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## FINANCIAL ADMINISTRATION CODE

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*The Financial Administration Code has been developed to regulate the receipt, management and expenditure of Kapawe'no First Nation funds and to establish the administration organization for the management of Kapawe'no First Nation funds.*

**WHEREAS** the Chief and Council of the Kapawe'no First Nation have determined that it is desirable and necessary for the better administration of the Kapawe'no First Nation's business to establish a financial administration code to regulate the receipt, management and expenditure of Kapawe'no First Nation funds and to establish the administrative organization for the management of Kapawe'no First Nation funds.

**NOW THEREFORE** the Chief and Council of the Kapawe'no First Nation at a duly convened meeting of the chief and Council, hereby enact the following code to govern the administration of Kapawe'no First Nation funds:

### SHORT TITLE

1. This code may be cited as the "Kapawe'no First Nation Financial Administration Code".

### INTERPRETATION

2. In this code:
  - a. "Agency" means any board, tribunal, commission, committee of the Kapawe'no First Nation or any corporate body controlled by the Kapawe'no First Nation including a society or a non-profit corporation but does not include a business corporation operated for a profit-making purpose;
  - b. "Agreement" means any written contract between the Kapawe'no First Nation and another party or parties, including the federal government, a provincial government, or a third party, pursuant to which money is to be paid to the Kapawe'no First Nation;
  - c. "Annual budget" means the forecast of planned expenditures for each fiscal year by the Kapawe'no First Nation;
  - d. "Bank account" means a financial account of the Kapawe'no First Nation held at an accredited financial institution where the funds on account are held to the credit of the Kapawe'no First Nation;
  - e. "Code" means a body of Kapawe'no First Nation law enacted by the Chief and Council of the Kapawe'no First Nation and approved by the members of the Kapawe'no First Nation by petition, referendum or other form of consent;

**CODE MODULE: FINANCIAL POLICIES AND PROCEDURES**

**FINANCIAL POLICY AND PROCEDURES CODE**

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## 1. FINANCIAL ADMINISTRATION

This policy manual is intended to provide a general overview of the various financial procedures and practices to be adhered to by the Tallcree First Nation Administration and governs the receipt, management, and expenditure of all Tallcree First Nation funds.

### 1.1 Definitions

**"ANNUAL BUDGET"** means the forecast of planned revenues and expenditures for each fiscal year by the Tallcree First Nation.

**"COUNCIL"** means a quorum of the Chief and Council of the Tallcree First Nation gathered at a duly convened meeting.

**"TALLCREE FIRST NATION"** is the Indian "Band" as defined by the Indian Act and known as the Tallcree First Nation.

**"FISCAL YEAR"** means a period beginning April first of one year and ending March thirty-first of the following year.

**"DIRECTOR OF FINANCE"** is the employee of the Tallcree First Nation responsible for financial and administrative reporting and procedures.

**"FUNDS"** means all moneys belonging to the Tallcree First Nation including:

- all revenues of the Tallcree First Nation
- money borrowed by the Tallcree First Nation
- money received or collected on behalf of the Tallcree First Nation
- money received or collected by the Tallcree First Nation pursuant to any agreement or funding arrangement to be disbursed for a purpose specified by Council or pursuant to that agreement or funding arrangement

**"BAND MANAGER"** is the senior employee appointed by the Chief and Council to provide overall management and direction to the Tallcree First Nation.

**"MEMBERS"** are duly registered Indians as defined by the Indian Act who are registered or entitled to be registered as members of the Tallcree First Nation.

**"TALLCREE"** is short term used to identify the Band known as Tallcree First Nation.

## 2. BANK ACCOUNTS

The Tallcree First Nation Chief and Council, by resolution, may authorize the use of any Branch of a Chartered Bank, Credit Union, or Trust Company for Tallcree First Nation banking.

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2.1 Opening a Bank Account

When a Tallcree First Nation Resolution has been approved to open a Bank account in a specified bank, the Director of Finance will contact the designated Branch to obtain the appropriate forms and signature cards. The required documents should be completed promptly and returned to the Bank. The Bank will supply a deposit book and chequebook, which are kept in the custody of the Finance and Admin Officer.

2.2 Closing a Bank Account

When a Bank account is to be closed for any reason, the Bank Manager will be advised in advance in writing of the Tallcree First Nation’s intention to close the account. All funds may be withdrawn from the account except for an amount sufficient to cover any outstanding cheques. The amount withdrawn shall then be immediately deposited to the new account.

The Bank statements should be monitored to ensure that all outstanding cheques have cleared the account. Any funds remaining in the account can then also be transferred to the new account and the old account permanently closed.

2.3 Signature Cards

When new signature cards are required because of personnel changes, new cards should be obtained and completed as soon as possible and delivered to the bank. Photocopies of the signature cards are to be retained on file in the Tallcree First Nation Office by the Director of Finance.

2.4 Bank Reconciliation Statement

When the monthly bank statements and redeemed cheques are received, the cheques are checked against the statement to ensure that no unauthorized items have been included. The sequential number and amount of the redeemed cheques are checked against the cheque register. Each cheque on hand is checked on the cheque register and those not yet redeemed are identified as "outstanding" on the register. When all have been accounted for, those outstanding are listed on the bank reconciliation statement, which is prepared, in duplicate, using the following format:

BANK RECONCILIATION STATEMENT

\_\_\_\_\_ Account  
for the month of \_\_\_\_\_ 19\_\_

Balance per G/L	\$ _____	Balance per bank statement	\$ _____
Less:		Less outstanding cheques:	
Bank Charges	\$ _____	No.	<u>Amount</u>
Plus:			\$ _____
Interest Deposit	\$ _____		\$ _____
Adjusted G/L Balance	\$ _____	Adjusted Bank Balance	\$ _____

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The bank reconciliation is completed monthly by the Director of Finance and approved by the Band Manager.

### **3. CONTROL OF BUDGETS**

#### **3.1 Preparing Budgets**

The Tallcree First Nation Administration shall prepare an annual budget for the consideration and ultimate approval of the Chief and Council. The budget shall show the anticipated revenue and expenditures for the Tallcree First Nation fiscal year and be summarized by main activity and also contain sufficient detail so as to enable the Council to identify how Tallcree First Nation funds will be spent. After review and careful deliberation and any adjustments as deemed necessary by the Council, the Council shall approve the Budget by formal resolution in a duly convened Chief and Council Meeting and it will be so noted in the official Minutes of the Meeting. The Council acting in Quorum may later make amendments to the Annual Budget by resolution in any duly convened Council meeting.

#### **3.2 Main Activities**

The budget shall be broken down into main activities that are descriptive of the main program functions carried out by the Tallcree First Nation. The main activities will list expenditures by type and provide sufficient detail to clarify how Tallcree First Nation funds are to be spent.

#### **3.3 Budget Control**

The Director of Finance shall prepare a monthly report of receipts and disbursements and forward it to the Band Manager by the 10th of the following month. The report should include a commentary on variances between planned and actual amounts for each main activity.

Copies of the monthly financial reports will be provided to the Band Manager who is accountable to the Council for the management of the Tallcree First Nation's financial resources. Financial commitments are not to be entered into unless there are free balances remaining within the budget that are sufficient to provide for the subsequent expenditure. Activities not included in the approved Budget must be approved by resolution of the Council prior to any financial commitments being made or expenditures being incurred.

#### **3.4 Budget Transfers**

The Band Manager in consultation with the appropriate Program Director is empowered to transfer funds and charge expenditures within and to a main activity. Transfers between main activities shall require the approval of the Chief and Council.

**3.5 Deficits**

Where it becomes apparent that a main activity will incur a deficit, it is the responsibility of the Band Manager to propose a transfer of funds from other activities to offset the deficit. In order to balance the budget and avoid an overall deficit in operations, it may be necessary to curtail some of the Tallcree First Nation's normal activities. The Band Manager must immediately advise the Chief and Council of any actual or projected deficit situations. The health and safety of reserve residents must take priority over more discretionary type activities when determining how funds are to be spent. There must also be compliance with the terms and conditions of financial transfer agreements.

**4. CONTRACTS FOR GOODS AND SERVICES**

The Tallcree First Nation policy on purchasing procedures and authorization necessary for spending specific amounts of money is as follows:

**4.1 Tenders/Contracts \*\*\*\* Council ensure it is consistent with DIAND policy**

Contracts in excess of \$500,000 must be completed by public tender and be publicly advertised. For contracts in excess of \$100,000 but less than \$500,000, tenders will be invited from a minimum of three qualified contractors and/or suppliers for the provision of goods or services or a combination of goods and services. Contracts less than \$100,000 may be negotiated and awarded on a sole source basis according to the needs of the Tallcree First Nation ensuring that fair value is realized for the amount of funding expended.

Housing Construction projects are excluded from the necessity for tendering procedures where the Tallcree First Nation will manage the project internally and the project will utilize area suppliers and local labour.

The following procedures are to be followed in the tendering process:

1. Before contracts exceeding one hundred thousand dollars in total cost are permitted, the Tallcree First Nation shall invite tenders in order to obtain the most competitive contract price from a qualified bidder.
2. The closing date and time of the tender shall be clearly communicated in the tender instructions along with sufficient details to enable each bidder to include a price based on the same specifications and/or work required and any proposal evaluation criteria to be used in evaluating the tenders. General contract terms and conditions and payment terms must also be provided.



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3. Tenders must be submitted in sealed envelopes clearly marked on the outside of the envelope identifying the job that is being bid for by the Contractor. Tenders may also be mailed or otherwise delivered to the reception desk of the Tallcree First Nation Office. Tenders should include a statement of work plan and specifications, a statement of contractor qualifications, an insurance schedule, and proof of Workers Compensation Board coverage or some alternative worker's insurance.
4. Invitations to tender will also include the date, hour and place that the tenders will be opened.
5. The Tallcree First Nation may require a security deposit from those submitting tenders, which shall be deposited in an appropriate Tallcree First Nation trust Account.
6. Immediately upon taking delivery of a tender at the Tallcree First Nation Office or by mail to the Tallcree First Nation headquarters address, the Tallcree First Nation employee receiving the tender will record on the outside of the tender, the date and time of receipt. The unopened envelope should then be forwarded to the Director of Finance who shall then deposit the tender in a safe and secure place, together with any other tenders received to date, until the appointed time to open the tenders arrives.
7. At the duly appointed hour, a Tallcree First Nation employee shall open all tenders received in the presence of at least one other responsible person. Those who have submitted tenders, or their designate, may also be invited to attend this meeting.
8. When all tenders are opened, it shall be the duty of the Tallcree employee to read aloud all tenders, giving the name of the tender and the amount of the bid.
9. At a meeting convened for this purpose, at least two Tallcree employees including the Director of Finance shall review all of the tenders received. After a careful analysis of all of the tenders that have been received in accordance with the required procedural and format requirements and after carefully comparing the tenders to the tender evaluation criteria determined beforehand, the Band Manager and Program Director will recommend to Council that a contractor be awarded the contract. The lowest tender received shall normally be accepted unless it is decided that to do so would not be in the best interests of the Tallcree First Nation or its members. Another contractor may be awarded the contract if the following applies:
  - Another contractor who has submitted a tender will provide a significantly better quality product or service justifying the higher price
  - The tendered contract terms provide economic spin-offs or other attractive economic and/or social benefits for the Tallcree First Nation or its members (such as employment opportunities for persons otherwise unemployed) which fairly compensate for the increased contract cost.

Tallcree contractors may also be given preference in the awarding of contracts where they possess the necessary qualifications and means to perform the contract at a price reasonably comparable to the lowest and most practical bid received. The Chief and Council shall make the final decision regarding the awarding of contracts.

10. The Director Finance shall record awarding of contracts in a book designed precisely for this purpose. The record should detail the persons taking part in the meeting, the details of the tenders received, and the reasons for awarding the contract to the successful bidder.
11. Upon approval of a successful tender by the Chief and Council, the Council may sign a contract on behalf of the Tallcree First Nation. A copy of the contract with original signatures will be filed in the Tallcree First Nation Office and a signed copy shall also be provided to the successful contractor. A qualified legal advisor should review all contracts prior to signing to ensure that contracts are enforceable by the courts and protect the interests and potential liability of the Tallcree First Nation and its members.

## **5. DELEGATION OF SIGNING AUTHORITIES**

This section outlines the financial signing authorities normally delegated by the Tallcree First Nation to various staff members.

### **5.1 Contracting for Goods and Services—\$100,000 or Less**

The Band Manager is authorized to enter into contracts for goods and services up to \$10,000 on behalf of the Tallcree First Nation where such activities are consistent with the main activities and mission of the Tallcree First Nation, where funds are available within the Tallcree First Nation Approved Budget, and where there is fair value being received for the amount of funds being expended. The Chief and Council must authorize any financial commitment in excess of \$10,000.

### **5.2 Contracting For Goods & Services Over \$100,000**

The Band Manager will be authorized to call for tenders where the estimated cost of a contract for goods or services exceeds \$100,000. Tenders shall be processed according to procedures outlined in policy section 4 of this manual. When the successful bidder has been determined, a quorum of Council must authorize the contract. It is the responsibility of the Band Manager to ensure that all contracts are in good form, meet legal requirements, and protect the interests of the Tallcree First Nation.

### **5.3 Approving Medical Transportation Trips**

The Medical Transportation Coordinator or the Tallcree Nurse may approve medical transportation trips involving Tallcree resident members in accordance with the transportation standards of the North Peace Tribal Council and Health Canada policy guidelines. The North Peace Tribal Council pays these accounts.

### **5.4 Signing Cheques**

Two (2) signatures are required to validate a cheque. Chief and Council will authorize signers for all Tallcree First Nation band accounts.

### 5.5 Cheque Signing Procedures

Cheques will normally be signed twice weekly at the Band Office with both cheque signers in attendance. Supporting documentation should be attached to the cheques to verify to the cheque signers that the expenses are appropriate expenditures to be charged to the Tallcree First Nation. Cheque signers will not be asked to sign blank cheques by the administration.

The Director of Finance shall prepare a Payments Report on each and every occasion that cheques are signed. These reports by program shall be made available to all Program Directors at least monthly. These reports will show how many cheques were signed and a list of the cheque payees with the corresponding cheque amount.

#### **Important:**

**No one who prepares cheques or has custody or access to blank cheques shall ever be given authority to sign cheques. Those authorized to sign cheques must never be given access to Tallcree First Nation blank cheques which are to be stored in a safe or locked cabinet in the office of the Director of Finance.**

### 5.6 Authorizing Travel on Tallcree First Nation Business

The Band Manager or Program Director shall normally authorize Tallcree First Nation employees to travel on business for the Tallcree First Nation. Any travel outside of the Province of Alberta must be pre-approved by the Band Manager.

### 5.7 Authorizing Advances

The Band Manager or Program Director shall normally authorize travel advances. Advances should not exceed the anticipated requirement to cover the costs of the travel in accordance with the Tallcree First Nation's Travel Policy and approved rates. For further information refer to the Tallcree Travel Policy.

The Band Manager may authorize salary advances to Tallcree staff members where emergency circumstances warrant this action. Refer to the Tallcree Personnel Policy and Procedures for more details concerning salary advances.

### 5.8 Issuing Receipts For Monies Received

Either the Band Manager or the Director of Finance shall issue receipts for Tallcree First Nation moneys received.

### 5.9 Negotiating Short-Term Bank Loans (For Overdrafts)

The Band Manager may, after receiving Council approval, negotiate short-term bank loans to cover temporary overdrafts.

### 5.10 Depositing Funds into TALLCREE Bank Accounts

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The Band Manager and the Director of Finance are authorized to certify deposit slips covering deposits to Tallcree bank accounts.

### **6. FINANCIAL REPORTS**

#### **6.1 Accounts Payable**

Undisputed accounts are normally to be paid within 30 days from the date of being invoiced. The Director of Finance should maintain a listing of Accounts Payable within the records of the Tallcree First Nation.

#### **6.2 Annual Audit**

The Tallcree First Nation Chief and Council will appoint an Auditor to complete and certify annual financial statements. The terms of reference are as follows:

1. The Auditor shall be a member of a recognized professional accounting institution and shall be appointed by the Council on a continuing basis.
2. The Auditor shall report to the Chief and Council and will continue to serve as the Band Auditor at the pleasure of the Council.
3. The scope of the audit shall include all transactions conducted by the Tallcree First Nation and involving Tallcree First Nation funds.
4. The Auditor shall have the right of access to all books, records, accounts, and vouchers. He/she is entitled to ask for information regarding these things of any Committees, Band Official, Funding Agencies, or the Tallcree staff. He/she is entitled to information he/she feels is necessary for completing the audit.
5. The examination shall be in accordance with accepted auditing practices and shall include a general review of the adequacy of the accounting procedures and systems of control employed to preserve and protect the assets of the Tallcree First Nation.
6. To assist in the performance of his/her duties, the Auditor shall be supplied with all relevant information such as:
  - Tallcree First Nation Resolutions and By-Laws;
  - Funding Arrangements, contracts, and service agreements;
  - Tallcree First Nation Policies and Procedures;
  - Cancelled cheques, cheque registers;
  - General Ledger and accounting information;
  - Pay records;
  - Invoices;
  - Minutes of meetings;
  - any and all other documentation or information related to Band Operations or Band enterprises deemed necessary by the Auditor.

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7. The Auditor shall provide an audited financial statement consisting of a balance sheet and statement of income and expenditures for each Tallcree activity.
8. The audit report shall be reviewed and accepted by the Chief and Council in quorum at the first available opportunity. The Chief and Council and Band Manager will then sign the audited financial statements.
9. The Auditor shall deliver six (6) copies of the Audit Report to the Tallcree First Nation within 75 days following the last day of the fiscal year covered in the report.
10. Copies of the report will be forwarded to appropriate funding agencies where required by the terms of applicable funding arrangements.
11. Where any person refuses or fails to comply with any provision of these regulations or hinders or refuses to permit or assist an Auditor in the exercise of his/her duties, such refusal or failure shall be immediately reported (including the details of the circumstances of such refusal or failure) to the Band Manager or the Chief and Council as deemed appropriate. Action shall then be undertaken to remedy such refusal or failure as soon as possible to allow the Audit to be completed in accordance with deadlines.
12. The Band Manager shall keep on file the written report of the Auditor, together with related financial statements.
13. Immediately upon acceptance of the Auditor's Report, copies of the report shall be made available to Tallcree First Nation members upon request. An annual general Band Meeting may be convened to discuss the Audit details with the Auditor present if there is sufficient interest shown by the membership for such a meeting.

### **7. ISSUING CHEQUES**

This section outlines the policy and procedures to be followed in controlling and processing cheques that are charged to Tallcree First Nation funds.

It is the policy of the Tallcree First Nation to have all cheques drawn against Tallcree bank accounts signed by two (2) persons who have been designated as cheque signing officers by the Chief and Council (refer to policy 5.4 of this manual). Signing Officers shall not sign (or be asked to sign by Tallcree First Nation Employees) blank cheques.

Vouchers authorizing the issue of cheques are to be approved for payment by an approved signing authority / Program Director.

#### **7.1 Safekeeping of Cheques**

All blank cheque supplies are to be under the custody of the Director of Finance in a safe or a locked metal filing cabinet. Keys for the cabinet should only be issued to the Director of Finance and one other Tallcree employee who shall not be an approved signing officer for Band cheques. No other persons should have access to blank cheques.

**Without exception, at no time shall persons who have been designated as signing authorities have in their possession or have access to blank cheques.**

## **7.2 Cheque Requisitions**

For each cheque to be issued, a cheque requisition is to be prepared by the Director of Finance showing the name of the payee, the amount required, and the reason for payment. Requisitions are then presented to either the Program Director/ Band Manager for approval by signature. A copy of documentation supporting the payment should be attached to the requisition (e.g. invoice, contract, etc.) whenever available.

Information from the cheque requisition shall be inputted into the Tallcree First Nation accounting system as a transaction.

## **8. PROCESSING ACCOUNTS PAYABLE**

This section deals with policy and procedures for handling invoices. It is the policy of the Tallcree First Nation to pay suppliers invoiced within thirty (30) days from the date of the invoice unless the account is in dispute.

### **8.1 Date Stamping**

After opening the mail, the receptionist or such other Tallcree First Nation employee who has been authorized by the Director Finance to open mail, is to separate the invoices from the rest of the mail, date-stamp all copies of each invoice and enter in mail log. Invoices should then be forwarded without delay to the Director of Finance.

### **8.2 Approval of Payment**

Upon receipt of invoices, the Director of Finance will contact an appropriate employee or official of the Tallcree First Nation to make sure that all of the goods or services billed on an invoice have been in fact received according to specifications. The person who has personally verified the receipt of the goods or services should note certification of the receipt of the goods or services on the original invoice. The invoice should then be stamped "Approved for Payment".

### **8.3 Auditing of Accounts Payable**

The Director of Finance or a designated clerk verifies the extensions and additions on the invoice. After the cheque has been issued, the invoice is to be stamped "Paid" and the cheque number and date shown.

### **8.4 Filing of Paid Invoices**

Paid invoices are to be filed in alphabetical order by supplier's name. Within each file, invoices are to be filed sequentially in order according to the date of payment. After the close of each fiscal year, the file folder will be removed from the current file drawer and

placed in an archived file section. Archived files are to be retained for seven (7) years. In the eighth (8th) year, files older than seven (7) years are normally to be destroyed.

## **9. PROCESSING EMPLOYEE'S PAY**

This section provides procedures for processing pay for Tallcree First Nation employees. It is the policy of the Tallcree to pay their employee's bi-weekly. Paydays shall normally be every second Friday.

### **9.1 Rate of pay**

A salary grid containing the details of approved salary ranges for every Tallcree First Nation position that is authorized by the Chief and Council shall be maintained by the Director of Finance. The level of compensation for each position should take into account several factors including the funding available, the qualifications and experience required, the degree of responsibility and the consequence of error, and the rate of pay for comparable positions within the same geographical and commercial area. Letters offering employment will specify the rate of pay applicable for the persons appointed to Tallcree First Nation positions. All letters extending offers of employment must be signed by the Band Manager and accepted by way of signature of the prospective employee. This letter of offer and acceptance then becomes the authorizing document used by the Director of Finance to commence paying a new employee. Annual incremental increases within the applicable pay scale must be authorized in writing by the Band Manager and are subject to the employee having obtained at minimum a "Fully Satisfactory" Performance Appraisal for the previous year of employment. Employee position salary rates may be adjusted from time to time when the nature and scope of duties and responsibilities of a position are substantially changed. Across the board increases for all Tallcree First Nation positions may also be approved from time to time according to local labour market circumstances and other factors such as cost of living index increases or funding arrangement budget adjustments. Such blanket increases shall require the approval of the Chief and Council and shall be included as part of the annual budget process. Employees should understand that although the Tallcree First Nation is committed to providing a fair and competitive wage for work performed, the availability of funds to support such increases is by necessity a major determining factor.

### **9.2 Pay Deductions**

Based on the gross earnings of an employee and the length of the pay period, the Finance and Admin Officer calculates pay deductions and identifies the specifics of these amounts on individual employee's pay cheque stub.

On the 10<sup>th</sup> and 24<sup>th</sup> of each month, deductions are to be remitted to the appropriate agencies.

### **9.3 Employees' Pay Records**

The pay record should contain the following information:

- pay period ending date

- gross salary
- UIC deductions
- other deductions
- total deductions
- net amount
- cheque number

#### 9.4 Payroll Journal/Pay Stub

The accounting records used in the pay system should include the following:

- Pay cheque including a stub showing the pay period, gross pay, payroll deductions, total deductions and net pay.
- Payroll Journal containing the same information as the pay stub.

## 10. REVENUES

### 10.1 Receipts for Monies Received

When a remittance payable to the Tallcree First Nation is received in cash from any source, the Band Manager or Director of Finance issues a pre-numbered receipt in duplicate. The receipt should contain the following information:

- current date
- name of remitter
- amount (written and in figures)
- purpose of remittance
- account number to be credited
- signature of either the Band Manager or Finance and Admin Officer
- Tallcree First Nation stamp

The original receipt is given to the remitter and the duplicate remains in the receipt book. If an error is made in the preparation of a receipt, both copies are marked "canceled" and are to remain in the book.

### 10.2 Safekeeping of Funds on Hand

When a cheque is received for deposit, the Director of Finance immediately endorses the cheque on the reverse with the endorsement stamp "For Deposit Only" to the credit of Tallcree First Nation.

Pending deposit in the bank, all cheques and cash on hand are to be placed in a locked filing cabinet. Deposits should be made promptly particularly where cheques are for large amounts or significant amounts of cash are involved.

### 10.3 Making Deposits

Deposit slips should contain the following information:



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- current date
- account number
- name of account
- list of cheques showing remitter and amount
- list of currency and coin
- total of currency
- total of cheques
- total deposit

The person making the deposit in the bank should ensure that it is made on the date shown and that the duplicate deposit slip is properly date-stamped by the bank.

### **11. SPECIFIC BOOKKEEPING REQUIREMENTS**

This section outlines the special procedures and audit requirements applicable to various transactions.

#### **11.1 Travel Advances**

When travel has been authorized, the Band Manager may approve an advance in an amount sufficient to meet the anticipated expenses. A travel authority advance application is submitted by the traveler to the Director of Finance who will review it and ensure that it complies with the Tallcree Travel Policy and rates and then forward it to the Band Manager for approval.

After approval by the Band Manager, a cheque is requisitioned and prepared for the traveler. The Finance and Admin Officer should maintain a record of all outstanding advances and ensure that all such advances are eventually accounted for and cleared.

#### **11.2 Travel Claims**

As soon as possible after returning from a business trip, the employee is to prepare a travel claim in accordance with the applicable scale of allowances as contained in the Tallcree First Nation Travel Policy. Subsequent advances may be withheld if the employee has not cleared previous advances promptly.

Travel claims are submitted to the Director of Finance for audit and then to the Band Manager for approval. Care should be taken to ensure that travelers have indeed made the journey for which they were advanced funds. If the amount of the claim meets the requirements of Tallcree policy and approved rates and has been approved by the Band Manager, and it exceeds the amount of the advance, a cheque will be issued to the employee for the difference. If the amount of the claim is less than the advance, the employee is to make an immediate refund of the difference to the Tallcree First Nation or the Director of Finance shall recover the amount refundable from any payment owed to the employee or official by the Tallcree First Nation within 30 days.

**11.3 Recoverable Travel Claims**

When a travel advance is required that will subsequently be reimbursed by another department or agency, the cheque requisition, should bear the notation—"Recoverable" and the name of the agency to be billed should be specified. Prompt action to recover these amounts should be taken by the Director of Finance.

**11.4 Salary Advances**

In normal circumstances, employees are expected to manage their own personal affairs without the benefit of pay advances. Pay advances may be granted at the discretion of the Band Manager where the employee submits a written request outlining the urgency for the advance. Employees are to explore all other possible avenues of relief before requesting an emergency salary advance.

**11.5 Loans**

Generally speaking, the policy of the Tallcree First Nation is not to make loans to any person(s), business, organization or other entity. Persons seeking loans should be referred to the appropriate lending institutions, which make a practice of making loans. On rare occurrences where in the opinion of the Band Manager, a loan request has sufficient merit or urgency and where exceptional circumstances are such so as to warrant further consideration, the Band Manager may bring a loan request before the Council at a duly convened Council Meeting for their review and possible approval.

Loans approved by the Council are to be approved by resolution in a duly convened meeting. Once approved, loans are to be supported and documented by obtaining the signature of the loan applicant on a promissory note, a conditional sales contract, or some other legal instrument that may be appropriate to the circumstances.

Loans may be made to employees in exceptional circumstances where the Council feels that the need is sufficient to justify the provision of a loan. Employee loans shall not exceed an amount of fifteen hundred dollars in total to any one employee and shall be collected by consecutive pay period payroll deductions in amounts at least equivalent to not less than twenty percent (20%) of the starting principle sum of the loan and continuing until repayment is recovered in full.

Program Funding for community services or projects is not to be used to make loans to individuals unless specifically provided for within the program criteria and terms and conditions of funding arrangements and/or contracts.

It is the policy of the Tallcree First Nation to be proactive and vigorous in recovering amounts owing to the First Nation including the recovery of loans. Persons who have a history of not repaying loans will not be considered for further loans until all outstanding amounts have been repaid in full.

**11.6 Inventories**

The Director of Finance shall maintain an inventory of the Tallcree First Nation's real assets and equipment. Assets purchased by the Tallcree First Nation are to be immediately added to the Inventory and an inventory number affixed to the article.

## TALLCREE FIRST NATION – GOVERNANCE CODES

At least once a year, a verification of the existence of all inventoried items should be completed by the Finance and appropriate Program Manager and any missing, damaged, or obsolete articles noted. The Band Manager should ensure that the annual inventory is completed and when satisfied with the accuracy of the inventory, he shall approve it by way of affixing his/her signature.

Articles remain on inventory until they are either sold or written off. The Band Manager may authorize the disposition of articles valued at less than one thousand dollars. The Council must authorize the disposition of articles currently valued at more than one thousand dollars.

### **11.7 Accounts Payable**

When the Director of Finance receives invoices approved for payment, they will be audited and posted as expenditures to the budget control record.

### **11.8 Accounts Receivable**

Invoices will be used to bill for services or goods provided to outside agencies. When monies are due to the Tallcree First Nation for any reason, the Director of Finance will prepare an invoice in duplicate, showing the name and address of the debtor, the invoice date, a description of the goods or services provided and the amount due. The original will be sent to the debtor and the duplicate retained by the Director of Finance. The Director of Finance will keep an up to date record of all Accounts Receivable.

When a review of the accounts receivable reveals any account that has been outstanding for more than ninety (90) days, a letter will be sent to the debtor soliciting immediate payment. It is Tallcree First Nation policy that prompt and vigorous action be taken to collect accounts receivable.

### **11.9 Month-End Accounting Reports**

At the end of each month, all current transactions are batched and posted to the General Ledger by the Director of Finance. After posting is completed, the following reports are to be generated and printed:

- 1.) Batch Listing
- 2.) Posting Journal
- 3.) Trial Balance
- 4.) General Ledger Listing
- 5.) Cheque Register

## **12. CONTRIBUTION & FUNDING ARRANGEMENTS**

The Band Manager is responsible for presenting budget submissions to the Chief and Council for approval and overseeing the negotiation of terms and conditions of funding arrangements with funding agencies. The Chief and Council must approve all Budget Proposals and Arrangements for securing funding from the various revenue sources.

**13. PROGRAM CRITERIA**

The Council shall establish criteria to fairly determine the eligibility of First Nation Members for program benefits in accordance with uniformly applied rates including as a minimum:

- formally defined and publicly available benefit schedules specifying applicable rates, program conditions, and criteria for eligibility
- provision for the equal treatment of all resident First Nation members
- an impartial process for the appeal of administrative decisions
- procedures to ensure the confidentiality of client information

**14. DISCLOSURE OF FINANCIAL INTEREST**

Any person who holds an office, including that of Chief or Councilor, or is employed with the Tallcree First Nation shall not use that office or employment for personal financial gain for himself or herself or for the financial gain of members of his or her immediate family to the detriment of the interests of the Tallcree First Nation.

- 14.1 For the purposes of this section, “Immediate family” means a spouse, including a common law spouse, mother, father, brother, sister, child, step-child, mother-in-law, father-in-law, grandparent, grandchild, sister-in-law, brother-in-law, uncle or aunt.
- 14.2 Where a person might otherwise be in breach of Section 14, the person shall disclose his or her financial interest prior to the making of the decision and shall not participate in the discussion surrounding the decision or in the making of the decision, unless a majority of the other persons involved in making the decision decide by vote to allow the person with the declared financial interest to participate in the decision making.
- 14.3 Where a person who has made a declaration of financial interest and where the decision-making body has decided by vote to allow the person to participate in making the decision despite the declaration of financial interest, the decision making body shall ensure that the reason or reasons are clearly recorded in writing in the minutes of the meeting.
- 14.4 Without limiting the generality of Section 14, a Chief or Councilor or an employee shall be deemed to have a financial interest in a matter before the Council where he or she or a member of his or her immediate family has an interest in an enterprise or in a partnership, company or corporation having or proposed to have a contract or business dealings with the Tallcree First Nation.
- 14.5 Subject to this Section, the Chief or Councilor or an employee may become a member of any company in which the Tallcree First Nation may be interested as vendor, purchaser, shareholder, or otherwise and no such person shall be accountable for any benefits received as a shareholder or director of such company.
- 14.6 If an employee has breached the provisions of this Section, the employee will be dealt with according to the provisions of the Tallcree First Nation Personnel Policy and Procedures Manual including the remedy of suspension and/or discharge from employment. In an instance where an employee is alleged to have violated the requirements of this Section, the employee will be provided with a hearing both to hear the allegation and also to provide an opportunity for the employee to answer such

## TALLCREE FIRST NATION – GOVERNANCE CODES

allegation before a final decision on the remedy is made. Such decision is to be taken without prejudicial influence or bias.

### **15. AUTHORIZING SIGNATURES**

The authority for Tallcree First Nation employees to sign and certify documents and approve expenditures on behalf of the Tallcree First Nation shall be maintained as a signing authority matrix by the Finance and Admin Officer and be attached as Appendix 'A' of these procedures. The signing matrix must be formally approved by way of signatures of a quorum of Council.

## CODE MODULE: TRAVEL POLICY

### TALCREE FIRST NATION TRAVEL POLICY

#### INTRODUCTION

Tallcree First Nation will compensate authorized persons who incur expenses while traveling outside of their home headquarters area in order to conduct Tallcree First Nation related business.

#### CATEGORIZATION

Travel is broken down into two categories –

- *Employee Travel* and
- *Council Travel* - including the elected Chief and Councillors and other duly preapproved First Nation representatives such as Committee Members and Elders.

#### EMPLOYEE TRAVEL

##### 1. AUTHORIZATION TO TRAVEL

Travel for Employees must be approved by the Supervisor prior to expenses being incurred. Any travel outside the geographic boundaries of the Province of Alberta must be pre-approved by a Quorum of Council or the Chief.

##### 2. TRAVEL ADVANCE

Once travel has been authorized, a travel advance cheque may be issued in accordance with the Tallcree First Nation Financial Policy Manual.

##### 3. RESERVATIONS

Once the employee's travel has been authorized, hotel reservations can be made by the traveler or a Tallcree administrative employee. The necessity for economy and restraint shall be considered when selecting a hotel shall be considered. The employee will normally be responsible for personally settling the account with the hotel and will subsequently present the receipt together with their travel claim to the Tribal Council for reimbursement.

##### 4. TALLCREE FIRST NATION VEHICLES

Tallcree First Nation may at its discretion provide the use of a First Nation owned vehicle for the use of employees for travel on First Nation business. Costs that employees incur

for the operation and maintenance of vehicles will be reimbursed upon presentation of valid receipts attached to the Employee's Travel Claim.

Employees should be aware that misuse or abuse of Tallcree First Nation vehicles will not be tolerated. Employees who do not properly operate and maintain Tallcree First Nation vehicles will lose the privilege of using these vehicles and may be subject to employee disciplinary action. The Band Manager will ensure that proper Insurance Coverage is maintained on all Tallcree First Nation vehicles. Any damage to a Tallcree vehicle is to be reported immediately to the Band Administrator by the operator of the vehicle. The Finance & Admin Officer should also carry out regular inspections of Tallcree vehicles to ensure they are being properly maintained and are being kept in good running order.

The Finance and Admin Officer shall create a file for every Tallcree vehicle and keep copies of all documentation relevant to the vehicle. The Finance and Admin Officer shall also keep duplicate copies of all vehicle keys in a secured and locked cabinet.

Employees entrusted with the care of a Tallcree vehicle should ensure that the vehicle is parked in a safe and secure area when not in use. They must also ensure that all manufacturers recommended maintenance is carried out on schedule and that necessary repairs are obtained promptly. Vehicles should be washed and cleaned regularly.

## 5. PERSONAL VEHICLES

Where employees have obtained prior approval from the Band Manager, mileage will be paid by the Tallcree First Nation to Employees for the use of personal vehicles while traveling on Tallcree First Nation Business. In such instances, the Employee is responsible to pay all of the costs associated with operating, maintaining, insuring, and repairing their vehicle. The rate of compensation will be consistent with the approved kilometer rate as specified from time to time by the Chief and Council. This rate will usually be roughly equivalent to the Government of Canada rate for its employees as approved for the Province of Alberta.

Tallcree First Nation reserves the right to insist that an employee use a Tallcree vehicle where one is available or to travel with fellow Employees on occasions where travel is required to the same destination on the same day. If an employee prefers to use their own vehicle on these occasions, they will be reimbursed at the lesser employee requested rate.

## 6. PUBLIC TRANSPORTATION

The use of public transportation may be used by an employee where the employee has received approval to do so from the Supervisor prior to the trip. Arrangements should be made well ahead of schedule in order to take advantage of seat sales and excursion value

fares. Economy class bookings are normally to be used unless there is a documented medical reason for using business class.

Public transportation fares are normally to be paid by the employee and the receipts presented together with the applicable travel claim for reimbursement by the Tallcree First Nation.

## 7. ACCOMMODATION

The cost of overnight lodging where it is incurred in conjunction with Tallcree First business will be reimbursed at the actual cost incurred for the accommodation (room rental charge only) as supported by a valid receipt and submitted with the Employee Travel Claim. Employees may also opt to stay in alternative private accommodation or commercial accommodation without producing a hotel receipt and in such instances will be paid a standard amount. This amount shall be in accordance with the approved Tallcree First Nation Rate for private accommodation.

## 8. MEALS

Employees will be compensated for meals provided they were required to be in traveling status during a corresponding meal period. The amount of the allowance will be in accordance with the approved Tallcree First Nation rates existing at the time the trip was taken.

## 9. INCIDENTALS

If employees are required to stay overnight away from their headquarters area, they may claim an amount to cover incidental expenses such as gratuities. The amount will be as specified in the approved the Tallcree First Nation Travel Rates.

## 10. TELEPHONE CHARGES

Employees regularly required to make business telephone calls while away from the Tallcree Office, may be issued a Telephone Calling Card number to use for business related calls. Employees are to take all reasonable precautions to ensure the integrity of their calling card number is not compromised in order to prevent unauthorized use.

Employees who are not normally required to make calls away from their office location are not normally issued Calling Card Numbers. These employees may be reimbursed for business related telephone charges by producing a valid receipt and attaching it to their travel claim.



## 11. TRAVEL CLAIMS

Claims must be presented on a form prescribed by the Tallcree First Nation Administration. Claims are to be audited by the Finance & Admin Officer and approved by the Band Manager prior to payment. Employees are expected to submit their Travel Claims as soon as possible following their return from travel status. The Finance & Admin Officer is to monitor the submission of Travel Claims and issue reminders to employees who have not submitted their claims within a reasonable time frame. Future Travel Advances may be withheld pending receipt of outstanding and overdue travel claims.

## 12. OTHER

Wherever possible, employees are encouraged to travel together in the same vehicle in order to minimize expenses. Where a private vehicle is used in such instances, only one employee may charge for the vehicle allowance.

Tallcree First Nation will not reimburse expenses incurred as a result of non-authorized persons accompanying Employees on trips such as family members.

Employees are not entitled to charge travel expenses when they are working within a 15 kilometer radius of their home headquarters area and are not entitled to claim a vehicle allowance or other charges for traveling to and from their residence to the Tallcree First Nation site where they are employed.

An Employee may be asked to take a Tallcree vehicle to their personal residence after hours to ensure the safety and security of the vehicle. Such vehicle is not to be used for purposes unrelated to the business of the Tallcree First Nation while in the employee's possession.

The Supervisor may submit a claim for reimbursement of expenses incurred showing hospitality to important business contacts. The request for reimbursement must be accompanied by valid receipts and a notation detailing the circumstances justifying the expense is to be described on the claim or on a note attached to the claim. The hospitality provision is to be used with discretion and restraint and is not to exceed \$100.00 per occurrence. Abuse of this provision will result in the withdrawal of the privilege by the Chief and Council.

## COUNCIL TRAVEL

### 1. AUTHORIZATION

Wherever possible, Council Travel should be approved by a quorum of the Council. Where this is not possible, the Chief may approve Council travel and later provide a summary of such travel to the Council at a duly convened Council meeting.

### 2. PER DIEMS

Where the Council is required to travel on Tallcree First Nation business, they will be reimbursed for meals, incidentals, and accommodation by payment of a per diem rate as determined and specified from time to time by the Chief and Council. This rate should be sufficient and reasonable to cover approximate expenses without the necessity for submitting receipts.

### 3. FLIGHT RESERVATIONS

Flight bookings should be made through the Tallcree Administration and every effort should be made to obtain the best possible competitive fare. Business Class Air Travel may be used for the Chief's travel.

### 4. PERSONAL VEHICLE MILEAGE

Council will be reimbursed for personal vehicle expenses at the approved Tallcree kilometer rate as established from time to time by Council pursuant to this policy. This rate shall be roughly equivalent to the kilometer rate that the Government of Canada uses to reimburse its employees for the use of personal vehicle within the Province of Alberta.

### 5. OTHER TRANSPORTATION

Other modes of transportation will be treated the same as the Tallcree Employee Travel.

**This section must be completed, reviewed and approved on an annual basis as part of Chief and Council Review of Finance.**

**EFFECTIVE xxxxxx, 2004**

**Appendix 'A'**

**Employee TRAVEL RATES**

Mileage:	\$xxx per kilometer – employer Requested \$xxx per kilometer – employee Requested
Meals:	\$xxxx Breakfast \$xxxx Lunch \$xxxx Supper
Accommodation:	Actual receipt must be submitted to a maximum of \$xxxx per night
Private Accommodation:	\$xxxx per night
Incidentals:	\$xxxx per day (commercial accommodation) \$xxxx per day (private accommodation)

**Council comprehensive PER DIEM RATE:**

(includes meals, accommodation and incidentals) \$ xxxx

Private vehicle mileage is the same rate as the employee rate (see above).



- f. "Chief and Council" means the Chief and Councillors of the Kapawe'no First Nation selected according to the custom of the Kapawe'no First Nation;
- g. "Employee" means all categories of Kapawe'no First Nation staff, including full-time, part-time, casual, temporary and seasonal employees;
- h. "First Nation funds" means all moneys belonging to the Kapawe'no First Nation including:
  - i. all revenues of the Kapawe'no First Nation;
  - ii. money borrowed by the Kapawe'no First Nation;
  - iii. money received or collected on behalf of Kapawe'no First Nation;
  - iv. all moneys that are received or collected by the Kapawe'no First Nation pursuant to any agreement or funding arrangement to be disbursed for a purpose specified by Council or pursuant to that agreement or funding arrangement, but does not include:
    - money received as revenues payable into the Kapawe'no First Nation revenue or capital trust accounts held by the Government of Canada, or
    - money received by the Kapawe'no First Nation on behalf of an individual;
- i. "Purchase" includes any purchase of goods or services for a capital or operating purpose;
- j. "Resolution" means a decision made by the Chief and at least one Councillor present at a duly convened meeting of a quorum of the Chief and Council;
- k. "Service area" means an administrative division of the Kapawe'no First Nation Government as established from time to time by the Chief and Council and includes departments, administrative units and other internal organizational units of the Kapawe'no First Nation administration.

#### APPLICATION

- 3. This code governs the receipt, management and expenditure of Kapawe'no First Nation funds, and the administrative organization of the Kapawe'no First Nation for the management of Kapawe'no First Nation funds.
- 4. This code applies to all Kapawe'no First Nation service areas and agencies in receipt of Kapawe'no First Nation funds.



## **ROLE OF THE CHIEF AND COUNCIL**

5. Any decision made by the Chief and Council for the purposes of this code shall be by resolution.
6. The Chief and Council shall receive and approve the annual budget of the Kapawe'no First Nation.
7. Notwithstanding section 6, the Chief and Council may, for any purpose which the Chief and Council deem advisable, approve an amendment to the annual budget.
8. The Chief and Council may establish such positions, agencies, service areas, boards, authorities or committees as may be necessary for the good administration of Kapawe'no First Nation funds and shall ensure that such bodies have a specified mandate, a clearly defined role, a defined relationship to the Chief and Council and appropriate policies and procedures sufficient to ensure the efficient and effective administration of the affairs of the Kapawe'no First Nation.
9. The Chief and council shall establish such appeal or review bodies as are necessary to create appeal mechanisms in relation to the delivery of services, shall appoint the members of such bodies and shall ensure that such bodies operate according to the rules of natural justice.
10. The Chief and Council shall ensure that criteria are established to determine how program benefits will be allocated among members of the Nation and such criteria shall include as a minimum the following:
  - a. Formally defined and publicly available benefit schedules specifying applicable rates, conditions and criteria for eligibility;
  - b. Provision for equal treatment of all members of the Nation;
  - c. An impartial process for the appeal of administrative decisions; and
  - d. Procedures to ensure confidentiality of client information.

## **BAND MANAGER**

11. The Band Manager shall act as the senior administrative official of the Kapawe'no First Nation and shall assist the Chief and council to carry out their duties.
12. The Band Manager shall prepare any amendment to the annual budget for the Kapawe'no First Nation which shall be submitted to the Chief and Council for review and approval.



13. The Band Manager shall establish the financial administration system of the Kapawe'no First Nation with the approval of the Chief and Council and may prescribe the form and content of the financial records to be used.
14. The Band Manager, subject to the responsibilities prescribed by this code and the policies and procedures established pursuant to section 13 shall follow the administrative policies established by the Chief and Council for the Kapawe'no First Nation Administration.
15. The Band Manager shall be responsible for the following:
  - a. The conduct of the administration necessary to discharge the responsibilities of the Chief and Council,
  - b. Receiving Kapawe'no First Nation funds,
  - c. Monitoring the expenditure of Kapawe'no First Nation funds,
  - d. Ensuring the maintenance of the financial records of the Kapawe'no First Nation in accordance with generally accepted accounting principles as defined by the Canadian Institute of Chartered Accountants (CICA),
  - e. Preparing the overall annual budget in accordance with the priorities approved by the Chief and Council,
  - f. The preparation of long-term financial projections and cash flows,
  - g. The monitoring of adherence to any agreements and funding arrangements entered into by the Kapawe'no First Nation or any of its service areas or agencies,
  - h. The administration and supervision of the financial record keeping and reporting systems,
  - i. Overseeing the preparation of the annual audit of the Kapawe'no First Nation,
  - j. Making recommendations to Chief and Council on financial matters, and
  - k. Attending to other matters relating to the affairs of the Kapawe'no First Nation as directed by the Chief and Council.
16. The Band Manager shall be hired in accordance with the personnel code established by the Chief and Council for the employees of the Kapawe'no First Nation Administration.

#### **OFFICE MANAGER**

17. The Office Manager shall be responsible for performing such accounting functions as are necessary for the efficient and effective administration of the Kapawe'no First Nation's affairs and shall report to the Band Manager.



## **CHIEF AND COUNCIL APPOINTMENTS**

18. The Chief and Council may authorize managers of service areas and agencies to commit expenditures of Kapawe'no First Nation funds where the expenditures are within the annual budget of their respective service area as approved by the Chief and Council.
19. Upon approval by the Chief and Council of agreements or funding arrangements for the funding of Kapawe'no First Nation programs and services, the Chief and Council may appoint and authorize Kapawe'no First Nation agencies or representatives to sign the said agreements or funding arrangements.

## **ANNUAL BUDGET**

20. Each service area manager and agency manager shall prepare the annual budget for the operation of the service area or agency for the next fiscal year and shall submit it to the Band Manager by February 28 of each year.
21. The Band Manager shall prepare estimates of the revenues of the Kapawe'no First Nation for the purpose of preparing the annual budget.
22. The annual budget of revenues and expenditures for the Kapawe'no First Nation and its agencies shall be prepared by the Band Manager and submitted to the Chief and Council for consideration and approval by March 15 of each year.
23. The Chief and Council are solely responsible for the approval of the annual budget and any amendments for the Kapawe'no First Nation and its agencies for each fiscal year.
24. The Chief and Council may amend the annual budget at any time before or after its approval.

## **FINANCIAL MANAGEMENT: DEPOSITS**

25. The Band Manager pursuant to a resolution of the Chief and Council may establish bank accounts, into which all Kapawe'no First Nation funds shall be deposited upon receipt.
26. The Band Manager shall ensure the safekeeping of Kapawe'no First Nation funds received and shall forthwith deposit all Kapawe'no First Nation funds to the credit of a Kapawe'no First Nation bank account.





27. The Band Manager may reallocate funds from a bank account to other bank accounts for program and services delivery according to the approved annual budget, for short-term cash management of Kapawe'no First Nation funds, or for other purposes approved by the Chief and Council.
28. Funds in a bank account shall be administered by the Band Manager who shall have the authority to invest excess cash on hand in term deposits or guaranteed investment certificates at an accredited financial institution in the name of Kapawe'no First Nation, and with the authorization of Chief and Council.

### **FINANCIAL MANAGEMENT: EXPENDITURES**

29. All payments and financial commitments, including any disbursements or financial commitments made directly by the Chief and Council, shall be in accordance with the annual budget or in accordance with a resolution of the Chief and Council.
30. The Chief and Council may, by resolution, delegate cheque-signing authority to the Band Manager or service area managers for cheques to be drawn on a bank account.
31. The Chief and Council shall, by resolution, approve any loans or investments to be made on behalf of the Nation including investments in or loans to corporations owned by the Nation.
32. When the manager of a service area or agency decides that an expenditure in accordance with section 30 of this code and in accordance with the annual budget should be made, that person shall draft or direct to be drafted a cheque and present it to the Office Manager for recording, approval and signing purposes. The Office Manager shall present the cheque to Chief and Council for signature.
33. The Office Manager shall prepare a statement of the receipts and disbursements/expenditures for the previous month within 14 days of each month end. This statement shall be distributed to the Band Manager, the managers of the service areas and agencies and the Chief and Council.
34. The Chief and Council shall review the statement of receipts and disbursements/expenditures during a regular council meeting.
35. No payment shall be made for the supply of goods or rendering of services unless the charge in respect of such goods or services has been authorized:
  - a. Pursuant to a resolution of the Chief and Council;
  - b. By a person delegated to authorize such payment; or
  - c. Pursuant to a contract entered into between the Kapawe'no First Nation and the person providing such goods or services, which establishes the amount, or a method of calculating the amount, to be charged for such goods or services.



36. An invoice shall be rendered for payment for all goods or services that are provided to the Kapawe'no First Nation or to any other person for the benefit of the Kapawe'no First Nation for a fee or other charge.
37. The Band Manager, service area or agency manager responsible shall ensure that invoices are rendered pursuant to section 36.

### **PURCHASE OF GOODS AND SERVICES**

38. By resolution, the Chief and Council may appoint the service area or agency managers or other designated persons as authorized persons to approve the purchase of goods and services where the expenditures are within the approved budget for their respective service area or agency.
39. All orders for goods or services provided to the Kapawe'no First Nation must be approved either by the person authorized to approve the purchase of goods or services, or by a resolution of the Chief and Council.
40. Unless it has been approved in the annual budget, the Chief and Council must approve any purchase of goods or services over \$1,000.00.

### **TENDERS**

41. For contracts of less than \$50,000.00, the Chief and Council reserve the right to authorize the Band Manager or a delegate to negotiate and recommend a specific contract on a sole source basis. The Chief and Council shall approve all such contracts.
42. Capital purchases up to \$50,000.00 may be made without a tender process by a department if the purchase has already been approved as part of the annual budget.
43. Capital purchases exceeding \$50,000.00, but less than \$500,000.00, must be completed by invitations to tender to at least three qualified firms or by public tender.
44. Capital purchases in excess of \$500,000.00 must be completed by a public tender.
45. Housing projects are excluded from the requirements for invitations to tender or public tender contained in sections 43 and 44.
46. Where a contract for services rendered to the Nation is expected to exceed \$50,000.00, tenders or quotes should be invited from at least three (3) firms, or be publicly advertised in local and regional newspapers.



47. For non-construction (professional) contract services exceeding \$50,000.00, proposals for services should be invited from at least three (3) individuals or firms, or have a Request for Proposals publicly advertised in local and regional newspapers.
48. A Request for Proposals (RFP), once advertised, should have the following documentation available for interested contractors:
- A Letter of Invitation
  - A Statement of Work Required
  - Proposal Evaluation Criteria
  - Contract Agreement (includes general conditions and terms of payment)
49. For construction projects exceeding \$100,000.00 but less than \$500,000.00, invitations to tender should contain the following documents:
- Tender Instructions
  - Tender and Contract Form
  - General Conditions
  - Insurance Schedule
  - Contractor Statement of Qualifications
  - Proof of Workers Compensation Board (WCB) coverage, and
  - Statement of Work Plan and Specifications
50. Tenders and proposals received are to be date stamped, kept safe, and opened by a minimum of two persons designated by the Chief and Council after the deadline date for tender/proposal submission.
51. All tenders/proposals received shall be reviewed against an evaluation criteria list. The contract bidder or proposal proponent who best meets the evaluation criteria shall be recommended to receive the contract, subject to Chief and Council approval.
52. The lowest tender received shall normally be accepted unless the Chief and Council deem it to be in the best interest of the Nation to accept a higher tender in the event that the higher tender:
- a. Provides a better quality product or service; or
  - b. Provides economic or other benefits to the Nation or its members; and
  - c. Provided the Council approves the higher tender by a resolution of the Council, which shall contain the reasons for the decision to accept the higher tender.
53. Any contracts drawn and signed between the Nation and a contractor must clearly state all requirements of the contract in detail. The contract should contain a provision for the First Nation to hold back a minimum of ten percent (10%) of the contract amount subject to the contractor complying with all contract deliverables.



54. For construction projects exceeding \$100,000.00, the successful bidder must submit proper bid security within fourteen (14) days of being awarded the contract.
55. Should the Nation now have the resources or expertise to execute any part of the procedures stated in sections 41 to 56, the Nation reserves the right to hire outside experts, such as consultants or engineers, to execute these procedures on their behalf.
56. Subject to this code, tenders shall comply with the policies and procedures approved by the Chief and Council.

### **DISCLOSURE OF FINANCIAL INTEREST**

57. Any person, who holds office, including that of Chief or Councillor, or employment with the Kapawe'no First nation, its service areas or agencies, shall not use that office or employment for financial gain for himself or for the members of his or her family to the detriment of the interests of the Kapawe'no First Nation.
58. The provisions of sections 57 to 66 shall also apply, so far as is possible, to anyone, other than the Chief or a Councillor, who holds an office or employment with the Kapawe'no First nation in relation to decisions made in the conduct of that office or employment.
59. "Family" means a spouse, including a common law spouse, or a child, and shall also include any other relative permanently residing in the person's household.
60. (1) Where a person might otherwise be in breach of section 57, the person shall disclose his or her financial interest prior to the making of a decision and shall not participate in the discussion or the decision, unless a majority of the other persons involved in making the decision decide by vote to allow the person with the declared financial interest to participate in making the decision.  
  
(2) Where a person has made a declaration of financial interest and the decision-making body has decided by vote to allow the person to participate in making the decision despite the declaration of interest, the decision-making body shall ensure that the reasons are recorded in writing in the minutes of the meeting.  
  
(3) Where, pursuant to subsections (1) or (2), the chairperson is prohibited from taking part in deliberations and from voting, the person may nevertheless continue to act as chairperson. If the chairperson is the Chief and is prohibited from taking part in the deliberations and from voting, the two Councillors may agree to have one of them act as a proxy chief for the limited purposes of the deliberations and voting on the decision.



(4) Without limiting the generality of subsection (1), the Chief or a Councillor shall be deemed to have a financial interest in a matter before the Council where he or a member of his family has an interest in an enterprise or in a partnership, company or corporation having or proposed to have a contract or dealings with the Nation.

(5) Subject to this section, the Chief or a Councillor may be or become a member of any company in which the Kapawe'no First Nation may be interested as a vendor, purchaser, shareholder, or otherwise and no such person shall be accountable for any benefits received as shareholder or director of such company.

61. If an employee has breached the provisions of section 57 or 60, that person may:
  - a. Be suspended from all privileges and benefits of office or from employment for a period of time,
  - b. Be demoted or reassigned to another position, or
  - c. Be dismissed from office or employment.
62. Where section 61 applies, the decision with respect to an employee shall be made in accordance with the employment policies of the Kapawe'no First Nation.
63. A decision made under section 62 must be fair and in accordance with the rules of natural justice, including:
  - a. The person who is alleged to have violated the conflict of interest provision must have the opportunity to hear the allegations and provide an answer before a final decision is made, and
  - b. The person or persons making the decision on an alleged conflict of interest shall make their decision without any influence or bias.
64. The Chief and Council may approve policies and procedures in order to give effect to the provisions of sections 57 to 65.
65. The disclosure of financial interest rules enacted pursuant to this code are subject to any similar rules approved by the members of the Kapawe'no First Nation in any code of the Kapawe'no First Nation.

## AGREEMENTS

66. The Chief and Council shall approve, on behalf of the Kapawe'no First Nation, any agreements or funding arrangements with the federal or provincial governments or with any other party for the provision of funding for the Kapawe'no First Nation, its agencies and other bodies.



## FISCAL YEAR

67. The fiscal year for the Kapawe'no First Nation Government shall be from April 1 of each year to March 31 in the following year.

## AUDIT

68. The Chief and Council, by resolution, shall appoint an auditor to audit the books and records of the Kapawe'no First Nation on an annual basis.
69. The auditor shall be a member of a recognized professional accounting association.
70. The auditor shall report to the Chief and Council.
71. The audit shall include all transactions involving Kapawe'no First Nation funds.
72. The auditor is entitled to:
  - a. Require access to all books, records, accounts and vouchers,
  - b. Require the production of information necessary for the completion of the audit from any service area or agency manager,
  - c. Obtain copies of Council resolutions and policies,
  - d. Review administrative and financial policies, and
  - e. Obtain copies of agreements, funding arrangements, contracts and any other related documents.
73. The audit shall be conducted in accordance with generally accepted auditing procedures and shall include a general review of the adequacy of the accounting procedures and systems of control employed to preserve and protect the assets of the Kapawe'no First Nation.
74. The Band Manager shall provide the auditor with instructions concerning the annual audit and shall assist the auditor in the completion of the audit.
75. After the review of the annual audit by the Band Manager, the auditor shall present the annual audit to the Chief and Council.
76. The audited financial statements shall be accepted by the Chief and Council by resolution and signed by the Chief and any other person designated by the Chief and Council.
77. The Band Manager shall retain the written report of the auditor, together with the related financial statements.



78. Upon acceptance of the auditor's report by the Chief and Council, the members of the Kapawe'no First Nation shall be notified that the report is available to them at the office of the Kapawe'no First Nation Administration.

### DISCLOSURE OF INFORMATION

79. Any financial information of the Kapawe'no First Nation shall only be disclosed according to the provisions of the Kapawe'no code dealing with access to information contained in the records of the Nation.

### GENERAL MEETING

80. The Chief and Council shall hold an annual general meeting of the membership of the Kapawe'no First Nation to present:
- a. The annual audit including the presentation of a narrative of services provided during the previous fiscal year following approval of the audit by the Chief and Council, and
  - b. The annual budget.

**THIS CODE IS HEREBY ENACTED** at a duly convened meeting of the Chief and Council of the Kapawe'no First Nation this \_\_\_\_ day of \_\_\_\_\_, 2003.

\_\_\_\_\_  
Chief Frank T. Halcrow

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Councillor Sydney Lee Halcrow

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Councillor Peter Chalifoux

\_\_\_\_\_  
Witness



