

# MEMORANDUM OF UNDERSTANDING

## Among Partners of the Youth Succession Planning Project:

Centre for Entrepreneurship Education and Development (CEED)

CBDC Northern Opportunities for Business Ltd (NOBL)

NS Entrepreneurs with Disabilities Network (EDN)

Black Business Initiative (BBI)

November 4, 2013

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### **PARTIES:**

CEED, NOBL, BBI and EDN have identified a common priority to address the retirement challenges of many rural business people and the out-migration of our talented youth in a succession planning project. Succession planning for small business is defined as an overall plan to transfer duties, responsibilities, and ownership of a small or medium sized enterprise without any disruption to the operational duties and commitments to clients, suppliers, and employees. This minimizes any economic impact to the region and maintains wealth, employment, and services within the community the business serves. The partners will strive to be inclusive in their approach to recruiting participants, respecting the mandates of the collaborative partners. Drawing on existing resources and partner support, these partners will match retiring business people with prospective youth owners, providing, where necessary and reasonable, training and funding for the transition of ownership.

### **PURPOSE:**

The purpose of this document is to articulate a framework of agreement to enable all parties to work jointly and cooperatively on the Youth Succession Planning (YSP) Project from the date of this document until the project's completion in June 2014. The collaborative activities of this **YSP Regional Team** will include promotion and marketing of the project, identification and assessment of both youth and business participants, training and mentorship of youth participants, reporting, and of course general project support.

The partners will strive to achieve participant diversity and to solicit participation from the target groups represented by partnering organizations – persons with disabilities, immigrants, persons of African descent, and youth. Gender equity will also be a consideration during the recruitment process.

### **SCOPE:**

The proposed pilot project would cover 10 business successions in the Northern region of Nova Scotia (Antigonish, Colchester and Pictou Counties). Project partners are committing \$21,019 towards the project and have secured additional project support in the amount of \$268,085.29 to defray costs associated with project management and promotion, training/mentoring/coaching, income support for the youth and evaluation. NOBL is anticipating supporting project participants with up to \$1.5 million in financing to facilitate the buy-out component (this financing, the specific expenses for which it is used, and any loan administration fees collected by NOBL are not reflected in the project budget as they will be

outside the scope of funds to be claimed to the funding partners - ACOA, NS ERDT and NS LAE). CEED is acting as the applicant for funding for these activities, with strong partnership and support from NOBL, BBI and EDN.

**GOVERNANCE & OWNERSHIP:**

The project will be governed through a committee structure. The composition of the committee shall include seven members as follows in addition to the lead project coordinator:

<b>CEED</b>	<b>2 members appointed</b>
<b>EDN</b>	<b>1 member appointed</b>
<b>BBI</b>	<b>1 member appointed</b>
<b>NOBL</b>	<b>2 members appointed</b>

Due to the nature of the project (relatively short time frame with clear objectives and excellent partner support), it is anticipated that project direction/decisions will be decided upon collaboratively and result in consensus.

All research, reports, papers, materials, audio visual material and information or data produced in or arising from the performance of work under the YSP Project, and all copy rights thereof, shall be the property of the parties listed above (CEED, NOBL, BBI, and EDN). No one partner will require agreement of the other three to share basic project information to ensure that its success can be replicated in other locations across and beyond the province of Nova Scotia. However, the partners shall not share business-specific/sensitive information outside the YSP Regional Team.

**ROLES / RESPONSIBILITIES:**

**YSP Regional Team**

- Provides general direction and planning for the project

**Project Applicant – CEED**

- Employs the Project Coordinator directly and ensures all payroll remittances, confidentiality and other policies/procedures are in place and followed
- Provides technology / equipment for the Project Coordinator as per the project budget
- Processes all expenses and revenues related to the project
- Reimburses project partners according to the level of effort invested (not to exceed the budget attached)
- Reporting / Governance / Communications:
  - Provides specific day-to-day direction to the Project Coordinator
  - Acts as the lead communication conduit between funders and the YSP Regional Team (operational and financial)
  - Submits all required documentation/reports to funders in a timely manner
  - Signing authority for the contracts with funders
  - Provides regular budget updates to project partners

### **Project Partners – NOBL, BBI, EDN, CEED**

- Refers clients (both youth and business) to the project
- Contributes to the design of curriculum as required
- NOBL will be responsible for reviewing the financials for the businesses to ensure they are viable entities and that the value of the proposed buyout is fair
- Supports the Project Coordinator in the planning of events/activities within their respective “communities” (or client bases)
- Makes every effort to attend and participates actively in YSP Regional Team meetings (every four weeks by phone or in person)
- Facilitates the use of office space and equipment in respective locations for the Project Coordinator as required (i.e. meetings or training sessions with project participants)
- Reviews all documentation prior to meetings and be fully prepared for discussion
- Upholds the values and objectives of the YSP Project
- Reporting / Governance / Communications:
  - Communicates project progress to respective CEO's/ED's and Boards (through normal reporting processes)
  - Provides feedback to the Project Coordinator and to CEED on reports to be submitted to funders

### **Project Coordinator(s)**

- Advances the tasks and objectives as defined in the attached proposal in a timely manner
- Provides notice/reminder for YSP Regional Team meetings to members
- Provides advance notice to the YSP Regional Team of potential activities that will advance the project in general, but are not identified as tasks in the proposal for discussion/approval
- Records project activity in a designated tracking system
- Makes a demonstrated effort to recruit youth and engaging coaches, trainers etc. from targeted groups
- Reporting / Governance / Communications:
  - Provides financial and progress reports to the YSP Regional Team prior to each Regional Management Team meeting
  - Develops draft reports as required by funders for the project applicant (CEED)
  - Provides the YSP Regional Team the opportunity for feedback on reports required by funders

### **PARTNER COMPENSATION:**

- NOBL, BBI, and EDN may claim direct travel costs to CEED at \$0.495 per kilometre to a maximum of \$2,500 collectively over the project term. Additional project costs may be claimed to CEED by these project partners for Curriculum Development activities to a maximum of \$6,084 collectively.
- As the project applicant, CEED will claim the Administrative Fees associated with the project (approximately 12% of total project costs). These Fees will then be allocated between the four partners as mutually agreed upon by the YSP Regional Team.
- A full project budget is attached.

**TERM:**

- 8 month term (to project end date of June 30, 2014)

**AUTHORIZED REPRESENTATIVES:**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Name (print)**

CEED  
\_\_\_\_\_  
**Title, Organization**

\_\_\_\_\_  
**Date**

*Michael R Wyse*  
\_\_\_\_\_  
**Signature**

*Michael R Wyse*  
\_\_\_\_\_  
**Name (print)**

BBI *CEO*  
\_\_\_\_\_  
**Title, Organization**

*Dec 2, 2013*  
\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Name (print)**

NOBL  
\_\_\_\_\_  
**Title, Organization**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Name (print)**

EDN  
\_\_\_\_\_  
**Title, Organization**

\_\_\_\_\_  
**Date**

## 2013-2014 Youth Succession Project Budget (Projected)

Item	Total	ACOA	ERDT	LAE	Proponents
<b>WAGES</b>					
1a Project Coordinator (\$27.66/hr x 840hrs plus MERC)	\$26,250.00	\$15,970.50	\$4,279.50	\$6,000.00	
1b Project Administration (Prospectus Dev, Accounting Orientation, Curriculum Dev, Evaluation)	\$18,115.20	\$2,737.80		\$783.20	\$14,594.20
<b>Total Wages</b>	<b>\$44,365.20</b>	<b>\$18,708.30</b>	<b>\$4,279.50</b>	<b>\$6,783.20</b>	<b>\$14,594.20</b>
<b>MARKETING</b>					
2 Marketing Material	\$3,000.00	\$1,825.20			\$1,174.80
3 Recruitment	\$5,250.00				\$5,250.00
4 Information Sessions	\$5,250.00		\$5,250.00		
<b>Total Marketing</b>	<b>\$13,500.00</b>	<b>\$1,825.20</b>	<b>\$5,250.00</b>	<b>\$0.00</b>	<b>\$6,424.80</b>
<b>TRAVEL</b>					
5 Project Coordinators	\$5,000.00	\$3,042.00	\$1,958.00		
6 Participants	\$1,500.00	\$912.60		\$587.40	
7 Partner Travel	\$2,500.00		\$2,500.00		
<b>Total Travel</b>	<b>\$9,000.00</b>	<b>\$3,954.60</b>	<b>\$4,458.00</b>	<b>\$587.40</b>	<b>\$0.00</b>
<b>TRAINING</b>					
8 Participant Training Fund (\$25/participant)	\$3,750.00	\$2,281.50		\$1,468.50	
<b>Total Training</b>	<b>\$3,750.00</b>	<b>\$2,281.50</b>	<b>\$0.00</b>	<b>\$1,468.50</b>	<b>\$0.00</b>
<b>STIPENDS</b>					
9 Weeks 2-19 (\$350/wk/participant for 18 weeks)	\$94,500.00		\$15,750.00	\$78,750.00	
10 Weeks 20-30 (\$200/wk/participant for 11 weeks)	\$33,000.00		\$5,500.00	\$27,500.00	
<b>Total Stipends</b>	<b>\$127,500.00</b>	<b>\$0.00</b>	<b>\$21,250.00</b>	<b>\$106,250.00</b>	<b>\$0.00</b>
<b>OTHER OPERATING</b>					
11 Program Materials (\$100/participant, 15 youth/10 owners)	\$2,500.00	\$1,521.00		\$979.00	
12 Printing Costs	\$2,250.00	\$1,368.90	\$881.10		
13 Phone/Fax/Internet	\$2,000.00	\$1,216.80	\$783.20		
14 Professional Fees					
a Legal Fees	\$5,000.00	\$3,042.00	\$1,958.00		
b Accounting Fees	\$7,300.80	\$7,300.80			
d Coaching Fees	\$30,000.00	\$18,252.00	\$2,000.00	\$9,748.00	
e Curriculum Development & Revisions	\$6,084.00	\$6,084.00			
15 HST Expense	\$4,950.00	\$1,200.00	\$1,000.00	\$2,750.00	
<b>Total Other Operating</b>	<b>\$60,084.80</b>	<b>\$39,985.50</b>	<b>\$6,622.30</b>	<b>\$13,477.00</b>	<b>\$0.00</b>
<b>ADMIN FEE</b>					
16 Administrative Fee (including space, equipment, reception, ICT, service contracts)	\$30,904.29	\$5,340.41	\$6,278.97	\$19,284.92	
<b>17 Total Project Cost</b>	<b>\$289,104.29</b>	<b>\$72,095.51</b>	<b>\$48,138.77</b>	<b>\$147,851.02</b>	<b>\$21,019.00</b>

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## MEMORANDUM OF UNDERSTANDING



**Between**  
**Community Business Development Corporation – Yarmouth (CBDC)**  
**and**  
**Black Business Initiative (BBI)**

**Recognizing** the common desires of the CBDC and BBI to encourage community and business development as well as to enhance job creation and economic prosperity for people in Yarmouth and areas,

**Respecting** the mandates of the individual organizations and recognizing the desire for greater cooperation, and

**Respecting** client confidentiality,

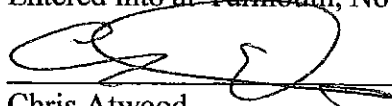
**All parties agree to:**

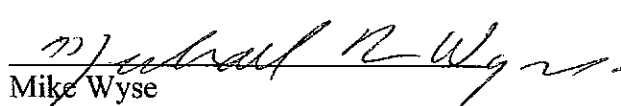
- exchange and share information on activities of mutual interest and benefit to its memberships and communities;
- encourage coordination and dialogue on issues as it relates to assisting clients with disabilities;
- undertake such other activities as are mutually agreed upon between the parties in support of and to the benefit of people with disabilities.
- the Executive Director from each organization will act as contact and liaison.

The purpose of this Memorandum of Understanding is to maintain a cooperative framework between the CBDC Yarmouth and BBI as the organizations address the specific needs of the client.

All Parties are independent enterprises and shall not interpret this Memorandum as being legally binding in anyway. Nor shall any of the Parties within assume or interpret this document as being restrictive to the current and/or future operations and/or activities of the Parties involved. Neither, shall any of the parties use this document to bind the other(s) to any obligation, by contract or otherwise.

Entered into at Yarmouth, Nova Scotia on this 19<sup>th</sup> day of October, 2012

  
Chris Atwood  
Executive Director  
CBDC-Yarmouth

  
Mike Wyse  
Executive Director  
BBI