

LITTLE SASKATCHEWAN FIRST NATION

First Nation Election, Administration and Financial Codes

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FINANCE PROCEDURES MANUAL

York Factory Cree Nation

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1.0 INTRODUCTION

This Finance Policy Manual is established under the authority of the Council, and may be amended, from time to time, by the Council as the Council sees the need.

The Council has the power to make policy regarding any aspect of management of the York Factory Cree Nation and has the powers to authorize expenditures on behalf of the York Factory Cree Nation for the purpose of furthering the objects of the York Factory Cree Nation, to create a trust fund for promoting the interests of the York Factory Cree Nation, to transact the banking business of the York Factory Cree Nation, to borrow money upon the credit of the York Factory Cree Nation, to issue bonds, to issue debentures, to pledge or sell such bonds, or debentures, to charge, mortgage or pledge all or any of the real or personal property of the York Factory Cree Nation and to undertake, to secure any securities or any money borrowed, or other debt, or any obligation or liability of the York Factory Cree Nation.

The Council has the authority and power to appoint an Executive Director, and the Council may delegate to the Executive Director any of its authority not required to be exercised by the Council by law or any by-law of the York Factory Cree Nation. Accordingly, the Executive Director has been and is hereby delegated the authority and responsibility for the implementation of the Finance Policy of the York Factory Cree Nation according to its provisions.

2.0 GENERAL DEFINITIONS

"Council" means the Chief and Councillors of the York Factory Cree Nation.

"Chief" means the Chief of the York Factory Cree Nation.

"Contracting Agency" means a relationship existing when the York Factory Cree Nation enters into a direct contract with a funding agency obliging the York Factory Cree Nation to undertake a specific project over a set period of time within an approved budget based upon agreed terms of reference for the project.

"Cost-sharing" means the payment of funds by the York Factory Cree Nation to a person or organization for the operation of a program or activity.

"Financial Controller" means the person holding the Financial Controller position of the York Factory Cree Nation.

"Executive Director" means the Executive Director of the York Factory Cree Nation.

"Senior Manager" means heads of various units of the York Factory Cree Nation.

"Expense Claim Form" means a document add on.

"Full-time employee" means continuous employment where remuneration is paid from operation funds and the work week is at least 37.5 hours.

"Part-time employment" means continuous employment where remuneration is paid from operational funds and the work week is at least 20 hours and less than 37.5 hours, excluding casual and hourly employment.

"Temporary/contract employment" means employment which is time, term and/or project limited including summer student and excludes casual and hourly employment.

3.0 DIVISION OF POWERS

The division of powers and responsibilities between and among the Council, Executive Director and Secretary-Treasurer are as follows:

3.1 COUNCIL

1. Approves and amends the Finance Policy;
2. Approves the York Factory Cree Nation's annual operating budgets;
3. Reviews recommendations made by the Executive Director and approves, rejects or amends the recommendations;
4. Delegates other responsibilities to the Executive Director from time to time as may be appropriate.

3.2 EXECUTIVE DIRECTOR

1. Implements and applies the Finance Policy;
2. Recommends clarifications and amendments to the Council from time to time reflecting operational requirements.

3.3 FINANCIAL CONTROLLER

1. Ensures appropriate custody of the funds and securities of the York Factory Cree Nation;
2. Ensures full and accurate accounts of all assets, liabilities, receipts and disbursements of the York Factory Cree Nation are maintained;
3. Controls the deposit of money, the safekeeping of securities and the disbursements of the funds of the York Factory Cree Nation, under direction of the Council;

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4. Submits an account of all transactions and reports of the financial position of the York Factory Cree Nation to the Council from time to time and at the annual meeting of the York Factory Cree Nation.

The Council may at any time, in its discretion, amend any portion of this Finance Policy. Amendments will be decided by resolution of the majority of Council present at a regular meeting of the Council, or at any special meeting of the Council called for the purpose of amending this Policy.

4.0 BUDGET

This section covers the areas pertaining to the York Factory Cree Nation's budget control policies and procedures.

4.1 BUDGET PLANNING & APPROVAL

(a) Planned Budgets, Project Specific Budgets and Amendments

The Financial Controller shall review departmental budgets and a consolidated budget. Any recommended changes will be incorporated in the final approved budget. All budgets must be approved by the Council.

(b) Administrator and Contracting Agency Proposals

The Financial Controller shall review and consider the implications of each proposal on the York Factory Cree Nation operations in light of the staff, administration and cost implications to ensure that all proposals may be accommodated within the York Factory Cree Nation current operational limitations.

The Financial Controller shall recommend the acceptance and rejection of all financial proposals stating reasons for his/her decisions.

4.2 BUDGET CONTROL & MONITORING

The Executive Director shall be responsible for ensuring that expenditures and income conform to the budget(s) approved by the Council. In this regard, it is the Executive Director's responsibility to ensure that expenditures do not exceed budgeted items.

The Financial Controller shall provide the financial statements to the Council on a quarterly basis.

In the event that line expenditures exceed approved budget allocations, the Executive Director has the authorization to approve line item to line changes. However, in the event that the expenditure goes over the total budget he/she must seek Council approval.

5.0 BANKING AND EXPENDITURES

This section covers the areas pertaining to the York Factory Cree Nation banking control and expenditure policies and procedures.

5.1 BANK DEPOSITS

The Executive Director shall ensure that the Financial Controller or the Financial Controller's designate shall deposit cash and cheques to the current account of the York Factory Cree Nation on a timely basis.

The procedure for the receipt and deposit of cash and cheques shall be as follows:

- (a) upon receipt of cash and cheques, a designated staff person shall record the receipt of all cheques and forward them to the Executive Director;
- (b) the Executive Director reviews the cash and cheques received and provides them to the Financial Controller;
- (c) upon receipt of the cash and cheques from the Executive Director, the Financial Controller shall review the cash and cheques, prepare and initial a deposit slip and provide the cash, cheques and deposit slip to the Administrative Assistant for deposit;
- (d) the Financial Controller shall verify that each deposit made is in accordance with the deposit slip as prepared.

5.2 EXPENDITURES

The York Factory Cree Nation's signing authorities may authorize a cheque to be drawn on the York Factory Cree Nation's bank account for all prior Council approved budget line expenditures.

Where the Executive Director wishes to make an expenditure or enter into a contract on behalf of the York Factory Cree Nation for a special project where the expenditure or contract cannot reasonably be considered to be a component of a particular budget line item already approved by the Council, the Executive Director shall obtain approval of the Council, whenever reasonably possible prior to the expenditure or commitment.

5.3 BORROWING

The Executive Director may authorize the establishment of a line of credit or periodically demand loans to cover the operational requirements of the York Factory Cree Nation upon approval of the Council.

The Executive Director may arrange financing on capital expenditures on terms and conditions approved by the Council.

5.4 PHYSICAL ASSETS

All major equipment purchases, major leasehold improvements and the lease, purchase or other acquisition and improvement of real property shall first be approved by the Council, except as provided below.

The Executive Director shall have the authority to approve all capital and operational expenditures previously approved by the Council.

No equipment or other physical asset or inventory acquired may be disposed of or sold without prior Council approval.

An inventory of all physical assets of the York Factory Cree Nation shall be kept on a current basis by the Financial Controller and the inventory shall be verified, updated and provided to the Council on or about March 31st in each year.

5.5 SIGNING AUTHORITY

The Chief, any two Councillors, the Executive Director and the Financial Controller shall be the signing officers of the York Factory Cree Nation with authority to sign cheques, drafts, or orders for the payment of money, notes and acceptances and bills of exchange and contracts on its behalf.

The Executive Director and the Financial Controller shall have signing authority to sign cheques, drafts or orders for the payment of approved budget line items. This includes all contractual agreements on behalf of the York Factory Cree Nation which are approved by the Council.

All cheques to be drawn from a York Factory Cree Nation bank account and all other drafts or orders for the payment of money, notes and acceptances and bills of exchange and contractual agreements as approved by the Council in the operational budget must have two signatures consisting of:

- (a) Chief,
- (b) Councillor,
- (c) Executive Director, or
- (d) Financial Controller.

5.6 PETTY CASH FUNDS

The Financial Controller shall arrange to have an office petty cash fund instituted, recorded and maintained. The petty cash fund is not to exceed five hundred dollars (\$500.00).

The office petty cash fund is to be used by the York Factory Cree Nation employees for small, authorized routine expenses with receipts.

5.7 DONATIONS

The York Factory Cree Nation may make donations at their discretion to other organizations, operation or individual.

5.8 ACCOUNTS PAYABLE

Where the Council directs that the York Factory Cree Nation provide its services as either a Contracting agency or an Administrator, the Executive Director shall have the responsibility to secure a contract for services in accordance with the terms and conditions of service as determined by the Council and ensure that all financial accounting methods required by the agency with which the York Factory Cree Nation is contracting are established. He/she shall also have the

responsibility to ensure that all accounts being kept with respect to the project in question are being maintained in a current, up-to-date manner in order that he/she may provide monthly reports to the Council.

- (1) All vendors expenditures will be paid by invoice.
- (2) All vendors statements will be used for reconciliation purposes only.
- (3) Travel advances must be provided to the accounting department at least one (1) working day prior to travel in order to accommodate the accounting process.
- (4) Employee expense claims will be reimbursed within one (1) working day of receipt by the accounting department.
- (5) In all instances, proper documentation and receipts are required and must accompany all of the above requests.

6.0 EXPENSES

This section covers the areas pertaining to the York Factory Cree Nation's expense policies and procedures.

6.1 TRAVEL EXPENSES

All valid travel expenses incurred for which an individual wishes to be reimbursed by the York Factory Cree Nation must be set out on an Expense Claim Form.

All staff members of the York Factory Cree Nation must complete and submit Expense Claim Forms to the Financial Controller within twenty four (24) hours prior to travel. Except for meal and incidental expenses, no expense claimed shall be paid by the York Factory Cree Nation unless it is supported by receipts or vouchers and until it is approved by the Executive Director or Financial Controller, except as provided in this Policy.

All persons other than the York Factory Cree Nation staff wishing to be remunerated for travel expenses undertaken on behalf of the York Factory Cree Nation must firstly obtain authorization to travel and to receive a payment from the Executive Director or Financial Controller. Where the individual requesting authorization to travel and have his/her travel expenses paid for is a Council member, that person shall not participate in the decision as to whether the request should be approved.

All Council members of the York Factory Cree Nation must complete and submit Expense Claim Forms to the Financial Controller as soon as possible after the completion of the trip taken and before the next meeting of the Council. However, where the next Council meeting is less than two days following the trip taken. The Expense Claim Form must then be submitted prior to the next scheduled Council meeting.

Staff members or Council members of the York Factory Cree Nation may apply to the Executive Director or Financial Controller for travel advance amounts by submitting their claims on a Travel Advance Form.

No travel advances may be authorized to any Council member, staff or other authorized person who has a prior outstanding travel advance.

Any travel advance received by any individual shall be considered to be a debt or obligation owed by that individual to the York Factory Cree Nation and it must be accounted for by submission of an Expense Claim Form within the requisite time period set forth above.

All staff must submit a travel report to the Executive Director upon completion of the trip.

6.2 EXPENSE RATES APPLICABLE

For persons traveling on York Factory Cree Nation business, the payment for transportation incurred shall be made on the following basis:

- (a) If a personal automobile is used, a rate of 30.5 cents shall be paid and mileage includes all costs associated with the automobile to include gas, oil, repairs, wear and tear of vehicle, insurance, tires, maintenance and any other miscellaneous repair expenditures.
- (b) Mileage shall be calculated, wherever possible, by reference to the mileage chart.
- (c) Where public transportation including travel by air, taxi, bus, car rental, train or boat is utilized, the actual cost for such transportation shall be reimbursed provided that valid receipts are provided.

For persons traveling on York Factory Cree Nation business, payments for meals shall be made on the following basis:

- (a) York Factory Cree Nation employees required to commence a trip away from the York Factory Cree Nation office prior to 8:00 a.m. and Council members required to commence a trip away from their home prior to 8:00 a.m. shall be paid an amount for breakfast.

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- (b) York Factory Cree Nation employees required to remain away from the York Factory Cree Nation office on a trip between the hours of 12:00 noon and 1:00 p.m. and Council members required to remain away from their homes on a trip between the hours of 12:00 noon and 1:00 p.m. shall be paid an amount for lunch.
 - (c) York Factory Cree Nation employees required to remain away from the York Factory Cree Nation office on a trip after 6:00 p.m. and Council members required to remain away from their homes on a trip after 6:00 p.m. shall be paid an amount for supper.
 - (d) York Factory Cree Nation employees required to travel away from the York Factory Cree Nation office in any given day for more than 7 hours and Council members required to travel away from their homes for more than 7 hours in a given day shall be paid an amount for incidental expenses.
 - (e) Travelers need not submit receipts to receive payment for meals and incidental expenses.
 - (f) Staff who qualify to be paid for meals and incidental expenses as set forth above shall be paid on the following basis:

Breakfast	9.00
Lunch	12.00
Supper	20.00
Incidentals	10.00

For persons travelling on York Factory Cree Nation business or required to stay overnight while travelling, payment for accommodation shall be made on the following basis:

- (a) Hotel costs will be actual costs per invoice submitted.

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- (b) Notwithstanding the foregoing, when the traveler uses private accommodation a rate of \$30.00 per night shall be paid upon producing a receipt. Under no circumstances will this allowance be paid for an extended stay for personal business.
 - (c) The traveler is required, in all circumstances, to submit valid receipts in order to substantiate the claim for accommodation.
 - (d) If receipts are not provided as required, any amount advanced to the traveller for accommodation shall, after consultation between the Financial Controller or Executive Director and the traveller, be deducted from any other amounts payable by the York Factory Cree Nation to the traveler.

For persons travelling on York Factory Cree Nation business out of province, expenses will be paid at \$250.00 per day.

For persons travelling on York Factory Cree Nation business out of country, expenses will be paid at \$300.00 per day.

Where valid travel expenses have involved expenditure in U.S. currency, the exchange rate will be calculated as follows:

- (a) If a credit card receipt verifies an exchange rate paid or payable by the traveller, that exchange rate shall apply.
- (b) In all other circumstances, the rate in effect at the local Royal Bank of Canada for exchange of Canadian currency for U.S. currency on the date of repayment to the individual shall apply.
- (c) All costs incurred in the United States will be converted except mileage.

There will be no expense rates for meals provided for staff, who are required to work above and beyond the 7 hour work day.

6.3 LEASED VEHICLES

The York Factory Cree Nation may own or lease vehicles for use by authorized York Factory Cree Nation staff in the course of the York Factory Cree Nation business. Such vehicles may not, at any time, be used by these individuals for personal matters. Privileges may be revoked if this policy is not abided by, and progressive discipline may also be invoked.

The list of individuals authorized to use the leased vehicles shall be kept in the office of the Executive Director. These individuals shall be named in the York Factory Cree Nation's insurance policy with respect to the use of the leased vehicles.

All authorized staff using the leased vehicles shall ensure that all passengers wear seat belts.

Gasoline that is to be purchased at the designated service stations by purchase order or on account can only be purchased in this manner by the authorized individuals as maintained by the Executive Director.

No mileage claims may be made for use of the leased vehicles.

When requiring use of a leased vehicle, authorized staff should obtain the keys to the vehicle from the Executive Director or his/her designate.

Mileage logs shall be kept in each of the leased vehicles. These are not to be removed from the vehicles without the permission of the Executive Director. All authorized staff using these vehicles must record all details required on the mileage logs. Privileges may be revoked if this policy is not abided by, and progressive discipline may also be invoked. Completed mileage logs are to be submitted to the Financial Controller on a weekly basis.

The Executive Director shall ensure that the leased vehicles are properly cared for. Authorized staff are responsible to ensure that the vehicles are kept clean and tidy inside and out and that they are ready for use by the next person. Privileges may be revoked if this policy is not abided by, and progressive discipline may also be invoked.

Staff utilizing the vehicles have the responsibility to report any damages or maintenance required to the Executive Director.

Privileges may be revoked if this policy is not abided by, and progressive discipline may also be invoked.

Upon completion of use of a leased vehicle, the keys are to be promptly returned to the designated keeper.

Users of the vehicles shall be solely responsible for all traffic convictions, parking tickets and other sanctions imposed by public authorities which involve their use of the vehicles. Such users also be financially responsible for any damage to the vehicles or damage caused by their use of the vehicles which arise as a result of the wilful neglect of them or others who they may have permitted to use the vehicles.

All items bought for the vehicles must stay with the vehicles and notification to replace any item in the course of business must be made to the Executive Director.

All staff using the vehicles adhere to the rules of the Highway Traffic Act. Privileges will be revoked if found not operating a vehicle in a safe manner.

6.4 TELEPHONE CREDIT CARD

Telephone credit cards may be issued to all assigned personnel. A listing of all cards will be kept by the Financial Controller. All cards be used for York Factory Cree Nation purposes only.

Staff issued cards shall be responsible for their use and reporting lost cards immediately. As the assigned staff is responsible for calls placed on the card, they are not transferable.

The Financial Controller ensures that cards issued are returned from staff when they leave employment with York Factory Cree Nation.

7.0 PAYROLL ANNUITY PLAN

This section covers the areas pertaining to payroll and benefits for staff working for York Factory Cree Nation.

7.1 ANNUITY SAVINGS PLAN

The York Factory Cree Nation has put in place an optional payroll annuity plan program for all its full-time employees. For those full-time employees who opt into the program, each pay cheque shall have up to 6% deducted. This shall be invested in an annuity plan. At the same time, the York Factory Cree Nation shall match up to 6% of the employees gross amount into the annuity plan as long as the employee is participating in the program. Interest shall accrue at rates made available by the Company.

An employee may cancel his/her annuity plan and the employee may withdraw from his/her plan in accordance with the following:

(a) Cancellation upon Termination of Employment:

Upon termination of employment with the York Factory Cree Nation, an employee who has been continuously employed with the York Factory Cree Nation is entitled 100% of the monies contributed plus all accrued interest.

(b) Withdrawal of Funds During Employment:

An employee shall be entitled to withdraw part of the total contributions to the annuity plan for a maximum withdrawal of \$1000 three (3) times per fiscal year. However, the employee must maintain a balance of \$250.00 at all times.

(c) An employee in the plan may elect to cancel their participation, at which time, they may receive 100% of the plan due to them. However, enrolment in the plan is on a one time basis only during the period of their employment.

Administrative Costs pertaining to employee withdrawals shall be paid 100% by the employee and deducted from such withdrawals.

The Financial Controller will conduct an annual review of the York Factory Cree Nation's share of contribution pending budgetary allocations each fiscal year.

PART THREE - FINANCIAL MANAGEMENT

3.1 Annual Budget

3.1 a Preparation of Annual Budget

A overall comprehensive budget covering all of the First Nation's operations whether funded by government sources or self-sufficient operating entities or corporations owned by the First Nation will be prepared on an annual basis.

In the first week of January of each year, Chief and Council will prioritize capital expenditure items and additions and changes to programs to be included in the next annual budget.

The annual budget for the next fiscal year will be prepared by the Director of Finance in conjunction with the senior department administrators in January of each year. The budget will detail the expected receipt and distribution of all funding line items according in all operating departments and provide in detail remuneration to staff and Chief and Council honoraria and address those items prioritized by Chief and Council, to the extent possible

3.1 b Council Adoption

The Director of Finance will provide to Chief and Council at a duly convened meeting of Chief and Council a draft budget in the first week of February of each year. Chief and Council will review the draft budget in either formal meetings of Chief and Council or individually in informal meetings with those sources deemed appropriate. Chief and Council will provide to the Director of Finance those changes to the draft budget by the last week of February of each year at a duly convened meeting of Chief and Council.

The Director of Finance will amend the draft budget incorporating those changes as possible and provide a final copy of the next fiscal year operating budget at a duly convened meeting of Chief and Council during the second week of March of each year.

Chief and Council will vote and pass or reject the budget in whole in the manner prescribed in XXXX above. In the event that the budget is not approved in whole, the Director of Finance will consult with Chief and Council during the meeting and make those changes as necessary so that the budget is adopted in whole before the end of the meeting of Chief and Council.

3.2 c. Membership Review

The approved budget, on-going amended budgets and remedial

management plans will be made available for membership inspection commencing the second week of March of each year in public area in the Band Office. Only those members eligible to vote will be allowed to review the budget. The budget will be available for review during regular office hours and there will be no time limit or frequency limit placed on a member's review of the budget. Only one copy will be made available for review in the band offices not to be removed from the premises and no photocopies of all or part of the budget will be allowed unless specifically approved.

3.2 Control of Expenditures

3.2 a Signing Authorities

All cheques will have two signatories. Signing authorities will consist of a senior administrator or the Director of Finance and one designated member of Council or the Chief.

3.2 b. Expenditure Control

f. Cheque Requisitions - Normal Operations

All invoices and requests for payments that fall into the normal course of business or for approved capital budgeted projects and are under \$2,000.00 will be detailed in a cheque requisition form that outlines the purpose for the payment, the name of the payee, the amount and the budget line item allocation. Normal course of business are those expenditures relating to the normal operations and maintenance of the First Nation and are covered under a budget line item.

The cheque requisition will be prepared and signed by the senior administrator responsible for the budget area and will be reviewed and signed by the Director of Finance prior to cheque preparation.

ii. Cheque Requisitions - Large Amounts/Membership/Staff

All requests for payments in excess of \$2000.00 or for membership personal needs, staff salary advances or casual hired staff will be prepared as is 3.2 b. i above, but will require review by Chief and Council at a duly convened meeting of Chief and Council prior to cheque preparation. Chief and Council by a show of hands will approve, modify or reject all such requests.

iii. Payroll and Social Development Cheques

Payroll cheques that are issued on an on-going basis as part of an approved and budgeted salary or social payments eligible for reimbursement under INAC or Province of Manitoba social development programs may be issued in absence of a cheque

requisition. All cheques for hourly paid employees as part of an approved budgeted project or on-going operations must have a time sheet outlining dates and hours worked for each prepared signed by the immediate manager prior to cheque preparation.

iv. Cheque Signing

All cheques for signature will be accompanied by a cheque requisition or time sheet as above.

3.3 Financial Control

3.2.a. Budget Setting and Modifications

The First Nation will not approve a budget where projected expenditures exceed project revenues by more than 97% of revenues (ie the budget must have 3% overall surplus).

On a monthly basis or as required the Director of Finance will provide amendments to the budget to Chief and Council at a duly convened meeting of Chief and Council. Within the INAC or other funding agency guidelines of each of the funding line items, Chief and Council may adjust individual budget allocations to better accommodate the overall operations of the First Nation so long as the overall 3% surplus of remaining revenues to be received is maintained throughout the first three fiscal quarters. In January of each year, council may allocate surpluses as long as a balanced budget is forecast.

3.2.b Deposits

No cheque made payable to the First Nation or any of its operating entities will be cashed in whole or in part. All receipts will be deposited in whole directly into the First Nation's general operating bank account upon receipt. Deposits may be made into other operating accounts where such deposits are directed by Chief and Council by way of BCR to the funder or contributor of the funds and are deposited into the account by the funder.

All deposits will have a deposit slip prepared by the Director of Finance detailing the source of funds and the budget line item allocation. The deposit slip will be prepared prior to depositing the funds and will be acknowledged by the bank. In the event that direct deposits are received, the Director of Finance will record receipt by way of a deposit slip that outlines the above information and will attach a bank confirmation when received.

Deposited revenues can be transferred to other operating bank accounts or allocated to automated payments for approved loan

payments with a transfer document that is signed by two signatories to the general account and only if the transfers fall within the budgeted amounts. Transfers in excess of those budgeted must first be approved by Chief and Council at a duly convened meeting of Chief and Council.

Cash receipts must be accompanied by a receipt document signed by the provider of the funds and acknowledged by the Director of Finance outlining the amount of funds provided and their purpose. Cash received will be deposited directly into the general bank account supported by a deposit slip and the receipt document.

3.4 Asset Management

3.4.a Inventory Recording

A complete inventory asset list including office furniture and equipment, machinery, buildings and vehicles, shall be established and updated annually, or as purchased including the cost and date of purchase, and the date and sale price, if sold.

3.4. b. Asset Review / Disposal

In April of each year, the Director of Finance and one Band Councillor (on a rotation basis) will verify the existence of the items listed. They will prepare a list of missing, unserviceable and obsolete items for the Band Council, to authorize write off.

In the event missing assets, the Band Council will assign a Band Councillor or staff member to investigate, and attempt to locate the lost item(s).

The write-off or sale of Band assets shall be authorized by the Band Council, and recorded in the Council's Minutes through a resolution.

When write-off approval is received, the items should be deleted from the listings, and the Band Council Resolution number written beside the deleted item.

2. Security of Assets and Documents

The Band Council shall ensure that Band assets are secured, through:

- a) The provision of adequate insurance coverage for Band buildings and equipment to the extent that they receive funding for such purpose
- b) Maintaining fire safety standards for Band buildings.
- c) Providing office keys to a limited number of employees; all keys issued to Band employees must be signed for, and under no condition shall any key(s) be transferred to another employee or person by the employee who has signed for the key(s).
- d) Providing keys to the safe and cash lockbox to only the Band Manager and/or Accountant/Controller.
- e) Ensuring that employees who handle Band cheques and funds are bonded.
- f) Ensuring that all equipment, furniture, etc. is numbered and recorded in a ledger, giving all the necessary information for easy identification of the assets.
- g) Directing staff to lock and secure Band buildings before leaving, and locking valuables (including stamps or postage metre, small equipment such as calculators, tape recorders, etc.) in a safe place at night.

2. Purchase of Goods and Services

All goods and services to be purchased in an amount of excess of \$50.00 will require a purchase order that identifies the vendor (name, address, telephone number), lists in detail the goods and/or services to be acquired and allocates budget line items against which the goods and/or services are to be charged.

Purchase orders for goods and services under \$1000.00 in value may be authorized by the Director of Finance or other staff member authorized by way of Band Council Resolution.

Purchase orders in excess of \$1,000.00 must be authorized by a quorum of Chief and Council at a duly convened meeting of Chief and Council.

Purchase orders in excess of \$5,000.00 must have three competitive quotations unless there unusual circumstances acceptable to Chief and Council.

Purchases for goods or services in excess of \$25,000.00 must be through

a tender process. Chief and Council will determine at least three vendors to be invited to quote on the contract. Each vendor will receive identical tender packages and time frames to provide their quotation. Guidelines for issuing, receiving and accepting any particular tender will be determined by a quorum of Chief and Council prior to issuing a tender and may not necessarily be made known to prospective vendors. Accepting any tender will be on a basis of "best value" to be determined by Chief and Council upon receiving and reviewing three competitive tenders.

3. Loans, Loan Guarantees, Grants and Advances

Funds received from Indian and Northern Affairs Canada, other than those identified for economic development or relief purposes, will not be used to provide loans. In the annual budget, Chief and Council will identify a revenue source for the provision of loans and grants.

- 3.1 Member loans may be made upon written request to Chief and Council outlining the reason for the loan, a repayment schedule and identifying a source for repayment of the loan. At the request of the Chief and Council, members may be required to provide security in the form of a merchandise asset valued at least twice the amount of the loan or provide a letter authorizing their employer to direct payroll deductions to the First Nation. Member loans will not exceed a period of six months. A loan will be considered in default when two consecutive payments have not been received. Chief and Council will request the delivery and immediate sale of the security asset with any net proceeds payable to the debtor. Chief and Council will determine a fair market value for the security asset.
- 3.2 Chief and Council may provide within the budget allocated for grants to band members a bereavement grant in an amount not to exceed \$500.00 to the immediate next of kin (Spouse, parent, child) of a recently deceased resident member for the purpose of assisting with funeral and funeral related costs only. Such requests must be made in writing and passed at a duly convened meeting of Chief and Council. An administrator approved by Chief and Council may issue a bereavement grant in absence of a formal meeting of Chief and Council under emergency conditions provided that verbal approval is received by a quorum of Chief and Council. Emergency approvals must be ratified at the next duly convened meeting of Chief and Council.
- 3.3 Chief and Council, within the budgets allocated for grants, may approve grants to members or First Nation organizations (sports teams, churches, charity events etc) in any amount upon written requests outlining the need for a grant. Such requests must be made in writing and passed at a duly convened meeting of Chief and Council. An administrator approved by Chief and Council may issue a grant not to exceed \$100.00 in absence of a formal meeting of Chief and Council under emergency conditions provided that verbal approval is received by a quorum of Chief and Council. Emergency approvals must be ratified at the next duly convened

meeting of Chief and Council.

- 3.4 Loan guarantees may be made to on-reserve members for the purpose of assisting business start-up or expansion provided businesses are located on-reserve and provide measurable benefits to the membership. Loan guarantees must provide the First Nation with at least a second claim on an asset of equal value to the guarantee. Loan guarantees can not exceed a period of five years. Requests for loan guarantees must be made in writing and approved at a duly convened meeting of Chief and Council and outline the purpose of the guarantee, a business plan for the business, security offered and a schedule for the loan repayment.

The First Nation will not provide loan guarantees for personal non-business loans.

- 3.5 Staff and social development advances may be made up to a value of one-half expected net payment on the next pay period provided there are no outstanding advances. Advance requests must be in writing and cleared on the next pay period. Chief and Council will designate administrator(s) authorized to issue advances.
- 3.6 Requests for advances that differ from the guideline outlined in 3.1, must be made in writing to Chief and Council. The request must identify the reason for the advance and provide a repayment schedule. Chief and Council, by vote of quorum at a duly convened meeting of Chief and Council will approve, reject or modify requests. Repayment of employee advances will not exceed the current fiscal period.

4.0 Remuneration

- 4.1 Remuneration (honoraria and travel allowances) for Chief and Council will be set during the last month of Chief and Council term and take effect upon the election of the next Chief and Council.
- 4.2 Remuneration for staff will be reviewed and adjusted annually as part of the budget process and take effect at the beginning of the fiscal year. Interim adjustments in salary may be made if it is shown that a salary level does not meet current labour market remuneration levels, where a vacancy is to be filled or where a significant change in job description has occurred. All remuneration must be approved by a quorum of Chief and Council at a duly convened meeting of Chief and Council.

5.0 Debt and Deficit Management

5.1 Long Term Debt

Chief and Council may negotiate long term loans for the purpose of acquiring

capital assets. Long term loans must have an secure revenue source identified in a capital plan and/or annual budget. Long term debt must gain approval of a quorum of Chief and Council at a duly convened meeting of chief and Council by way of a band council resolution.

5.2 Short Term Debt

Chief and Council may negotiate short term debt for the purpose of bridge financing cash flow shortages for a period not exceeding the current fiscal year. The debt must be incorporated into an adjusted annual budget that identifies a debt repayment revenue source. Short term debt must gain approval of a quorum of Chief and Council at a duly convened meeting of Chief and Council by way of a band council resolution.

5.3 Deficit Management

A remedial management plan must be developed prior to negotiating a debt consolidation loan where the repayment period exceeds the current fiscal period. The remedial management plan must gain the approval by the general band membership by way of secret ballot during a general band membership meeting in a procedure identical to the enactment of laws 2.3 above.

5.4 Amending Procedure

The Amending procedure for the financial code will be identical to the band governance amending procedure outlined in 9.0 above