



# BUSINESS PLAN 2016



The Atlantic Salmon Conservation Foundation

# ●●● TABLE OF CONTENTS

Message from the Chair	1
Our Strategic Direction & Operational Framework	2
Vision	2
Values	2
Mission	3
Goals	3
Mandate	3
Our Operational Framework	3
Our Stakeholders & Beneficiaries	3
Our Structure	4
Our Core Program	4
Foundation Transparency & Accountability	5
Our 2016 Strategic Business Plan	6
Our Key Drivers	6
2016 Strategic Objectives	7
2016 Strategic Initiatives	8
2015 Business Plan Review	12
<b>Appendices</b>	
I    2016-2018 Financial Forecast	13
IIa  Foundation Directors and Officers & Committees	14
IIb  New Participants CVs	15
IIc  Investment Committee CVs	16
IIIa Investment Policy	19
IIIb Investment Strategy	35
IV   Audit & Evaluation Strategy	36
V    2016 Communications Plan	56

## ●●● MESSAGE FROM THE

*Honourable Rémi Bujold, P.C. C.M.*

**The 2016 Business Plan** represents our plan for the tenth year of operation of The Atlantic Salmon Conservation Foundation as an important contributor to conservation of wild Atlantic salmon in Canada.

Our vision is to contribute to the attainment of healthy and sustainable wild Atlantic salmon in Atlantic Canada and Quebec. We do this through stimulation and support of partnerships among small and large players alike. The principle is simple: We help focus many small contributions to make a big difference in salmon conservation.

The Foundation continues to make excellent progress in becoming established as a constructive and effective force in promoting conservation of wild Atlantic salmon and its habitat in Québec and Atlantic Canada. In addition, based on the continued good performance of our investment portfolio, and our carefully managed long-term financial plan, we have been able to attain and maintain our long sought after goal of increasing our grant pool to \$1,000,000. This is a major achievement, in light of recent financial history and our need to recover the trust fund value. Our fiscal plan is designed to ensure our ability to maintain the grant pool at this level on a go-forward basis.

Let there be no doubt that the ASCF is making a major contribution to wild Atlantic salmon conservation. As of 2015, the ASCF has provided 3.5 million in grant funding to 276 salmon conservation and research



Hon. Rémi Bujold, P.C., C.M..  
*Chairman & President  
of the Board of Directors*

projects with a total value at over \$20 million. Significantly, our contributions have helped leverage considerable support in all 5 provinces. We expect to continue to build on this record into the future by approving as many as 100 new projects annually.

All of this good news is possible based on the confidence and support of the Government of Canada first, in creating the Atlantic Salmon Endowment Fund, then in vesting the fund with this Foundation. We take very seriously our responsibility to invest wisely, as well as to be inclusive, transparent and accountable, and our track record supports this. It's a key reason why we believe the ASCF is perfectly positioned to deliver any new funding in salmon conservation and scientific research the Government may make in response to the 2015 recommendations of the Ministers Advisory Committee on Atlantic Salmon.

The 2016 Business Plan is an important tool in helping us realize our vision and our goals, by working with and supporting the efforts of our many partners and stakeholders. It articulates strategic objectives and provides the framework to assess our performance in meeting those strategic objectives. We are very proud to be a performance-based organization. We rely on recipients of our grants to measure and report their performance to us in meeting project objectives. It's a unique approach in the salmon conservation world, but thanks to our recipient groups, our partners and our volunteers it's working extremely well.

The Atlantic Salmon Conservation Foundation is fulfilling its role in helping strengthen and improve conservation of wild Atlantic salmon in Canada. We hope all of those individuals and groups interested in advancing salmon conservation will join with us to help realize our important, and shared goals.

A handwritten signature in black ink that reads "Rémi Bujold". The signature is fluid and cursive.

Hon. Rémi Bujold, P.C., C.M..  
*Chairman & President of the Board of Directors*

# ●●● OUR STRATEGIC DIRECTION

## *Background, Vision & Values*

### Background

The Atlantic Salmon Conservation Foundation (the Foundation) was established in 2005 for the purpose of assisting community groups in the restoration and conservation of the Atlantic salmon resource in Atlantic Canada and Quebec. In 2007, the Foundation assumed responsibility for the Atlantic Salmon Endowment Fund (ASEF) created by the Government of Canada as a permanent source of funding to help conserve, restore and protect wild Atlantic salmon and their habitat.

The Foundation is a non-profit, charitable, volunteer-based organization that is a model of partnership and inclusiveness unique in the conservation world. The Foundation has a dual mandate: firstly, to prudently invest the ASCF trust funds to generate income while preserving capital and secondly, to provide funding to eligible salmon conservation initiatives in Atlantic Canada and Quebec in perpetuity.

The overall responsibility for setting the strategic direction and managing the Foundation rests with our volunteer Board of Directors that continuously seeks valuable input from volunteer experts who are drawn from conservation groups, First Nations and federal and provincial governments.

The Foundation employs a goals-based and results-based approach to strategic planning and management that reflects our vision, mission, goals and mandate. This document describes the Foundation's strategic direction and operational framework and lays out our 2016 business plan which builds on our successes to date.

The 2016 Business Plan reflects the Foundation's evolution from its initial priorities centered on developing governance, technical and management capacity into a business model that is focused on performance and results-based management. This approach enables the Foundation to fulfill its mandate to provide prudent management of the ASEF while contributing strategically to the attainment of healthy and sustainable wild Atlantic salmon stocks in Atlantic Canada and Quebec.



photo: Bluenose Coastal Action Foundation

### Vision

The Atlantic Salmon Conservation Foundation's vision is:

**To contribute to the attainment of healthy and sustainable wild Atlantic Salmon in Atlantic Canada and in Quebec.**

Our vision statement describes how, today and in the future, our stakeholders and beneficiaries will benefit from the Foundation's programs and services and, as such, is the guiding force for the Foundation as we execute our strategic business plan.

### Values

Our values reflect the moral and operational imperatives that guide the Foundation's actions as we carry out our mandate:

**Inclusiveness and Partnerships:** The Foundation is fully committed to encouraging and facilitating cooperation and partnerships amongst government, First Nations, volunteer groups and all other organizations/individuals committed to the conservation of Atlantic salmon.

# ●●● OUR OPERATIONAL FRAMEWORK

## Mission, Goals & Mandate

**Volunteerism:** The Foundation's operational model is premised on a robust volunteer base within and across the five provinces we serve. As such, the Foundation is committed to developing volunteer capacity and engaging volunteers throughout all aspects of the Foundation's operations.

**Balance:** The Foundation provides a balanced allocation of resources that reflects the geographical areas we serve and their respective priorities.

**Integrity:** The Foundation is fair, ethical, transparent and accountable for all its actions.

### Mission

The mission of the Foundation is to promote enhanced community partnerships in the conservation of wild Atlantic salmon and its habitat in Atlantic Canada and Quebec.

### Goals

Our goals are constant and relate directly to our mission:

**Goal 1:** To be an effective support to community volunteer organizations in conserving, restoring and protecting wild Atlantic salmon and its habitat

**Goal 2:** To enhance cooperation and partnership among governments, Aboriginal organizations, community volunteer groups and others in the interests of conserving, restoring and protecting wild Atlantic salmon and its habitat.

**Goal 3:** To promote and improve conservation planning and management at the watershed level as the basis for ensuring effective use of and accountability for funds made available for wild Atlantic salmon conservation initiatives.

**Goal 4:** To improve public awareness, education, and research respecting the conservation of wild Atlantic salmon and salmon habitat.

### Mandate

The Foundation has a dual mandate. Firstly, the Foundation is responsible and accountable to prudently invest the Atlantic Salmon Endowment Fund

to protect its capital thereby ensuring it remains a permanent source of funding in support of conservation, restoration and protection of wild Atlantic salmon populations.. Secondly, the Foundation is responsible and accountable to ensure our organization is well-managed so it can provide funding to eligible salmon conservation initiatives in Atlantic Canada and Quebec in perpetuity.

### Our Stakeholders And Beneficiaries

Our stakeholders and beneficiaries include:

- Individuals, organizations and governments engaged in the conservation, restoration and protection of wild Atlantic salmon and their habitat.
- Aboriginal people with cultural connections to the Atlantic salmon.
- People who are employed in endeavors that depend on wild Atlantic salmon.
- People who participate in recreation related to the Atlantic salmon.
- People who derive sustenance from the Atlantic salmon as a source of food.

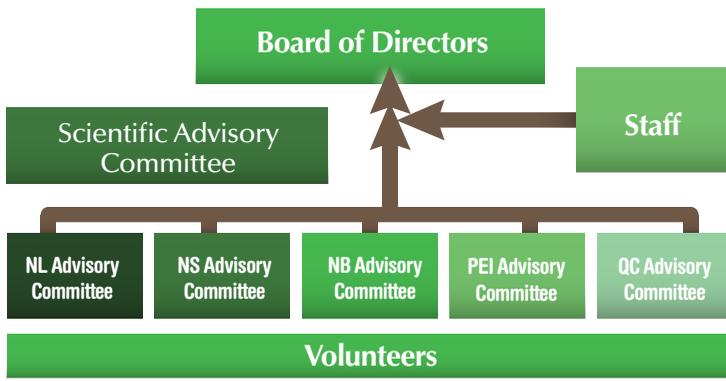


Photo: Souris & Area Branch, PEI Wildlife Federation

# OUR OPERATIONAL FRAMEWORK

## Our Structure & Our Core Program

### Our Structure



**Our Members:** A maximum of 24 volunteer members representative of our jurisdictional stakeholders that include Newfoundland/Labrador, Nova Scotia, New Brunswick, Prince Edward Island and Quebec.

**Board of Directors:** A board of 10 directors is elected from the 24 Members of the Foundation. Appendix I provides curricula vitae for new Foundation Directors and Officers and Investment Committee members.

**Our Scientific Advisory Committee:** Volunteer technical experts who assist the Board in defining and adopting relevant conservation objectives, designing effective conservation and management tools/processes and monitoring Foundation progress and performance.

**Our Provincial Advisory Committees:** Volunteer member committees that meet twice annually to identify salmon conservation priorities within their jurisdiction, review proposals for ASCF Program funding and make recommendations to the Board of Directors for projects that should be approved for funding.

**Our Staff:** The Foundation is supported by a staff of three professionals including an Executive Director and two Conservation Project Coordinators.

### Our Core Program

Our core program utilizes income generated annually by the Atlantic Salmon Endowment Fund to fi-

nancially support select projects in Atlantic Canada and Quebec that contribute to the achievement of healthy and sustainable wild Atlantic salmon stocks and improve community capacity and involvement in salmon conservation.

**Program Eligibility:** The Foundation considers eligible projects related to the following categories:

- Development of salmon and salmon habitat conservation plans for watershed or sub-watershed (watershed planning).
- Conservation, rebuilding and restoration of wild Atlantic salmon and salmon habitat.
- Restoring access of wild Atlantic salmon to salmon habitat.
- Public education and awareness of the importance of conservation of wild Atlantic salmon and its habitat.

**Project Solicitation:** At least one annual round of calls for project proposals culminating in December of each year.

**Project Application:** Provision of a standard application form that includes self-explanatory information for prospective applicants. This includes advice respecting our standard procedures for assessment and scoring of proposals utilized by the advisory committees in scoring and recommending to the Board of Directors those proposals that may be funded.

**Project Eligible Costs:** Within guidelines outlined in the Funding Agreement between the Foundation and the Government of Canada.

**Project Assessment:** Completed annually by our advisory committees in the January to March period using our standard project assessment and scoring procedures.

**Project Selection:** Funded project proposals are approved annually by the Foundation's Board of Directors based on ensuring:

- A balanced allocation of funding that reflects our target geographical areas and priorities.
- A fair and reasonable mix of projects in terms of size, risk, complexity, geographic benefit and partic-

# ●●● OUR OPERATIONAL FRAMEWORK

## Foundation Transparency & Accountability

ipation by *Ultimate Recipients* across Atlantic Canada and Quebec.

- All final approvals of *Ultimate Projects* are announced annually before the opening of conservation field season.

**Project Reporting:** The Foundation and recipients enter into a funding agreement that sets out the respective terms and conditions of the grant as well as various obligations. Periodic progress reports and a final report are required.

## Foundation Transparency And Accountability

Our Board of Directors is responsible and accountable for:

- Investing and managing the Atlantic Salmon Endowment Fund in accordance with the Funding Agreement with the Government of Canada as represented by the Minister of Fisheries and Oceans.
- Identification of principal risks to the ASEF and the Foundation.
- Ensuring fully transparent Foundation operations and management of the ASEF and the administration and funding of ASEF *Ultimate Projects*.

The Foundation fulfills its responsibilities and accountabilities by:

- Adhering to the terms and conditions of the Funding Agreement between the Government of Canada and the Foundation and reporting to the Government of Canada as represented by the Minister of Fisheries and Oceans.
- Continuously exercising due diligence in processes and procedures to ensure sound management and accountability for the operation and management of the Foundation.
- Continuously identifying principal risks to the ASEF and the Foundation and determining remedial actions that are available and appropriate to support sound, effective decisions on ASEF and Foundation policies, programs, procedures and initiatives.
- The on-going collection of key data from funding recipients (our stakeholders and beneficiaries).

- Adhering to the ASEF investment conditions in accordance with Articles 3 and 4 of the Funding Agreement.
- Issuing an Annual Report on the Foundation's work and finances in accordance with Article 6.4 of the Funding Agreement.
- Submitting an Audit and Evaluation Strategy to the Government of Canada in accordance with Article 7 of the Funding Agreement.
- Conducting a comprehensive ASEF Program evaluation.
- Ensuring audits of the Foundation that include:
  - Annual financial audit by the Foundation's auditor.
  - Audits for performance and compliance by the Auditor General of Canada.
- Submitting our annual strategic business plan to the Government of Canada in accordance with Article 6 of the Funding Agreement.



Photo: Cheticamp River Salmon Association

# ●●● OUR 2016 STRATEGIC BUSINESS PLAN

## *Our Key Drivers & Foundation SWOT Analysis*

### *Our 2016 Strategic Business Plan*

#### Our Key Drivers

The Foundation works collaboratively with our stakeholders, beneficiaries and individuals within Atlantic Canada and Quebec and around the world who share our commitment to conserve, restore and protect our wild Atlantic salmon and their habitat. We continuously monitor issues, trends and initiatives affecting both the Atlantic Salmon and our stakeholders and beneficiaries to assess the implications in fulfilling our mandate.

In addition, our annual business planning approach incorporates a vigorous Foundation SWOT (strengths, weaknesses, opportunities, threats) analysis that involves our Board of Directors, Scientific Advisory Committee and Provincial Advisory Committees.

In considering external trends, issues and initiatives in conjunction with our internal SWOT, we are fully cognizant that our mandate, our organizational scope/scale and our limited resources demand the Foundation focus efforts where we can demonstrate leadership and maximize impact.

**External Trends, Issues and Initiatives** that currently affect Atlantic salmon conservation and habitat and/or our stakeholders/beneficiaries include:

#### **Global:**

- General decline in salmon populations on both sides of the North Atlantic over a 30 plus year period.
- The impact of global warming on the freshwater and marine environments has several known and unknown impacts.
- Illegal high seas fisheries.

#### **National:**

- Gradual loss of federal scientific expertise and knowledge dedicated to wild Atlantic salmon.
- Declining numbers of volunteers at community level.
- Continued adverse impact of industrial and human activity (forestry, mining, agriculture, aquaculture, road building, etc.).



Photo: Corporation du Bassin de la Jacques Cartier

#### **Atlantic Canada/Quebec:**

- Adverse industrial impacts on salmon populations (agriculture, aquaculture, forestry, mining and other sources).
- Illegal marine and freshwater fisheries.
- Loss of salmon habitat (varies between provinces).
- Funding is available to community groups from other public trust funds in some province but not others.

#### **Foundation SWOT Analysis**

##### **Key Strengths:**

- A trust fund that generates significant funds in support of conservation projects.
- The support of the Government of Canada through the Atlantic Salmon Endowment Fund
- Good relations, support and on-going communication with the Minister and officials of the Department of Fisheries and Oceans

# ●●● OUR 2016 STRATEGIC BUSINESS PLAN

## 2016 Strategic Objectives

- The expertise and commitment of our volunteer Board of Directors, our Members, and our advisory committee members
  - Our non-profit charitable status
  - Our mandate to improve salmon conservation
  - Our model of partnership and our inclusiveness
  - Our structure and associated network of volunteers throughout our five provincial jurisdictions
  - Our goals-based approach to strategic planning
  - Our performance management approach to project implementation
  - Our core ASCF Program and well-defined procedures for project eligibility, solicitation, application, assessment, selection, reporting and evaluation.
  - Our transparency and accountability.
  - Our low administrative overhead
  - The support of funding recipients in meeting information needs and providing feedback on our processes
  - Our Audit and Evaluation Strategy (Appendix II) that:
    - That helps ensure positive results
    - Aligns terminology with federal government departments
    - Reflects result-based goal statements
    - Is based on a program Logic Model that documents the flow of resources, activities and results
    - Provides more precise performance measurement and reporting
    - Enables internal monitoring and evaluation
- To build stronger communications with current and potential stakeholders and the public to enhance their engagement in salmon conservation activities.
  - To encourage greater cooperation amongst federal and provincial governments, First Nations, community volunteers and other conservation organizations.
  - To identify new partnerships and potential sources of funding that can help advance the Foundations mission to improve salmon conservation.
  - To attract new and additional funding support from the Government of Canada to enable increased levels of project funding

### Key Threats:

- Continuing external environmental influences and human activity that adversely impact wild Atlantic salmon populations and freshwater and marine salmon habitat.

## 2016 Strategic Objectives

As a result of growing organizational maturity and solid experience through program management, the Foundation re-affirms four strategic objectives that continue to guide and focus in our efforts through 2016. These imperatives will continue to help us realize our vision, contribute to on-going achievement of our mission, goals and mandate and ensure Foundation transparency and accountability to our stakeholders. We expect that our stakeholders will measure our success in terms of these 2016 objectives:

1. To strengthen our prudent investment and financial strategy to maintain the Atlantic Salmon Endowment Fund at or above Funding Agreement requirements.
2. To observe a funding allocation model that is reflective of, and responsive to, the various conservation needs and priorities of each province.
3. To strategically allocate funding to key, priority applied research scientific projects.
4. To maintain and strengthen a results-based management approach to Foundation funded projects.
5. To broadly share salmon conservation and scientific information through innovative methods such as the web-based “Salmon Hub” utility.

### Key Weaknesses:

- A trust fund that enables funding support to approximately one-half of the reasonable demand for project funding

### Key Opportunities:

- Our on-going work with funding recipients to ensure robust results-based management and reporting on Foundation funded projects.

# ●●● OUR 2016 STRATEGIC BUSINESS PLAN

## 2016 Strategic Initiatives

6. To strengthen and build Foundation relationships and communications with current and potential stakeholders/beneficiaries, the public, and potential new supporters.

### 2016 Strategic Initiatives

**Objective #1: To strengthen our prudent investment and financial strategy to maintain the Atlantic Salmon Endowment Fund at or above Funding Agreement requirements.**

**Background:** From 2011 onward the financial performance of world financial markets has improved significantly, although 2014 witnessed somewhat volatile financial market conditions. Notwithstanding this, the creation of a reserve fund in 2014 enabled the Foundation to maintain disbursement of \$1 million in support of salmon conservation projects.

The Foundation is mandated through its funding agreement with the Government of Canada to manage its funds within the parameters of safety and prudence using a balanced investment program including bonds, common stocks and treasury bills or other short-term securities. Foundation funds are managed to achieve the highest investment return that can be obtained within the level of risk acceptance to the Investment Committee because investment returns impact the Foundation's Program funding that must be provided by the Foundation in perpetuity. In accordance with our Investment Policy and Investment Strategy (Appendix II)

*“the objectives will be to not only preserve the capital value of the Foundation Fund, but also to provide the best possible real return on investments while maintaining an acceptable level of risk. As such, a primary objective is to achieve a minimum annualized return of inflation plus 3% in any four-year period.”*

Encouraging growth in the Foundation's investment portfolio market value is anticipated from 2016 going forward based the Foundation's financially prudent long-term investment and financial management plan. The long-term plan has been reviewed regularly with senior managers of the Department of Fisheries and Oceans. The long-term plan has been designed to maintain the investment fund to projected infla-

tion adjusted value while also making provision for maintaining a projected annual distribution of project funding over the same period. By mid-2016 the market value of the Foundation's investment portfolio principal stood at a respectable \$38 million, very much in-line with Funding Agreement requirements.

**2016 Actions:** To achieve these goals, the Foundation will continue to follow a rolling long-term (10- year) investment strategy, based on a conservative 6% investment growth projection, and an integrated cost containment strategy. The regularly revised long-term plan shows a zero deficit on the principal starting in 2013, which has enabled the Foundation to increase grants from earlier levels to the originally goal of \$1 million per year in project grant funding from 2015, onward.

#### Outcomes:

##### Short Term:

- Continue to follow a financially prudent investment management approach to maintain and enhance the trust fund principal.

##### Long Term:

- Stability in grants and program funding made available by carefully following our long-term financial plan.
- Capacity to maintain a minimum \$1 million per year in ASCF grant funding for the future.



Jim Gourlay

# ●●● OUR 2016 STRATEGIC BUSINESS PLAN

## 2016 Strategic Initiatives

**Objective #2: To observe a funding allocation model that is reflective of and responsive to the various conservation needs and priorities of each province.**

**Background:** The Funding Agreement specifies that the Foundation must provide for “a balanced allocation of funding that reflects geographical areas and priorities” within and between the five provinces. This is challenging since the conservation requirements for wild Atlantic salmon populations vary widely within the salmon’s Canadian range. In addition to the five provincial allocations, the Foundation’s policy also provides for a block of funds to inter-provincial projects that would yield benefit one or more of our member jurisdictions.

To meet the challenge, the Foundation has adopted a funding allocation model that is reflective of, and responsive to, the diverse conservation needs and priorities of each province. The funding allocation model, developed by the Scientific Advisory Committee, allows for a base allocation to each province that can be supplemented according to a funding formula that provides a base allocation of \$50,000 for each province and \$50,000 for scientific projects, with the balance distributed according to the formula. The allocation formula consists of the following factors:

- **Highest Priority:** The use or value of Atlantic salmon stocks as represented by license sales most represents a number of elements including numbers of fish, angling opportunity, relative health of stocks as well as the volunteer capacity to undertake conservation projects.
- **Second Priority:** Adult salmon returns.
- **Third Priority:** Conservation status because it reflects the difference between the required number of MSW spawning target and the actual returns of MSW fish to the rivers.

NOTE: the funding formula does not factor in Labrador salmon returns since Labrador stocks are relatively healthy in comparison with other Canadian stocks and provide little opportunity for enhancement.

**2016 Actions:** For 2016 the Foundation will maintain its grant pool to at least \$1,000,000 in grants, which will be apportioned among the current six grant pools according to the funding allocation formula.

### Outcomes:

#### Short Term:

- Provide a reasonable, equitable and predictable distribution of conservation project funding to each province.
- To increase funding to key, priority applied research scientific projects
- Ensure effective management of program expenditures.

#### Long Term:

- Enhance ability to be more responsive to the diverse salmon conservation needs of each province by offering a greater allocation in grant funding, subject to improvement in investment income.

**Objective #3: To strategically allocate funding to key, priority applied research scientific projects.**

**Background:** The Foundation has a mandate through its Funding Agreement to support and promote projects in research, as well as in conservation, habitat restoration and enhancement, salmon resource building and habitat stewardship, and public awareness. Over the eight rounds of grant funding since 2008, the Foundation has helped achieve impressive gains in each of the forgoing eligible finding categories. As we enter the ninth year of providing funding support to conservation projects, it is recognized that an increased and strategic allocation of funding could be made toward scientific projects targeted at investigating priority applied research topics.

**2016 Actions:** The Scientific Advisory Committee will review the range of conservation issues affecting the survival and strengthening of wild Atlantic salmon populations in Canada, and elsewhere, to identify key applied research topics that could be funded by the Foundation. Working within the available funding allocation, the Committee would solicit applied research projects through a request for proposals (RFP) method.

# ●●● OUR 2016 STRATEGIC BUSINESS PLAN

## 2016 Strategic Initiatives

This will be a new and proactive approach to awarding ASCF funding that's considered more beneficial in advancing salmon conservation by directing funds to applied research initiatives that will have the greatest on-the-ground impact. It would also better enable attainment of the original ASCF goal of supporting innovative approaches to salmon conservation. Importantly, the recent Minister's Advisory Committee stressed the importance of research funding, which the ASCF is has only partially been able to respond.

### Outcomes:

#### Short Term:

- Continue to manage current applied research projects according to agreements with recipient organizations.
- Identify identify key applied research topics that could be funded by the Foundation.
- Within the available funding allocation, solicit applied research projects through a request for proposals (RFP) method.
- Populate the database from data provided in reports to enable improved program management and facilitate performance reporting.

#### Long Term:

- Assess scientific project results and outcomes to enhance a strategic direction of funding toward initiatives that best address key strategic salmon conservation priorities.

**Objective #4: To maintain and strengthen a results-based management approach to funding Foundation projects.**

**Background:** The Foundation continues to carefully follow its comprehensive *Audit and Evaluation Strategy* (Appendix III). The strategy details a robust Logic Model that will significantly enhance the Foundation's transition to results-based management.

All project grants approved after 2010 are evaluated and monitored for performance based on the Audit and Evaluation Strategy Logic Model. The Logic Model defines performance indicators/measures, data sources, methods of analysis, accountability and reporting time frames.

**2016 Actions:** Every funding grant will be evaluated based on the interim and final reports that must be provided by each ultimate recipient group, together with selected project site visits. Information from all projects will be added to a project database to support on-going management of the ASCF program and to facilitate performance reporting in accordance with the Funding Agreement. In addition, wherever possible, information learned from projects will be shared publicly through various means.

### Outcomes:

#### Short Term:

On-going analysis of the performance of all completed projects including working with recipients to ensure required information is provided.

Populate the database from data provided in reports to enable improved program management and facilitate performance reporting.

Implement information sharing via various media.

#### Long Term:

- Maintain results-based management of the Foundation.
- Assess project results and outcomes to enable re-direction of funding toward initiatives that best address strategic salmon conservation priorities.

**Objective #5: To broadly share information through innovative methods such as the web-based "Salmon Hub" utility.**

**Background:** A key element of the annual communications plan (Appendix V) involves the sharing of information with the public and with parties interested in wild Atlantic salmon conservation. Building on our existing initiatives, the Foundation developed and launched the "Salmon Hub" in late 2015. The Salmon Hub was designed to provide users with a web-based location to find ASCF funded project reports from the Atlantic provinces and Québec as well as assembling as much technical guidance that has been established and successful in terms of monitoring and restoring fish habitats and populations.

# ●●● OUR 2016 STRATEGIC BUSINESS PLAN

## 2016 Strategic Initiatives

**2016 Actions:** As a dynamic and growing resource and ASCF will constantly be adding new material to the Salmon Hub. 2016 will be the first full year of operation, so considerable effort will be placed in active recruiting of additional sources of information and links to build content including: best-practice guides, instruction manuals, videos, scientific research and more. Users are able to explore each of the several topics to identify key resources or to search the entire database for the complete list of reference materials. In addition, users will be actively canvassed for advice how to add the Salmon Hub content as well as to improve its functionality.

### Outcomes:

#### Short Term:

- To manage the Salmon Hub to facilitate its evolution into a much used and useful resource in improving wild salmon conservation.
- Ensure that the public, NGO and government stakeholders understand the Foundation's program, our successes, challenges and achievements.

#### Long Term:

- To continually maintain Salmon Hub as the helpful, "go-to" utility by seeking new sources of salmon, salmon habitat, and scientific information and links that augment the utility of the Salmon Hub.

**Objective #6: To strengthen the Foundation's relationships and communications with current and potential stakeholders/ beneficiaries, the public, governments and potential supporters.**

**Background:** Volunteer stakeholders/beneficiaries and representatives of various levels of government, First Nations, community groups and other conservation organizations are the lifeblood of the Foundation's efforts. As such, it is critical that the Foundation continuously nurture collaborative relationships and partnerships as the primary vehicle to accomplish our mandate. The Foundation observes the practice of facilitating groups in pursuing conservation as opposed to frustrating them.

Likewise, it is equally important that the Foundation continuously educate the public and other supporting parties about Atlantic salmon conservation and habitat protection and restoration.

**2016 Actions:** The Foundation will follow the Communications Plan (Appendix V) in 2016 to:

- Ensure that the public, NGO and government stakeholders understand the Foundation's program, our successes, challenges and achievements.
- Continue to build a distinct profile/brand for The Atlantic Salmon Conservation Foundation as an efficient, effective and durable contributor to conservation of wild Atlantic salmon.
- Motivate and involve volunteer-based groups/individual to become involved in the Foundation's salmon conservation program.
- Ensure that potential applicants for funding are aware of the Foundation's program, how it works and how to apply for funding.
- Ensure that appropriate recognition is given to the Foundation by ultimate recipients of grants.
- Ensure that appropriate recognition is given to the Minister of Fisheries and Oceans for the Government of Canada's contribution to salmon conservation through creation of the Atlantic Salmon Endowment Fund for which the Foundation is responsible.
- Motivate and encourage government, corporate and individual donors and sponsors to understand, contribute to and support the Foundation's mission and its achievements.
- Strengthen partnership activity with other conservation organizations.

### Outcomes:

#### Short Term:

- Strengthen Foundation branding.
- Increased awareness by target stakeholders and beneficiaries, and potential supporting parties.
- Seek to build new partnerships with public and private parties to enhance the Foundation's ability to support salmon conservation.

#### Long Term:

- Seek to build a strong Foundation and ASCF brand.
- Broaden public awareness of the Foundation and the importance of wild Atlantic salmon conservation, restoration and protection.

# ●●● OUR 2016 STRATEGIC BUSINESS PLAN

## 2015 Business Plan Review

- Increase the numbers of volunteer organizations/ individuals engaged in salmon conservation, restoration and protection.
- Enhanced organizational collaboration and cooperation.
- Increased government and private support to the Foundation's salmon conservation program.

## 2015 Business Plan Review

The Foundation has been successful through 2015 in working toward attainment of the four objectives stated in the 2015 Business Plan. These will be reported in detail in the 2015 Annual Report.

**Objective #1:** To maintain and strengthen a prudent investment and financial strategy to restore the ASEF to its adjusted value and create a reserve fund.

**Comment:** The Foundation is closely following the direction provided in its long-term investment and financial management approach originally adopted in 2009. This factor enabled the trust fund to match adjusted book value to adjusted market value of the

fund according to long-term plan schedule. Due to the success of this carefully managed financial plan, grants were increased in 2015 to \$1.1 million, consisting of \$1 million from the trust fund supplemented by \$100,000 made available through funding partnerships with the New Brunswick and PEI liquor corporations.

**Objective #2:** To introduce a funding allocation model that is reflective of and responsive to the various conservation needs and priorities of each province.

**Comment:** In 2015 the funding allocation model provided \$1.1 million in project funding distributed to each of the five provinces and to inter-provincial projects. Grant funding was recommended for approval by the Board of Directors by volunteer advisory committees based on province-specific conservation priorities. The amount of the annual allocation is guided by the long-term financial plan and is subject to change dependent on that plan.

**Objective #3:** To maintain and strengthen a results-based management approach to funding Foundation projects.

**Comment:** The Audit & Evaluation Strategy continues to support development of the database to support performance reporting by the Foundation. The Strategy guides development of all funding agreements ultimate recipients since to provide for reporting of project information that will contribute to the database.

**Objective #4:** To strengthen Foundation relationships and communications with current and potential stakeholders/ beneficiaries, the public, and potential supporters.

**Comment:** The Foundation continually strives to strengthen relationships with existing partners to foster new partnerships. In 2015 important new initiatives were launched to seek new partners and supporters of the Foundation's mission and goals. In particular, the launch of the Salmon Hub initiative proved to generate interest in the Foundation and strengthen the partnership base.

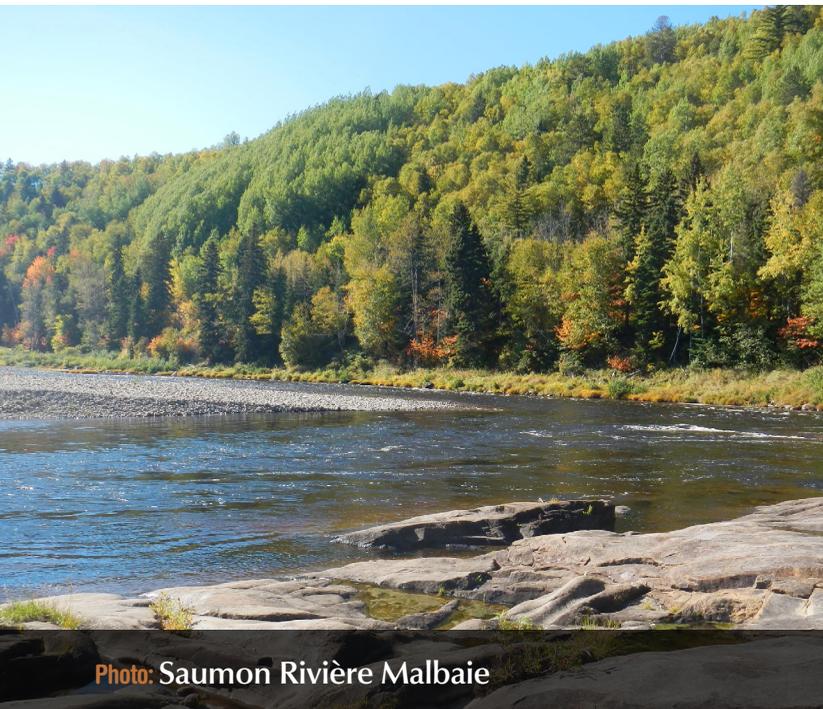


Photo: Saumon Rivière Malbaie

## ●●● APPENDIX I

### 2016-2018 Income Statement Forecast

	2016 Projection	2017 Projection	2018 Projection
<b>Revenue</b>			
Investment Income	\$2,264,454	\$2,318,348	\$2,373,590
Other Income (est.)	\$100,000	\$100,000	\$100,000
<b>Total Revenue</b>	<b>2,364,454</b>	<b>2,418,348</b>	<b>2,473,590</b>
<b>Expenses</b>			
<b>Fund Management</b>	<b>188,705</b>	<b>193,196</b>	<b>197,799</b>
<b>Administration</b>			
Salaries and employee benefits	279,000	285,975	293,124
Professional services	30,000	30,750	31,519
Travel & Meetings	63,000	64,575	66,189
Office Overhead	39,360	40,344	41,353
Public information and website	37,000	37,925	38,873
Contingency	2,000	2,000	2,000
<b>Total Administration</b>	<b>450,360</b>	<b>461,569</b>	<b>473,058</b>
<b>Total Expenses</b>	<b>639,065</b>	<b>654,765</b>	<b>670,857</b>
<b>Net Income</b>	<b>\$1,725,389</b>	<b>\$1,763,583</b>	<b>\$1,802,733</b>

#### Notes:

- Professional services includes accounting, audit, legal, translation and computer services.
- Travel includes all meeting and travel costs incurred for Directors, Scientific Advisory Committee, Provincial Advisory Committees and Staff.
- CPI is assumed at 2.5 percent.
- The *Maximum Amount* for 2016 is projected to be: \$600,000.

	2016 Projection	2017 Projection	2018 Projection
Net Income	\$1,725,389	\$1,763,583	\$1,802,733
Capital Recovery ((over 10 years)	0	0	0
Basic Capital Adjustment (CPI @ 2.5%)	886,941	909,114	931,842
Excess of funds available for grants	\$838,448	\$854,469	\$870,891
Planned Grants	\$1,000,000	\$1,000,000	\$1,000,000

Reinvestment is estimated at 2.5% of the fund value figures shown on the 2016-2018 forecast.

## ●●● APPENDIX IIa

### *Foundation Directors, Officers & Committees of the Board*

#### *Officers and Directors 1 November 2015*

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##### Officers

**Honourable Rémi Bujold**, P.C., C.M., *Chairman and President*

Québec, QC

**Robert Bishop**, C.A., *Vice-Chairman and Vice-President*

St. John's, NL

**Paul D. Michael**, Q.C., *Secretary*

Stratford, PEI

**Joan Marie Aylward**, *Treasurer*

St. John's, NL

##### Directors

**Jim Jones** • Moncton, N-B

**James Lawley** • Halifax, NS

**John LeBoutillier** • Montréal, QC

**Denis Losier** • Moncton, N-B

**Katharine Mott** • Stewiacke, NS

**Chief David Peter-Paul** • Pabineau, NB

#### *Board Committees 1 November 2015*

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##### Investment Committee

J. LeBoutillier

D. Losier

R. Bishop

S. Graham

##### Audit & Finance Committee

J. M. Aylward

R. Bishop

R. Bujold

##### Policy & Program Committee

J. Jones

P. Michael

K. Mott

D. Losier

##### Development Committee

D. Losier

E. Brewer

J. Burton

R. Bujold

J. Lawley

D. Peter-Paul

## ●●● APPENDIX IIb

### *New Participants' CVs*

*The composition and membership of the Board of Directors changed in 2015 with addition of one new Director in April 2015:*

#### **Jim. B. Jones**

42 Firwood Crescent,  
Moncton, NB E1A 5X2

#### **Education**

- Master of Arts (1976), University of Alberta (Economics) 1976
- Bachelor of Arts (1974), Memorial University of Newfoundland (1974)

#### **Current Positions**

- President, JB Jones Consulting, Moncton, NB

#### **Previous Positions**

- Regional Director General (1998 – 2009), Department of Fisheries and Oceans, Moncton, NB, Canada
- Regional Director, Fisheries and Aquaculture Management (1992 -1998), Department of Fisheries and Oceans, Moncton, NB Canada
- Regional Director: Policy and Economics (1983 – 1992), Department of Fisheries and Oceans, Moncton, NB Canada

#### **Other Positions**

- Chair of Finance Committee, International Commission For The Conservation Of Atlantic Tunas (ICCAT)

#### **Current Positions**

- President, JB Jones Consulting, Moncton, NB

#### **Previous Positions**

- Regional Director General (1998 – 2009), Department of Fisheries and Oceans, Moncton, NB, Canada
- Regional Director, Fisheries and Aquaculture Management (1992 -1998), Department of Fisheries and Oceans, Moncton, NB Canada
- Regional Director: Policy and Economics (1983 – 1992), Department of Fisheries and Oceans, Moncton, NB Canada

#### **Other Positions**

- Chair of Finance Committee, International Commission For The Conservation Of Atlantic Tunas (ICCAT)

## ●●● APPENDIX IIc

### *Investment Committee CVs*

#### **Robert G. Bishop, C.A. (St. John's, NL)**

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Mr. Bishop was born in St. John's, Newfoundland in 1953. He attended Memorial University and graduated with a B.Sc. in Biology in 1974. After being employed as a biologist, initially by the Churchill Falls (Labrador) Corporation, Mr. Bishop entered the Chartered Accountant program. He obtained the CA designation in 1983 with Clarkson Gordon (now Ernst and Young) and worked in a number of positions in industry and public practice until moving to the City of St. John's in 1995 as Director of Finance and City Treasurer in 1995 where he is still employed as the Deputy City Manager, Financial Management. His responsibilities include chairing the City's Pension Committee and appointments to associated Boards of Directors including St. John's Sports & Entertainment Ltd. and Eastern Waste Management..

Mr. Bishop has been a member of SAEN (Salmonid Association of Eastern Newfoundland) since 1984 and of ASF since 1986. He has been on the Board of Directors of SAEN since 1985 and served as Treasurer for 3 years, President for 3 years and Past-President for 2 years. He has also served on numerous committees of the SAEN Board including Finance, Fund-raising, Dinner and Auction, Environment and Stewardship.

He was appointed a member of the Board of Regents of Memorial University of Newfoundland in 2014 and elected to the Executive Board of the Government Finance Officers Association of the United States and Canada in 2015.

Mr. Bishop also served as Treasurer for 2 years and Vice-President for 2 years of SCNL (Salmonid Council of Newfoundland and Labrador). Other volunteer activities included 5 years on the executive of the Quidi Vidi - Rennie's River Development Foundation and a four year term on the Executive of the Memorial University of Newfoundland Botanic Garden.

#### **John LeBoutillier, C.M. (Montreal, QC)**

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Born in Gascons, Quebec in 1944, John LeBoutillier received his undergraduate degree from the Séminaire de Gaspé, his law degree from Université Laval and his MBA from the University of Western Ontario (now The Richard Ivey School of Business). He is a member of the Quebec Bar.

Mr. LeBoutillier was President and Chief Executive Officer of Sidbec-Dosco Inc. (now ArcelorMittal Montreal Inc.) from 1983 to 1996 and President and Chief Executive Officer of the Iron Ore Company of Canada from 1996 to 2000. He is Chairman of the Board of Industrial Alliance, Insurance and Financial Services Inc. and of Groupe Deschênes Inc., Vice-Chairman of TechnoCentre éolien Gaspésie-les Îles (Wind Energy TechnoCentre) and a director of several companies including Mazarin Inc., Semafo Inc. and Stornoway Diamond Corporation. He was a director of St. Laurent Paperboard Inc. and of Société générale de financement du Québec (1996-2010). He was Chairman of the Board of the Conseil du patronat du Québec (2006-2010).

He is an active chairman or director of several organisations in the health, education, culture and sports fields, including Tennis Canada, where he is Chairman of the Board.

He was a member and director of various Canadian, North American and international industry associations. In 2000, he was a member of the Quebec Commission of Inquiry into Health and Social Services (Clair Commission) and, in 2001, a member of the Canadian Democracy and Corporate Accountability Commission (Bennett/Broadbent Commission).

He is a Member of the Order of Canada.

Mr. LeBoutillier is married with one daughter.

## ●●● APPENDIX IIc

### *Investment Committee CVs*

#### Denis Losier, C.M (Moncton, NB)

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Denis Losier was born on June 14, 1952, in Tracadie, NB.

After completing his schooling in Tracadie, Mr. Losier obtained a Bachelor of Arts in 1973 and a Bachelor of Social Sciences (Economy) in 1974 from the University of Moncton. He continued his studies at the University of Western Ontario, where he received a Master's of Arts (Economy). In May 2003, Mr. Losier was awarded an Honorary Doctorate Degree in Business Administration from the Université de Moncton. He also received, twice, the Paul Harris Awards from the Rotary Club for his community services as well as the renowned "Prix Montfort", award which recognizes the efforts and achievements of individuals who contribute to the development of Canadian society and the enhancement of French culture in Canada and abroad.

He started his career as an economist by accepting a position at the former Federal Ministry for Regional Industrial Expansion. He then went on to become President of the Société des Acadiens du Nouveau-Brunswick. From 1984 to 1986, he was First Secretary for Industrial Cooperation at the Canadian Embassy in Paris. He returned to Canada to accept the position of Executive Director of the Conseil Économique du Nouveau-Brunswick; in June 1988, he was appointed Deputy Commissioner of Economic Development in Premier Frank McKenna's office.

On November 14, 1988, Mr. Losier was elected MLA in the constituency of Tracadie and was reelected in September 1991. On June 15, 1989, Mr. Losier was appointed Minister of Fisheries and Aquaculture.

On October 9, 1991, he was appointed Minister of Commerce and Technology and Minister of Tourism, Recreation and Heritage, after the two departments were combined. This department was subsequently renamed Department of Economic Development and Tourism. Mr. Losier was a member of the Cabinet Policies and Priorities Committee as well as of the Budget Committee and co-chairman of the Ministers' Committee on Internal Trade, a federal-provincial-territorial committee.

Mr. Losier was appointed President and Chief Executive Officer of Assumption Mutual Life Insurance Company of Moncton on September 1, 1994, and retired from that position in September 2013. Mr. Losier is also Chairman of Assumption Life's subsidiaries and Louisbourg Investments, a company specializing in pension fund management, with assets of more than \$1.5 billion under management.

Assumption Life is one of the major insurance companies in the Maritimes, with assets under management of over \$1 billion and has 70,000 policyholders in Canada.

Mr. Losier is a member of boards of well-known public companies such as Canadian National, NAV Canada, Enbridge Gas NB, PlazaCorp Retail Property Ltd and Canadian Blood Services. In 2008, Mr. Losier was appointed a member of the Security and Intelligence Review Committee of Canada (SIRC) and, in that capacity, became a member of the Privy Council.

He is also a Member of the Order of Canada.

He is married to Cécile Mallais and they have three children: Andrée Pascale, Joshua and Jessica.

## ●●● APPENDIX IIc

### *Investment Committee CVs*

#### Sean Graham (Bedford, NS)

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Sean is a Senior Financial Advisor with Assante Wealth Management. He has been a trusted advisor for 24 years with predecessor firms THE Financial Planning Group and Investors Group.

Sean volunteers with the Nova Scotia Salmon Association where he is on the Finance Committee and has served as past treasurer. Current responsibilities include coordinating the annual fundraiser gala dinner and the golf tournament which funds the West River Sheet Harbour liming project. He was the 2012 recipient of the Dave Simmons award for his conservation efforts with the NSSA. He was the 2015 recipient of the Lieutenant Governors Award for Conservation for his over two decades of work with NSSA and ASF.

Sean attended University of Prince Edward Island and attained his BBA after high school in Middle Musquodoboit where he received the Lieutenant Governors' Award.

A passionate fisherman with a new addiction to Striped Bass, he has given up on Fly fishing only ways and has admitted to using whatever it takes!

## ●●● APPENDIX IIIa

### *Investment Policy*

#### *Statement of Investment Policy (reviewed September 2015)*

##### I. Background Regarding Investment Philosophy And Policy Objectives:

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The Investment Committee has adopted this Statement of Investment Policy with the goal of enunciating:

- The investment philosophy the Investment Committee wishes its Balanced Fund Manager(s) to follow,
- The level of risk which the Investment Committee is prepared to accept with respect to the investment of the Foundation Fund, and
- The basis for measurement of the Foundation Fund's and each Balanced Fund Manager's performance.

In creating its Investment Policy, the Investment Committee recognizes that the purpose of the Foundation Fund is to assist community groups in the restoration and improved conservation of the Atlantic salmon in Atlantic Canada and Quebec.

Therefore, the Foundation Fund must be managed to achieve the highest investment return that can be obtained within the level of risk acceptance to the Investment Committee, since investment returns will have a significant impact on the funding level which can be provided by the Foundation in the longer term.

The Investment Committee believes that investment risks can be reduced by prudent and thoughtful diversification. The Investment Committee further believes that diversification is achieved by investing in a variety of asset classes that behave differently depending on the economic environment, and where feasible, by selecting managers with different investment styles. Accordingly, the Investment Committee may contract the services of more than one Balanced Fund Manager.

In this context the following general statements of philosophy and objectives will apply:

Members of the Investment Committee and their agents shall exercise the care, diligence and skill in the administration and investment of the Foundation Fund that a person of ordinary prudence would exercise in dealing with the property of another person. They must act in the best interests of the Foundation and must not permit their personal interests to conflict with the exercise of their duties and powers.

The Foundation Fund assets will be managed within parameters of safety and prudence using a balanced investment program including bonds, common stocks, and treasury bills or other short term securities. The Investment Committee may consider limited investments in other types of instruments such as alternative assets or derivatives.

Diversification will be maintained. Investment in securities of any one issuer, or two or more affiliate entities, should not exceed 10% of the market value of the portfolio. The Investment Committee shall be informed of any holding greater than 5% at the next meeting.

In the long term, the objectives will be to not only preserve the capital value of the Foundation Fund, but also to provide the best possible real return on investments while maintaining an acceptable level of risk. As such, a primary objective is to achieve a minimum annualized return of inflation plus 3% in any four-year period.

Over shorter time periods, the objective will be to achieve competitive rates of return on the total Foundation Fund and on each major asset class while avoiding undue investment risk and excessive market volatility.

## II. ALLOCATION OF RESPONSIBILITIES:

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### **A. Investment Committee:**

The Investment Committee will be responsible to the Board for the following:

- i. Recommending and reviewing annually the Investment Policy Statement.
- ii. Recommending the Portfolio Manager(s) and the performance measurement service or methods to be employed on behalf of the Foundation.
- iii. Assessing the performance of the Portfolio Manager(s) at least annually regarding investment performance and other pertinent factors.
- iv. Advising the Portfolio Manager(s) at least annually of the anticipated cash flows to and from the Foundation and of any other material developments.
- v. Engaging an Agent or Agents to assist the Investment Committee in performing its duties in connection with its management of the Foundation Fund, including persons or organizations such as the Fund Manager, the Custodian, and the Performance Measurement Service.
- vi. Ensuring that all activities required for monitoring and managing compliance to the Investment Policy Statement are delegated to the various agents retained by the Investment Committee.

### **B. Portfolio Manager:**

The Portfolio Manager will be responsible for the following:

- i. Managing the Foundation's investment portfolio in a manner consistent with the Foundation's Investment Strategy.
- ii. Selecting securities within each asset class, subject to the constraints of Section III.
- iii. Preparing written reviews of quarterly investment performance, economic and market conditions, and future expectations for presentation to the Investment Committee.
- iv. Providing complete portfolio statements to the Foundation on a monthly basis.
- v. Confirmation of compliance with the Investment Policy Statement on a quarterly basis.
- vi. Informing the Investment Committee of developments occurring within the Fund Manager's firm that may impact the firm's business, including developments such as the loss or acquisition of key personnel, changes in ownership structure, and rapid growth or decline in assets under management.

### **C. Custodian:**

The Custodian will:

- i. Maintain safe custody over the assets of the Foundation Fund;
- ii. Provide monthly, quarterly and annual portfolio reports of all assets of the Foundation Fund and monthly reports of all transactions during the period for each Fund Manager as well as for the Foundation Fund;
- iii. Execute the instructions of the Investment Committee, as delegated to any portfolio manager appointed to manage a portion of the assets of the Foundation Fund.

## ●●● APPENDIX IIIa

### *Investment Policy*

#### **D. Investment Advisor:**

The services of an Investment Advisor may be engaged from time to time. The Investment Advisor may be responsible for the following:

- i. Assist in the development and implementation of the Statement of Investment Policy;
- ii. Where required, participate in the discussions with each Fund Manager, identifying issues that need to be addressed;
- iii. Conduct additional research and analyses as may be requested by the Investment Committee from time to time;
- iv. Assist the Investment Committee in its annual review of the Statement of Investment Policy;
- v. Report to the Investment Committee on the investment performance and identify key issues (positive and negative) with each portfolio manager;
- vi. Advise the Investment Committee in reviewing the Investment Strategy on an annual basis.

### III. INVESTMENT POLICY STATEMENT:

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#### **A. Permissible Asset Classes:**

Subject to the limitations set out in this document, the Foundation Fund may be invested in any or all of the following asset categories and subcategories of investments either directly or through pooled funds, which hold only these investments:

- a. **Canadian Equity:** common stock, income trusts, convertible debentures, or preferred shares of Canadian public companies.
- b. **Foreign Equity;** common stock, convertible debentures, or American depository receipts (ADRs) and Global depository receipts (GDRs) of publicly traded non-Canadian companies.
- c. **Fixed income:**
  - Bonds, debentures, notes, mortgages or other debt instruments of governments or Canadian corporations;
  - Asset-backed securities and mortgage-backed securities;
  - Guaranteed investment contracts or equivalent financial instruments of Canadian insurance companies, trust companies, banks or other eligible issuers;
  - Annuities, deposit administration contracts or other similar instruments regulated by the Insurance Companies Act (Canada) or comparable provincial law, as amended from time to time;
  - Coupons and residuals;
  - Term deposits or similar instruments of Canadian trust companies and banks.
- d. **Cash or Cash Equivalents:**
  - Deposits with banks or trust companies;
  - Money market securities issued by governments or Canadian corporations with term to maturity of one year or less.

## ●●● APPENDIX IIIa

### *Investment Policy*

#### **B. Quantitative Restrictions and Limitations**

##### **Canadian Equity:**

The Foundation Fund and any portion allocated to a Fund Manager must be well diversified across industry sectors and capitalization ranges consistent with the following:

- a. No one equity holding shall represent more than 10% of the book value of the aggregate Canadian Equity portfolio.
- b. There will be a minimum of 30 stocks in the Canadian equity portfolio.
- c. No more than 10% of the market value of a Canadian equity portfolio may be invested in companies with a market capitalization of less than \$500 million at the time of purchase.

Proper diversification will be maintained across industry groups, (i.e., with investments in at least 7 of the ten major sub-indices of the S&P/TSX). Purchase of an equity investment in an industry group cannot be made if the resulting aggregate equity investment in that industry group will exceed the lesser of:

- a. The S&P/TSX weight for that group, plus 15 percentage points, and
- b. 40% of the total Canadian Equity portfolio.

##### **United States Equity:**

The Foundation Fund and any portion allocated to a Fund Manager must be well diversified across industry sectors and capitalization ranges consistent with the following:

- a. No one equity holding shall represent more than 10% of the book value of the aggregate US Equity portfolio.
- b. There will be a minimum of 30 stocks in the US equity portfolio.
- c. No more than 10% of the market value of a U.S. equity portfolio may be invested in companies with a market capitalization of less than \$800 million at the time of purchase.
- d. No more than 20% of the market value of a U.S. equity portfolio may be invested in companies with a market capitalization of less than \$2 billion at the time of purchase.

Proper diversification will be maintained across industry groups (i.e., with investments in at least 7 of the ten major sub-indices of the S&P 500). Purchase of an equity investment in an industry group cannot be made if the resulting aggregate equity investment in that industry group will exceed the lesser of:

- a. The S&P 500 weight for that group, plus 15 percentage points.
- b. 40% of the total U.S. Equity portfolio.

The Fund Manager at his/her discretion may utilize pooled funds for this assets class provided this does not violate other requirements of this Policy Statement.

##### **International Equity:**

The Foundation Fund and any portion allocated to a Fund Manager must be well diversified across industry sectors, geographical areas and capitalization ranges consistent with the following:

- a. No one equity holding shall represent more than 10% of the book value of the aggregate International Equity portfolio.

## ●●● APPENDIX IIIa

### *Investment Policy*

- b. There will be a minimum of 30 stocks in the International equity portfolio.
- c. No more than 10% of the market value of an International equity portfolio may be invested in companies with a market capitalization of less than \$800 million at the time of purchase.
- d. No more than 20% of the market value of an International equity portfolio may be invested in companies with a market capitalization of less than \$2 billion at the time of purchase.

Proper diversification will be maintained across industry groups (i.e., with investments in at least 7 of the ten major sub-indices of the MSCI EAFE). Purchase of an equity investment in an industry group cannot be made if the resulting aggregate equity investment in that industry group will exceed the lesser of:

- a. The MSCI EAFE weight for that group, plus 15 percentage points.
- b. 40% of the total International Equity portfolio.

The Fund Manager may invest a portion of its international equity mandate in emerging markets not to exceed 10% of the international equity portfolio under management by the Fund Manager.

The Fund Manager at his/her discretion may utilize pooled funds for this asset class provided this does not violate other requirements of this Policy Statement.

#### **Use of Derivatives:**

A Manager may only use derivatives on the prior written approval of the Committee. Notwithstanding the aforementioned, derivatives or any instruments that have derivative holdings cannot be used in instances other than for risk mitigating purposes

#### **Fixed Income Investments:**

##### Government Issues:

- There are no limits on Federal issues or AAA provincial issues.
- The maximum weighting in AA provincials is 50% of the fixed income portfolio.
- The maximum weighting in A provincials is 40% of the fixed income portfolio.

##### Corporate Issues:

- Not more than 10% of the total bond component of the Foundation Fund shall be invested in any issuer.
- The maximum weighting in A corporate issues is 30% of the fixed income portfolio.
- The maximum weighting in BBB corporate issues is 15% of the fixed income portfolio.
- Corporate issues in total may not exceed 50% of the fixed income portfolio.

##### Minimum Quality:

- The minimum average quality of the bond portfolio is to be A.
- No purchases may be made within the bond portfolio of issues rated BB or less.

## ●●● APPENDIX IIIa

### *Investment Policy*

Quality standards for the total bond component of the Foundation Fund shall be as follows:

#### Maximum % of Bond Portfolio

Total BB or Lower	5%*
Total BBB or Lower	15%
Total A or Lower	50%
AA or Higher	no limit

\* Only to be used with the prior approval of the Committee The Fund Manager shall notify the Investment Committee of any issues that fall to BB or lower within ten days of the downgrading of the issue, and should be prepared to discuss his plan of action on such holdings.

Not more than 25% of the total bond component of the Foundation Fund and of each Fund Manager's Portfolio shall be in foreign pay, Canadian domiciled bonds (including Canadian recognized supra-nationals); or in bonds of foreign issuers.

Each Manager will maintain the duration of their bond portfolio within a range of 50% to 150% of the duration of the Scotia Capital Markets Bond Universe Index, and will report the duration as information with each quarterly written report.

#### **Short Term Securities:**

Short-term securities will be limited to those of the highest quality to minimize risk, namely those with a minimum rating of R1.

The Fund shall maintain a minimum of 2% of the investment portfolio in cash or cash equivalent instruments to meet the Fund's liquidity needs.

#### **Use of Portfolio Manager's Pooled Funds:**

Where the Investment Committee retains a portfolio manager utilizing a pooled fund, the Investment Committee may accept the Investment Policy of that Pooled Fund for that Mandate. As a result, if this were to occur, the Investment Policy of that Pooled Fund would override any specific requirements contained in this Policy. The Manager is required to notify the Investment Committee promptly of any changes to that Investment Policy. Should the Investment Committee decide that the Pool's Investment Policy cannot be supported, it will change to a segregated approach with the current portfolio manager, or an alternative portfolio manager, with a Pooled Fund Investment Policy that can be supported, will be identified.

#### **Alternative Investments:**

No such investments will be allowed without obtaining the prior written consent of the Investment Committee. Notwithstanding the above, investments in alternative assets (including hedge funds, funds of hedge funds, venture capital, private equity, real estate and other nontraditional asset classes) shall be limited to no more than 10% of the investment portfolio's assets.

#### **C. Investment Constraints:**

- i. Currency hedging is permitted with committee approval
- ii. Investments in equities will be limited to 70% of the market value of the fund.
- iii. Investments will be diversified across a number of industries and geographical areas.

## ●●● APPENDIX IIIa

### *Investment Policy*

- iv. The securities in the portfolio should, in general, be readily marketable.
- v. Investment in securities of any one issuer, or two or more affiliate entities, should not exceed 10% of the market value of the portfolio. The Investment Committee shall be informed of any holding greater than 5% at the next meeting.
- vi. Paragraph v. does not apply in respect of any investments in securities issued by the Government of Canada or the government of a province, or securities that carry the full faith and credit of either and any index, segregated, mutual or pooled fund.
- vii. Investments in alternative assets (including hedge funds, fund of hedge funds, venture capital, private equity, real estate and other non-traditional asset classes) shall be limited to no more than 10% of the investment portfolio's assets.
- viii. The Foundation shall not issue any debt obligations or securities, give any guarantees to secure a debt or an obligation of another person or mortgage, pledge or do any other thing that would encumber the Fund. The Foundation is permitted to maintain an operating line with the Schedule A Charter Bank, not to exceed 1% of the book value of the Fund's assets.

#### **D. Prohibited Investments and Trading Activities:**

The Foundation undertakes not to engage or invest in the following:

- i. Fixed income instruments rated below BBB- by Standard & Poors or Fitch ratings, Baa3 by Moody's or BBB by DBRS;
- ii. Derivatives or any instruments that have derivative holdings other than for risk mitigating purposes;
- iii. Non-marketable securities;
- iv. Commodities; and
- v. Repurchase agreements against securities which are not permitted to be held in the portfolio.

#### **E. Securities Lending:**

Securities Lending, under which the Foundation Fund lends securities to a borrower who delivers collateral in an acceptable form and amount, is authorized in order to secure added income for the Foundation Fund. Unless provided otherwise, all such transactions are managed by the Custodian according to a securities lending agreement with the Investment Committee. The collateral must take the form of cash or marketable investments having a market value of at least 105% of the loan and maintained no less frequently than weekly.

#### **F. Shareholder Voting Rights:**

In general, the Fund Manager has the right but not the obligation to exercise the voting rights. In case of doubt concerning the best interests of the Foundation, the Fund Manager shall request instructions from the Investment Committee and act in accordance with such instructions. The Investment Committee may demand to exercise a voting right by communicating their intention to the Fund Manager within a reasonable period.

#### **G. Securities Not Regularly Traded:**

It is expected that the securities held in the Foundation Fund will have an active market and therefore valuation of the securities held in the Foundation Fund will be based on the securities' market values, as determined by the Custodian/Trustee. If a security held in the Foundation Fund does not have an active market, then it will be valued at least annually by the Foundation Fund's Custodian/Trustee or such other appraiser as the Investment Committee may choose to nominate.

## ●●● APPENDIX IIIa

### Investment Policy

#### H. Performance Objective for the Balanced Fund Manager:

The Balanced Fund Manager will be allowed to employ asset allocation and security selection techniques in an effort to increase the Foundation Fund's total return.

##### Asset Allocation:

A Balanced Fund Manager, while adhering to its Balanced Fund Benchmark Portfolio in the long term, may employ shorter term asset allocation strategies, but in so doing must not violate the following maximum and minimum allocations to each asset class:

Asset Class	Balanced Fund Benchmark Portfolio	Proportion in Range
Short term securities	5%	2% ^ 10%
Equities		
Canadian	30%	15% ^ 55%
International (including US)	30%	10% ^ 40%
Fixed Income	35%	25% ^ 55%

In order to achieve satisfactory overall investment performance, the Balanced Fund Managers are expected to meet or exceed the following performance targets:

$(0.05 * 90\text{-day SCM Treasury Bills Index}) +$

$(0.30 * \text{S\&P/TSX Composite Index with Income Trusts (capped)}) +$

$(0.30 * \text{MSCI World Index (Cdn\$)}) +$

$(0.35 * \text{SCM Universe bond index}) + 1.0\% \text{ per annum}$

Calculated net of fees assuming quarterly re-balancing on an annualized basis over moving 4 year time periods.

##### Security Selection:

Each Balanced Fund Manager may employ security selection techniques within each asset class, such that the investment characteristics of the asset class differ from the characteristics of the representative index. The various limits set out previously in the above Section entitled Quantitative Restrictions and Limits must be adhered to.

Furthermore, a Balanced Fund Manager's contribution will be measured in two parts; the portion due to asset allocation strategies, and the portion due to security selection techniques. The following are a Balanced Fund Manager's secondary performance objectives:

- To have a positive contribution from both asset mix and security selection;
- With respect to security selection, to achieve performance within each asset class that exceeds the rate of return by an appropriate "Active Margin" on that asset class's representative index. The appropriate "Active Margin" calculated net of fees, for each asset class's representative index are as follows:

Asset Class	Representative Index	Active Margin
Cash	90-day SCM Treasury Bills Index	Nil
Canadian Equity	S&P/TSX Composite Index with Income Trusts (capped)	1.25%
Global Equity	MSCI World Index (Cdn. \$)	1.25%
Fixed Income	SCM Universe Index	0.25%

## ●●● APPENDIX IIIa

### *Investment Policy*

In addition to meeting or exceeding these objectives, each Balanced Fund Manager will be monitored in other aspects of his/her operation, including (but not limited to):

- Compliance with this Statement of Investment Policy ;
- Continuity of personnel within the firm;
- Continuity of management style; and
- Overall management of the firm's business.

#### **Performance of Balanced Fund Managers:**

Each balanced fund manager is expected to achieve reasonably comparable rate of return in investment performance based on this investment policy.

Where the difference in the overall rate of return between balanced fund managers exceeds 10 percent, the Investment Committee may consider moving the investment portfolio managed by that balanced fund manager to another balanced fund manager.

#### **I. Other Investment Policies:**

- a. The Foundation has no policy of socially responsible investing.
- b. The Foundation is permitted to hold securities on a Segregated or Pooled basis.

#### **IV. Conflict of Interest Concerning Investment Management:**

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- A. All investment advisors or portfolio managers who are involved in the investment management of the Fund shall disclose in writing, on a timely basis, the nature and extent of his/her interest, including any material interest in any equity that is a party to the transaction with the Foundation.
- B. The Foundation shall also ensure that the Foundation's conflict of interest policies and procedures with respect to the investment of the Fund include provisions on voting, prohibited transactions, continuing disclosure and voidance standards.
- C. The Custodian and any other agent who may have responsibility for the assets of the Foundation shall disclose in writing, on a timely basis, the nature and extent of his/her interest, including any material interest in any equity that is a party to the transaction with the Foundation.

## ●●● APPENDIX IIIa.1

### *Beutel Goodman Balanced Fund*

*Standard Investment Policy, Effective September 5, 2014 · Revision – 25 August 2015*

#### **Purpose**

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This Statement of Investment Policies and Goals formalizes the investment principles and constraints through which assets will be managed in a Beutel Goodman Balanced Fund (the “Fund”).

This Statement may be adjusted or modified at the sole discretion of Beutel, Goodman & Company Ltd. (“Beutel Goodman”). Material changes will be communicated to affected parties.

#### **Fund Objectives**

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The objective of the Fund is the preservation of capital and to maximize portfolio returns through capital enhancement and investment income.

#### **Securities Eligible for Investment**

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The Fund may invest in any or all of the following securities.

##### **Cash and Short-term Securities**

1. Cash (Canadian and non-Canadian).
2. Short-term investments having a term to maturity not exceeding 1-year including Canadian and non-Canadian Government and Government guaranteed securities, deposit receipts of Canadian chartered banks and commercial paper.

##### **Fixed Income Securities**

1. Bonds, debentures, mortgages, notes or other debt instruments of Canadian and non-Canadian Governments, Government agencies and corporations. For the purposes of this definition convertible debentures are considered to be equity securities.
2. Guaranteed investment contracts or equivalent of insurance companies, trust companies, banks or other eligible issuers, or funds which invest primarily in such instruments.
3. Inflation linked securities.
4. Private placements of Canadian agencies and corporations.

##### **Equity Securities**

1. Common stocks, instalment receipts, income trusts, convertible debentures or preferred securities.
2. Warrants, options, rights, financial futures or other derivative securities.

##### **Other**

1. Pooled or closed end funds whose investments are limited to some or all of the above and the investment activities of which are governed by this or an equivalent statement of investment policy.

## ●●● APPENDIX IIIa.1

### *Beutel Goodman Balanced Fund*

#### Diversification and Quality Standards

The diversification of a balanced portfolio, based on market values, will be as follows:

	Minimum	Maximum
<b>Cash &amp; Short-term</b>	<b>0%</b>	<b>15%</b>
<b>Fixed Income Securities</b>	<b>30%</b>	<b>55%</b>
<b>Equities</b>	<b>45%</b>	<b>70%</b>
Canadian Equities	25%	55%
Global Equity	15%	40%

#### Passive Performance Benchmark

Added value is assessed against the passive benchmark, per the weightings below:

Asset Class	Index	Weight in Blended Passive Performance Benchmark
Cash/Short Term	91-Day T-Bill	5%
Bonds	FTSE TMX Canada Universe Bond Index	40%
Equity- Canadian	S&P/TSX TRI	30%
Equity – US	S&P500 TRI C\$	12%
Equity - EAFE	MSCI EAFE TRI C\$	13%

#### Short-term Securities

1. Commercial paper will have a minimum rating of A or R1 Low.
2. No more than 30% of the commercial paper will be invested at the minimum rating.

#### Fixed Income Securities

1. There will be no limits on securities issued or guaranteed by the Government of Canada.
2. The maximum weighting in AA provincial issues will be 50% of the fixed income portfolio.
3. The maximum weighting in A provincial issues will be 40% of the fixed income portfolio.
4. The issues of any corporation shall not exceed 10% of the fixed income portfolio.
5. Corporate issues will not exceed 50% of the fixed income portfolio.
6. The weighted average minimum quality of the fixed income portfolio will be A.
7. The minimum quality rating for any position in the fixed income portfolio will be BBB and the aggregate of such positions shall not exceed 20% of the fixed income portfolio.

## ●●● APPENDIX IIIa.1

### *Beutel Goodman Balanced Fund*

8. No more than 20% of the fixed income portfolio shall be denominated for payment in non-Canadian currency.
9. The duration of the fixed income portfolio will not exceed 1.5 duration years above or below that of the FTSE TMX Canada Universe Bond Index.

#### **Equity Securities**

##### *Canadian Equities*

1. There will be a minimum of 20 and a maximum of 45 equity issues of large cap Canadian issuers held in the portfolio.
2. No more than 10% of the market value of the portfolio will be held in the securities of a single corporation.
3. Industry sector holdings will not exceed the index weight plus 10 percentage points.
4. The Fund may hold up to 20% of the Canadian equity portfolio in small cap securities.

##### *United States Equities*

1. There will be a minimum of 25 and a maximum of 50 U.S. equity issues held in the portfolio.
2. No more than 10% of the market value of the U.S. portfolio will be held in the securities of a single corporation.
3. Industry sector holdings will not exceed the index weight plus 10 percentage points.

##### *International Equities*

1. There will be a minimum of 25 and a maximum of 50 International equity issues held in the portfolio.
2. No more than 10% of the market value of the International portfolio will be held in the securities of a single corporation.
3. Industry sector holdings will not exceed the index weight plus 10 percentage points.
4. The International portfolio will be invested prudently with respect to geographic concentrations. Geographic limits, expressed as a percentage of the total equities at market value, will approximate:

Region	% of Equities	
	Minimum	Maximum
EAFE	75%	100%
Emerging Markets	0%	15%

#### **Loans of Cash or Securities**

Other than by investment in eligible debt instruments as described previously, no loans of cash are permitted. Loans of securities of the Fund will not be undertaken by Beutel Goodman.

## ●●● APPENDIX IIIa.1

### *Beutel Goodman Balanced Fund*

#### Conflicts of Interest

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A conflict of interest is any situation in which the personal interests of the investment manager or any directly related party are, or may appear to be, in conflict with his/her duties as the investment manager of the portfolio.

Should such a situation arise the party in question will advise a senior officer of Beutel Goodman who will take appropriate action. The party will abstain from decision making with respect to the subject matter until determined otherwise by a unanimous decision of the management committee of Beutel Goodman.

#### Voting Rights

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Beutel Goodman will assume full responsibility for exercising voting rights acquired through investments, at all times acting prudently and solely in the interests of the client.

Beutel Goodman shall communicate to clients any voting action taken which may deem to be of significant financial or ethical interest to the client.

#### Reporting

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Beutel Goodman will report to participants on a calendar quarterly basis information which will permit an assessment of the performance and status of the Fund including:

1. The investment performance of the Fund for the period under review.
2. The current economic and capital market environment and the investment strategies pursued by the manager.
3. Portfolio transactions during the period under review.
4. Portfolio holdings.

## ●●● APPENDIX IIIa.2

### *Scheer, Rowlett & Associates – Balanced Mandate*

#### Objectives

1. Maximize long-term total return while protecting the capital value of the fund from major market fluctuations through diversification and selection of investments as described below. Execution of portfolio management responsibilities will be carried out in accordance with the prudent expert rules as dictated by the CFA Institute.
2. Maintain current purchasing power of monies placed in the fund plus a real incremental return of 2 to 4% with an average over time of 3% (i.e., longer term returns should equal inflation, as measured by the CPI, plus 3%).
3. Obtain, for each consecutive period of 4 years, an annualized return that is 1% above the benchmark portfolio of the Fund.
4. Obtain above median performance over rolling four-year periods, for similar mandates, as measured by a nationally recognized service.

#### Asset Mix Ranges and Benchmark

Asset category	Minimum (%)	Benchmark (%)	Maximum (%)	Benchmark Indices*
<b>Total fixed income:</b>	<b>25</b>	<b>40</b>	<b>70</b>	
Short-term	0	5	25	FTSE TMX Canada 91-day T-Bill Index
Fixed income	25	35	60	FTSE TMX Canada Universe Bond Index
<b>Total equities :</b>	<b>30</b>	<b>60</b>	<b>75</b>	
Canadian equities	30	33	55	S&P/TSX Composite
Foreign equities:	0		50	
U.S. equities		13.5		S&P 500 (\$Cdn)
E.A.F.E. equities		13.5		MSCI EAFE (\$Cdn)

\* All indices are on a total return basis.

#### Permitted Investments

##### Short-term

Cash, demand deposits, treasury bills, short-term bills, bank acceptances, term deposits, guaranteed investment certificates, commercial paper, bonds, debentures with maturities of less than one year, pooled funds and mutual funds.

##### Fixed income

Bonds, debentures, mortgage-backed/asset backed securities, first mortgages, indexed first mortgages, preferred shares, guaranteed investment certificates, commercial paper, pooled funds, mutual funds, option contracts and future contracts.

## ●●● APPENDIX IIIa.2

### *Scheer, Rowlett & Associates – Balanced Mandate*

#### **Equities**

Common shares, rights, warrants, receipts, unit trusts, pooled funds, mutual funds, securities convertible into common shares, option contracts and futures contracts.

#### **Investment limits**

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##### **Short-term**

The minimum quality standard at time of purchase is R1, or equivalent, as measured by a recognized Canadian bond-rating service.

##### **Fixed income**

###### *Diversification*

The maximum exposure in debt securities of any one issuer may not exceed 5% of the book value of the Fund, excluding Government and Schedule I Bank credits. Cash and cash equivalents may range from 0% to 30% of the class/Fund.

The investment manager diversifies fixed income investments within the following ranges:

<b>Fixed Income Asset category</b>	<b>Minimum (%)</b>	<b>Maximum (%)</b>
Federals & Guarantees	30	100
Provincial & Guarantees	0	60
Corporate	0	50
Municipal	0	15
Asset-Backed/Mortgage-Backed Securities	0	50
Foreign Securities	0	30

###### *Quality Restrictions*

Debt securities of governments and corporations must carry a minimum BBB rating by either DBRS or S&P credit rating agencies, or other rating agencies where applicable, at time of purchase. No more than 20% of the bond portfolio may be represented by BBB credits with no more than 3% in any one BBB corporate issue. A minimum of AA- average portfolio rating will be maintained.

###### *Duration Management*

The duration of the portfolio will generally vary within a range of +/-30% of the duration of FTSE TMX Canada Universe Bond Index.

#### **Canadian equities**

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##### **Sector constraints**

Holdings are diversified among at least 7 of the 10 TSX Composite Index industry sectors. Investment weight in any one sector may range  $\pm 25\%$  of that sector's weight in the TSX Composite Index or an absolute weight of  $\pm 7\%$ , whichever is greater.

## ●●● APPENDIX IIIa.2

### *Scheer, Rowlett & Associates – Balanced Mandate*

#### **Security constraints**

The portfolios will generally not hold less than 35 securities with the typical number of securities between 35 and 55 stocks and will not hold more than 10% of the market value of the Trust in the securities of any one issuer.

#### **Foreign equities**

The market value of foreign investments will not represent more than the maximum allowed by the terms of the SIPP.

#### **Derivatives**

The portfolios may invest in derivatives for hedging purposes, or other non-speculative purposes such as market exposure. The underlying cash value of any derivative exposures will fully respect all portfolio constraints. These funds may also invest in rights and warrants provided the Investment Manager complies with all regulatory requirements. No leveraged investments are permitted.

#### **Miscellaneous**

##### **Lending of Securities**

It is acknowledged that securities lending may be permitted in the portfolios with appropriate guarantees or collateral.

##### **Delegation of Voting Rights**

The Investment Manager is delegated the responsibility of exercising all voting rights acquired through the Investment Manager's investments. The investment manager will carry out the voting activity in the best interests of the underlying portfolio participants.

##### **Valuation of Investments**

It is expected that the securities held in the portfolios will have an active market and, therefore, valuation of the securities will be based on their market values.

If a security held in the pooled fund does not have an active market, then it will be valued at least annually by the fund custodian using a discount rate composed of an estimate of the risk-free rate of return, an estimate of expected inflation, and a risk premium commensurate with the uncertainty of the investment's future income stream.

Alternatively, at the fund custodian's discretion, an appraisal of the value of such securities may be obtained at least annually from an independent appraiser who is qualified to appraise the value of the asset.

The value determined by the custodian shall be deemed final.

##### **Code of Ethics**

Investment activities are conducted in a manner consistent with the Code of Ethics and Standards of Professional Conduct adopted by the CFA Institute.

## ●●● APPENDIX IIIb

### *Investment Strategy*

#### *Investment Strategy*

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The Investment Strategy describes the means used by the Foundation to best implement the Statement of Investment Policy. The key investment tenets underlying the Investment Strategy are:

1. The Fund will have a long-term investment bias towards equities, given that asset allocation is the most important determining factor in the investment performance of the Fund, and over the long term, equities have historically outperformed bonds to compensate for their greater uncertainty for positive investment returns.
2. Given that market movements of equity and bond portfolios are not perfectly correlated (and Canadian equities are not perfectly correlated with foreign equities), diversification provides the opportunity to improve risk-adjusted returns.

As such:

- A. The Board attempts to reduce the overall level of risk of the Fund by diversifying amongst various asset classes (including Canadian equities, foreign equities and bonds),
  - B. Where feasible, the Board attempts to further reduce the overall level of risk by diversifying by investment manager and investment style within asset classes.
3. The Fund will adopt an active (vs. passive) investment management approach, at this time, as active investment management provides the opportunity to outperform specific investment benchmarks as found in the Statement of Investment Policy.

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

#### *Table of Contents*

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1.0 Introduction	37
2.0 Program Profile	37
2.1 Rationale	37
2.2 Program	38
2.3 Interested Parties	38
3.0 Program Results	38
4.0 Program Logic	39
4.1 Introduction	39
4.2 Atlantic Salmon Conservation Foundation Logic Model	40
5.0 Key Risk Areas	41
5.1 Definition of Risks	41
5.2 Risk Assessment	44
5.3 Risk Analysis	45
6.0 Performance Measurement	47
6.1 Performance Measurement Strategy	47
6.2 Measurement Validity	49
7.0 Evaluation and Audit	51
7.1 Introduction	51
7.2 Internal Monitoring	51
7.3 Evaluation	52
7.4 Audit	52
8.0 Reporting Commitments	52
Appendix	
A. Draft Terms of Reference for Evaluation of the Foundation and its Projects	53

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

#### 1.0 Introduction

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The Atlantic Salmon Conservation Foundation was established in 2005 for the purpose of assisting community groups in the restoration and improved conservation of the Atlantic salmon resource in Atlantic Canada and Quebec. The Foundation is committed not only to achieving results commensurate with its resources, but it is also committed to applying best practices in audit and evaluation so that it can measure its results and report them for accountability to its interested parties, and generate lessons learned to improve future practice.

Furthermore, the Funding Agreement with the Government of Canada and The Atlantic Salmon Conservation Foundation requires the Foundation to have developed and submitted an audit and evaluation strategy to the Minister within 180 days following the signing of the Funding Agreement. That requirement was fulfilled by the Foundation in submission of its original strategy document on 19 July 2007. Fisheries and Oceans Canada followed-up in March 2008 by providing the Foundation with some suggested revisions. As a result, the Foundation submitted a substantially revised strategy document as part of the 2009 Business Plan in October 2008.

This version of the Audit and Evaluation Strategy has been developed as a result of further discussion with the Department in spring 2009 and involvement of an expert on evaluation related to federal government programs. This version clarifies the terminology to align terms with those typically used in federal government departments; it outlines adjusted results statements and a revised logic model; it includes more precise performance measurement and reporting requirements for the Foundation; and it suggests approaches to internal monitoring and evaluation. It assumes a results-based management approach, namely an “approach to management that integrates strategy, people, resources, processes and measurements to improve decision-making and drive change. The approach focuses on getting the right design early in a process, focusing on outcomes, implementing performance measurement, learning and changing, and reporting performance” (Treasury Board Secretariat).

The stated objective of the Funding Agreement is to contribute to “attainment of healthy and sustainable wild Atlantic salmon stocks in Atlantic Canada and Quebec.” The Audit and Evaluation Strategy will assist the Foundation to meet that objective by:

- Articulating a chain of results and logic model for its program;
- Building on the performance indicators outlined in the Funding Agreement, specifying objectively verifiable indicators for measuring results at each stage of the results chain;
- Identifying risks and associated mitigation strategies with respect to the Ultimate Projects funded, including provision for periodic audits;
- Suggesting the content and approach for internal monitoring of the Foundation’s work; and
- Outlining the Terms of Reference for a future evaluation of the Foundation’s program.

#### 2.0 Program Profile

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##### **2.1 Rationale**

Wild Atlantic salmon inhabit over 600 rivers in Canada’s five eastern provinces. The Atlantic salmon is an important cultural, recreational and economic resource as the species reinforces the cultural identity of Aboriginals, provides recreation for anglers, and generates employment and sustenance for many people and its presence in rivers and streams serves as a barometer of environmental health. However, as a result of historical overfishing at sea and environmental degradation of vital watersheds, the species is threat-

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

ened. Major steps to address the situation have been taken such as the elimination of commercial fishing in Canadian waters, signing of international treaties banning the fishing of Atlantic salmon in the high seas, improved husbandry by governments, and mobilization of conservation-minded community organizations to conserve, enhance and sustain the Atlantic salmon through such measures as improved watershed management and limited kill angling.

Recognizing the need of community groups for additional resources in support of conservation efforts, and reinforcing the principle of shared stewardship with interested parties, the Government of Canada provided funding to the Foundation to create an endowment in support of community group projects. The mission statement of The Atlantic Salmon Conservation Foundation is *“To promote enhanced community partnerships in the conservation of wild Atlantic salmon and its habitat in Atlantic Canada and Quebec.”*

#### **2.2 Program**

The purpose of the Foundation’s Program is to achieve healthy and sustainable wild Atlantic salmon stocks in Atlantic Canada and Quebec, and to improve community capacity and involvement in salmon conservation. In order to achieve the above purpose, the Foundation:

- Funds priority projects and helps watershed and community organizations working on a range of wild Atlantic salmon habitat, enhancement, monitoring and conservation initiatives;
- Encourages cooperation between governments, Aboriginal groups and volunteer groups;
- Encourages the engagement of and participation by interested parties;
- Through a communications strategy, increases awareness of the habitat requirements of salmon; and
- Provides a balanced allocation of funding that reflects geographical areas and priorities.

#### **2.3 Interested Parties**

The interested parties and beneficiaries of the Foundation’s program include:

- Individuals, organizations, and governments engaged in the conservation, restoration and protection of wild Atlantic salmon and their habitat;
- People who are employed in endeavours that depend on wild Atlantic salmon;
- People who participate in recreation related to the Atlantic salmon;
- People who derive sustenance from the Atlantic salmon as a source of food;
- Aboriginal people with cultural connections to the Atlantic salmon
- The general public who may participate in non-consumptive interaction with Atlantic salmon, and who stand to benefit generally from a healthier environment.

#### **3.0 Program Results**

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The planned results of the Foundation’s Program are embodied in its four goals:

##### **Goal #1**

To be an effective support to community volunteer organizations in conserving, restoring and protecting wild Atlantic salmon and its habitat

## ●●● APPENDIX IV

### Audit & Evaluation Strategy

#### Goal #2

To enhance cooperation and partnership among governments, Aboriginal organizations, community volunteer groups and others in the interests of conserving, restoring and protecting wild Atlantic salmon and its habitat

#### Goal #3

To promote and improve conservation planning and management at the watershed level as the basis for ensuring effective use of and accountability for funds made available for wild Atlantic salmon conservation initiatives

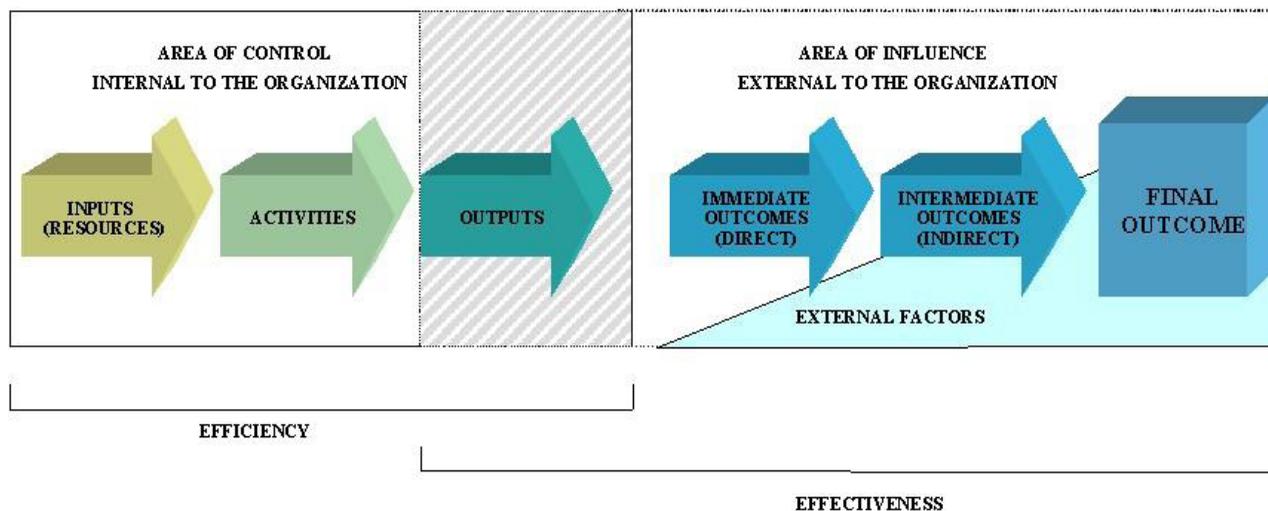
#### Goal #4

To improve public awareness, education, and research respecting the conservation of wild Atlantic salmon and salmon habitat

### 4.0 Program Logic

#### 4.1 Introduction

A program Logic Model is intended to illustrate a logical flow of resources, activities and results of an organization's program. The model follows the Treasury Board of Canada's generalized model, which is depicted below:



Outputs refer to direct products or services stemming from the activities of an organization, policy, program or initiative, and usually within the control of the organization itself. E.g., Pamphlet, research study, habitat rehabilitation project, training session, etc...

An outcome is an external consequence attributed, in part, to an organization, policy, program or initiative. Outcomes are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence. Outcomes are usually further qualified as immediate, intermediate, or ultimate (final) depending on the length of time before they are expected to be achieved, how certain they are to come about and how much control the organization exercises over their achievement.

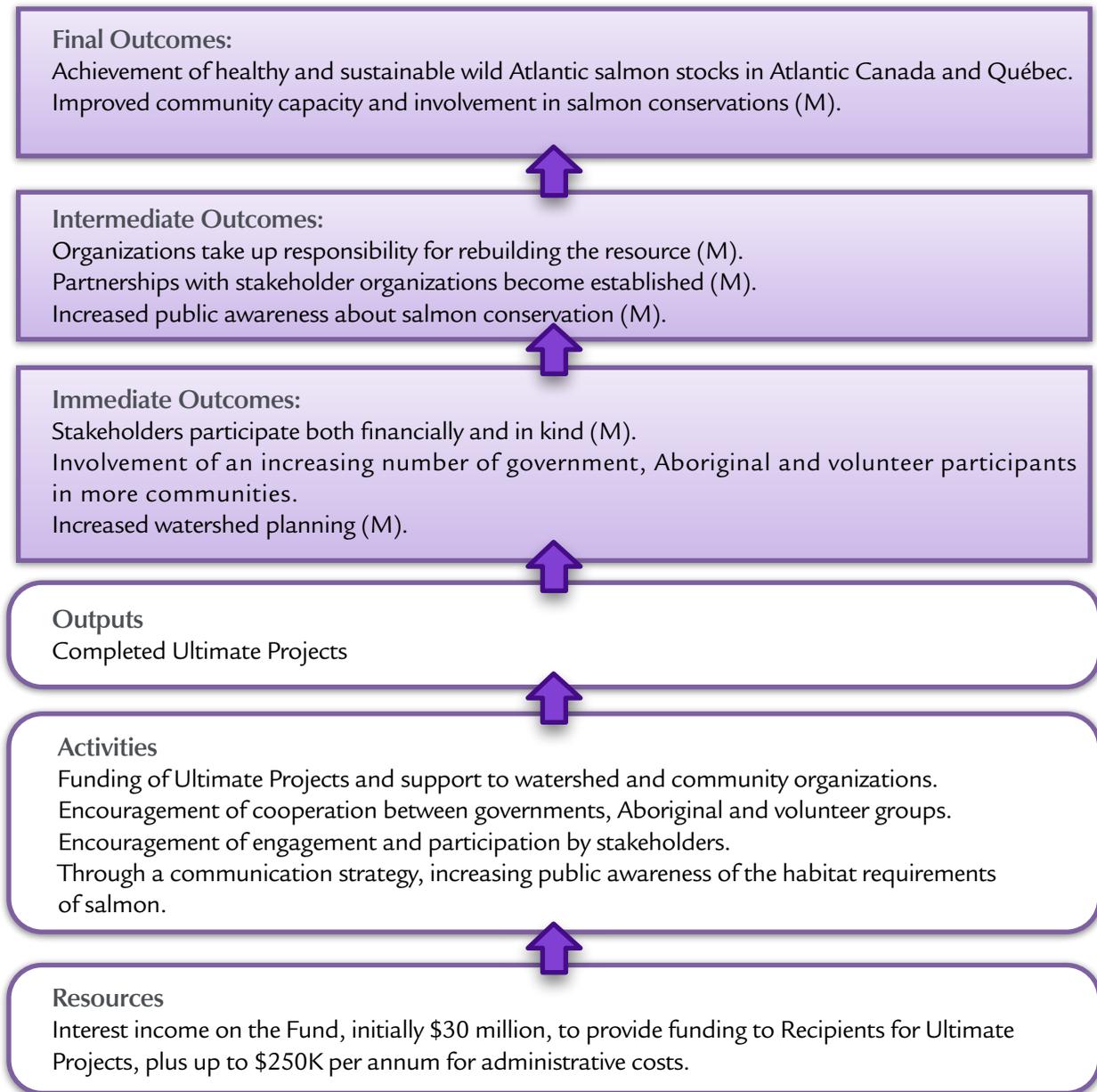
## ●●● APPENDIX IV

### Audit & Evaluation Strategy

#### 4.2 Atlantic Salmon Conservation Foundation Logic Model

The program logic for the Atlantic Salmon Conservation Foundation is shown below:

##### Program Logic Model



Note: Mandatory performance measurement requirements of the funding agreement are indicated (M)

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

Notes:

#### **Conditions on Projects**

Projects eligible for funding include those that maintain, protect and enhance Atlantic salmon and their habitat, rebuild stocks and restore salmon populations, and are related to watershed planning.

#### **Program Strategy and Requirements**

A balanced allocation of funding that reflects geographical areas and priorities

- A fair and reasonable mix of projects in terms of size, risk, complexity, geographic benefit, and participation by Ultimate Recipients across Atlantic Canada and Quebec
- No less than once per year, the Foundation will issue a call for applications for Ultimate Project funding
- Ultimate Projects will conform to all other requirements set out in Schedule “A” of the Funding Agreement

#### **Fund Management Requirements**

- The Fund is invested and managed in conformity with the conditions of Article 3 of the Funding Agreement.

The time that it will take to achieve these outcomes is influenced by several factors including: building community capacity to undertake conservation activity, the internal capacity of Foundation staff, volunteer involvement and support for the Foundation’s program, the commitment of scientific and technical expertise by federal and provincial governments to advise the Foundation, knowledge regarding restoration projects, the degree of knowledge of salmon populations, public interest in the fishery, quality of habitat, and many other factors.

### 5.0 Key Risk Areas

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#### **5.1 Definition of Risks**

For the purpose of identifying risk, the definition of risk used is: “Risk refers to the uncertainty that surrounds future events and outcomes. It is the expression of the likelihood and impact of an event with the potential to influence the achievement of the program’s objectives.”

Key risk areas are “the key internal and external inherent risk areas that evolve from the legislation, mandate, program design and/or operating environment, where there is a potentially significant impact on performance.”

The prospective Foundation risks have been identified based on Foundation experience since inception, the experience of other conservation funding programs, through consultation with interested parties and, by a rational assessment of the nature of the program.

In this analysis, the Foundation has placed most emphasis on external risks that could affect results. Unstated internal risks relate to the possibility of ineffective programming by the Foundation, which would be identified, and corrected, through ongoing internal monitoring and program evaluation.

The key risks for the Atlantic Salmon Conservation Foundation to achievement of results at each level are

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

listed in the following table. This table is viewed as a dynamic tool to be monitored and updated as the situation unfolds.

<b>Level of Results</b>	<b>Results</b>	<b>Risks</b>
Final Outcomes	Achievement of healthy and sustainable wild Atlantic salmon stocks in Atlantic Canada and Quebec.	Despite best efforts there are no demonstrable improvements in salmon abundance as a result of factors beyond the Foundation's influence.
	Improved community capacity and involvement in salmon conservation. (M)	Engagement and project involvement by themselves may be insufficient to develop capacity in involved organizations.
Intermediate Outcomes	Organizations take up responsibility for rebuilding the resource. (M)	
	Partnerships with stakeholder organizations become established. (M)	External political forces may affect the willingness of stakeholder organizations to form partnerships.
	Increased public awareness about salmon conservation. (M)	
Immediate Outcomes	Interested parties participate both financially and in kind. (M)	
	Involvement of an increasing number of government, Aboriginal and volunteer participants in more communities.	
	Increased watershed planning. (M)	
Outputs	Completed Ultimate Projects.	

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

Level of Results	Results	Risks
Activities	Funding of Ultimate Projects and support to watershed and community organizations.	Inability of community-based proposals to secure the minimum contribution to funding to be eligible for Foundation funding.  Failure of the Foundation project selection and approval process to identify the most effective projects for funding
	Encouragement of cooperation between governments, Aboriginal groups and volunteer groups.	External agendas affect the willingness of stakeholder organizations to cooperate on issues affecting the Atlantic salmon
	Encouragement of engagement and participation by interested parties.	Limited success in securing and maintaining adequate volunteer participation in the Foundation's program.  The Foundation making trade-offs that place project quality ahead of the need for participation by all interested parties.
	Through a communications strategy, the Foundation increases awareness of the habitat requirements of salmon.	
Resources	Interest income on the Fund, initially \$30 million, to provide funding to Ultimate Recipients for Ultimate Projects plus up to \$250K p.a. for administrative costs.	Failure to achieve revenue levels on investment or through fund-raising activities to adequately support the Foundation program in the five provincial jurisdictions.  Limited success in augmenting the fund through leveraging other sources of project funding or from fund-raising activities.

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

#### **5.2 Risk Assessment**

It is important to note that improvements to populations of wild Atlantic salmon are influenced by multiple factors, some of which may be subject to control or influence by conservation activity conducted by conservation organizations. These factors must be taken into account in assessing attainment of anticipated outcomes.

This section identifies the key risk areas associated with successful implementation and operation of the Foundation's program. Continued experience with the program will confirm if this initial assessment is accurate and where changes are necessary.

Key Risks are defined in the Treasury Board of Canada Risk-Based Audit Framework Guide<sup>1</sup>. Risks rated as 'Medium or High' should have proposed incremental risk management strategies to reduce the levels of risk.

'Low risks' are also defined in order to present a complete picture of the risk environment in which the Foundation operates. If the probability of occurrence or likely impact of any of the identified risks should rise, it may become necessary to monitor risks that were formerly considered of acceptably low probability of impact.

The parties for which these risks areas arise, and may be addressed, include:

- Proponents and participants in initiatives funded by the Foundation
- First Nations and other Aboriginal organizations in Atlantic Canada and Quebec
- The general public (who are tapped for contributions to sustain the work of the Atlantic Salmon Conservation Foundation through multiple fund-raising activities)
- Foundation directors and staff, ASCF
- Government departments and agencies

The following potential risks have been assessed according to probability and impact:

#	Potential Risk Areas	Parties affected	Probability			Impact		
			Low	Med	High	Low	Med	High
1	Despite best efforts there are no demonstrable improvements in salmon abundance as a result of factors beyond the Foundation's influence	All		X		X		
2	Engagement and project involvement by themselves may be insufficient to develop capacity in involved organizations	ASCF, Participants	X			X		
3	External political forces affect the willingness of stakeholder organizations to form partnerships	All	X			X		

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

#	Potential Risk Areas	Parties affected	Probability			Impact		
4	Inability of community-based proposals to secure the minimum contribution to funding to be eligible for Foundation funding.	ASCF, Participants	X			X		
5	Failure of the Foundation project selection and approval process to identify the most effective projects for funding.	ASCF	X			X		
6	External agendas affect the willingness of stakeholder organizations to cooperate on issues affecting the Atlantic salmon	All	X			X		
7	Limited success in securing and maintaining adequate volunteer participation in the Foundation's program	ASCF	X					X
8	The Foundation making trade-offs that place project quality ahead of the need for participation	ASCF		X			X	
9	Failure to achieve revenue levels on investment to adequately support the Foundation program in the five provincial jurisdictions	ASCF		X		X		
10	Limited success in augmenting the fund through leveraging other sources of project funding or from fund-raising activities	ASCF		X		X		

### 5.3 Risk Analysis

The potential risks to attainment of outcomes are identified in the preceding table. This section provides an analysis of these risks.

**Risk 1:** On a local scale the likelihood of realizing Risk 1 is assessed as medium due to environmental and human-caused factors beyond the control or influence of watershed groups. It is possible to overcome negative local influences on salmon populations. Salmon populations on a global scale have been decreasing on both sides of the Atlantic in the natural range of wild salmon, although recently trends indicate a slowed decline. Therefore, every possible contribution to salmon conservation is important.

**Risk 2:** While the probability is assessed as low, engagement in activities may merely reinforce organizational practices, and not contribute to building new capabilities. Should this risk become real, the Foundation may need to provide organizations with additional support to improve their capacities to support the Foundation's mission.

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

**Risk 3:** Development of partnerships is a major goal of the Foundation since good working partnerships among those interested improving salmon conservation is essential to the success of conservation efforts. Partnership within the community, as well as between the community groups, Aboriginal organizations and government agencies is important in pooling of effort, resources and focus on conservation priorities. While there could be temporary problems in cooperation among specific groups, over the long term this risk is considered low.

**Risk 4:** There is a low risk that some project proponents will be unable to raise the minimum percentage cash and/or in-kind contribution in support of a funding proposal. Furthermore, the Foundation always has the right to compensate for such a shortfall providing fundraising efforts were sincere.

**Risk 5:** The Foundation has established a very effective and competent technical advisory committee structure in each province, and has adopted a rigorous proposal assessment and ranking process. Each advisory committee is composed of expert government and stakeholder representatives. Project selection criteria and priorities are reflective of Foundation objectives. In addition, the application process is designed to attract proposals that respond to provincial conservation priorities. The risk of selecting ineffective project proposals is considered low.

**Risk 6:** People can be expected to bring external agendas to bear when they participate in other fora; however, over recent years most interested parties have been willing to cooperate regarding salmon conservation. Of course, the situation bears continual monitoring. Overall, the probability of this risk is considered low.

**Risk 7:** This risk reflects the high level of dependence of the Foundation's program on volunteer involvement. Volunteers participate in the Foundation and its program at several levels. The Foundation, from its Members, Board of Directors and all of the technical advisory committee membership are volunteers. In addition, most ultimate recipient organizations are volunteer, community-based entities. This risk is considered low due to the strong commitment of volunteers in salmon conservation programs. The impact would be high if the numbers of volunteers were reduced.

**Risk 8:** The Foundation puts priority on project quality and has established responsible inclusive mechanisms to achieve quality projects. However, groups that lack experience or expertise can understandably misinterpret a rejection and withdraw their future participation. Because there has been an instance of this, the probability is considered medium. As there are more projects and improved capacities among Ultimate recipients, the risk should reduce.

**Risk 9:** This risk area involves lower planned trust fund interest income generation. The Foundation has adopted a balanced investment policy and investment strategy in conformity with the terms of the Funding Agreement. In addition, the Foundation has established a 10 year financial projection with the goal of attaining a zero deficit by 2018 and creation of a reserve that will enable the Foundation to offer \$1 million in grants by 2018. This also will enable the Foundation to meet the program administration requirements, fund investment management costs and to while not eroding the capital base. This risk varies according to the performance of financial markets and is assessed as medium over the long-term for the trust fund.

**Risk 10:** It is early in the Foundation's history to assess this risk; however, the poor economic climate may suggest a potential problem. The Foundation will monitor the situation on an ongoing basis.

<sup>1</sup> *Treasury Board Secretariat, Version 4.3.1, June 2003, page 29.*

# ●●● APPENDIX IV

## Audit & Evaluation Strategy

### 6.0 Performance Measurement

#### 6.1 Performance Measurement Strategy

The Performance Measurement Strategy is summarized in the following table.

Logic Model Component: Results/Conditions	Indicators/Measures	Data Sources & Methods of Analysis	Accountability	Reporting Time Frame
Achievement of healthy and sustainable wild Atlantic salmon stocks in Atlantic Canada and Quebec.* * SEE NOTE 1 (below)	Number of rivers: lost; threatened, not threatened, restored Estimated salmon stocks Number of kilometres of improved habitat Number of kilometres of restored access to habitat	NASCO Atlantic salmon rivers data base (655 Canadian rivers) DFO Reports Quantitative and qualitative analysis	ASCF Program evaluator	Five Years
Improved community capacity and involvement in salmon conservation	Number of project proposals received Number of projects funded Funds contributed by participating organizations	ASCF project cycle data base Reports on funds contributed (Application forms)	ASCF Funding applicants	Annually
Organizations taking up responsibility for rebuilding the resource	Number of project applications received Number of approved and signed project agreements. Numbers of partner organizations contributing to project activity Numbers of newly identified partnerships Membership of participating organizations	Quantitative analysis of ASCF project data/ records Review of ASEF project agreements Applicant reports on membership numbers (Application forms)	ASCF Applicant	Annually
Partnerships with stakeholder organizations becoming established	Numbers of genuine partnerships established and maintained	Project funding proposals Quantitative analysis of ASCF project data/ records Interviews with ASCF staff, volunteers and applicants	ASCF Recipients	Annually
Increased public awareness about salmon conservation (M)	Number of hits on ASCF web site Number of ASCF press releases and public announcements Amount of documentation distributed Number of enquiries to ASCF Number of public presentations Number of attendees at meetings	Quantitative analysis of ASCF project data/ records	ASCF	Annually

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

<b>Logic Model Component: Results/Conditions</b>	<b>Indicators/Measures</b>	<b>Data Sources &amp; Methods of Analysis</b>	<b>Accountability</b>	<b>Reporting Time Frame</b>
Recipient participation: a. financially* b. in kind*  *as compared to total cost of project	Report degree of: · financial · in-kind  participation by funding recipients	Quantitative analysis of ASCF project data/ records  Recipient project completion reports	ASCF  Recipients	Annually
Involvement of an increasing number of Government, Aboriginal and volunteer participants in more areas	Report the numbers of organizations involved in project proposals.  Volunteer effort in support of ASCF – Number of hours	Quantitative analysis of ASCF project data/ records  Project completion reports	ASCF  Recipients	Annually
An increase in watershed planning	Number of watershed plans developed by community groups  Number of project proposals associated with watershed plans in support of watershed plans  Number of kilometres of improved habitat	Quantitative analysis of ASCF project data/ records  Review of ASCF project agreements  Project completion reports	ASCF  Recipients	Periodic depending on Project timeframes
Completed Ultimate Projects	Number of completed projects supporting: · protection and restoration of habitat · restoration of access · rebuilding stocks · development of watershed plans · education/ awareness	Project progress and completion reports	ASCF  Recipients	Periodic depending on Project timeframes
Funding of priority projects (Ultimate Projects) and support to watershed and community organizations	Amount of investment (ASCF & Recipient)in: · protection and restoration of habitat · restoration of access · rebuilding stocks · development of watershed plans · education/ awareness	ASCF data  Project applications	ASCF  Recipients	Annually
Encouragement of cooperation between governments, Aboriginal groups and volunteer groups	Meetings related to such cooperation  Description of cooperation	Qualitative and quantitative description of ASCF initiatives	ASCF	Annually
Encouragement of engagement and participation by interested parties	Number of individuals and organizations involved with ASCF	ASCF records	ASCF	Annually

## ●●● APPENDIX IV

### Audit & Evaluation Strategy

Logic Model Component: Results/Conditions	Indicators/Measures	Data Sources & Methods of Analysis	Accountability	Reporting Time Frame
Through a communications strategy, the Foundation increases awareness of the habitat requirements of salmon	Number of visits to the Foundation web site Number of press releases & public announcements Number of enquiries to the Foundation Number of funding applications received Results of periodic public surveys	Quantitative analysis of ASCF project data/records Interviews with ASEF staff, volunteers and applicants Periodic public surveys	ASCF Recipients	Five Years
Balanced funding to provinces/interested parties	Funding allocated to provinces & interested parties	Quantitative analysis of ASCF project data/records	ASCF	Annually

**NOTE 1:** ASCF aspires to contribute to the restoration of salmon stocks, but recognizes that this is a long term goal requiring concerted efforts of all stakeholders, including other conservation organizations. Further, ASCF has insufficient internal resources to actively monitor the health of Canadian Atlantic salmon stocks. However, the Foundation endeavours to keep abreast of overall salmon abundance through reports of Governmental and scientific organizations.

#### 6.2 Measurement Validity

Measuring results related to interventions in a complex ecosystem that spans watersheds and oceans is not a simple proposition. The results in terms of salmon abundance rely on myriad loosely-coupled systems. While reliable and valid measurement is possible for the components related to salmon abundance, the overall system can only be understood in terms of general trends over multiple years, if not decades. The following table summarizes realistic assumptions about measurement, which need to be understood in the overall performance measurement scheme. Active engagement of project recipients in measurement is a good means to develop understanding, and build organizational capacities.

Useful Indicators	Threats to measurement validity	Comments
Spawning escapement by river	<ul style="list-style-type: none"> <li>Salmon returns on many rivers fluctuate widely, so numbers measured over a year or two are unreliable in estimating sustainability levels</li> <li>Sampling with trap nets can be unreliable due to weather variations and other factors</li> <li>Clear rivers, such as those in Gaspé, enable accurate counts prior to spawning, but turbid and peat-stained rivers require proxy indicators such as red counts, which are somewhat less valid</li> <li>Rivers with barrier fences and counters provide for valid counts</li> </ul>	<ul style="list-style-type: none"> <li>Ultimate projects should where possible include available data in applications and/or reports, ideally for a five year period prior to project commencement</li> <li>Rivers opened to access provide good venues to measure additions to salmon abundance</li> <li>The Foundation should use the best data available in each involved watershed</li> </ul>

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

Useful Indicators	Threats to measurement validity	Comments
Juvenile salmon density	<ul style="list-style-type: none"> <li>· Parr density can be a reasonable indicator if data are systematically collected over multiple years</li> <li>· Such proxy indicators as predator abundance (e.g. merganser counts) can be a low-cost alternative where more robust approaches cannot be used</li> <li>· Smolt counts using robust methods, such as smolt wheels, are a good proxy of salmon density, and provide a measure at one of the pivotal stages of the salmon's life cycle</li> </ul>	<ul style="list-style-type: none"> <li>· Rivers opened to access provide good venues to measure additions to salmon abundance</li> <li>· Project applicants should indicate how they intend to measure results</li> </ul>
Angling catch data	<ul style="list-style-type: none"> <li>· Self-report data can lack validity</li> <li>· In tightly controlled situations, such as Quebec rivers, where angled fish must be registered, angling catch provides a reasonable proxy for adult escapement</li> <li>· The rising popularity of catch-and-release requires self-reporting, which compromises validity</li> </ul>	<ul style="list-style-type: none"> <li>· Except where there are particular reasons to use such data, more direct counts are preferred</li> </ul>
Salmon access to critical habitat	<ul style="list-style-type: none"> <li>· While the number of kilometers of accessible river is an important indicator, ideally it can be supplemented by data on flow rate, which indicates another dimension of the amount of restored habitat</li> </ul>	<ul style="list-style-type: none"> <li>· Recipients need to clarify the role of non-Project partners in such projects to avoid the problem of double counting</li> </ul>
Protection and restoration of salmon habitat	<ul style="list-style-type: none"> <li>· The previous comments on access apply</li> <li>· Protection and restoration is complicated by the need for qualitative indicators</li> </ul>	<ul style="list-style-type: none"> <li>· The Foundation will explore development of a framework to classify restoration (e.g. Rip rap; re-planting banks; erosion control, etc.)</li> </ul>
Conservation plans	<ul style="list-style-type: none"> <li>· Plans can vary widely in thoroughness and utility, so the mere existence of a plan is considered a temporary indicator until the Foundation gains experience in qualitative assessment</li> </ul>	<ul style="list-style-type: none"> <li>· The Foundation will explore development of standards for watershed conservation plans, which will add validity in the future</li> </ul>

# ●●● APPENDIX IV

## Audit & Evaluation Strategy

### 7.0 Evaluation and Audit

#### 7.1 Introduction

The audit and evaluation functions of the Foundation are intended to provide the Board and management with the information they need to make sound, effective decisions on their policies, programs and initiatives; to provide them with information about the soundness of their management and control processes; and to identify where the organization is most exposed to risk and what remedial actions are available and appropriate.

#### 7.2 Internal Monitoring

The Foundation issues an Annual Report on its work and finances. To prepare for the development of the Annual Report and future evaluation, the Foundation manages a data base and collects the following data on an ongoing basis:

<b>Element/ Constituency</b>	<b>Key Data Collected</b>
Public	<ul style="list-style-type: none"> <li>• Requests for information by location</li> <li>• Documents disbursed by location</li> <li>• Web site hits</li> <li>• Inventory of press releases &amp; public announcements</li> </ul>
Salmon Conservation Groups	<ul style="list-style-type: none"> <li>• Inventory of groups, contact information</li> <li>• Number of members by group</li> <li>• Report on funds raised by grant applicants</li> </ul>
Foundation Volunteers	<ul style="list-style-type: none"> <li>• Listing of people, affiliation, geographic origin, Foundation involvement</li> <li>• Record of hours spent in support of Foundation work (From committee chair reports)</li> </ul>
Partnerships	<ul style="list-style-type: none"> <li>• Listing of meetings, events</li> <li>• Copies of Agreements</li> </ul>
Salmon watershed enhancement	<ul style="list-style-type: none"> <li>• Protection and restoration of habitat (km) by location</li> <li>• Restoration of access (km) by location</li> <li>• Rebuilding stocks (number of juveniles, adults replenished)</li> <li>• Development of watershed plans (File of watershed plans)</li> </ul>
Fundraising	<ul style="list-style-type: none"> <li>• Matching funds raised by applicants</li> <li>• Donations to the Foundation</li> <li>• Value of Fund</li> </ul>

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

#### **7.3 Evaluation**

Evaluation is considered an essential function both to promote accountability and to stimulate improvement in the Foundation’s work. The approach to evaluation and reporting of results for the Foundation’s program is expected to comprise the following:

- Periodic progress and final reports submitted by ultimate recipients
- Annual progress reports (to be reported in the Annual Report)
- Periodic formative and summative evaluation of projects and of the Foundation  
*Appendix A provides draft terms of reference for evaluation of the Foundation and its program.*

#### **7.4 Audit**

Audit of the Foundation may consist of the following:

- Annual financial audit by the Foundation Auditor
- Compliance audits
- Performance audits
- Audit for performance and compliance by the Auditor General of Canada

#### **8.0 Reporting Commitments**

Systematic and timely reporting of results of ongoing performance monitoring, evaluation, and audit is one of the fundamental principles underlying the Audit and Evaluation Strategy, which is premised on management reacting to results achieved over the lifecycle of the program.

Ongoing performance monitoring and evaluation will provide feedback to the Foundation, DFO and interested parties on the extent to which anticipated outcomes are being achieved. The Audit and Evaluation Strategy is a vehicle for ensuring that information is reported at key intervals to those who require it for decision-making, communication or information sharing.

Key elements of reporting for the Atlantic Salmon Conservation Foundation Grant include activities, reports, timing and who is responsible as shown in the following table.

<b>Atlantic Salmon Conservation Foundation Reporting Strategy</b>			
Results Measurement Activities	Reports	Timing of Reports	Responsibility
Ongoing performance Measurement	Annual Report	Annually	Foundation
Ongoing performance Measurement	Annual Business Plan	Annually	Foundation
Internal Audits	Project audit reports	Annual (post-2008)	Foundation
Program Evaluation	Evaluation report	2011/12	Foundation and DFO

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

#### *Appendix A:*

##### Draft Terms of Reference for Evaluation of the Foundation and its Projects

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These are draft terms of reference intended to be suggestive of the evaluation agenda. They are intended to be updated and revised to better address issues and questions that have materialized by the time an actual evaluation takes place.

##### Background

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The Atlantic Salmon Conservation Foundation was established in 2005 for the purpose of assisting community groups in the restoration and improved conservation of the Atlantic salmon resource in Atlantic Canada and Quebec. The purpose of the Foundation's Program is to achieve healthy and sustainable wild Atlantic salmon stocks in Atlantic Canada and Quebec, and to improve community capacity and involvement in salmon conservation. In order to achieve its purpose, the Foundation:

- Funds priority projects and helps watershed and community organizations working on a range of wild Atlantic salmon habitat, enhancement, monitoring and conservation initiatives;
- Encourages cooperation between governments, Aboriginal groups and volunteer groups;
- Encourages the engagement of and participation by interested parties;
- Through a communications strategy, increases awareness of the habitat requirements of salmon; and
- Provides a balanced allocation of funding that reflects geographical areas and priorities.

The interested parties and beneficiaries of the Foundation's program include:

- Individuals, organizations, and governments engaged in the conservation, restoration and protection of wild Atlantic salmon and their habitat;
- People who are employed in endeavours that depend on wild Atlantic salmon;
- People who participate in recreation related to the Atlantic salmon;
- People who derive sustenance from the Atlantic salmon as a source of food;
- Aboriginal people with cultural connections to the Atlantic salmon; and
- The general public who may participate in non-consumptive interaction with Atlantic salmon, and who stand to benefit generally from a healthier environment.

After several years of programming the time has come for an evaluation of the Foundation's progress. The purpose of the evaluation is to review the processes and progress of the Foundation's activities to assess the extent to which it is fulfilling its mission and complying with requirements under the funding agreement, and to recommend ways to enhance the effectiveness, efficiency and relevance of its work.

##### Scope and focus

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- Review key documentation related to the Foundation, including the Funding Agreement, statutes, bylaws, annual reports, business plan, grant application materials, promotional material, and the web site.

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

- Assess the extent to which the Foundation practices good governance. Recommend ways to improve governance as required.
- Examine the extent to which the Foundation is adequately managing risks. Recommend improvements as may be warranted.
- Examine the policies and procedures related to management of the investment fund and assess compliance with the Funding Agreement and normal standards of due diligence.
- Assess the Foundation's effectiveness in moving towards achievement of its stated goals. Recommend ways to improve effectiveness.
- Assess the Foundation's relevance to interested parties and the needs related to salmon conservation and enhancement. To what degree is the Foundation engaging suitable numbers and types of interested parties in its programs – i.e. Evaluate the reach? Recommend ways of increasing relevance to interested parties.
- Assess the efficiency of the program cycle of planning, project selection, monitoring progress, reporting and evaluation. Are there more cost-effective ways of achieving similar results? Recommend ways to improve efficiency.
- Examine the competitive environment to ascertain whether there are other organizations doing similar functions with Atlantic salmon conservation. What is the Foundation's distinctive niche? Is the Foundation benefitting appropriately from the contributions of other conservation organizations? If not, how might synergy be increased?
- Assess the extent to which the Foundation is adequately documenting its activities and recording the results achieved. Suggest improvements as warranted in the way it manages performance.
- To what extent is the Foundation financially sustainable? What measures should it be taking to enhance sustainability?
- Prepare a report and/or presentation on the findings, conclusions and recommendations of the evaluation.



### Information Sources

- Core documents (Funding agreement, statutes, bylaws, annual reports, business plan, grant application materials, promotional material, and the web site)
- Management and staff
- Minutes/reports of meetings
- Data base of existing information
- Project Proposals
- Project progress and final reports

## ●●● APPENDIX IV

### *Audit & Evaluation Strategy*

- Members of Board of Directors, Technical Advisory Committees
- Volunteers and people involved with community organizations in the five participating provinces
- Department of Fisheries and Oceans
- Provincial departments involved with Atlantic salmon

### **Interested Party participation**

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Participation by interested and supportive parties is important both for evaluation credibility and to help develop capacities in local communities. The evaluation should consider such methods as:

- Focus groups
- Electronic Questionnaire Surveys
- Web-based discussion
- Interviews with key interested parties

Ideally, the evaluation could be timed to coincide with key meetings to facilitate cost-effective data collection. The evaluation report, or at least a summary, should be made available through the Foundation's web site.

### **Accountabilities**

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The Foundation should appoint a person to coordinate interested parties, make documentation available. The Board should appoint an ad hoc sub-committee to review and approve the work plan for the evaluation, review a draft report and approve a final report.

### **Evaluation team composition**

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The limited size of the program and scope suggests involvement of one person, knowledgeable about evaluation and able to relate to diverse interested parties throughout the five provinces.

## ●●● APPENDIX V

### *The Atlantic Salmon Conservation Foundation 2016 Communications Plan*

#### 1.0 Introduction

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This communications plan is intended to address key annual communications needs of The Atlantic Salmon Conservation Foundation during 2016 and beyond. It takes into account lessons learned in the first six years of operations, which included five rounds of salmon conservation grants.

Communications is an important part of the Foundation mandate for several reasons. First, is the on-going responsibility to inform the public, conservation groups and governments of the origins and role of the Foundation in funding eligible conservation initiatives.

Secondly, to make available the results and findings of funded projects by adding to the body of knowledge respecting conservation of wild Atlantic salmon thereby helping to improve conservation results.

Thirdly, and perhaps most importantly, is to encourage more contributing players to work together in partnership to improve conservation efforts.

#### 2.0 Objective of the Communications Plan

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The objective of this communications plan is to outline how the challenging communications responsibilities presented above may be achieved within a limited budget. These objectives include:

- Ensuring that the public, NGO and government stakeholders understand the Foundation program, its successes, challenges and achievements.
- Establishing a distinct profile for The Atlantic Salmon Conservation Foundation as an efficient, effective and durable contributor to conservation of wild Atlantic salmon.
- Motivating and involving volunteer groups to become involved in the Foundation's salmon conservation program.
- Ensuring that potential applicants for funding are aware of the Foundation's program, how it works and how to apply for funding.
- Ensuring that appropriate recognition is given to the Minister of Fisheries and Oceans for the Government of Canada's contribution to salmon conservation through creation of the Atlantic Salmon Endowment Fund trust for which the Foundation is responsible.

#### 3.0 Audiences

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- Community-based salmon conservation groups throughout Atlantic Canada and Quebec as well as interested parties nationally and internationally.
- Federal, provincial government officials, Aboriginal officials and politicians.
- Volunteers associated with the Foundation program delivery.
- General Public and media.

#### 4.0 Key Messages

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**Key messages will be developed to achieve the following:**

- Communicating an understanding of the Foundation's program, its successes, challenges and achievements the status of the Foundation.
- The nature of salmon conservation initiatives that are eligible for funding, the priority initiatives the Foundation wishes to encourage and how to apply for funding.

## ●●● APPENDIX V

### *The Atlantic Salmon Conservation Foundation 2016 Communications Plan*

- Promoting recognition of the importance of volunteers in achieving improved conservation of wild Atlantic salmon.
- Promoting recognition of the importance of partnerships among conservation groups, Aboriginal groups and governments in achieving improved conservation of wild Atlantic salmon.
- Positioning the Foundation as a strong and important contributor to conservation of wild Atlantic salmon.
- Utilizing the communication methods of the Foundation to publicly share valuable information pertaining to salmon conservation.

#### 5.0 Communications Strategy

The communications needs of the Foundation consist generally of the on-going communications needs and periodic communications, linked to fixed events on the Foundation's calendar. Ongoing communications to keep Foundation constituents and the public informed regarding Foundation activities can largely be managed through the website.

Periodic communications, including the calls for proposals, announcement of successful grants, cheque presentations, the publication of the Annual Report and the Annual Business Plan can be managed through a variety of vehicles. The overall goal will be to manage the communications needs as effectively as possible and within budget.

#### 5.1 Delivery Vehicles

There are several delivery vehicles for the Foundation communications strategy. These include; the Website (hosts the Salmon Hub), media, newsletter (subscribers: 435), webinar series (participants: 536), Annual Report, Annual Business Plan, and social media. Typically, the Foundation announces its annual call for proposals, annual grants, and participates in public meetings/conferences. The Foundation takes full advantage of social media sites including Facebook (likes: 1528) and Twitter (followers: 175). Each of these media have proven successful in elevating the Foundation's public profile.

#### 5.2 Salmon Hub

In 2015 the Foundation launched its information sharing initiative, the Salmon Hub. The Salmon Hub is a web-based database with a compendium of best practices related to the conservation of wild Atlantic salmon. It is freely accessible to the public and is hosted on the Foundation's existing website at: [www.salmonconservation.ca/en/salmon-hub](http://www.salmonconservation.ca/en/salmon-hub).

#### 5.3 Limitations

In view of its salmon conservation mandate in 5 provinces the Foundation is, in effect, a national entity with national communications needs and in both official languages. Thus, the foundation has a duty to report to the public, in broadening awareness of foundation programs and in building public understanding and support for salmon conservation needs. The Foundation also has a large international audience reached primarily through email, the website, and through the webinar series.

The greatest challenge in delivering a broad and effective communications program continues to be the limited budget available for communications. Some conservation organizations are able to commit more funds to communications activities than the entire administrative budget permitted under the Funding Agreement with the Government of Canada. Nonetheless, the Foundation is resourceful in managing its communications efforts to meet this challenge.

## ●●● APPENDIX V

### *The Atlantic Salmon Conservation Foundation 2016 Communications Plan*

#### 6.0 2016 Communication Plan

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In the 2016 fiscal year the Foundation will deliver an annual communications plan consisting of the following elements:

##### 6.1 News releases

**Early to mid-April 2016:** News releases will be issued in each province and to national media to announce successful grants of funding, in both official languages.

- Successful recipient groups will be contacted to advise them of the notice to media within the province where the project is being carried-out.
- The News releases will also reference commencement of the annual call for proposals.
- Email will be sent to all known contacts using our master email list to announce commencement of the annual call for proposals in both official languages.

##### 6.2 Public Service Announcements

**Mid-October 2016:** In mid-October 2016 the Foundation will utilize opportunities for free public service announcements to announce calls for funding proposals in radio, television and web-based media to remind the public of the annual call for proposals.

##### 6.3 Website

The Foundation website is a primary, and cost-effective, method of promoting awareness of the Foundation, its activities and successes. Our goal is to ensure the website becomes a primary point of contact between conservation groups, the public and the Foundation. The website was completely renovated according to the 2010 communications plan. Various improvements are made to the website each year.

**There are three web addresses that allow the user to access the same webpage:**

[www.salmonconservation.ca](http://www.salmonconservation.ca)

[www.conservationdusaumon.ca](http://www.conservationdusaumon.ca)

[www.ascf-fcsa.ca](http://www.ascf-fcsa.ca)

**The Foundation uses the website for several purposes including:**

- Providing news of Foundation initiatives
- Publicizing Foundation Reports and other information
- On-line forms for filing applications and reports
- Secure on-line access of meeting documents for Board members and Advisory committee members.
- Project status and update pages
- Provision for on-line search of project reports
- Providing access to meeting materials for the Board and advisory committee members.

The website is regularly updated with new materials and reports. On an annual basis, beginning in April promotional materials for the next round of calls for proposals is placed on the website. In late April, the results of the most recent funding grants are posted.

## ●●● APPENDIX V

### *The Atlantic Salmon Conservation Foundation 2016 Communications Plan*

Other key annual dates for posting of materials are February for posting of the latest Annual Business Plan, and July for posting of the Annual Report for the previous year.

#### **6.4 Annual Report**

The Annual Report is one of the two public reports mandated by the Funding Agreement and represents an excellent communications vehicle for the Foundation. The Foundation employs an informative and user-friendly annual report format to enable it to be used as a communication and promotional tool.

The Annual Report is only published on the Foundation website. It reports Foundation structure and financials, but also presents the annual activities and achievements. It has proven very useful as a marketing vehicle in educating stakeholder audiences on salmon conservation and illustrating the value of ASCF. All annual reports now feature stories on representative funded projects, which has resulted in positive feedback.

#### **6.5 Annual Business Plan**

The Annual Business Plan is the second of the two Funding Agreement mandated reports and is submitted to the Minister on 1 November each year.

Like the Annual Report, the Business Plan is an excellent promotional document with its outline of Foundation plans, goal and objectives for the new year, as well as review of the degree to which the previous year's objectives were attained. The Business Plan also incorporates the audit & evaluation strategy, long-term financial plan and other appendices presenting structural elements of the Foundation.

#### **6.6 Stakeholder Communications**

Good communications between the Foundation and its stakeholders is important to success as an effective conservation organization. Email, social media and the website are the primary tools for communication with both internal and external stakeholder groups.

Internal stakeholders consist of Directors and Members of the Foundation and the six advisory committees. External stakeholders comprise current and past recipient groups, conservation umbrella organizations, community-based conservation groups, federal and provincial government agencies, First Nations and Aboriginal organizations, as well as the general public both domestically and abroad. Regular meetings are being held with senior federal and provincial government departmental representatives to update them on the progress, issues and concerns of the Foundation.

Modest budget increases have been allocated to strengthen communications and notification of most external stakeholders respecting Foundation initiatives, and reports can be achieved through email, the website.

Similarly, email, website are now the primary methods of communication with internal stakeholders on matters such as notices of meeting, providing meeting materials, notice of Foundation policies, practices, changes, decisions, and any other matter of interest to internal stakeholders. Maintenance of current email addresses for the many stakeholders is the main challenge.

#### **6.7 E-mail Newsletter**

The foundation has implemented a very successful monthly newsletter sent to all individuals and organizations with whom it has a business relationship to keep them informed of developments with the Foundation. The list of recipients continues to grow (currently at 435).

## ●●● APPENDIX V

### *The Atlantic Salmon Conservation Foundation 2016 Communications Plan*

#### **6.8 Webinar Series**

The Foundation maintains an excellent partnership with the Canadian Rivers Institute (CRI) in hosting a regular webinar series, in both official languages. The series started in fall 2012 and enjoys growing popularity, among domestic and international participants. The webinars are free and offer live, interactive, online presentations that focus on themes related to fish and river conservation and management, as identified by staff and participants. A strategically recruited panel of experts lead the discussion. The audience is invited to suggest topics and discussion leaders. In all the years the webinars have been running, there have been 536 participants.

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#### **7.0 Future Plans**

##### **7.1 Solicit media interviews/stories**

In addition to interviews that may result from the above initiatives, the Foundation will follow up on all opportunities to place its chairman, Board members, Executive Director, all Advisory Committees and representatives from funded organizations for media interviews, as appropriate.

##### **7.2 Public Speaking Opportunities**

Strategic public speaking opportunities are sought on an on-going basis in communities across the regions to promote the Foundation to stakeholders and to the public. Target opportunities will include civic organizations and service clubs, conservation organizations, conservation conferences, and media editorial boards.

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#### **8.0 Measurement**

The effectiveness of this plan and adjustments to it are achieved through recording and analysing the following records:

- Press releases issued
- Press releases picked-up and reported in the media
- Contact by the media related to press releases and otherwise
- Visits to the Foundation website
- Program related emails received
- Traffic on each of the social media sites

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#### **9.0 Closing Remarks**

This communications plan represents an overview of the annual communications process adopted by the Foundation during its first six years of operation. It addresses the key elements to reach identified target audiences and to assure accountability to the Federal government, and to key stakeholders who wish to see positive results from the funded projects.

This communications plan is constantly evolving and is adaptive as circumstances require.