

BEARDY'S AND OKEMASIS' CREE NATION

FINANCIAL MANAGEMENT ACT

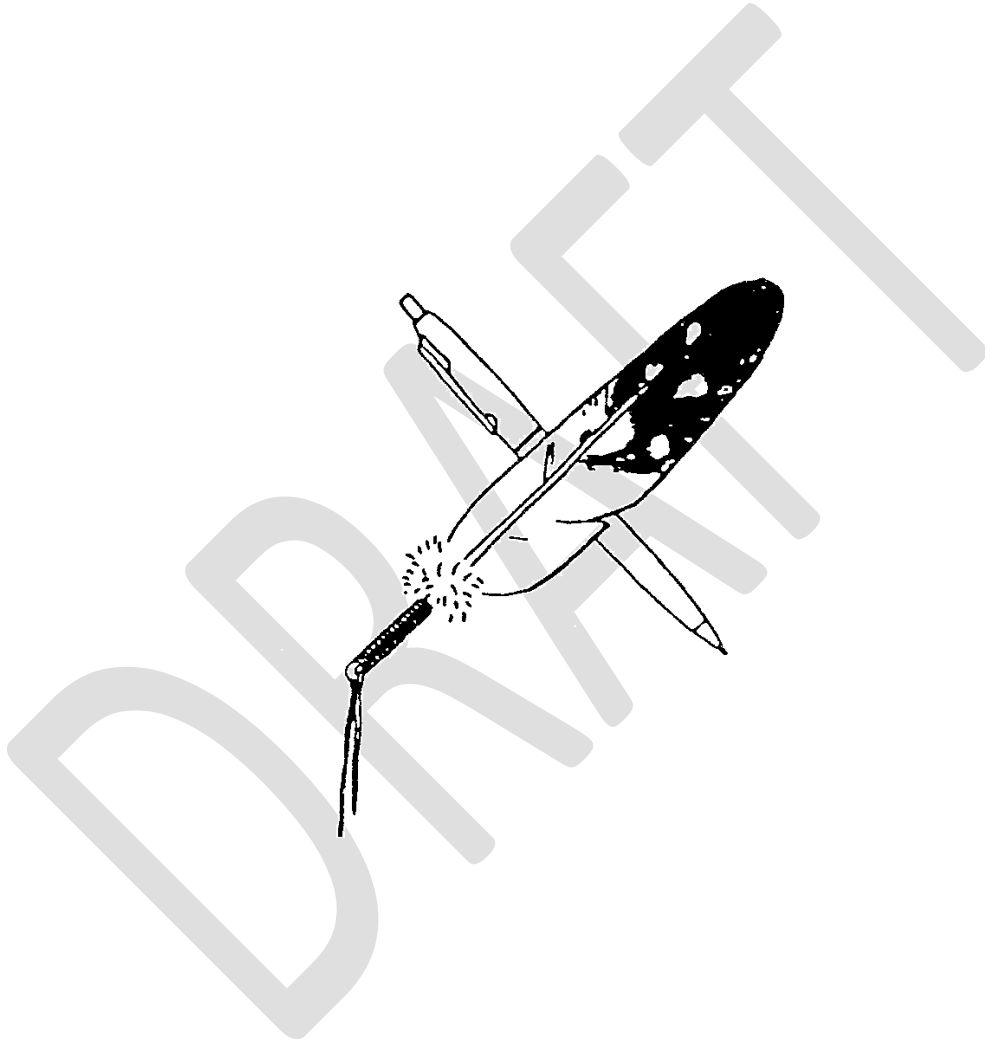


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PREAMBLE

We, the Beardy's and Okemasis' Cree Nation, have the inherent right to govern ourselves according to our customs, traditions and natural laws of the nehiyawak. We declare these are our truths.

We are a Nation of many Nations. Chief Beardy (Kamiyistowesit) and Chief Cutnose signed an adhesion to Treaty 6 on August 28, 1876 near Fort Carlton, thereby entering into Treaty with the Crown and exercising all the powers of our Sovereignty and Nationhood.

With the teachings of our elders in our hearts and minds, we will conduct ourselves in a positive manner. We will maintain a good path with the next seven generations always in mind, so they carry on in such a way that our inherent rights remain protected.

Beardy's and Okemasis' Cree Nation has always had a special relationship with the Crown, which was recognized in the Royal Proclamation of 1763, Treaty 6, and in the Constitution Act, 1982. By this special relationship, the Crown has special obligations to all of the People, current and future members of the Beardy's and Okemasis' Cree Nation, for as long as the sun shines, the grass grows and the rivers flow.

This Law does not in any way abrogate or diminish the Aboriginal and Treaty Rights of the Beardy's and Okemasis' Cree Nation and its citizens, protected under Section 35 of the Constitution Act, 1982, and Canada's fiduciary responsibility to Beardy's and Okemasis' Cree Nation and its Members.

It is upon this foundation that we, the members of the Beardy's and Okemasis' Cree Nation, put into place this Law, which is the basis for our government authority, our jurisdiction, our laws, our future laws, and our traditions.

Pursuant to section 9 of the First Nations Fiscal Management Act, the Council of a First Nation may make laws respecting the Financial Administration of the First Nation. The Council of the Beardy's and Okemasis' Cree Nation considers it to be in the best interests of the First Nation to make a law for such purposes.

NOW THEREFORE, by virtue of our rights and freedoms as an autonomous First Nation in an historical relationship with the Crown, we do hereby declare and institute the "Beardy's and Okemasis' Cree Nation Financial Management Act."

PART I – CITATION

Article 1 – Citation

1.1 This Law shall be referred to as the *Beardy's and Okemasis' Cree Nation Financial Management Act*.

PART II – INTERPRETATION AND APPLICATION

Article 2 – Interpretation and Application

2.1 Unless the context indicates the contrary, in this Law:

- (a) "Act" means the *First Nations Fiscal Management Act*, S.C. 2005, c. 9;
- (b) "Annual Budget" means the annual budget of the First Nation that has been approved by

- the Council;
- (c) “**Annual Financial Statements**” means the annual financial statements of the First Nation referred to in Division 7 of Part IV;
 - (d) “**Appropriation**” means an allocation of money under an Annual Budget to the purposes for which it may be used;
 - (e) “**Auditor**” means the auditor of the First Nation appointed under article 76;
 - (f) “**Band List**” means those persons set out on a membership list of the BOCN maintained by the Department of Indian Affairs or by the BOCN if it has assumed control of its membership list pursuant to section 10 of the *Indian Act*;
 - (g) “**Board**” means the First Nations Financial Management Board established under the Act;
 - (h) “**Board Standards**” means the Standards established from time to time by the Board under the Act;
 - (i) “**BOCN**” means Beardy’s and Okemasis’ Cree Nation, which is a “band” within the meaning of the *Indian Act*;
 - (j) “**BOCN Revenue Account**” means the BOCN Revenue Account established by the Council in a Financial Institution situated on an Indian reserve into which the Annual Payments, Authorized Loans, and other monies shall be deposited;
 - (k) “**Borrowing Member**” means a First Nation that has been accepted as a Borrowing Member under section 76(2) of the Act and has not ceased to be a Borrowing Member under section 77 of the Act;
 - (l) “**Chief Executive Officer**” means the person appointed Chief Executive Officer under article 18;
 - (m) “**Chief Financial Officer**” means the person appointed Chief Financial Officer under article 19;
 - (n) “**Code**” means a code adopted by the First Nation under the *First Nations Oil and Gas and Moneys Management Act* or a land code adopted by the First Nation under the *First Nations Land Management Act*;
 - (o) “**Commission**” means the First Nations Tax Commission established under the Act;
 - (p) “**Commission Standards**” means the Standards established from time to time by the Commission under the Act;
 - (q) “**Council**” means the duly elected council of the BOCN, which is a “council of the band” within the meaning of the *Indian Act*;
 - (r) “**Councillor**” means a member of the Council of Beardy’s and Okemasis’ Cree Nation and includes the Chief of the Nation;
 - (s) “**Council Resolution**” means a written resolution passed at a duly convened meeting of

- the Council and signed by at least a Quorum of the Council;
- (t) **“Elector”** means a person who is on the Band List and is eighteen (18) years of age or older or a person who otherwise meets the definition of an Elector pursuant to any applicable code or bylaw enacted by BOCN from time to time;
 - (u) **“Finance and Audit Committee”** means the Finance and Audit Committee established under article 12;
 - (v) **“Financial Administration”** means the management, supervision, control and direction of all matters relating to the financial affairs of the First Nation;
 - (w) **“Financial Institution”** means a bank or trust company, the deposits of which are insured pursuant to the *Canada Deposit Insurance Corporation Act*, R.S.C. 1985, c. C-3, or a credit union operating in the Province of Saskatchewan, the deposits of which are insured under the Credit Union Deposit Guarantee Corporation;
 - (x) **“Financial Competency”** means the ability to read and understand financial statements that present accounting issues reasonably expected to be raised by the First Nation’s financial statements;
 - (y) **“Financial Records”** means all Records respecting the Financial Administration of the First Nation, including the minutes of meetings of the Council and the Finance and Audit Committee;
 - (z) **“Financing Secured by Other Revenues Regulations”** means the Financing Secured by Other Revenues Regulations, SOR/2011-201;
 - (aa) **“First Nation”** means the Beardy’s and Okemasis’ Cree Nation;
 - (bb) **“First Nation Law”** means any law, including any Act, bylaw or Code, of the First Nation made by the Council or the membership of the First Nation;
 - (cc) **“First Nation’s Financial Assets”** means all money and other financial assets of the First Nation;
 - (dd) **“First Nation’s Lands”** means all reserves of the First Nation within the meaning of the *Indian Act*;
 - (ee) **“First Nation’s Records”** means all Records of the First Nation respecting its governance, management, operations and Financial Administration;
 - (ff) **“First Nations Finance Authority”** means the statutory not-for-profit organization without share capital, operating under the authority of the *First Nations Fiscal Management Act*;
 - (gg) **“First Nations Land Management Act”** means the *First Nations Land Management Act*, S.C. 1999, c. 24;
 - (hh) **“First Nations Oil and Gas and Moneys Management Act”** means the *First Nations Oil and Gas and Moneys Management Act*, S.C. 2005, c. 48;

- (ii) **“Fiscal Year”** means the Fiscal Year of the First Nation set out in article 24;
- (jj) **“GAAP”** means generally accepted accounting principles of the Chartered Professional Accountants of Canada, as revised or replaced from time to time;
- (kk) **“Indian Act”** means the *Indian Act*, R.S.C. 1985, c. I-5, as amended or replaced from time to time;
- (ll) **“Law”** means the *Beardy's & Okemasis' Cree Nation Financial Management Act*;
- (mm) **“Legacy Trust”** means the Beardy's & Okemasis' Legacy Trust dated for reference the 1st day of January, 2017;
- (nn) **“Local Revenue Account”** means an account with a Financial Institution into which Local Revenues are deposited separately from other moneys of the First Nation;
- (oo) **“Local Revenue Law”** means a Local Revenue Law made by the First Nation under the Act;
- (pp) **“Local Revenues”** means money raised under a Local Revenue Law;
- (qq) **“Local Revenues Budget”** means any part of an Annual Budget relating to Local Revenues;
- (rr) **“Member”** means a person whose name appears on the Band List;
- (ss) **“Multi-Year Financial Plan”** means the plan referred to in article 25;
- (tt) **“Officer”** means the Chief Executive Officer, Chief Financial Officer, Tax Administrator and any other employee of the First Nation designated by the Council as an Officer;
- (uu) **“Other Revenues”** means Other Revenues as defined in section 3 of the Financing Secured by Other Revenues Regulations made under the Act;
- (vv) **“Quorum”** means a majority of the members of Council;
- (ww) **“Record”** means anything on which information is recorded or stored by any means whether graphic, electronic, mechanical or otherwise;
- (xx) **“Related Body”** means:
 - (i) any agency of the First Nation;
 - (ii) any corporation in which the First Nation has a material or controlling interest;
 - (iii) any partnership in which the First Nation or another Related Body of the First Nation is a partner with a material or controlling interest; or
 - (iv) a trust of the First Nation;
- (yy) **“Revenue Management Implementation Regulations”** means the Revenue Management Implementation Regulations, SOR/2007-245;

- (zz) **“Special Purpose Report”** means a report described in article 75;
 - (aaa) **“Standards”** means the standards established from time to time under the Act;
 - (bbb) **“Tax Administrator”** means the person appointed Tax Administrator under section 20 of the First Nation’s Local Revenue Laws;
 - (ccc) **“Trust Account”** means a trust account opened in a Financial Institution and maintained by the Trustee for the benefit of BOCN pursuant to the Legacy Trust; and
- 2.2 Except as otherwise provided in this Law, words and expressions used in this Law have the same meanings as in the Act.
- 2.3 Any other bylaw or resolution enacted by Chief and Council that is inconsistent with this Law shall be of no force or effect to the extent of any such inconsistency.
- 2.4 Unless a word or expression is defined under articles 2.1 or 2.2 or another provision of this Law, the definitions in the *Interpretation Act*, R.S.C., 1985, c. I-21, apply.
- 2.5 All references to named enactments in this Law are to enactments of the Government of Canada.

Article 3 – Interpretation

- 3.1 In this Law, the following rules of interpretation apply:
- (a) words in the singular include the plural, and words in the plural include the singular;
 - (b) words importing female persons include male persons and corporations and words importing male persons include female persons and corporations;
 - (c) if a word or expression is defined, other parts of speech and grammatical forms of the same word or expressions have corresponding meanings;
 - (d) the expression “must” is to be construed as imperative, and the expression “may” is to be construed as permissive;
 - (e) unless the context indicates otherwise, “including” means “including, but not limited to”, and “includes” means “includes, but is not limited to”; and
 - (f) a reference to an enactment includes any amendment or replacement of it and every regulation made under it.
- 3.2 This Law must be considered as always speaking and where a matter or thing is expressed in the present tense, it must be applied to the circumstances as they arise, so that effect may be given to this Law according to its true spirit, intent and meaning.
- 3.3 Words in this Law referring to an Officer, by name of office or otherwise, also apply to any person designated by the Council to act in the Officer’s place or to any person assigned or delegated to act in the Officer’s place under this Law.

Article 4 – Posting of Public Notice

- 4.1 If a public notice must be posted under this Law, the public notice is properly posted if a written notice is placed in a conspicuous and accessible place for public viewing in the principal administrative offices of the First Nation.
- 4.2 Unless expressly provided otherwise, if a public notice of a meeting must be posted under this Law the notice must be posted at least fifteen (15) days before the date of the meeting.

Article 5 – Calculation of Time

- 5.1 In this Law, time must be calculated in accordance with the following rules:
- (a) where the time limited for taking an action ends or falls on a holiday, the action may be taken on the next day that is not a holiday;
 - (b) where there is a reference to a number of days, not expressed as “clear days”, between two events, in calculating that number of days the day on which the first event happens is excluded and the day on which the second event happens is included;
 - (c) where a time is expressed to begin or end at, on or within a specified day, or to continue to or until a specified day, the time includes that day;
 - (d) where a time is expressed to begin after or to be from a specified day, the time does not include that day; and
 - (e) where anything is to be done within a time after, from, of or before a specified day, the time does not include that day.

Article 6 – Conflict of Laws

- 6.1 If there is a conflict between this Law and another First Nation Law, other than a Code or a Local Revenue Law, this Law prevails.
- 6.2 If there is a conflict between this Law and the Act, the Act prevails.
- 6.3 If there is a conflict between this Law and a Local Revenue Law, the Local Revenue Law prevails.
- 6.4 If there is a conflict between this Law and the Legacy Trust, the Legacy Trust prevails.

Article 7 – Scope and Application

7.1 This Law applies to the Financial Administration of the First Nation.

PART III – ADMINISTRATION

DIVISION 1 – COUNCIL

Article 8 – Responsibilities of Council

8.1 The Council is responsible for all matters relating to the Financial Administration of the First Nation whether or not they have been assigned or delegated to an Officer, employee, committee, contractor or agent by or under this Law.

8.2 Subject to section 5(1)(f) of the Act, this Law and any other applicable First Nation Law, the Council may delegate to any of its Officers, employees, committees, contractors or agents any of its functions under this Law except the following:

- (a) the approval of Council policies, procedures or directions;
- (b) the appointment of members, the Chair and the Vice-Chair of the Finance and Audit Committee;
- (c) the approval of Annual Budgets and financial statements of the First Nation; and
- (d) the approval of borrowing of the First Nation.

Article 9 – Council Policies, Procedures and Directions

9.1 Subject to article 9.2, the Council may establish policies and procedures and give directions respecting any matter relating to the Financial Administration of the First Nation.

9.2 The Council must establish policies or procedures or give directions respecting the acquisition, management and safeguarding of First Nation assets.

9.3 The Council must not establish any policies or procedures or give any directions relating to the Financial Administration of the First Nation that are in conflict with this Law, the Act, the Legacy Trust, or GAAP.

9.4 The Council must ensure that all human resources policies and procedures are designed and implemented to facilitate effective internal Financial Administration controls.

9.5 The Council must document all its policies, procedures and directions and make them available to any person who is required to act in accordance with them or who may be directly affected by them.

Article 10 – Reporting of Remuneration and Expenses

10.1 In this article:

- (a) “**Entity**” means a corporation or a partnership, a joint venture or any other unincorporated

association or organization, the financial transactions of which are consolidated in the Annual Financial Statements of the First Nation in accordance with GAAP;

- (b) “**Expenses**” includes the costs of transportation, accommodation, meals, hospitality and incidental expenses; and
- (c) “**Remuneration**” means any salaries, wages, commissions, bonuses, fees, honoraria and dividends and any other monetary and non-monetary benefits.

10.2 Annually the Chief Financial Officer must prepare a report separately listing the Remuneration paid and Expenses reimbursed by the First Nation, and by any Entity, to each Councillor whether such amounts are paid to the Councillor while acting in that capacity or in any other capacity.

DIVISION 2 – FINANCE AND AUDIT COMMITTEE

Article 11 – Interpretation

11.1 In this Division, “Committee” means the Finance and Audit Committee.

Article 12 – Committee Established

12.1 The Committee of the First Nation is established to provide Council with advice and recommendations to support Council’s decision-making process respecting the Financial Administration of the First Nation.

12.2 The Council must appoint not less than three (3) members of the Committee, a majority of whom must have Financial Competency and all of whom must be independent..

12.3 For the purposes of this article, an individual is considered to be independent if the individual does not have a direct or indirect financial relationship with the First Nation government that could, in the opinion of Council, reasonably interfere with the exercise of independent judgment as a member of the Committee.

12.4 The Council must establish policies or procedures or give directions

- (a) setting criteria to determine if an individual is eligible to be a member of the Committee and is independent;
- (b) requiring confirmation, before appointment, that each potential member of the Committee is eligible to be a member and is independent; and
- (c) requiring each member of the Committee annually to sign a statement confirming that the member continues to meet the criteria referred to in article 12.4(a).

12.5 If the Committee consists of

- (a) three (3) members, at least one (1) of the Committee members must be a Councillor; and
- (b) four (4) or more members, at least two (2) of the Committee members must be Councillors.

12.6 Subject to article 12.7, the Committee members must be appointed to hold office for staggered

terms of not less than three (3) complete Fiscal Years.

12.7 A Committee member may be removed from office by the Council if

- (a) the member misses three (3) consecutively scheduled meetings of the Committee; or
- (b) the chair of the Committee recommends removal.

12.8 If a Committee member is removed from office, resigns or dies before the member's term of office expires, the Council must as soon as practicable appoint a new Committee member to hold office for the remainder of the first member's term of office.

Article 13 – Chair and Vice-Chair

13.1 The Council must appoint a chair and a vice-chair of the Committee, at least one of whom must be a Councillor.

13.2 If Council appoints a non-Councillor as chair of the Committee,

- (a) Council must send to the chair notices and agendas of all Council meetings;
- (b) on request of the chair, Council must provide the chair with any materials or information provided to Council respecting matters before it; and
- (c) the chair may attend and speak at Council meetings.

Article 14 – Committee Procedures

14.1 The quorum of the Committee is fifty percent (50%) of the total number of Committee members, including at least one (1) Councillor.

14.2 Except where a Committee member is not permitted to participate in a decision because of a conflict of interest, every Committee member has one (1) vote in all Committee decisions.

14.3 In the event of a tie vote in the Committee, the chair of the Committee may cast a second tiebreaking vote.

14.4 Subject to article 14.5, the Chief Executive Officer and the Chief Financial Officer must be notified of all Committee meetings and, subject to reasonable exceptions, must attend those meetings.

14.5 The Chief Executive Officer or the Chief Financial Officer may be excluded from all or any part of a Committee meeting by a Recorded vote if

- (a) the subject matter relates to a confidential personnel or performance issue respecting the Chief Executive Officer or the Chief Financial Officer; or
- (b) it is a meeting with the Auditor.

14.6 The Committee must meet

- (a) at least once every quarter in each Fiscal Year as necessary to conduct the business of the

Committee; and

- (b) as soon as practical after it receives the audited Annual Financial Statements and report from the Auditor.

14.7 The Committee must provide minutes of its meetings to the Council and report to the Council on the substance of each Committee meeting as soon as practicable after each meeting.

14.8 Subject to this Law and any directions given by the Council, the Committee may make rules for the conduct of its meetings.

14.9 After consultation with the Chief Executive Officer, the Committee may retain a consultant to assist in the performance of any of its responsibilities.

Article 15 – Financial Planning Responsibilities

15.1 The Committee must carry out the following activities in respect of the Financial Administration of the First Nation:

- (a) annually develop, and recommend to the Council for approval, short, medium and long-term
 - (i) strategic plans, projections and priorities,
 - (ii) operational plans, projections and priorities,
 - (iii) business plans, projections and priorities, and
 - (iv) financial plans, projections and priorities;
- (b) review draft Annual Budgets and recommend them to the Council for approval;
- (c) on an ongoing basis, monitor the financial performance of the First Nation against the Annual Budget and report any significant variations to the Council; and
- (d) review the quarterly financial statements and recommend them to the Council for approval.

15.2 The Committee may make a report or recommendations to the Council on any matter respecting the Financial Administration of the First Nation that is not otherwise specified to be its responsibility under this Law.

Article 16 – Audit responsibilities

16.1 The Committee must carry out the following audit activities in respect of the Financial Administration of the First Nation:

- (a) make recommendations to the Council on the selection, engagement and performance of an Auditor;
- (b) receive assurances on the independence of a proposed or appointed Auditor;
- (c) review and make recommendations to the Council on the planning, conduct and results of

- audit activities;
- (d) review and make recommendations to the Council on the audited Annual Financial Statements, including the audited Annual Financial Statements respecting the Local Revenue Account and any Special Purpose Reports;
 - (e) periodically review and make recommendations to the Council on policies, procedures and directions on reimbursable expenses and perquisites of the Councillors, Officers and employees of the First Nation;
 - (f) monitor financial reporting risks and fraud risks and the effectiveness of mitigating controls for those risks taking into consideration the cost of implementing those controls;
 - (g) conduct a review of this Law under article 114 and, where appropriate, recommend amendments to the Council; and
 - (h) periodically review and make recommendations to the Council on the terms of reference of the Committee.

Article 17 – Council Assigned Responsibilities

17.1 The Council may assign to the Committee

- (a) to develop, and recommend to the Council for approval, performance measurements and goals designed to confirm that management activities, including financial management, occur as planned;
- (b) to prepare, and recommend to the Council for approval, cash management plans;
- (c) to review and report to the Council on the financial content of any First Nation reports;
- (d) to review, monitor and report to the Council on the appropriateness of the First Nation's accounting and financial reporting systems, policies and practices;
- (e) to review, and recommend to the Council for approval, any proposed significant changes in the First Nation's accounting or financial reporting systems, policies, procedures or directions;
- (f) to monitor the collection and receipt of the First Nation's Financial Assets, including debts owed to the First Nation;
- (g) to review and report to the Council on the First Nation's risk management policies and control and information systems and, where appropriate, recommend improvements to the Council;
- (h) to review the adequacy of security of information, information systems and recovery plans and, where appropriate, recommend improvements to the Council;
- (i) to monitor compliance with the legal obligations of the First Nation, including legislative, regulatory and contractual obligations, and report to the Council;
- (j) to review and report to the Council on the adequacy of Financial Administration personnel

and resources;

- (k) to review, monitor and report to the Council on the adequacy and appropriateness of the First Nation's insurance coverage respecting significant First Nation risks; and
- (l) to review, monitor and report to the Council on material litigation and its impact on Financial Administration and reporting.

DIVISION 3 – OFFICERS AND EMPLOYEES

Article 18 – Chief Executive Officer

18.1 The Council must appoint a person as Chief Executive Officer of the First Nation and may set the terms and conditions of that appointment.

18.2 Reporting to the Council, the Chief Executive Officer is responsible for leading the planning, organization, implementation and evaluation of the overall management of all the day-to-day operations of the First Nation, including the following duties:

- (a) to develop and recommend to the Council for approval, human resources policies and procedures for the hiring, management and dismissal of Officers and employees of the First Nation;
- (b) to prepare and recommend to the Council for approval, descriptions of the powers, duties and functions of all employees of the First Nation;
- (c) to hire the employees of the First Nation, as the Chief Executive Officer considers necessary, and to set the terms and conditions of their employment;
- (d) to oversee, supervise and direct the activities of all Officers and employees of the First Nation;
- (e) to oversee and administer the contracts of the First Nation;
- (f) to prepare, recommend to the Council and maintain and revise as necessary the organization chart referred to in article 21;
- (g) to identify, assess, monitor and report on financial reporting risks and fraud risks;
- (h) to monitor and report on the effectiveness of mitigating controls for the risks referred to in article 18.2(g), taking into consideration the cost of implementing those controls;
- (i) to perform any other duties of the Chief Executive Officer under this Law; and
- (j) to carry out any other activities specified by the Council that are not contrary to the Act or inconsistent with the Chief Executive Officer's duties specified in this Law.

18.3 The Chief Executive Officer may assign the performance of any of the Chief Executive Officer's duties or functions

- (a) to an Officer or employee of the First Nation; and

- (b) with the approval of the Council, to a contractor or agent of the First Nation.

18.4 Any assignment of duties or functions under article 18.3 does not relieve the Chief Executive Officer of the responsibility to ensure that these duties or functions are carried out properly.

Article 19 – Chief Financial Officer

19.1 The Council must appoint a person as Chief Financial Officer of the First Nation and may set the terms and conditions of that appointment.

19.2 Reporting to the Council and Chief Executive Officer, the Chief Financial Officer is responsible for the day-to-day management of the systems of the Financial Administration of the First Nation, including the following duties:

- (a) to ensure the Financial Administration systems, policies, procedures, directions and internal controls are appropriately designed and operating effectively;
- (b) to administer and maintain all charts of accounts of the First Nation;
- (c) to prepare the draft Annual Budgets and, with advice and input from the Tax Administrator, to prepare any draft amendments to the component of the Annual Budget respecting the First Nation's Local Revenues;
- (d) to prepare the monthly financial information required in article 71, the quarterly financial statements required in article 72 and the draft Annual Financial Statements required in articles 73 and 74;
- (e) to prepare the financial components of reports to the Council and of any short, medium and long-term plans, projections and priorities referred to in article 15.1;
- (f) to actively monitor compliance with any agreements and funding arrangements entered into by the First Nation;
- (g) to administer and supervise the preparation and maintenance of Financial Records and the Financial Administration reporting systems;
- (h) to administer and supervise the maintenance of the Records of all receipts and expenditures of the First Nation to facilitate the annual audit;
- (i) to actively monitor compliance with the Act, this Law, any other applicable First Nation Law, applicable Standards and any policies, procedures and directions of the Council respecting the Financial Administration of the First Nation;
- (j) to prepare or provide any documentation and financial information required by the Council or the Finance and Audit Committee to discharge its responsibilities;
- (k) to evaluate the Financial Administration systems of the First Nation and recommend improvements;
- (l) to develop and recommend procedures for the safeguarding of assets and to ensure approved procedures are followed;

- (m) to develop and recommend procedures to Council for identifying and mitigating financial reporting and fraud risks and to ensure approved procedures are followed;
- (n) to perform any other duties of the Chief Financial Officer under this Law; and
- (o) to carry out any other activities specified by the Chief Executive Officer that are not contrary to the Act or inconsistent with the Chief Financial Officer's duties under this Law.

19.3 With the approval of the Council and Chief Executive Officer, the Chief Financial Officer may assign the performance of any of the duties or functions of the Chief Financial Officer to any Officer, employee, contractor or agent of the First Nation, but this assignment does not relieve the Chief Financial Officer of the responsibility to ensure that these duties or functions are carried out properly.

Article 20 – Tax Administrator

20.1 If the First Nation is collecting Local Revenues, the Council must appoint a person as Tax Administrator of the First Nation and may set the terms and conditions of that appointment.

20.2 Reporting to the Chief Financial Officer, the Tax Administrator is responsible for performing the Tax Administrator's duties or functions under the First Nation's Local Revenue Laws, the Act and this Law.

20.3 In addition to any duties or functions under the First Nation's Local Revenue Laws and the Act, the Tax Administrator is responsible for the following:

- (a) to manage Local Revenues and the Local Revenue Account on a day-to-day basis;
- (b) to recommend to the Chief Financial Officer the draft and amended Annual Budgets for the component of the Annual Budget respecting Local Revenues;
- (c) to recommend to the Chief Financial Officer the Local Revenues components of the Multi-Year Financial Plan;
- (d) to provide advice to the Chief Executive Officer, Chief Financial Officer, Finance and Audit committee and the Council respecting Local Revenues matters, on request;
- (e) to monitor compliance with the Act, the First Nation's Local Revenue Laws and this Law in the administration of Local Revenues and the Local Revenue Account; and
- (f) to perform any other duties of the Tax Administrator under this Law.

20.4 With the approval of the Chief Executive Officer, the Tax Administrator may assign the performance of any of the duties or functions of the Tax Administrator to any Officer, employee, contractor or agent of the First Nation, but this assignment does not relieve the Tax Administrator of the responsibility to ensure that these duties or functions are carried out properly.

Article 21 – Organizational Structure

21.1 The Council must establish and maintain a current organization chart for the governance, management and administrative systems of the First Nation.

- 21.2 The organization chart under article 21.1 must include the following information:
- (a) all governance, management and administrative systems of the First Nation;
 - (b) the organization of the systems described in article 21.2(a), including the linkages between them;
 - (c) the specific roles and responsibilities of each level of the organization of the systems described in article 21.2(a); and
 - (d) all governance, management and administrative positions at each level of the organization of the systems described in article 21.2(a), including:
 - (i) the membership on the Council, Finance and Audit Committee and all other committees of the Council and the First Nation,
 - (ii) the Chief Executive Officer, the Chief Financial Officer, the Tax Administrator and other Officers of the First Nation, and
 - (iii) the principal lines of authority and the responsibility between the Council, the committees referred to in article 21.2(d)(i) and the Officers referred to in article 21.2(d)(ii).
- 21.3 On request, the Chief Executive Officer must provide a copy of the organization chart under article 21.1 to a Councillor, a member of a committee referred to in article 21.2(d)(i), an Officer, employee or contractor or agent of the First Nation and a member of the First Nation.
- 21.4 In the course of discharging his or her responsibilities under this Law, the Chief Executive Officer must recommend to the Council for approval and implementation, human resource policies and procedures (a "Personnel Management Act") that facilitate effective internal Financial Administration controls.
- 21.5 The Council must take all reasonable steps to ensure that the First Nation hires or retains qualified and competent personnel to carry out the Financial Administration activities of the First Nation.

DIVISION 4 – CONDUCT EXPECTATIONS

Article 22 – Conduct of Councillors

- 22.1 When exercising a power, duty or responsibility relating to the Financial Administration of the First Nation, a Councillor must:
- (a) comply with this Law, the Act, any other applicable First Nation Law and any applicable Standards;
 - (b) act honestly, in good faith and in the best interests of the First Nation;
 - (c) exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances; and

- (d) avoid conflicts of interest and comply with the requirements of the Schedule: Avoiding and Mitigating Conflicts of Interest, including required annual disclosures of private interests.

22.2 If it has been determined under this Law or by a court of competent jurisdiction that a Councillor has contravened this article, the Council must post a public notice of the details of the determination for a period of not less than thirty-one (31) days as soon as practicable after the contravention was determined.

Article 23 – Conduct of Officers, Employees, Contractors, etc.

23.1 This article applies to:

- (a) an Officer, employee, contractor and agent of the First Nation;
- (b) a person acting under the delegated authority of the Council or the First Nation; and
- (c) a member of a committee of the Council or the First Nation who is not a Councillor.

23.2 If a person is exercising a power, duty or responsibility relating to the Financial Administration of the First Nation, that person must:

- (a) comply with this Law, the Act, any other applicable First Nation Law and any applicable Standards;
- (b) comply with all policies, procedures and directions of the Council; and
- (c) avoid conflicts of interest and comply with any applicable requirements of the Schedule: Avoiding and Mitigating Conflicts of Interest, including required disclosure of potential conflicts of interest.

23.3 The Council must incorporate the relevant provision of this article into:

- (a) the terms of employment or appointment of every Officer or employee of the First Nation;
- (b) the terms of every contract of a contractor of the First Nation;
- (c) the terms of appointment of every member of a committee who is not a Councillor; and
- (d) the terms of appointment of every agent of the First Nation.

23.4 If a person contravenes article 23.2, the following actions may be taken:

- (a) an Officer or employee may be disciplined, including dismissal;
- (b) a contractor's contract may be terminated;
- (c) the appointment of a member of a committee may be revoked; or
- (d) the appointment of an agent may be revoked.

PART IV – FINANCIAL MANAGEMENT

DIVISION 1 – FINANCIAL PLANS AND ANNUAL BUDGETS

Article 24 – Fiscal Year

24.1 The Fiscal Year of the First Nation is April 1 to March 31 of the following year.

Article 25 – Multi-Year Financial Plan

25.1 No later than March 31 of each year, the Council must approve a Multi-Year Financial Plan that

- (a) has a planning period of five (5) years comprised of the current Fiscal Year and the four (4) succeeding Fiscal Years;
- (b) is based on the projections of revenues, expenditures and transfers between accounts;
- (c) sets out projected revenues, segregated by significant category;
- (d) sets out projected expenditures, segregated by significant category;
- (e) in respect of transfers between accounts, sets out the amounts from the tangible capital asset reserve account;
- (f) shows all categories of restricted cash; and
- (g) indicates whether, in any of the five (5) years of the plan, a deficit or surplus is expected from the projection of revenues and expenditures for that year.

Article 26 – Content of Annual Budget

26.1 The Annual Budget must encompass all the operations for which the First Nation is responsible and must identify:

- (a) anticipated revenues, segregated by significant category, with estimates of the amount of revenue from each category;
- (b) anticipated expenditures, segregated by significant category, with estimates of the amount of expenditure for each category; and
- (c) any anticipated annual and accumulated surplus or annual and accumulated deficit and the application of year-end surplus.

26.2 The revenue category of moneys derived from the First Nation's Lands must be shown separately in the Annual Budget from Other Revenues and must include a sub-category for revenues from natural resources obtained from the First Nation's Lands.

26.3 In article 26.2, "natural resources" means any material on or under the First Nation's Lands in their natural state which when extracted has economic value.

Article 27 – Annual Budget and Planning Process Schedule

- 27.1 On or before January 31 of each year, the Chief Financial Officer must prepare and submit to the Finance and Audit Committee for review a draft Annual Budget and a draft Multi-Year Financial Plan for the next Fiscal Year.
- 27.2 On or before February 15 of each year, the Finance and Audit Committee must review:
- (a) the draft Annual Budget and recommend an Annual Budget to the Council for approval; and
 - (b) the draft Multi-Year Financial Plan and recommend a Multi-Year Financial Plan to the Council.
- 27.3 On or before March 31 of each year, the Council must review and approve the Annual Budget for the First Nation for the next Fiscal Year.
- 27.4 On or before June 15 of each year, the Chief Financial Officer must prepare and submit to the Finance and Audit Committee for review a draft amendment of the component of the Annual Budget respecting the First Nation's Local Revenues.
- 27.5 On or before June 30 of each year, the Finance and Audit Committee must review the draft amendment of the component of the Annual Budget respecting the First Nation's Local Revenues and recommend an amendment to the Annual Budget to the Council for approval.
- 27.6 On or before July 15 of each year, the Council must approve the amendment of the component of the Annual Budget respecting the First Nation's Local Revenues.

Article 28 – Additional Requirements for Annual Budget Deficits

- 28.1 If a draft Annual Budget contains a proposed deficit, the Council must ensure that:
- (a) no portion of the proposed deficit originates in or relates to Local Revenues;
 - (b) the Multi-Year Financial Plan of the First Nation demonstrates how and when the deficit will be addressed and how it will be serviced; and
 - (c) the deficit does not have a negative impact on the credit worthiness of the First Nation.

Article 29 – Amendments to Annual Budgets

- 29.1 The Annual Budget of the First Nation must not be changed without the approval of the Council.
- 29.2 Subject to articles 27.6 and 37, unless there is a substantial change in the forecasted revenues or expenses of the First Nation or in the expenditure priorities of the Council, the Council must not approve a change to the Annual Budget of the First Nation.

Article 30 – Local Revenues Budget Requirements

- 30.1 Despite any other provisions of this Law, any part of a Budget relating to Local Revenues must be prepared, approved and amended in accordance with applicable provisions of the Act and of the Commission Standards.

Article 31 – Policy for First Nation Information or Involvement

- 31.1 The Council must establish policies or procedures or give directions respecting the means by which members of the First Nation must be informed about or involved in consideration of:
- (a) the Annual Budget, including any component of the Annual Budget respecting the First Nation's Local Revenues;
 - (b) the Multi-Year Financial Plan; and
 - (c) Annual Budget deficits or extraordinary expenditures.
- 31.2 The Council must post a public notice of each Council meeting when each of the following is presented for approval:
- (a) the Multi-Year Financial Plan;
 - (b) the Annual Budget; and
 - (c) an amendment to the Annual Budget.
- 31.3 Members of the First Nation may attend that part of the Council meeting when the matters referred to in article 31.2 are being considered.

DIVISION 2 – FINANCIAL INSTITUTION ACCOUNTS

Article 32 – Financial Institution Accounts

- 32.1 No account may be opened for the receipt and deposit of money of the First Nation unless the account is:
- (a) in the name of the First Nation;
 - (b) opened in a Financial Institution; and
 - (c) authorized by the Chief Executive Officer or the Chief Financial Officer.
- 32.2 The First Nation must establish the following accounts in a Financial Institution:
- (a) a general account for money from any sources other than those described in articles 32.2(b) to (e);
 - (b) a Local Revenue Account for money from Local Revenues;
 - (c) a Trust Account;
 - (d) a land and resources account for money from revenues from the First Nation's Lands; and
 - (e) a tangible capital asset reserve account for money set aside for purposes of article 90.
- 32.3 The First Nation may establish any other accounts not referred to in article 32.2 as may be necessary and appropriate to manage the First Nation's Financial Assets.

Article 33 – Accounts Management

- 33.1 The Chief Financial Officer must ensure the safekeeping of all money received by the First Nation.
- 33.2 The Chief Financial Officer:
- (a) must deposit all money received by the First Nation as soon as practicable into the appropriate accounts described in article 32; and
 - (b) must not authorize payment of money from an account described in article 32 unless the payment relates to the subject matter for which the account was established and is otherwise authorized or permitted under this Law.

DIVISION 3 – EXPENDITURES

Article 34 – Prohibited Expenditures

- 34.1 Money or financial assets in the Trust Account must not be used for a purpose other than that permitted under the terms of the Legacy Trust.
- 34.2 Money in a Local Revenue Account must not be used for any purpose other than that authorized in a Local Revenue Law or as permitted under section 13.1 of the Act.
- 34.3 Money in a tangible capital asset reserve account must not be used for any purpose other than that described in Part V.

Article 35 – Prohibited Agreements

- 35.1 The First Nation must not enter into an agreement or undertaking that requires the First Nation to expend money that is not authorized by or that contravenes this Law, a Local Revenue Law or the Act.

Article 36 – No Expenditure Without Appropriation

- 36.1 Subject to article 37.1, money must not be paid out of any account unless the expenditure is authorized under an Appropriation.
- 36.2 Article 36.1 does not apply to expenditures from the Trust Account where the expenditure is authorized under the terms of the Legacy Trust.

Article 37 – Emergency Expenditures

- 37.1 The Chief Executive Officer may approve an expenditure for an emergency purpose that was not anticipated in the Annual Budget if the expenditure is not expressly prohibited by or under this Law or another First Nation Law.
- 37.2 The Council must establish policies and procedures to authorize expenditures under article 37.1.
- 37.3 The expenditure under article 37.1 must be reported to the Council as soon as practicable and

the Council must amend the Annual Budget to include the expenditure.

37.4 Article 37.1 does not give the Chief Executive Officer the authority to borrow for the purpose of making an expenditure for an emergency purpose.

37.5 For greater certainty, this article does not authorize an expenditure of Local Revenues.

Article 38 – Appropriations

38.1 An amount that is appropriated in an Annual Budget must not be expended for any purpose other than that described in the Appropriation.

38.2 The total amount expended by the First Nation in relation to an Appropriation must not exceed the amount specified in the Annual Budget for the First Nation for that Appropriation.

38.3 Every person who is responsible for managing an Appropriation must establish and maintain a current Record of commitments chargeable to that Appropriation.

Article 39 – Payments after Fiscal Year-end

39.1 Money appropriated in an Annual Budget for a Fiscal Year must not be expended after the end of the Fiscal Year except to discharge a liability incurred in that Fiscal Year.

39.2 If the liabilities for an Appropriation under article 39.1 exceed the unexpended balance of the Appropriation at the end of the Fiscal Year, the excess must be:

- (a) charged against a suitable Appropriation for the following Fiscal Year; and
- (b) reported in the financial statements for the Fiscal Year in which the liability was incurred.

Article 40 – Requisitions for Payment

40.1 No money may be paid out of any account without a requisition for payment as required under this article.

40.2 No requisition may be made or given for a payment of money unless it is a lawful charge against an Appropriation or an authorized use of money in a trust.

40.3 No requisition may be made or given for payment of money that results in expenditures from the Trust Account.

40.4 No requisition may be made or given for payment of money that reduces the balance available in an Appropriation or the Trust Account so that it is not sufficient to meet the commitments chargeable against it.

40.5 A requisition may apply to one or more expenditures chargeable against one or more Appropriations.

40.6 A requisition must identify the Appropriation out of which payment is to be made and must include a statement certifying that the expenditure is not prohibited under this article and that it is

- (a) in accordance with the Appropriation identified in the certified statement; or
- (b) allowed without the authority of an Appropriation under this Law.

40.7 If a requisition is for the payment of performance of work or services or the supply of goods, the requisition must include a statement certifying that:

- (a) the work or services have been performed or the goods supplied, any conditions in an agreement respecting the work, services or goods have been met and the price charged or amount to be paid is in accordance with an agreement or, if not specified by agreement, is reasonable; or
- (b) if payment is to be made before completion of the work or services, delivery of the goods or satisfaction of any conditions in an agreement, the payment is in accordance with the agreement.

40.8 The Tax Administrator must authorize payment out of a Local Revenue Account.

40.9 Subject to article 40.8, the Chief Executive Officer or Chief Financial Officer may authorize a payment out of, or sign a requisition for payment from, any Appropriation.

40.10 Subject to articles 40.8 and 40.9, a person who is responsible for managing an Appropriation may authorize payment out of, or sign a requisition for payment from, the Appropriation.

Article 41 – Form of Payment

41.1 Payments by the First Nation may be made by cheque, draft, electronic transfer or other similar instrument signed by a Councillor designated by the Council and by either the Chief Executive Officer or the Chief Financial Officer.

DIVISION 4 – GENERAL MATTERS

Article 42 – Advances

42.1 The Chief Executive Officer or the Chief Financial Officer may approve an advance to prepay expenses that are chargeable against an Appropriation in the current Fiscal Year or an Appropriation in the next Fiscal Year.

42.2 The Tax Administrator may approve an advance to prepay expenses that are chargeable against an Appropriation from Local Revenues in the current Fiscal Year or an Appropriation from that account in the next Fiscal Year.

Article 43 – Holdbacks

43.1 If the First Nation withholds an amount payable under an agreement, the payment of the amount withheld must be charged to the Appropriation, from which the amount must be paid even if the Fiscal Year for which it was appropriated has ended.

Article 44 – Deposit Money

44.1 Money received by the First Nation as a deposit to ensure the doing of any act or thing must be

held and disposed of in accordance with:

- (a) the agreement under which the deposit has been paid; and
- (b) any policy or directions of the Council, in the absence of any provisions respecting that matter.

44.2 The Council must make policies or procedures or give directions in respect of the disposition of deposit money referred to in article 44.1.

Article 45 – Interest

45.1 All interest earned on the accounts described in article 32.2, other than the Trust Account, Local Revenue Account, or tangible capital asset reserve account, must be deposited in the general account referred to in article 32.2(a).

45.2 All interest earned on:

- (a) the Trust Account must be retained in that account;
- (b) the Local Revenue Account must be retained in that account; and
- (c) the tangible capital asset reserve account must be retained in that account.

45.3 Subject to the *Interest Act* (R.S.C., 1985, c. I-15), the First Nation may charge interest at a rate set from time to time by the Council on any debts or payments owed to the First Nation that are overdue.

Article 46 – Refunds

46.1 Money received by the First Nation that is paid or collected in error or for a purpose that is not fulfilled may be refunded in full or in part as circumstances require.

46.2 The Council must establish policies and procedures respecting the refund of money under article 46.1.

Article 47 – Write Off of Debts

47.1 All or part of a debt or obligation owed to the First Nation may be written off:

- (a) if approved by the Council; or
- (b) if done under the authority of a policy or direction of the Council.

Article 48 – Extinguishment of Debts

48.1 All or part of a debt or obligation owed to the First Nation may be forgiven only:

- (a) if approved by the Council; or
- (b) if done under the authority of a policy or direction of the Council.

Article 49 – Year-end Surplus

- 49.1 Subject to articles 49.2 and 49.3, an operating surplus at the end of the Fiscal Year must be paid into the general account described in article 32.2(a).
- 49.2 An operating surplus in the Local Revenue Account at the end of the Fiscal Year must be retained in that account.
- 49.3 An operating surplus in the tangible capital asset reserve account at the end of the Fiscal Year must be retained in that account.

DIVISION 5 – BORROWING

Article 50 – Limitations on Borrowing

- 50.1 Except as specifically authorized in this Law, a Local Revenue Law, or the Legacy Trust, the First Nation must not borrow money or grant security.
- 50.2 Subject to this Law, if the First Nation is authorized in this Law to borrow money or grant security, the Council may authorize the Chief Financial Officer to borrow money or grant security in the name of the First Nation:
- (a) as specifically approved by the Council; or
 - (b) in accordance with the policies, procedures or directions made by the Council.

Article 51 – Borrowing for Ordinary Operations

- 51.1 The First Nation may incur trade accounts or other current liabilities payable within normal terms of trade for expenditures provided for in the Annual Budget for the Fiscal Year if the debt will be repaid from money appropriated under an Appropriation for the Fiscal Year, or is in respect of an expenditure that may be made without the authority of an Appropriation under this Law.
- 51.2 The First Nation may enter into agreements with Financial Institutions for overdrafts or lines of credit and, for the purpose of securing any overdrafts or lines of credit, may grant security to the Financial Institution in a form, amount, and on terms and conditions that the Council approves.
- 51.3 The First Nation may enter into a general security agreement or a lease for the use or acquisition of lands, materials or equipment required for the operation, management or administration of the First Nation.

Article 52 – Financial Agreements

- 52.1 The First Nation may enter into the following agreements in the name of the First Nation:
- (a) for the purpose of efficient management of the First Nation's Financial Assets, agreements with Financial Institutions and related services agreements; and
 - (b) for the purpose of reducing risks or maximizing benefits in relation to the borrowing,

lending or investing of the First Nation's Financial Assets, agreements with Financial Institutions respecting currency exchange, spot and future currency, interest rate exchange and future interest rates.

52.2 Unless otherwise specified by the Council, the Chief Financial Officer may enter into any agreements referred to in article 52.1 on behalf of the First Nation.

Article 53 – Borrowing for Authorized Expenditures

53.1 If the general account described in article 32.2(a) is not sufficient to meet the expenditures authorized to be made from it and the Chief Financial Officer recommends that money be borrowed to ensure that the general account is sufficient for these purposes, the First Nation may borrow an amount not exceeding a maximum amount specified by the Council and to be repaid within a specified period of time.

53.2 Despite the repayment terms specified in article 53.1, if the money borrowed under article 53.1 is no longer required for the purpose for which it was borrowed, the money must be repaid as soon as possible.

Article 54 – Borrowing Member Requirements

54.1 This article applies if the First Nation is a Borrowing Member.

54.2 If the First Nation has obtained long-term financing secured by property taxes from the First Nations Finance Authority, the First Nation must not subsequently obtain long-term financing secured by property tax revenues from any other person.

54.3 The First Nation may only obtain long-term financing from the First Nations Finance Authority as permitted under its Local Revenue Law and the Act.

54.4 Money borrowed under article 54.2 may only be used for the purposes permitted under the Act.

54.5 Money borrowed by the First Nation from the First Nations Finance Authority that is secured by Other Revenues may only be used for the purposes set out in section 4 of the Financing Secured by Other Revenues Regulations made under the Act.

Article 55 – Borrowing for New Capital Projects

55.1 The Council must establish policies or procedures or give directions respecting the means by which members of the First Nation must be informed about or involved in consideration of borrowing for new capital projects described in article 94.

55.2 The Council must post a public notice of each Council meeting when borrowing for new capital projects described in article 94 is presented for approval.

55.3 Members of the First Nation may attend that part of the Council meeting when the matters referred to in article 55.2 are being considered.

Article 56 – Borrowing for Repayment of Debts

56.1 Subject to this Law and a Local Revenue Law, the First Nation may borrow money that is

required for the repayment or refinancing of any debt of the First Nation, other than a debt in relation to money borrowed under article 53.1.

Article 57 – Use of Borrowed Money

- 57.1 Subject to this article, any Local Revenue Law, and the Legacy Trust, money borrowed by the First Nation for a specific purpose must not be used for any other purpose.
- 57.2 All or some of the money borrowed for a specific purpose by the First Nation and not required to be used immediately for that purpose may be temporarily invested under article 63.1 until required for that purpose.
- 57.3 If some of the money borrowed for a specific purpose is no longer required for that purpose, that money must be applied to repay the debt from the borrowing.

Article 58 – Execution of Security Documents

- 58.1 Subject to article 58.2, a security granted by the First Nation must be signed by a Councillor designated by the Council and by either the Chief Executive Officer or the Chief Financial Officer.
- 58.2 A security granted by the First Nation in respect of Local Revenues must be signed by a Councillor designated by the Council and by the Tax Administrator.

Article 59 – Operational Controls

- 59.1 The Council must establish policies or procedures or give directions respecting the establishment and implementation of an effective system of internal controls that ensures the orderly and efficient conduct of the First Nation's operations.

DIVISION 6 – RISK MANAGEMENT

Article 60 – Limitation on Business Activity

- 60.1 Subject to articles 60.2 and 60.3, the First Nation must not:
- (a) carry on business as a proprietor;
 - (b) acquire an interest in a partnership as a general partner; or
 - (c) act as a trustee respecting property used for, or held in the course of, carrying on a business.
- 60.2 The First Nation may carry on a business that:
- (a) is ancillary or incidental to the provision of programs or services or other functions of First Nation governance; or
 - (b) derives income from the granting of a lease or licence of or is in respect of:
 - (i) an interest in, or natural resources on or under, the First Nation's Lands or lands owned in fee simple by, or in trust for, the First Nation, or

- (ii) any other property of the First Nation.

60.3 The First Nation may carry on business activities for the primary purpose of profit if the Council determines that the business activities:

- (a) do not result in a material liability for the First Nation; and
- (b) do not otherwise expose the First Nation's Financial Assets, property or resources to significant risk.

60.4 The Council may impose terms and conditions on the conduct of any business activity permitted under this article in order to manage any risks associated with that activity.

Article 61 – Guarantees and Indemnities

61.1 The First Nation must not give a guarantee unless the Council has considered the report of the Chief Financial Officer under article 61.2.

61.2 Before the Council authorizes a guarantee under article 61.1, the Chief Financial Officer must prepare a report for Council identifying any risks associated with giving the guarantee and assessing the ability of the First Nation to honour the guarantee should it be required to do so.

61.3 The First Nation must not give an indemnity unless it is:

- (a) authorized under article 113;
- (b) necessary and incidental to and included in another agreement to which the First Nation is a party; or
- (c) in relation to a security granted by the First Nation that is authorized under this Law or another First Nation Law.

61.4 Subject to a resolution described in article 113, the Council must make policies and directions respecting guarantees and indemnities as follows:

- (a) specifying circumstances under which an indemnity may be given without Council approval;
- (b) designating the persons who may give an indemnity on behalf of the First Nation and specifying the maximum amount of any indemnity which may be given by them;
- (c) specifying any terms or conditions under which a guarantee or indemnity may be given; and
- (d) specifying the Records to be maintained of all guarantees and indemnities given by the First Nation.

Article 62 – Authority to Invest

62.1 Except as specifically authorized in this Law or another First Nation Law, the First Nation must not invest the First Nation's Financial Assets.

- 62.2 If the First Nation is authorized in this Law to invest the First Nation's Financial Assets, the Council may authorize the Chief Financial Officer to invest the First Nation's Financial Assets:
- (a) as specifically approved by the Council; or
 - (b) in accordance with the policies, procedures or directions made by the Council.

Article 63 – Approved Investments

- 63.1 Money in an account described in article 32 that is not immediately required for expenditures may be invested by the First Nation in one or more of the following:
- (a) securities issued or guaranteed by Canada, a province or the United States of America;
 - (b) fixed deposits, notes, certificates and other short-term paper of, or guaranteed by, a Financial Institution, including swaps in United States of America currency;
 - (c) securities issued by the First Nations Finance Authority or by a local, municipal or regional government in Canada;
 - (d) commercial paper issued by a Canadian company that is rated in the highest category by at least two (2) recognized security-rating institutions;
 - (e) any investments a trustee may make under an enactment of a province relating to trustees;
or
 - (f) any other investments or class of investments prescribed by a regulation under the Act.
- 63.2 Subject to the terms of the trust, money held in trust that is not immediately required for expenditures may be invested by the First Nation as permitted under the terms of the trust or under the laws of the jurisdiction in which the majority of the First Nation's Lands are located.
- 63.3 If the First Nation has established an investment account under article 32, the First Nation may invest money in that account in:
- (a) a company that is incorporated under the laws of Canada or of a province or territory and in which the First Nation is a shareholder;
 - (b) a trust in which the First Nation is a beneficiary;
 - (c) securities issued by the First Nations Finance Authority or by a local, municipal or regional government in Canada;
 - (d) a limited partnership in which the First Nation is a partner; or
 - (e) a member investment program described in article 64.
- 63.4 Despite any other provision in this article, the First Nation may only invest the following in investments specified in articles 82.3(a), (b), (b.1), (c) or (d) of the Act and in investments in securities issued by the First Nations Finance Authority or a municipal finance authority established by a province:

- (a) government transfer funds;
- (b) Local Revenues; and
- (c) Other Revenues, if the First Nation has a loan from the First Nations Finance Authority secured by Other Revenues.

Article 64 – Permitted Investments in First Nation Member Activities

- 64.1 The First Nation may only make a loan to a member of the First Nation or to an entity in which a member of the First Nation has an interest if the loan is made from a program of the First Nation that has been approved by the Council and that meets the requirements of this article.
- 64.2 Before the Council establishes a program under this article, the Chief Financial Officer must prepare a report for Council identifying any risks associated with the program and the costs of administering the program.
- 64.3 A program referred to in article 64.1 must satisfy the following criteria:
- (a) the program must be universally available to all members of the First Nation;
 - (b) the terms and conditions of the program must be published and accessible to all members of the First Nation;
 - (c) all loans made from the program and all payments received from those loans must be set out in an annual report that includes details about
 - (i) the amounts loaned,
 - (ii) the purposes of the loans,
 - (iii) subject to applicable privacy laws, the names of those receiving a loan, and
 - (iv) repayments of principal and interest on the loans; and
 - (d) all loans must be Recorded in a written agreement that provides for proper security for repayment and sets out the terms for repayment of principal and interest.
- 64.4 The Council must make policies or procedures or give directions for the operation of the program referred to in this article.

Article 65 – Administration of Investments and Loans

- 65.1 If the First Nation is authorized to make an investment or loan under this Law, the Chief Financial Officer may do all things necessary or advisable for the purpose of making, continuing, exchanging or disposing of the investment or loan.
- 65.2 If the First Nation is authorized to make a loan under this Law, the Council must establish policies or procedures or give directions respecting the terms and conditions under which loans may be made, including a requirement that all loans be Recorded in a written agreement that provides for proper security for repayment and sets out the terms for repayment of principal and interest.

Article 66 – Risk Assessment and Management

- 66.1 Annually, and more often if necessary, the Chief Executive Officer must identify and assess any significant risks to the First Nation's Financial Assets, the First Nation's tangible capital assets as defined in Part V and the operations of the First Nation.
- 66.2 Annually, and more often if necessary, the Chief Executive Officer must report to the Finance and Audit Committee on proposed plans to mitigate the risks identified in article 66.1 or, where appropriate, to manage or transfer those risks by agreement with others or by purchasing insurance.

Article 67 – Insurance

- 67.1 On recommendation of the Finance and Audit Committee, the Council must procure and maintain in force all insurance coverage that is appropriate and commensurate with the risks identified in article 66 and any other risks associated with any assets, property or resources under the care or control of the First Nation.
- 67.2 The Council may purchase and maintain insurance for the benefit of a Councillor or an Officer or their personal representatives against any liability arising from that person being or having been a Councillor or an Officer.

Article 68 – Fraud Risks

- 68.1 68.(1) In this article:
- (a) **“Fraudulent Financial Reporting”** means an intentional act in financial reporting that is designed to deceive users of financial reports and that may result in a material omission from or misstatement of financial reports;
 - (b) **“Fraudulent Non-Financial Reporting”** means an intentional act in non-financial reporting that is designed to deceive users of non-financial reports; and
 - (c) **“Misappropriation of Assets”** means the theft of First Nation assets in circumstances where the theft may result in a material omission or misstatement in financial reports.
- 68.2 The Council must establish procedures for the identification and assessment of the following types of potential fraud in the First Nation:
- (a) Fraudulent Financial Reporting;
 - (b) Fraudulent Non-Financial Reporting;
 - (c) Misappropriation of Assets; and
 - (d) corruption and illegal acts.

DIVISION 7 – FINANCIAL REPORTING

Article 69 – GAAP

69.1 All accounting practices of the First Nation must comply with GAAP.

Article 70 – Separate Accounting

70.1 The Chief Financial Officer must account for Local Revenues of the First Nation separately from other moneys of the First Nation.

70.2 If the First Nation has a loan from the First Nations Finance Authority that is secured by Other Revenues, the Chief Financial Officer must:

- (a) account for all Other Revenues of the First Nation separately from other moneys of the First Nation; and
- (b) provide the First Nations Finance Authority or the Board, on its request, with accounting information respecting the Other Revenues.

Article 71 – Monthly Financial Information

71.1 At the end of each month, the Chief Financial Officer must prepare financial information respecting the financial affairs of the First Nation in the form and with the content approved by the Council on the recommendation of the Finance and Audit Committee.

71.2 The Chief Financial Officer must provide the financial information in article 71.1 to the Council and the Finance and Audit Committee not more than forty-five (45) days after the end of the month for which the information was prepared.

Article 72 – Quarterly Financial Statements

72.1 At the end of each quarter of the Fiscal Year, the Chief Financial Officer must prepare financial statements for the First Nation for that quarter in the form and with the content approved by the Council on the recommendation of the Finance and Audit Committee.

72.2 The Chief Financial Officer must provide the quarterly financial statements in article 72.1 to the Council and the Finance and Audit Committee not more than forty-five (45) days following the end of the quarter of the Fiscal Year for which they were prepared.

72.3 The quarterly financial statements in article 72.1 must be:

- (a) reviewed by the Finance and Audit Committee and recommended to Council for approval; and
- (b) reviewed and approved by the Council.

Article 73 – Annual Financial Statements

73.1 This article does not apply to the Annual Financial Statements respecting Local Revenues referred to in article 74.1.

73.2 At the end of each Fiscal Year the Chief Financial Officer must prepare the Annual Financial Statements of the First Nation for that Fiscal Year in accordance with GAAP and to a standard that is at least comparable to that generally accepted for governments in Canada.

73.3 The Annual Financial Statements must be prepared in a form approved by the Council on the recommendation of the Finance and Audit Committee.

73.4 The Annual Financial Statements must include the following information:

- (a) the financial information of the First Nation for the Fiscal Year; and
- (b) the revenue categories for the First Nation's Lands referred to in article 26.2.

73.5 The Chief Financial Officer must provide draft Annual Financial Statements to the Finance and Audit Committee for review within forty-five (45) days following the end of the Fiscal Year for which they were prepared.

73.6 The Finance and Audit Committee must present draft Annual Financial Statements to the Council for review within sixty (60) days following the end of the Fiscal Year for which they were prepared.

Article 74 – Local Revenues Annual Financial Statements

74.1 The Chief Financial Officer must prepare separate Annual Financial Statements respecting the First Nation's Local Revenues in accordance with Board Standards respecting financial reporting of Local Revenues.

74.2 The Council must establish policies and procedures respecting the annual preparation, review, audit and approval of the Annual Financial Statements referred to in article 74.1 including any required deadlines for completing these activities.

74.3 The policies and procedures referred to in article 74.2 must be consistent with any requirements of the Board Standards respecting financial reporting of Local Revenues.

74.4 The provisions of this Law, including this article, respecting separate Annual Financial Statements for Local Revenues do not apply if Board Standards respecting financial reporting of Local Revenues permit the First Nation to report on its Local Revenues in its audited Annual Financial Statements as a distinct segment of the activities that appear in those statements and the First Nation chooses to report on its Local Revenues in that manner.

Article 75 – Special Purpose Reports

75.1 The Chief Financial Officer must prepare the following Special Purpose Reports:

- (a) a report setting out all payments made to honour guarantees and indemnities for that Fiscal Year;
- (b) a report setting out the information required in article 10;
- (c) a report setting out all debts or obligations forgiven by the First Nation;
- (d) a report setting out the information required in article 64.3(c);
- (e) if the First Nation has a land Code in force, a report setting out moneys of the First Nation derived from First Nation lands, categorized and shown separately from Other Revenues and that includes a sub-category respecting revenues from natural resources obtained from

First Nation lands; and

- (f) any other report required under the Act or an agreement.

Article 76 – Appointment of Auditor

76.1 The First Nation must appoint an Auditor for each Fiscal Year to hold office until the later of:

- (a) the end of the Council meeting when the audited Annual Financial Statements for that Fiscal Year are being considered; or
- (b) the date the Auditor's successor is appointed.

76.2 The terms and conditions of the appointment of the Auditor must be set out in an engagement letter approved by the Finance and Audit Committee and must include the Auditor's obligation:

- (a) to confirm in writing that the Annual Financial Statements and the audit of the same comply with this Law, the Act and Board Standards, where applicable, or
- (b) to identify in writing consequential non-compliance matters.

76.3 To be eligible for appointment as the Auditor of the First Nation, an Auditor must

- (a) be independent of the First Nation, its related bodies, Councillors and Officers and members; and
- (b) be a public accounting firm or public accountant
- (i) in good standing with the Chartered Professional Accountants of Canada, the Canadian Institute of Chartered Accountants, the Certified General Accountants Association of Canada or the Society of Management Accountants of Canada and their respective counterparts in the province or territory in which the public accounting firm or public accountant is practicing, and
- (ii) licensed or otherwise authorized to practice public accounting in the province or territory in which the majority of the reserve lands of the First Nation are located.

76.4 If the Auditor ceases to be independent, the Auditor must as soon as practicable after becoming aware of the circumstances:

- (a) advise the First Nation in writing of the circumstances; and
- (b) eliminate the circumstances that resulted in loss of independence or resign as the Auditor.

Article 77 – Auditor's Authority

77.1 To conduct an audit of the Annual Financial Statements of the First Nation, the Auditor must be given access to:

- (a) all Records of the First Nation for examination or inspection and given copies of these Records on request; and

- (b) any Councillor, Officer, employee, contractor or agent of the First Nation to ask any questions or request any information.

77.2 On request of the Auditor, every person referred to in article 77.1(b) must:

- (a) make available all Records referred to in article 77.1(a) that are in that person's care or control; and
- (b) provide the Auditor with full information and explanation about the affairs of the First Nation as necessary for the performance of the Auditor's duties.

77.3 The Auditor must be given notice of:

- (a) every meeting of the Finance and Audit Committee; and
- (b) the Council meeting where the annual audit, including the Annual Financial Statements, will be considered and approved.

77.4 Subject to article 77.6, the Auditor may attend any meeting for which he or she must be given notice under this article or to which the Auditor has been invited and must be given the opportunity to be heard at those meetings on issues that concern the Auditor as Auditor of the First Nation.

77.5 The Auditor may communicate with the Finance and Audit Committee, as the Auditor considers appropriate, to discuss any subject that the Auditor recommends be considered by the Committee.

77.6 The Auditor may be excluded from all or any part of a meeting of the Finance and Audit Committee or the Council by a recorded vote if the subject matter relates to the retention or dismissal of the Auditor.

Article 78 – Audit Requirements

78.1 The Annual Financial Statements of the First Nation referred to in article 73.2 must be audited by the Auditor not more than one hundred and twenty (120) days following the fiscal year end.

78.2 The separate Annual Financial Statements respecting Local Revenues referred to in article 74.1 must be audited by the Auditor at least once every calendar year.

78.3 The Auditor must conduct the audit of the Annual Financial Statements referred to in both articles 73.2 and 74.1 in accordance with generally accepted auditing Standards established by the Chartered Professional Accountants of Canada.

78.4 When conducting the audit, the Auditor must provide

- (a) an audit opinion of the Annual Financial Statements; and
- (b) an audit report or review engagement report on the Special Purpose Reports referred to in article 75.

Article 79 – Review of Audited Annual Financial Statements

79.1 This article does not apply to the Annual Financial Statements respecting Local Revenues referred to in article 74.1.

79.2 The audited Annual Financial Statements must be provided to the Finance and Audit Committee for its review and consideration not more than one hundred and five (105) days following the Fiscal Year-end for which the statements were prepared.

79.3 The Council must review and approve the audited Annual Financial Statements not more than one hundred and twenty (120) days following the end of the Fiscal Year for which the statements were prepared.

Article 80 – Access to Annual Financial Statements

80.1 Before the Annual Financial Statements referred to in both articles 73.2 and 74.1 may be published or distributed, they must:

- (a) be approved by the Council;
- (b) be signed by:
 - (i) the Chief of the First Nation or the Chair,
 - (ii) the Chair of the Finance and Audit Committee, and
 - (iii) the Chief Financial Officer; and
- (c) include the Auditor's audit report of the Annual Financial Statements.

80.2 The audited Annual Financial Statements referred to in article 73.2 must be available for inspection by members of the First Nation at the principal administrative offices of the First Nation during normal business hours.

80.3 The following documents must be available for inspection by any person referred to in section 14(2) of the Act at the principal administrative offices of the First Nation during normal business hours:

- (a) the audited Annual Financial Statements respecting Local Revenues referred to in article 74.1, or
- (b) the audited Annual Financial Statements referred to in article 73.2 if those statements include a report on Local Revenues as a distinct segment of the activities that appear in those statements.

Article 81 – Annual Report

81.1 Not later than one hundred and eighty (180) days following the end of each Fiscal Year, the Council must prepare an annual report on the operations and financial performance of the First Nation for the previous Fiscal Year.

81.2 The annual report referred to in article 81.1 must include the following:

- (a) a description of the services and operations of the First Nation;

- (b) a progress report on any established financial objectives and performance measures of the First Nation;
- (c) the audited Annual Financial Statements referred to in article 78.1 for the previous Fiscal Year; and
- (d) any Special Purpose Reports referred to in article 75, including the Auditor's report or review engagement report, as applicable.

81.3 The Chief Executive Officer must provide the annual report referred to in article 81.1:

- (a) to a member of the First Nation as soon as practicable after a request is made by the member;
- (b) to the Board as soon as practicable after the report's publication, if the First Nation has a certificate issued by the Board under section 50(3) of the Act; and
- (c) to the First Nations Finance Authority as soon as practicable after the report's publication, if the First Nation is a Borrowing Member.

81.4 The Council must establish policies or procedures respecting, or give directions respecting, an accessible process and remedy available to First Nation members who have requested but have not been provided with the annual report of the First Nation requiring:

- (a) the maintenance of a register for the annual report that identifies all members who have requested a copy of the annual report, the date each request was received and the date the annual report was provided to the member; and
- (b) the Chief Executive Officer to report quarterly to the Finance and Audit Committee on the steps taken to ensure compliance with article 81.3 and Council policy made under this article.

DIVISION 8 – INFORMATION AND INFORMATION TECHNOLOGY

Article 82 – Ownership of Records

82.1 All Records that are produced by or on behalf of the First Nation or kept, used or received by any person on behalf of the First Nation are the property of the First Nation.

82.2 The Council must establish policies or procedures or give directions to ensure that the Records referred to in article 81.1 remain the property of the First Nation.

Article 83 – Operations Manual

83.1 The Chief Executive Officer must prepare and maintain a current operations manual respecting every element of the First Nation's administrative systems, including any Financial Administration systems referred to in this Law.

83.2 The operations manual under article 83.1 must be made available to Councillors, members of the Finance and Audit Committee and all other Council committees and Officers and employees of the First Nation.

83.3 If any part of the operations manual under article 83.1 is relevant to the services being provided by a contractor or agent of the First Nation, that part of the operations manual must be made available to the contractor or agent.

Article 84 – Record Keeping and Maintenance

84.1 The Chief Executive Officer must ensure that the First Nation prepares, maintains, stores and keeps secure all of the First Nation's Records that are required under this Law or any other applicable law.

84.2 The First Nation's Records may not be destroyed or disposed of except as permitted by, and in accordance with, the policies, procedures or directions of the Council.

84.3 All Financial Records of the First Nation must be stored for at least seven (7) years after they were created.

84.4 The Council must establish policies and procedures or give directions respecting access of any persons to First Nation's Records.

Article 85 – Confidentiality of Information

85.1 No person may be given access to the First Nation's Records containing confidential information except as permitted by, and in accordance with, the policies, procedures and directions of the Council.

85.2 All persons who have access to the First Nation's Records must comply with all policies, procedures or directions of the Council respecting the confidentiality, control, use, copying or release of that Record or information contained in those Records.

Article 86 – Account Records

86.1 The Tax Administrator must prepare, maintain, store and keep secure a complete set of all Records respecting the local revenue system of the First Nation, including all Records referred to in section 5 of the Revenue Management Implementation Regulations.

86.2 If the First Nation has a loan from the First Nations Finance Authority that is secured by Other Revenues, the Chief Financial Officer must prepare, maintain, store and keep secure a complete set of all Records respecting Other Revenues of the First Nation, including all Records referred to in section 5 of the Revenue Management Implementation Regulations as amended by the Financing Secured by Other Revenues Regulations.

Article 87 – Information Technology

87.1 The Council must establish policies or procedures or give directions respecting information technology used by the First Nation in its operations to ensure the integrity of the First Nation's Financial Administration system and its database.

PART V – CAPITAL PROJECTS

Article 88 – Definitions

88.1 In this Part:

- (a) **“Capital Project”** means the construction, Rehabilitation or replacement of the First Nation’s tangible capital assets and any other major Capital Projects funded by Local Revenues in which the First Nation or its related bodies are investors;
- (b) **“First Nation’s Tangible Capital Assets”** means all non-financial assets of the First Nation having physical substance that:
 - (i) are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets,
 - (ii) have useful economic lives extending beyond an accounting period,
 - (iii) are to be used on a continuing basis, and
 - (iv) are not for sale in the ordinary course of operations;
- (c) **“Life-Cycle Management Program”** means the program of inspection, review and planning for management of the First Nation’s tangible capital assets as described in article 92;
- (d) **“Rehabilitation”** includes alteration, extension and renovation but does not include routine maintenance; and
- (e) **“Replacement”** includes substitution, in whole or in part, with another of the First Nation’s tangible capital assets.

Article 89 – Council General Duties

89.1 The Council must take reasonable steps to ensure that:

- (a) the First Nation’s Tangible Capital Assets are maintained in a good and safe condition and to the same standard as a prudent owner of those assets;
- (b) the Rehabilitation or Replacement of the First Nation’s Tangible Capital Assets is in accordance with a life-cycle management program described in this Part; and
- (c) Capital Projects for the construction of buildings or other improvements are financed, planned and constructed in accordance with procedures and to Standards that generally apply to the financing, planning and construction of public buildings and other improvements of organized communities in the region in which the majority of the First Nation’s Lands are located.

Article 90 – Tangible Capital Assets Reserve Fund

90.1 The Council must establish a tangible capital asset reserve fund for the purpose of funding expenditures for Capital Projects carried out under this Part.

Article 91 – Reports on Capital Projects

91.1 At each Finance and Audit Committee meeting, the Chief Executive Officer must report on the following subjects:

- (a) year-to-date borrowings, loans and payments in respect of each Capital Project;
- (b) the status of a Capital Project, including:
 - (i) a comparison of expenditures to date with the project budget,
 - (ii) a detailed description of any identified legal, financial, technical, scheduling or other problems, and
 - (iii) the manner in which a problem identified in article 91.1(b)(ii) has been or will be addressed; and
- (c) steps taken to ensure compliance with article 94 for every Capital Project.

Article 92 – Life-Cycle Management Program

92.1 The Chief Executive Officer must establish and keep current a register of all the First Nation's tangible capital assets that identifies each of these assets and includes the following information:

- (a) location and purpose of the asset;
- (b) ownership and restrictions over ownership of the asset;
- (c) year of acquisition;
- (d) last inspection date of the asset;
- (e) expected life of the asset at the time of acquisition;
- (f) assessment of condition of the asset and its remaining useful life;
- (g) estimated residual value of the asset;
- (h) insurance coverage for the asset; and
- (i) any other information required by the Council.

92.2 On or before November 30 of each year, the Chief Executive Officer must arrange for the inspection and review of the state of each of the First Nation's tangible capital assets to establish or update information respecting the following matters:

- (a) its present use;
- (b) its condition and state of repair;
- (c) its suitability for its present use;
- (d) its estimated remaining life;

- (e) its estimated Replacement cost;
- (f) estimated dates and costs of its required future Rehabilitation;
- (g) a comparison of annual operating and maintenance costs, other than Rehabilitation costs, for the last five (5) Fiscal Years;
- (h) maintenance Records for all periods up to the date of inspection; and
- (i) property and liability insurance covering the capital asset and its use or operation.

92.3 On or before December 31 of each year, the Chief Financial Officer must prepare the following:

- (a) a schedule of annual routine maintenance, other than Rehabilitation, for each of the First Nation's tangible capital assets for the next Fiscal Year;
- (b) five (5), ten (10) and thirty (30) year forecasts of the estimated cost of Rehabilitation or Replacement of the First Nation's tangible capital assets;
- (c) the proposed budget for Rehabilitation of the First Nation's tangible capital assets for the next Fiscal Year, setting out:
 - (i) each proposed Rehabilitation project and its schedule,
 - (ii) the estimated cost, including contingencies, of each proposed Rehabilitation project, and
 - (iii) the estimated amounts and timing of money that is required to carry out each proposed Rehabilitation project; and
- (d) the proposed budget for Replacement of the First Nation's tangible capital assets for the next Fiscal Year, setting out:
 - (i) each proposed Replacement project and its schedule,
 - (ii) the description of each asset to be replaced,
 - (iii) the estimated cost, including contingencies, of each proposed Replacement project, and
 - (iv) the reasons why each proposed acquisition should be regarded as a Replacement for the capital asset to be replaced.

Article 93 – Review by Finance and Audit Committee

93.1 On or before January 15 of each year, the Finance and Audit Committee must review the information, schedules and budget prepared under article 92 for the following purposes:

- (a) to identify any means to reduce the cost of each Rehabilitation or Replacement project included in the proposed budgets;

- (b) to know the effect that each Rehabilitation or Replacement project included in the proposed budgets will have on the annual operating costs and routine maintenance costs in future years; and
- (c) to determine whether any significant savings might be effected by coordinating the scheduling of projects, deferring any projects or carrying out Rehabilitation projects rather than Replacement projects.

93.2 On or before January 15 of each year, the Finance and Audit Committee must review any plans for new construction of the First Nation's tangible capital assets, including the proposed schedule, budget and impact on annual operating costs and routine maintenance costs in future years.

Article 94 – Capital Projects – Contracts and Tenders

94.1 The Council must establish policies or procedures or give directions respecting the management of Capital Projects, including:

- (a) project planning, design, engineering, safety and environmental requirements;
- (b) project costing, budgeting, financing and approval;
- (c) project and contractor bidding requirements;
- (d) tender, contract form and contract acceptance;
- (e) course of construction insurance;
- (f) project performance guarantees and bonding;
- (g) project control, including contract management; and
- (h) holdbacks, work approvals, payment and audit procedures.

94.2 All First Nation Capital Projects must be managed in accordance with the policies, procedures or directions referred to in article 94.1.

Article 95 – Capital Project Consultants

95.1 The Chief Executive Officer may retain the services of a professional engineer or other consultant to assist the Chief Executive Officer, Finance and Audit Committee and Council to carry out their obligations under this Part.

Article 96 – Policy for Information or Involvement of Members

96.1 The Council must establish policies or procedures or give directions for:

- (a) the provision of information to members of the First Nation respecting Capital Projects; and the involvement of members of the First Nation in consideration of Capital Projects.

PART VI – LEGACY TRUST AND REVENUE ACCOUNT

Article 97 – Definitions for This Article

97.1 In this article:

- (a) **“Annual Payment”** means the “Annual Payment” as defined in the Legacy Trust, and any other income or funds deposited in the BOCN Revenue Account from other sources;
- (b) **“Annual Plan and Budget”** means the Annual Plan and Budget referred to in Articles 102 and 103;
- (c) **“Authorized Investment”** means an investment in securities purchased with funds from the Trust Account, providing that all such investments are made in accordance with this Bylaw, the Investment Policy and the principles governing the prudent investment of Trust Property as set out in the *Trustee Act*, 2009, SS 2009, c. T-23.01;
- (d) **“Authorized Loan”** means a loan from a Financial Institution as lender to BOCN as borrower that is approved in accordance with the provisions of the Legacy Trust and the loan proceeds are deposited to the BOCN Revenue Account;
- (e) **“Authorized Loan Payments”** means those payments of principal and interest made by the Trustee on behalf of the BOCN in respect of an Authorized Loan;
- (f) **“BOCN Referendum Procedures”** means the guidelines adopted by Council, from time to time, that detail the procedures to be followed with respect to any vote regarding a proposed amendment or repeal of this Part, provided that if the Council has not adopted any such guidelines then it shall mean the *Indian Referendum Regulations*, C.R.C., c. 957, as amended by SOR/94-369, Sched. H and by SOR/2000-392, all as amended or replaced from time to time;
- (g) **“Investment Consultant”** means an individual or firm with a Chartered Financial Analyst designation that is not engaged in the sale of investment products and services, which may be retained by the Trustee upon request of the Council to provide independent financial advice to the Council on the development of the Investment Policy, the selection, monitoring, and evaluation of Investment Managers and portfolio performance;
- (h) **“Investment Manager”** means a firm, duly registered to conduct business in the Province of Saskatchewan, that has obtained registration with a provincial securities commission as a portfolio manager, or as the term is amended from time to time, under and in accordance with section 7.2(1) of National Instrument 31-103, Registration Requirements and Exemptions, and whose revenue is derived from the discretionary management of investment portfolios; and
- (i) **“Trustee”** means the Trustee for the Legacy Trust.

Article 98 – Deposit of Funds in BOCN Revenue Account

98.1 The Council shall establish and maintain a BOCN Revenue Account for as long as the Legacy Trust remains in existence to receive the deposit of any Annual Payment from the Legacy Trust. The BOCN Revenue Account shall be governed by the Council in accordance with this Part.

98.2 In addition to any Annual Payment and any Authorized Loans deposited to the BOCN Revenue Account, BOCN may deposit funds from other sources into the BOCN Revenue Account. Once such funds are deposited to the BOCN Revenue Account, the terms of this Part shall apply to such funds.

Article 99 – Investment of BOCN Revenue Account Funds

99.1 Any funds deposited to the BOCN Revenue Account may be invested in any Authorized Investments and any income generated by the investment of the funds shall be deposited to the BOCN Revenue Account.

Article 100 – Authorized Expenditures from BOCN Revenue Account

100.1 Any funds deposited to the BOCN Revenue Account, including Authorized Loans, shall be distributed or expended for the use and benefit of BOCN and its Members and may only be expended in accordance with this Part for the following purposes:

- (a) to purchase land as provided for in specific claim settlements with the Government of Canada to be added as reserve land for BOCN under Canada's Additions to Reserve Policy;
- (b) to finance the construction and maintenance of housing, infrastructure, and capital projects, including major physical assets owned or controlled by BOCN such as buildings, roads, bridges, utilities, water treatment, supply and septic systems, ditches and spillways, and waste control facilities;
- (c) to promote economic development and investment in businesses, joint ventures, and other profitable enterprises for the use and benefit of BOCN and its Members;
- (d) to promote youth, education and training of Members, including the provision of scholarships, student loans, bursaries or prizes for academic achievement to complement, but not replace, existing programs and funding provided by the Government of Canada, Province of Saskatchewan or other funding agencies for education, recreation, cultural, and leadership programs;
- (e) to provide community services relating to matters such as social, public health, heritage and culture, recreation, education, daycares, libraries, police or fire protection;
- (f) to cover any costs incurred by Council to retain professional advisors in relation to any authorized uses of funds in the BOCN Revenue Account, including business advisors, accountants, auditors, legal counsel, land agents, and such other professional advisors as may be retained by Council from time to time; and
- (g) to provide such other programs and services and fulfill any other purposes deemed by Council to be in the best interests of BOCN and its Members.

100.2 For greater certainty, funds deposited to the BOCN Revenue Account shall not be used for any of the following purposes:

- (a) to fund any project or activity that requires that the First Nation guarantee, in whole or in part, the payment of any monies upon default by a Member;

- (b) any payment of monies intended to satisfy the debts or liabilities of a Member, unless such debts or obligations have been approved by a Council Resolution;
- (c) to provide per capita distributions, with the exception of the one-time Distribution to BOCN Members and Minors subject to and in accordance with the Legacy Trust; or
- (d) to support programs, services and financial assistance that are typically provided by Canada, Saskatchewan or other government authorities, in accordance with the criteria established from time to time for the application of such programs, services and financial assistance.

100.3 Any funds remaining in the BOCN Revenue Account at the end of a Fiscal Year can, at the Council's discretion, either remain in the BOCN Revenue Account to be used in the next Fiscal Year or may be contributed by BOCN to the Legacy Trust.

Article 101 – Authorized Loans

101.1 The Council may, subject to and in accordance with the Legacy Trust, enter into an Authorized Loan for BOCN's use and benefit providing that all Authorized Loans shall be deposited into the BOCN Revenue Account and the funds may be used only for authorized expenditures in accordance with article 100.

101.2 Subject to and in accordance with the Legacy Trust, the Council is authorized to use the Annual Income as collateral for an Authorized Loan and to assign all or any portion of the Annual Income to make Authorized Loan Payments as they become due and payable.

101.3 Subject to and in accordance with the Legacy Trust, the following terms and procedures shall apply to any Authorized Loan:

- (a) the Council shall provide the Trustee with a Council Resolution and attached loan documentation:
 - (i) setting out the amount and repayment term for the Authorized Loan, such repayment term being sufficient to retire the Authorized Loan over a period not exceeding twenty five (25) years for housing or capital projects or a maximum of ten (10) years for all other Authorized Loans; and
 - (ii) authorizing and directing the Trustee to use the Trust Property as collateral, including granting a mortgage, pledge, security interest or charge against all or any portion of the Trust Property to secure the Authorized Loan and to make the Authorized Loan Payments as they become due and payable;
- (b) if any of the information and/or the Council Resolution referred to in Article 101.3(a) does not comply with that Article or Articles 101.3 (d) or (e) or the definitions for Authorized Loan or Authorized Loan Payments, the Trustee shall not grant a security interest in the Trust Property for the Authorized Loan as directed by the Council Resolution and the Trustee shall notify the Council in writing of same with details of any non-compliance;
- (c) subject to the foregoing, the Trustee is authorized and irrevocably directed to pay any applicable fees for the Authorized Loan and to make Authorized Loan Payments as they

become due and payable out of the Trust Property, and the Trustee shall make any such payments until the Authorized Loan has been repaid or until the Trustee is, in a manner consistent with this Agreement, otherwise directed by way of a written agreement between the Council and the Financial Institution to which the Authorized Loan Payments are made;

- (d) the amount of all Authorized Loan Payments, in aggregate in any Fiscal Year, shall not, at the time of entering into any Authorized Loan, exceed eighty percent (80%) of the Annual Payment for the previous Fiscal Year (except in the initial Fiscal Year where the Trustee shall assume the Annual Payment is not prorated for the purposes of this calculation) but, for greater certainty, once the Trustee has commenced making any Authorized Loan Payments, the Trustee shall continue to make such payments, notwithstanding that the amount of all Authorized Loan Payments may, in aggregate, exceed eighty percent (80%) of the amount of the Annual Payment after any Authorized Loan Payments are made; and
- (e) the Trustee shall not permit, in any Fiscal Year, the total amount of all outstanding Authorized Loans to exceed, in aggregate, an amount equal to twenty-five percent (25%) of the market value of the Trust Property as of the Compensation Date (including the value of any Compensation owing by Canada to the Trust), and for every year thereafter the market value of the Trust Property as of December 31 of the preceding Fiscal Year, but, for greater certainty, once an Authorized Loan is approved, the Authorized Loan shall remain in effect, notwithstanding that the amount of all existing Authorized Loans may, in aggregate, exceed twenty-five percent (25%) of the market value of the Trust Property in any Fiscal Year after the Authorized Loan was approved.

Article 102 – Annual Plan and Budget

- 102.1 The Annual Income, proceeds of any Authorized Loans and/or any other funds deposited in the BOCN Revenue Account may not be expended except in accordance with the provisions of this Part.
- 102.2 The Council shall, within the sixty (60) days prior to the end of each Fiscal Year, prepare an Annual Plan and Budget for the next Fiscal Year setting out the proposed expenditures and deliverables related to the Annual Income and any new Authorized Loans. The Annual Plan and Budget shall identify the expenditures to be made, including any Authorized Loan Payments, and the deliverables to be achieved from such expenditures. The Annual Plan and Budget shall provide sufficient information for the Members to identify the expenditures and benefits that will accrue to BOCN and its Members.
- 102.3 The Annual Plan and Budget for any Fiscal Year must be approved by Council Resolution prior to expending the Annual Income and any new Authorized Loans for that Fiscal Year. For greater certainty, any Authorized Loan Payments shall continue to be made by the Trustee regardless of whether the Annual Plan and Budget for any Fiscal Year is approved by the Council.
- 102.4 The Council may amend the Annual Plan and Budget at any time during a Fiscal Year, however, all Authorized Loan Payments shall continue to be made by the Trustee notwithstanding any amendment to the Annual Plan and Budget by the Council.
- 102.5 Upon approving the Annual Plan and Budget or approving an amendment to the Annual Plan

and Budget, the Chief Financial Officer shall post a copy of the Annual Plan and Budget or any amendment in an area of the administrative offices of BOCN to which the Members have access and, and any Member shall be entitled to receive a copy of the Annual Plan and Budget or any amendment upon request at BOCN's expense.

Article 103 – Revenue Account Audits, Accountability and Enforcement

103.1 Within one hundred and twenty (120) days following the end of each Fiscal Year, the Council shall cause to be prepared audited financial statements detailing the activities of, and expenditures from, the BOCN Revenue Account, and such audited financial statements shall be in comparative form regarding the BOCN Revenue Account and containing, at a minimum, the following:

- (a) a balance sheet;
- (b) a statement of revenues and expenditures and a comparison of these with amounts stated in the Annual Plan and Budget as amended during the Fiscal Year; and
- (c) any other information necessary for a fair presentation of the financial position of the BOCN Revenue Account.

103.2 Unless otherwise directed by Council by means of a Council Resolution, the accounting and auditing requirements for the BOCN Revenue Account shall be completed by BOCN's Auditor together with, and consolidated with, the other accounts of BOCN, and the Auditor for the BOCN Revenue Account shall be the same Auditor appointed by the Council to audit the other financial records of BOCN.

103.3 The financial statements required under this article shall be prepared in accordance with generally accepted accounting principles or in accordance with the disclosed basis of accounting of the Canadian Institute of Chartered Accountants, and audited in accordance with generally accepted auditing standards by an independent auditor who is a member in good standing of an association of auditors incorporated under the laws of the Province of Saskatchewan. The audit shall include a general review of the adequacy of the accounting procedures and systems of control employed to manage the BOCN Revenue Account.

103.4 Within fifteen (15) days of Council approving the audited financial statements, the Chief Financial Officer shall cause copies of the audited financial statements to be posted in the administrative offices of BOCN in an area to which the Members have access, and any Member shall be entitled to receive a copy of the audited financial statements at BOCN's expense upon request.

103.5 The Council shall conduct a community information meeting with the Members in each Fiscal Year, at which the Council shall present the audited financial statements for the BOCN Revenue Account for the previous Fiscal Year and provide a report that reconciles and compares the actual expenditures and deliverables from the BOCN Revenue Account with the approved Annual Plan and Budget, as amended, for that Fiscal Year.

Article 104 – Amendments and Repeal

104.1 No amendment or repeal of this Part is valid unless initiated by Council Resolution and approved by at least fifty percent (50%) plus one (1) of the Electors of BOCN who cast ballots in a referendum vote held pursuant to the BOCN Referendum Procedures.

104.2 Notwithstanding article 104.1, amendments to **Schedule “●”** may be approved by Council Resolution after the Council has first received advice, in writing, from an Investment Consultant and/or Investment Manager stating the terms and consequences of the amendment.

PART VI – MISCELLANEOUS

Article 105 – Board Standards

105.1 If the First Nation is a Borrowing Member or has a certificate issued by the Board under section 50.3 of the Act, the First Nation must comply with all applicable Board Standards.

105.2 If the Council becomes aware that the First Nation is not complying with a Board standard referred to in article 105.1, the Council must as soon as practicable take the required actions to bring the First Nation into compliance with the Board Standards.

Article 106 - Delegated Authority on Intervention

106.1 Without limiting section 53 of the Act, if:

- (a) the First Nation is
 - (i) making Local Revenue Laws under section 5(1) of the Act, or
 - (ii) using its Local Revenues to secure a loan from the First Nations Finance Authority; and
- (b) the Board gives notice to the First Nation under section 53 of the Act that third-party management of the First Nation's Local Revenues is required,
the Council of the First Nation delegates to the Board:
 - (a) the powers and authorities described in section 53(2) of the Act, and
 - (b) any other of the Council's powers required to give effect to third-party management of the First Nation's Local Revenues and Local Revenue Account under the Act.

106.2 Without limiting section 53 of the Act as adapted by the Financing Secured by Other Revenues Regulations, if:

- (a) the First Nation is using its Other Revenues to secure a loan from the First Nations Finance Authority, and
- (b) the Board gives notice to the First Nation under section 53 of the Act that third-party management of the First Nation's Other Revenues is required;

the Council of the First Nation delegates to the Board:

- (a) the powers and authorities described in section 53.2 of the Act as adapted by the Financing Secured by Other Revenues Regulations, and
- (b) any other of the Council's powers required to give effect to third-party management of the

First Nation's Other Revenues under the Act.

Article 107 - Land Management Obligations

107.1 If the First Nation has a land Code under the *First Nations Land Management Act*, the First Nation must comply with the *First Nations Land Management Act* and any land Code made by the First Nation as required or permitted under the *First Nations Land Management Act*.

107.2 If the First Nation has a land Code under the *First Nations Land Management Act*, the Council must establish and implement a policy that provides a method consistent with the requirements of the First Nation's land Code for being accountable to members of the First Nation for the management of the First Nation's Lands and for moneys earned from those lands to satisfy section 6(1)(e) of the *First Nations Land Management Act*.

Article 108 - Oil and Gas Obligations

108.1 If the First Nation has a financial Code under the *First Nations Oil and Gas and Moneys Management Act*, the First Nation must comply with that Act and any financial Code made by the First Nation as required or permitted under that Act.

Article 109 - Reports of Breaches and Financial Irregularities

109.1 Subject to articles 109.2 and 109.3, if any person has reason to believe that:

- (a) an expenditure, liability or other transaction of the First Nation is not authorized by or under this Law or another First Nation Law,
- (b) there has been a theft, misappropriation or other misuse or irregularity in the funds, accounts, assets, liabilities and financial obligations of the First Nation,
- (c) a provision of this Law has been contravened, or
- (d) a person has failed to comply with the Schedule that forms part of this Law,

the person may disclose the circumstances to the chair of the Finance and Audit Committee.

109.2 If a Councillor becomes aware of any circumstances described under article 109.1, the Councillor must report them to the chair of the Finance and Audit Committee.

109.3 If an Officer, employee, contractor or agent of the First Nation becomes aware of any circumstances described under article 109.1, the Officer, employee, contractor or agent, as the case may be, must report them to the Chief Executive Officer or the chair of the Finance and Audit Committee.

Article 110 - Inquiry into Report

110.1 If a report is made to the Chief Executive Officer under article 109.3, the Chief Executive Officer must inquire into the circumstances reported and report the findings to the Finance and Audit Committee as soon as practicable.

110.2 If a report is made to the chair of the Finance and Audit Committee under article 109 the chair must inquire into the circumstances reported and report the findings to the Finance and Audit

Committee as soon as practicable.

- 110.3 The Finance and Audit Committee may make a further inquiry into any findings reported to it under this article but, in any event, must make a report to the Council respecting any circumstances reported to the Finance and Audit Committee under this article, including the Committee's recommendations, if any.

Article 111 - Protection of Parties

- 111.1 All reasonable steps must be taken by the Chief Executive Officer, the members of the Finance and Audit Committee and the Councillors to ensure that the identity of the person who makes a report under article 109 is kept confidential to the extent practicable in all the circumstances.
- 111.2 A person who makes a report in good faith under article 109 must not be subjected to any form of reprisal by the First Nation or by a Councillor, Officer, employee, contractor or agent of the First Nation as a result of making that report.
- 111.3 The Chief Executive Officer and the chair of the Finance and Audit Committee must take all necessary steps to ensure that article 111.2 is not contravened and must report any contravention or suspected contravention to the Council.
- 111.4 The Council must establish policies or procedures or give directions:
- (a) for the Recording and safeguarding of reports made under article 109 and any Records prepared during the inquiry or investigation into those reports;
 - (b) for the inquiry or investigation into reports made under article 109 and
 - (c) concerning the fair treatment of a person against whom a report has been made under article 109.

Article 112 - Liability for Improper Use of Money

- 112.1 A Councillor who votes for a resolution authorizing an amount to be expended, invested or used contrary to this Law or the First Nation's Local Revenue Law is personally liable to the First Nation for that amount.
- 112.2 Article 112.1 does not apply if the Councillor relied on information provided by an Officer or employee of the First Nation and the Officer or employee was guilty of dishonesty, gross negligence or malicious or willful misconduct when providing the information.
- 112.3 An amount owed to the First Nation under article 112.1 may be recovered for the First Nation by the First Nation, a member of the First Nation or a person who holds a security under a borrowing made by the First Nation.
- 112.4 It is a good defence to any action brought against an Officer or employee of the First Nation for unauthorized expenditure, investment or use of the First Nation's Financial Assets if it is proved that the Officer or employee gave a written and signed warning to the Council that in his or her opinion, the expenditure, investment or use would be unlawful.

Article 113 - Indemnification against Proceedings

- 113.1 In this article:
- (a) **“Indemnify”** means pay amounts required or incurred to:
 - (i) defend an action or prosecution brought against a person in connection with the exercise or intended exercise of the person’s powers or the performance or intended performance of the person’s duties or functions, or
 - (ii) satisfy a judgment, award or penalty imposed in an action or prosecution referred to in article 113.1(a)(i);
 - (b) **“First Nation Official”** means a current or former Councillor, Officer or employee of the First Nation.
- 113.2 Subject to article 113.3, the Council may by resolution Indemnify or provide for the indemnification of a named First Nation Official, a category of First Nation Official or all First Nation Officials in accordance with the terms specified in the resolution.
- 113.3 The Council may not pay a fine that is imposed as a result of a First Nation Official’s conviction for an offence unless the offence is a strict or absolute liability offence.

Article 114 – Periodic Review and Changes of Law

- 114.1 This article applies to this Law, except Part VI, which has different amendment provisions.
- 114.2 On a regular, periodic basis established by a policy of the Council, the Finance and Audit Committee must conduct a review of this Law:
- (a) to determine if it facilitates effective and sound Financial Administration of the First Nation; and
 - (b) to identify any amendments to this Law that may better serve this objective.
- 114.3 The Council must establish policies or procedures or give directions for:
- (a) the provision of information to members of the First Nation respecting any proposed amendment of this Law; and
 - (b) the involvement of members of the First Nation in consideration of an amendment to this Law.
- 114.4 The Council must post a public notice of each Council meeting when a proposed amendment to this Law is presented for approval.
- 114.5 Members of the First Nation may attend that part of the Council meeting when the matter referred to in article 114.3 is being considered.
- 114.6 If the First Nation is a Borrowing Member, it may only repeal this Law if it replaces it at the same time with another Financial Administration law which has been reviewed by the Board and issued approval under section 9 of the Act.
- 114.7 Any amendment of this Law must be reviewed by the Board and issued approval under section

9 of the Act.

Article 115 - Provision of Law to First Nations Finance Authority

115.1 If the First Nation intends to apply to become a Borrowing Member, the Council must provide a copy of this Law to the First Nations Finance Authority as soon as practicable after the Board approves the Law.

Article 116 - Coming into Force

116.1 This article and the operative portions of articles ----- come into force the day after this Law is approved by the Board under section 9 of the Act.

116.2 Part VI shall come into force on _____, 2017, at the same time that the Council approved and authorized the execution of the Trust Agreement.

116.3 Subject to article 108.1, this Law comes into force on the day that is 36 months after the date when the First Nation becomes a Borrowing Member of the First Nations Finance Authority.

[Remainder of page intentionally left blank. Signature page to follow]

Pursuant to a ratification vote held on ● day of ●, the Electors of BOCN have approved this Bylaw and have authorized and directed the Council to execute the *Beardy's & Okemasis' Cree Nation Financial Management Act* on behalf of BOCN.

Chief Richard Gamble

Councillor Ruby Eyahpaise

Councillor Leighanne Gardipy-Bill

Councillor Barbara Mosquito

Councillor Claude Petit

Councillor Candace Scott

Councillor Daniel Seeseequasis

Councillor Jeremy Seeseequasis

Councillor Kurt Seeseequasis



SCHEDULE – Avoiding and Mitigating Conflicts of Interest

PART I – Interpretation**Article 1 - Interpretation**

1.1 In this Schedule:

- (a) “**Spouse**” means, in relation to an individual, a person to whom the individual is married or with whom the individual has lived as a common-law partner for at least one (1) year in a marriage-like relationship.

1.2 Except as otherwise expressly provided in this Schedule, words and expressions used in this Schedule have the same meanings as in this Law.

1.3 Articles 3 and 5 of this Law apply to this Schedule.

1.4 If there is a conflict between a provision of this Schedule and this Law, the provision of this Law applies.

Article 2 - Definition of Conflict of Interest

2.1 In this Schedule, an individual has a “conflict of interest” if the individual exercises a power or performs a duty or function and at the same time knows or ought reasonably to have known that in the exercise of the power or performance of the duty or function there is an opportunity to benefit the individual’s private interests.

2.2 In this Schedule, an individual has an “Perceived conflict of interest” if a reasonably well-informed person would perceive that the individual’s ability to exercise a power or perform a duty or function of their office or position must be affected by the individual’s private interests.

2.3 In this Schedule, an individual’s “private interests” means the individual’s personal and business interests and include the personal and business interests of:

- (a) the individual’s Spouse;
- (b) a person under the age of eighteen (18) years in respect of whom the individual or the individual’s Spouse is a parent or acting in a parental capacity;
- (c) a person in respect of whom the individual or the individual’s Spouse is acting as guardian;
- (d) a person, other than an employee, who is financially dependent upon the individual or the individual’s Spouse or on whom the individual is financially dependent; and
- (e) an entity in which the individual or the individual in combination with any other person described in this article has a controlling interest.

2.4 Notwithstanding articles (1) and (2), an individual’s private interests do not give rise to a conflict of interest if those interests:

- (a) are the same as those of a broad class of members of the First Nation of which the individual is a member; or
- (b) are so remote or insignificant that they could not be reasonably regarded as likely to influence the individual in the exercise of a power or performance of a duty or function.

PART II - Councillors and Committee Members

Article 3 - Application

- 3.1 This Part applies to all Councillors of the First Nation and, where applicable, to all members of the Council committees.

Article 4 - General Obligations

- 4.1 Councillors must avoid circumstances that could result in the Councillor having a conflict of interest or a perceived conflict of interest.
- 4.2 Councillors must avoid placing themselves in circumstances where their ability to exercise a power or perform a duty or function could be influenced by the interests of any person to whom they owe a private obligation or who expects to receive some benefit or preferential treatment from them.

Article 5 - Disclosure of Interests

- 5.1 In article 5.2(c) “real property” includes an interest in a reserve held under:
- (a) a certificate of possession under the *Indian Act*; or
 - (b) the First Nation’s traditional land holding system pursuant to a band Council resolution.
- 5.2 A Councillor must file a written disclosure of the following information with the Chief Executive Officer:
- (a) the names of the Councillor’s Spouse and any persons or entities referred to in Article 2.3;
 - (b) the employer of the Councillor and the Councillor’s Spouse;
 - (c) real property owned by the Councillor or the Councillor’s Spouse; and
 - (d) business interests and material investments of the Councillor or the Councillor’s Spouse, including in an entity referred to in article 2.3(e).
- 5.3 A Councillor must file a written disclosure under article 5.2 on the following occasions:
- (a) within thirty (30) days of being elected to the Council;
 - (b) as soon as practicable after a material change in the information previously disclosed; and
 - (c) on April 15 of each year that the Councillor holds office.

- 5.4 The Chief Executive Officer must establish and maintain a register of all information disclosed by a Councillor under this article and article 6.
- 5.5 On request of a member of the First Nation or any person engaged in any aspect of the Financial Administration of the First Nation, the Chief Executive Officer must permit that member or person to view the register referred to in article 5.4

Article 6 - Gifts and Benefits

- 6.1 A Councillor or a person referred to in articles 2.3 (a) to (d) in relation to that Councillor must not accept a gift or benefit that might reasonably be seen to have been given to influence the Councillor in the exercise of the Councillor's powers or performance of the Councillor's duties or functions.
- 6.2 Notwithstanding article 6.1, a gift or benefit may be accepted if the gift or benefit:
- (a) would be considered within:
 - (i) normal protocol exchanges or social obligations associated with the Councillor's office,
 - (ii) normal exchanges common to business relationships, or
 - (iii) normal exchanges common at public cultural events of the First Nation;
 - (b) is of nominal value;
 - (c) is given by a close friend or relative as an element of that relationship; or
 - (d) is of a type that the policies or directions of the Council have determined would be acceptable if offered by the First Nation to another person.
- 6.3 Where a gift with a value greater than _____ dollars (\$ _____) is given to a Councillor or a person referred to in article 6.1, the Councillor must make a written disclosure of the gift to the Chief Executive Officer under article 5, and the gift must be treated as the property of the First Nation.
- 6.4 Article 6.3 does not apply to a gift received during a public cultural event of the First Nation.

Article 7 - Confidential Information

- 7.1 Councillors must keep confidential all information that the Councillors receive while performing their duties or functions unless the information is generally available
- (a) to members of the public; or
 - (b) to members of the First Nation.
- 7.2 Councillors must only use confidential information referred to in article 7.1 for the specific purposes for which it was provided to the Councillors.
- 7.3 Councillors must not make use of any information received in the course of exercising their

powers or performing their duties or functions to benefit the Councillor's private interests or those of relatives, friends or associates.

Article 8 - Procedure for Addressing Conflict of Interest

- 8.1 As soon as a Councillor becomes aware of circumstances in which the Councillor has a conflict of interest, the Councillor must disclose the circumstances of the conflict of interest at the next Council meeting.
- 8.2 A Councillor must leave any part of a Council meeting where the circumstances in which the Councillor has a conflict of interest are being discussed or voted on.
- 8.3 The minutes of a Council meeting must Record the Councillor's disclosure under article 8.1 and note the Councillor's absence from the Council meeting when the circumstances in which the Councillor has a conflict of interest were being discussed or voted on.
- 8.4 A Councillor must not take part in any discussions or vote on any decision respecting the circumstances in which the Councillor has a conflict of interest.
- 8.5 A Councillor must not influence or attempt to influence in any way before, during or after a Council meeting any discussion or vote on any decision respecting the circumstances in which the Councillor has a conflict of interest.

Article 9 - Procedure for Undisclosed Conflict of Interest

- 9.1 If a Councillor has reason to believe that another Councillor has a conflict of interest or an apparent conflict of interest in respect of a matter before the Council, the Councillor may request clarification of the circumstances at a Council meeting.
- 9.2 If, as a result of a clarification discussion under article 9.1, a Councillor is alleged to have a conflict of interest or an perceived conflict of interest and the Councillor does not acknowledge the conflict of interest or perceived conflict of interest and take the actions required under article 8, the Council must determine whether the Councillor has a conflict of interest or an apparent conflict of interest before the Council considers the matter referred to in article 9.1.
- 9.3 The minutes of the Council meeting must Record any determination made by the Council under article 9.2.
- 9.4 If the Council determines under article 9.2 that a Councillor has a conflict of interest or an apparent conflict of interest, the Councillor must comply with article 8.

Article 10 - Obligations of Committee Members

- 10.1 This article applies to all members of Council committees.
- 10.2 Articles 4 and 6 to 9 apply to a member of a Council committee, and all references in those articles to
- (a) a Councillor are considered to be references to a member of a Council committee; and
 - (b) a Council meeting are considered to be references to a committee meeting.

PART III - Officers and Employees

Article 11 - Application

11.1 This Part applies to all Officers and employees of the First Nation.

Article 12 - General Obligations

12.1 In the performance of their duties and functions, Officers or employees must act honestly and in good faith and in the best interests of the First Nation.

12.2 An Officer or employee must avoid circumstances that could result in the Officer or employee having a conflict of interest or a perceived conflict of interest.

12.3 Officers or employees must avoid placing themselves in circumstances where their ability to exercise a power or perform a duty or function of their office or position could be influenced by the interests of any person to whom they owe a private obligation or who expects to receive some benefit or preferential treatment from them.

12.4 The Chief Executive Officer must ensure that every Officer and employee is informed of their obligations under this Part and must take steps to ensure that employees comply with these obligations.

Article 13 - Disclosure of Conflict of Interest

13.1 If Officers or employees believe they have a conflict of interest, Officers or employees must

- (a) disclose the circumstances in writing as soon as practical to the Chief Executive Officer or, in the case of the Chief Executive Officer, to the chair of the Finance and Audit Committee; and
- (b) refrain from participating in any discussions or decision-making respecting the circumstances of the conflict of interest until advised by the Chief Executive Officer or the chair, as the case may be, on actions to be taken to avoid or mitigate the conflict of interest.

Article 14 - Gifts or Benefits

14.1 Officers or employees or a member of their family must not accept a gift or benefit that might reasonably be seen to have been given to influence Officers or employees in the exercise of their powers or performance of their duties or functions.

14.2 Notwithstanding article 14.1, a gift or benefit may be accepted if the gift or benefit:

- (a) would be considered within:
 - (i) normal exchanges common to business relationships, or
 - (ii) normal exchanges common at public cultural events of the First Nation;
- (b) is of nominal value;

- (c) is given by a close friend or relative as an element of that relationship; or
- (d) is of a type that the policies or directions of the Council have determined would be acceptable if offered by the First Nation to another person.

Article 15 - Outside Employment and Business Interests

- 15.1 If Officers or employees are permitted under their terms of employment to have outside employment or business interests, Officers or employees must disclose these employment or business interests in writing to the Chief Executive Officer or, in the case of the Chief Executive Officer, to the chair of the Finance and Audit Committee.
- 15.2 Officers or employees must ensure that any permitted outside employment or business interests do not unduly interfere with the exercise of their powers or performance of their duties and functions and that these activities are conducted on their own time and with their own resources.

Article 16 - Confidential Information

- 16.1 Officers or employees must keep confidential all information that Officers or employees receive while exercising their powers or performing their duties or functions unless the information is generally available:
 - (a) to members of the public; or
 - (b) to members of the First Nation.
- 16.2 Officers or employees must only use any confidential information referred to in article 16.1 for the specific purposes for which it was provided to Officers or employees.
- 16.3 Officers or employees must not make use of any information received in the course of exercising their powers or performing their duties or functions to benefit Officers or employees' private interests or those of relatives, friends or associates.

Article 17 - First Nation Property and Services

- 17.1 Officers and employees must not use any personal property or services of the First Nation for any purposes unrelated to performance of their duties or functions unless that use is otherwise acceptable under the policies or directions of the Council.
- 17.2 Officers and employees must not acquire any personal property of the First Nation unless it is done in accordance with policies or directions of the Council.

PART IV - Contractors

Article 18 - Application

- 18.1 This Part applies to all contractors of the First Nation, other than a person who has an employment contract with the First Nation.
- 18.2 In this Part, a reference to a contractor includes a reference to each employee or agent of the contractor who is engaged to perform duties or functions under the contract with the First Nation.

Article 19 - Contractor Acting as Officer or Employee

19.1 If a contractor is retained to exercise the powers or perform the duties or functions of an Officer or employee, the contractor must comply with Part III of this Schedule as if the contractor were an Officer or employee of the First Nation.

Article 20 - General Obligations

20.1 A contractor must act at all times with integrity and honesty:

- (a) in its dealings with the First Nation; and
- (b) in its dealing with any third party when the contractor is representing or acting on behalf of the First Nation.

20.2 A contractor must not attempt to obtain preferential treatment from the First Nation by offering gifts or benefits that a Councillor, committee member, Officer or employee is prohibited from accepting under this Schedule.

20.3 Contractors must ensure that every employee or agent of the contractor who is engaged to perform duties or functions under the contract with the First Nation is informed of their obligations under this Part and must take steps to ensure that these employees or agents comply with these obligations.

Article 21 - Confidential Information

21.1 Contractors must keep confidential all information that contractors receive in the course of performing their duties or functions unless the information is generally available to members of the public.

21.2 Contractors must only use any confidential information referred to in article 21.1 for the specific purposes for which it was provided to contractors.

21.3 Contractors must not make use of any information received in the course of performing their duties or functions to benefit the contractors' interests or those of the contractors' relatives, friends or associates.

Article 22 - Business Opportunities

22.1 A contractor must not take advantage of a business or investment opportunity being considered by the First Nation and which the contractor becomes aware of while performing services for the First Nation unless the First Nation has determined not to pursue the opportunity.

Article 23 - First Nation Property and Services

23.1 If a contractor has been provided the use of any property or services of the First Nation in order to perform services for the First Nation, the contractor must not use the property or services for any purposes unrelated to performance of those services.