

## NIB TRUST FUND FREQUENTLY ASKED QUESTIONS – FAQs

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April 2016 – updated - **INDIVIDUAL**

**The NIB Trust Fund is accepting applications for education programs aimed at healing, reconciliation and knowledge building.** The funds in NIB Trust have been made available through the Indian Residential School Settlement Agreement and are available to First Nations and Métis citizens and organizations to access through a competitive application process. There are two funding types – group and individual.

**Q: How do I access funding through NIB Trust?**

**A:** There is a competitive application process to access funding through NIB Trust. Funding is available to groups and individuals. There is a separate application process for each.

1. **“Groups”** are any First Nation and/or Métis governments and/or communities listed as a “qualified donee” with Canada Revenue Agency at the time of application; OR First Nation and/or Metis non-profit organizations or societies listed as a “qualified donee” with the Canada Revenue Agency at the time of application. This includes other organizations that provide educational programs to First Nation and/or Métis individuals.

Groups require specific designations by Canada Revenue Agency:

- In order for an organization (university, college, or other incorporated entities) to be eligible for funding through NIB Trust, it must have charitable status as acknowledged by Canada Revenue Agency at the time of application. Provincial designations of charitable status are not acceptable – it must be recognized federally. To see if your organization is a registered charity please visit: <http://www.cra-arc.gc.ca/chrts-gvng/lstngs/menu-eng.html>
  - In order for a First Nation, Tribal Council, PTO to be eligible for NIB Trust funding, it must have “qualified donee” status as recognized by Canada Revenue Agency at the time of application. If your group is not on “The List of Municipalities or Public Bodies Performing a Function of Government in Canada” you are not eligible. You can check to see if you are a “qualified donee” and/or apply for “qualified donee” status here: <http://www.cra-arc.gc.ca/chrts-gvng/qlfd-dns/menu-eng.html>
2. **“Individuals”** are individual First Nation or Métis citizens over the age of 18 and with a valid social insurance number. Individual applications will be funded for post-secondary education, training and certification and cultural, traditional, and language knowledge building. Individuals do not require special status as recognized by Canadian Revenue Agency.

**Q: What can individual applicants use the money for?**

**A:** Payments from the NIB Trust Fund for education programs for individuals include, but are not limited to:

- Scholarships, bursaries, or financial assistance for costs associated with attending post-secondary institutions;
- Financial assistance to individuals to access opportunities in arts, science, or athletics;
- Funding to applicants that will assist First Nations and Métis with job skills training;
- Support for research of First Nations and Métis culture, history, and language to inform curriculum development and educate the public; and/or
- Support to foster personal development by providing access to programs that address harms resulting from Indian Residential schools, including access to counselling, family development and health promotion

Eligible activities include but are not limited to:

- Universities, colleges, cegep;
- Trade or training schools;
- Technical training for career advancement;
- Programs which promote the preservation, reclamation, development or understanding of First Nations or Métis history, cultures or languages;
- Cultural education-traditional, ceremony knowledge building;
- Strengthen education and employment training; or
- Foster community and personal development, including access to counselling and other programs to heal communities from harms caused by the Indian Residential Schools.

Funds can be disbursed through scholarships, bursaries, and awards and can be used for a variety of educational expenses such as:

- With respect to traditional education programs, Elder fees, guide fees, equipment, supplies, travel, fuel and other similar incidental costs;
- Tuition and associated fees;
- Transportation;
- Accommodations;
- Meals; and
- Other living expenses incidental to the participation in educational programs.

**Q: How will the funds be dispersed to successful individual applicants?**

**A:** Funds will be dispersed to successful individual applicants by way of:

- **Scholarship** for post-secondary education;
  - scholarships are money awards you get for academic performance or other achievements to further your education. You do not need to give the money back.
- **Bursary** for training/certification;
  - bursaries are money awards you get based on your financial needs. You do not need to give the money back.
- **Award** for cultural/traditional/language knowledge building
  - awards are set dollar amounts for individuals who may have overcome significant barriers in their lives which hindered their educational opportunities and who are now pursuing education on a full or part-time basis.

**Q: What is the maximum amount of money an individual can apply for through NIB Trust Fund?**

**A:** Currently individuals can apply for up to \$20,000.

**Q: Do I need to be a former residential school student (or family member) to be eligible for funding?**

**A:** Preference is given to former students of residential schools, but all First Nations and Métis over the age of 18 with a valid social insurance number are eligible for funding through a competitive application process.

**Q: Will I be taxed on this funding?**

**A:** Pursuant to subsection 200(2) of the Income Tax Regulations, every payer of a research grant, scholarship, fellowship, bursary or prize (other than a prescribed prize) is required to report the amount on a T4A Slip, Statement of Pension, Retirement, Annuity and Other Income.

For individuals who receive a scholarship, bursary, or tuition for post secondary education:

All successful applicants who receive a scholarship, bursary, or tuition for education will receive a T4A slip from the NIB Trust.

For all provinces and territories except Quebec, scholarship, bursary and award income is fully exempt from tax when the income is received in connection with a program for which the student will get an education amount tax credit and for which he is enrolled full-time. The income is not reported on the tax return.

For part-time students who can claim the part-time education amount, the amount of the scholarship, bursary, or tuition that will be exempted will be to cover tuition fees and costs of program-related materials. The Canada Revenue Agency provides a calculator to determine what amount is not exempted and that will need to be reported on line 130 of your personal tax return.

If you are not eligible to claim the education amount, then only the first \$500 of awards is tax free. Amounts received in excess of \$500 are reported on line 130 of your personal tax return.

For Quebec students, the amount received will need to be included in the income, but a deduction for the full amount is allowed. The scholarship, bursary or other financial assistance amount from box O of the RL-1 slip will be reported on Line 154 of the Quebec personal income tax return. It will also be reported on line 295, which deducts the amount from the taxable income.

For individuals who receive an award:

All successful applicants who receive an award will receive a T4A slip from the NIB Trust. Since these amounts are not dedicated for formal education, recipients will be required to include this income on line 130 (Other income) on their personal tax

return. For Québec recipients the amount will be included on line 154 (Other income) of the Québec personal income tax return.

The amount will be fully taxable, but no tax will be deducted at source when the award is distributed. The recipients will be required to pay tax when filing their personal income tax return.

**Q: Can I apply for funding for an education program that started previously?**

**A:** No. Only education programs beginning September 2016 will be considered for funding.

**Q: Can I use this funding to start my own business?**

**A:** NIB Trust Fund does not offer funding for personal businesses because it does not fit with the mandate outlined in the Indian Residential School Settlement Agreement specific for these funds.

**Q: Do you have to be a resident of Canada to access NIB Trust funds?**

**A:** First Nations or Métis individuals residing outside of Canada are eligible to apply for funding through NIB Trust provided they have a valid Canadian Social Insurance Number.

**Q: I did not receive my personal education credit. Can I get it now through the NIB Trust?**

**A:** No. Personal credit payments and all other formal compensation packages (Common Experience Payment and Independent Assessment Payments) are complete. The NIB Trust funds are a separate and new opportunity for former students, First Nations and Metis individuals and organizations to access funding for education programs aimed at healing, reconciliation and knowledge building.

**Q: How long does the application process take for both groups and individuals?**

NIB Trust Fund anticipates a large number of applications. In order to ensure an adequate assessment and review of each, the screening and selection process for applications could take approximately four months.

**Q: How long will funding be available through NIB Trust Fund?**

**A:** Plans are in place to ensure the longevity of the NIB Trust Fund, with the goal of offering funding for First Nations and Métis individuals and organization through a competitive application process for the next 20 years.

**Q: Where did the money in the NIB Trust come from?**

**A:** The funds currently available in Trust were identified in the Indian Residential School Settlement Agreement for education programs aimed at healing and reconciliation. This is not a formal compensation package for former students of Indian residential schools. The Common Experience Payment, Independent Assessment Payment and Personal Education Credits are complete. The funds now in Trust are available to First Nation and Métis individuals, governments and organizations. Preference will be given to former students.

**Q: What constitutes an education program for the purposes of the NIB Trust application process?**

**A:** Education programs refer to the advancement of an individual's education and personal development which relate to literacy or trades, as well as programs which relate to the preservation, reclamation, development or understanding of First Nations or Métis history, cultures or languages.

For the purposes of the NIB Trust Fund, educational programs are those provided by education institutions, cultural centres, organizations, communities and individuals/groups, whether short or long-term, informal or formal, or certified or non-certified.

Educational Programs include, but are not limited to, those that:

- a) Strengthen education and employment training;
- b) Promote First Nations and the Métis languages and cultures; or,
- c) Foster community and personal development, including access to counselling and other programs to heal communities from harms caused by the Indian Residential Schools.

**Q: What are the criteria for applications and what is the screening process?**

**A:** Assessments of all applications comply with specific principles and guidelines set out by the Indian Residential Schools Settlement Agreement and the NIB Trust Fund. Applications are screened to ensure they've been received by deadline and contain all necessary documentation, including eligibility.

Should the NIB Trust Fund require further information, a request will be made to the applicant. Once an application is deemed to be complete it is forwarded to the Selection Committee for assessment and scoring. The Selection Committee makes recommendations to the Trustees on whether or not applications should be accepted or declined. After a reasonable period of time, the applicant will be informed of the committee's decision.

**Q: If I or my organization receive funding this year, can I apply next year as well?**

**A:** Yes. The application will be screened along with other applicants in the competitive process.

**Q: If I receive funding as part of a group, can I also apply for individual funding?**

**A:** Yes. The application will be screened along with other applicants in the competitive process.

**Q: Are there any restrictions to how the funds are used?**

**A:** The funds cannot be used to reduce, replace or duplicate existing support available through federal, provincial, territorial or local governments, but may be used to augment and complement this funding.

**Q: What won't or can't be funded?**

**A:** The NIB Trust Fund cannot disburse or distribute funding for the following:

- Supplementation or compensation of an individual's Common Experience Payment or Personal Credits amount;

- Claims for compensation;
- Legal action;
- Entrepreneurial activities
- Capital costs
- Conference sponsorship
- Activities outside the NIB Trust Fund's objects;
- Partisan and/or political activities;
- Payments for past student loans or debts; or
- Programs for unqualified applicants.

**Q: How will the funds be administered and who is on the selection committee?**

**A:** There is an administration plan consistent with the Settlement Agreement that has been approved by the courts. The NIB Trustees will review, evaluate and make final decisions on applications. Distribution of funds by the NIB Trust will comply with all applicable laws regarding trusts, charities and tax.

**Q: What are the application deadlines?**

**A:** Application deadlines are at 5:00 pm EST on the date stated on the application form.

**Q: My group project or individual proposal was denied funding by NIB Trust. Is there an appeal process?**

**A:** Yes. The appeal process will be made public soon. The appeal process does not guarantee funds. Groups and individuals that/who have not received funding are encouraged to apply again in the next round.

**Q: I have been approved for funding from NIB Trust. Will this affect my Treaty-based funding?**

**A:** This would have to be answered by existing funders. Funds received by NIB Trust cannot be used to reduce, replace or duplicate existing support available through federal, provincial, territorial or local governments, but may be used to augment and complement this funding.

**For more information please contact the NIB Trust Fund directly**

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