues.

Ineligible Applicants

- 1) Firms or individuals with a net worth in excess of \$1 million are **not eligible** for support. Exceptions may be made for businesses that provide broad community benefits, such as employment for community members;
- 2) Eligibility may be suspended for applicant firms or individuals who have previously received a grant or loan from Kakivak Association and have not completed the project as intended, or are in arrears on a loan, or have not satisfied the reporting requirements for a previous project.

Eligible Expenses

- 1) Eligible expenses under the Program are those that are considered part of normal operations of the business, with expenses/cost incurred between April 15th, 2021 for a 3 month period; include but are not limited to:
 - i) Rent or lease expense;
 - ii) Heat;
 - iii) Electricity;
 - iv) Telephone and internet;
 - v) Licenses and insurance;
 - vi) Municipal services;
 - vii) Urgent repairs;
 - viii) Other expenses as required by the business, subject to Kakivak approval.

Funding Levels

- 1) The maximum amount of funding for each approved application will \$25,000.
- 2) In cases where Inuit ownership is less than 100% funding levels will be pro-rated based on the percentage of beneficial ownership. A minimum of 51% Inuit ownership is required.
- 3) In cases where other funding programs may be available, a grant from the COVID-19 Business Relief Program may be stacked with other contributions. Reporting on the use of funds will be required.
- 4) Contributions will be based on the minimum investment required to support business operations.

Application Requirements

- 1) To apply to the Program, all applicants are required to provide the following:
 - i) A completed and signed Qikiqtani COVID-19 Business Relief Program application form;
 - ii) A copy of a municipal business license;
 - iii) A copy of the Workers' Safety and Compensation Commission (WSCC) coverage for the business;
 - iv) A copy of the GST registration number;
 - v) A copy of any other license or permits applicable to the business type;
 - vi) The most recent financial statements or other record of revenues and expenses;
 - vii) A brief description of the business, negative impacts as a result of COVID-19, any ongoing business activity and plans to return to normal operations.
- 2) If the applicant is an individual or partnership, also include:
 - i) A legible copy of the Nunavut Tunngavik Enrollment (NTI) card for each applicant.
- 3) If the applicant is a corporation, association or cooperative, also include:
 - i) A list of board members with contact information;
 - ii) A copy of shareholder certificates and a statement indicating the percentage of corporate ownership held by each shareholder of the company.

Note: Applicants must disclose to Kakivak Association if they have applied for or received COVID-19 business relief funding from other agencies, federal and/or territorial governments, or Inuit Organizations.

Requirements to Determine Amount of Funding

- 1) The following are required (where applicable) to confirm the amount of funding required by the business:
 - a) A copy of rent or lease agreement showing monthly rental cost;
 - b) A copy of the most recent electricity bill;
 - c) A copy of the most recent heating fuel bill;
 - d) A copy of the most recent telephone bill;
 - e) A copy of the most recent bill from an internet service provider;
 - f) A copy of any other invoice or receipts for any other fixed operating costs;
 - g) Banking information, preferably in the form of a void cheque.

Application and Approval Process

- 1) When an inquiry is received the Business Development Officer will work with the applicant to help ensure a complete application is submitted.
- 2) Complete applications and associated documents will be assessed by the Manager, Business Services and a Business Development Officer.
- 3) Completed assessments will be reviewed by the Manager of Business Services.
- 4) When satisfied with the assessment the Manager of Business Services will present the file to a review committee comprised of the CEO and two Managers.
- 5) If approved the applicant will be notified and a formal Letter of Offer for a Grant will be prepared, signed off by all parties and acted upon as required.
- 6) If denied, the applicant will be notified and provided the reason(s) for the decision. The applicant has the right to appeal the decision through Kakivak Association's appeals process.

Assessment Considerations

- 1) Determination that the business has closed as the result of COVID-19 measures such as forced closure and/or physical distancing requirements.
- 2) Determination that the business is still in operation but revenues have been negatively affected, and the business will not have sufficient working capital to meet fixed operating cost requirements as a result of COVID-19 measures such as forced closure and/or physical distancing requirements.
- 3) Determination that the business will re-open and/or return to full operations once COVID-19 measures have been reduced.
- 4) The applicants demonstrated commitment to continued operations post COVID-19.

Grant Terms

- 1) Grants are not repayable unless it is determined that the grant was not used for the approved purpose. In such cases Kakivak Association will make appropriate efforts to recover the grant funds.
- 2) Disbursements of approved grant funds will be made directly to the applicant.
- 3) Reporting on the use of funds will be required six (6) months after acceptance of the formal Letter of Offer for a Grant.
- 4) Some or all of the following conditions will normally be attached to a grant:
 - i) The term of the agreement;
 - ii) Time limit on acceptance of offer;
 - iii) A description of the approved use of grant funds;
 - iv) The terms for the disbursement of approved grant funds;
 - v) Permission to use the details of the project in advertisements for Kakivak Association and the Qikiqtani Inuit Association;
 - vi) Monitoring and reporting requirements including financial information and other records;
 - vii) Any additional conditions as required by the specific project.
 - viii) Acknowledgement/demonstration of commitment to continued operations post COVID-19
- 5) In addition the recipient will agree not to:
 - i) Use the grant fund for anything else other than the intended purpose;
 - ii) Decrease majority (51%) Inuit-ownership of the business;
 - iii) Stop operating the business without prior notification.

Disbursement Schedule for Approved Funds

- 1) Disbursement of 90% of funds upon approval and acceptance of the Letter of Offer for a Grant. A 10% holdback will be reserved by Kakivak Association.
- 2) Disbursement of the final 10% holdback of approved funds on receipt and acceptance of the final report. The applicant file will be considered complete only when a detailed expenditure report from the client has been received and accepted by Kakivak Association, and attached to the file for audit purposes.