

**AHTAHKAKOOP CREE NATION FINANCIAL MANAGEMENT
POLICIES AND PROCEDURES, 2023**



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**AHTAHKAKOOP CREE NATION FINANCIAL MANAGEMENT POLICY AND PROCEDURES
AUTHORIZATION**

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TABLE OF CONTENTS

1.	INTRODUCTION.....	7
1.1	Application.....	7
2.	DEFINITIONS	7
3.	GENERAL FINANCIAL ADMINISTRATION.....	15
3.1	Composition of Finance Department.....	16
3.2	Responsibilities.....	16
3.3	Accounting System.....	19
4.	DELEGATED AND ASSIGNED RESPONSIBILITIES.....	19
4.1	Responsibilities.....	20
4.2	Band Administrator Delegation	21
4.3	Procedures for Delegation	21
4.4	Procedures for the Authorization, Assignment and Delegation Table.....	23
4.5	Reduced Authorities During Probationary Period.....	23
4.6	Reduced Authorities During Management Action Plan (MAP).....	23
4.7	Temporary Delegation of Responsibility.....	23
4.8	Procedures for Monitoring and Evaluation	23
5.	FINANCIAL AND OPERATIONAL REPORTING	24
5.1	Responsibilities.....	24
5.2	Financial Reports List	27
5.3	General Ledger.....	28
5.4	Journal Entries.....	28
5.5	Bank Reconciliation Statement	28
5.6	Financial Statement Preparation – Monthly & Quarterly.....	28
5.7	Accounts Payable.....	31
5.8	Project Reports.....	31
5.9	Financial Reporting Risks	32
5.10	Fiscal Year	33
5.11	Annual Report.....	33
6.	ANNUAL PLANNING AND BUDGETING	34
6.1	Responsibilities.....	34
6.2	Annual Integrated Planning Process.....	36

6.3	Program Budgets.....	37
6.4	Analysis of Funding Arrangements	38
6.5	Annual Budget	39
6.6	Strategic Plan	39
6.7	Multi-Year Financial Plan	40
6.8	Plan and Budget Amendments	41
7.	FINANCIAL INSTITUTION ACCOUNT AND CASH MANAGEMENT	42
7.1	Responsibilities.....	42
7.2	Financial Institution Account Management.....	43
7.3	Cash Receipts & Cheques.....	45
7.4	Petty Cash.....	47
7.5	Cheque Stock.....	48
7.6	Credit Lines	48
7.7	Opening a Financial Institution Account.....	48
7.8	Closing a Financial Institution Account	48
8.	BINGO PROCEEDS	52
8.1	Procedure.....	52
9.	PURCHASING	55
9.1	Responsibilities.....	55
9.2	Purchasing of Goods and Services.....	56
9.3	Purchase Orders	57
9.4	Competitive Purchasing Process – Construction Projects and Non-Professional Services.....	58
9.5	Competitive Purchasing Process – Professional Services	59
9.6	Competitive Purchasing Process – Review of Proposals	59
9.7	Exceptions to the Competitive Purchasing Process	60
9.8	Approval, Initiation and Monitoring.....	61
9.9	Documentation Requirements	61
9.10	Monitoring of Suppliers	61
9.11	Encouraging new suppliers.....	61
10.	EXPENDITURES	64
10.1	Responsibilities.....	64
10.2	General and Operational Expenditures	65
10.3	Payroll	66
10.4	Payroll Deductions.....	68
10.5	Year End Balances.....	71
10.6	Reimbursable Expenses.....	71

10.7 Travel	71
10.8 Memberships	74
10.9 Boards/ Committee Expenditures	74
10.10 Honoraria and Expenditures for Official Ahtahkakoop Cree Nation Delegates	75
10.11 Reporting and Documentation	75
10.12 Approval for Payment	76
10.13 Accounts Receivable Payments	78
10.14 Cheque Issuing	80
11. INVESTMENTS.....	81
11.1 Responsibilities.....	82
11.2 Determine Investment Management Strategy	83
11.3 Selection of Investment Manager.....	84
11.4 Termination of Investment Manager	84
11.5 Designation and Transfers of Investment Funds.....	84
11.6 Local Revenues Permitted Investments.....	84
11.7 Monitoring of Investments.....	85
11.8 Re-balancing of the Investment Portfolio	85
12. CAPITAL ASSETS	86
12.1 Responsibilities.....	86
12.2 Capital Asset Register	88
12.3 Annual Inspection and Review.....	90
12.4 Safeguarding Assets.....	90
12.5 Maintenance of Assets	91
12.6 Life Cycle Management Program.....	91
12.7 Capital Projects	92
12.8 Construction Management.....	93
12.9 Acquisition of Capital Assets.....	94
12.10 Capital Asset Reserve Fund	94
12.11 Disposal of Capital Assets.....	94
13. INSURANCE POLICY	94
13.1 Responsibilities.....	95
13.2 Identify Significant Material Risks	96
13.3 Identify and Purchase Insurance Products.....	96
13.4 Approval for Insurance Coverage	96
13.5 Maintenance of Insurance Coverage	96

14. RISK MANAGEMENT	97
14.1 Responsibilities.....	97
14.2 Annual Risk Management Planning	100
14.3 Fraud Risk Assessment.....	100
14.4 For-profit Business Activity Risk Management Considerations	100
14.5 Lending, Guarantees and Indemnities	101
14.6 Investment Risk Assessment.....	101
14.7 Financial Reporting Risks	101
14.8 Insurance and Emergency Operations Continuity Plans	101
15. AUDITS.....	102
15.1 Responsibilities.....	102
15.2 Auditor Selection, Engagement and Performance	104
15.3 Auditor Process	105
15.4 Information Required for the Consolidated Audit.....	106
15.5 Reducing Audit Costs	107
15.6 Audit Follow-up.....	108
16. EMERGENCIES AND OPERATIONS CONTINUITY.....	108
16.1 Analyze the Current Situation	109
16.2 Develop the Emergency and Operations Continuity Plan.....	109
16.3 Implement the Plan.....	110
16.4 Annual Review.....	110
17. FINANCIAL MANAGEMENT SYSTEM IMPROVEMENT	111
17.1 Responsibilities.....	111
17.2 Financial Management System Review	112
17.3 Internal Assessments	113
17.4 Continual Improvement Process.....	114
17.5 Review of Financial Administration Law.....	114
17.6 Membership Information or Involvement.....	114
18. FINANCE AND AUDIT COMMITTEE.....	115
18.1 Responsibilities.....	115
18.2 Composition	116
18.3 Term.....	116
18.4 Selection and Application Process.....	116
18.5 Selection Criteria	117
18.6 Meetings.....	117

1. INTRODUCTION

The Ahtahkakoop Cree Nation has the responsibility to administer funds for Band services. Suitable financial regulations are therefore required to administer the affairs of Ahtahkakoop Cree Nation.

Ahtahkakoop Cree Nation Council is responsible for setting policies and ensuring that these policies are put into effect.

This Act will provide clear guidelines for Staff, Council and Band Membership regarding financial policies and procedures. The Ahtahkakoop Cree Nation Financial Management Policies and Procedures replaces the Ahtahkakoop Financial Management Act and came into effect on April 14th, 2023.

1.1 Application

These policies shall apply to all administrative and financial transactions of the Ahtahkakoop Cree Nation. For greater certainty, when an incumbent Council is replaced with a newly elected Council, such a new Council shall honor all contracts and agreements in place at that time.

Ahtahkakoop Cree Nation shall adopt accounting records of its assets, liabilities, revenue, and expenditures, which are necessary to ensure adequate reporting to the Council, community, and funding agencies. Ahtahkakoop Cree Nation shall ensure that all financial reporting requirements for funding agencies are maintained.

All financial documents shall be kept for a minimum of five (5) years.

2. DEFINITIONS

"SAGE 300" means the accounting software Ahtahkakoop Cree Nation uses for its comprehensive financial operations.

"Accounts Payable Clerk" means to provide financial and administrative support. They process payments, verify invoices, and reconcile expenses.

"Agreement" means any written contract between Ahtahkakoop Cree Nation and another party or parties, including the Federal Government, the Provincial Government, First Nation governments, or a third party, pursuant to which money is to be paid to Ahtahkakoop Cree Nation.

"Ahtahkakoop Cree Nation (ACN)" means Ahtahkakoop Cree Nation #104, a "band" within the meaning of the *Indian Act*.

"Ahtahkakoop Delegate" means a person sent or authorized to represent Ahtahkakoop Cree Nation at a conference or other meeting related to Ahtahkakoop Cree Nation business.

"Annual Budget" means the forecast of planned expenditures for the forthcoming fiscal year by Ahtahkakoop Cree Nation.

"Arrears" means an unpaid, overdue debt, or an unfilled obligation.

“Assets” means anything of value owned by Ahtahkakoop Cree Nation.

“Asset Recognition Criteria” means criteria used to set the threshold for determining whether a capital asset must be included in the capital asset register.”

“Assign” means a transfer of duties or functions from one person to another where the former person (the assignor) retains responsibility for ensuring activities are carried out.

“Audit” refers to an examination of Ahtahkakoop Cree Nation’s financial statements, results of operations, and changes in financial position for all funding received under the authority of Ahtahkakoop Cree Nation for the delivery of programs/services to Ahtahkakoop Membership.

“Auditor” refers to the firm appointed by Council to undertake the annual financial audit of Ahtahkakoop Cree Nation.

“Authorization and Delegation Table” means a table approved by Council specifying the delegation and assignment authorities over decisions or activities related to Ahtahkakoop Cree Nation’s financial administration.

“Band” means a body of Indians who are declared by the Governor in Council to be a Band for the purposes of the Indian Act, R.S.C. 1985, c. I-5 or any successor legislation.

“Band Moneys” means revenue monies from leases, user fees, rent taxation, and resource or business-generated revenues, interest on capital trust accounts, etc., and capital monies derived from the sale of surrendered lands or Capital Assets.

“Bingo” means a lottery scheme where consideration is given for a chance to win a prize or prizes by completing a specified arrangement of either numbers or letters or both.

“Bingo Event” means an event, including a Charitable Gaming Event, which lasts a minimum of two hours and a maximum of six hours in which Bingo occurs under the authority of a License and requires an Event Close-Out Summary.

“Bingo Proceeds” means the net revenue from a Bingo Event after payment of approved prizes (i.e., cash, merchandise, or other award) and expenses (i.e., paid staff, supplies, advertising, etc.).

“Band Member” means an individual whose name appears on the Ahtahkakoop Cree Nation Band Membership List or who is entitled to have his/her name appear on the Ahtahkakoop Cree Nation Band Membership List.

“Budget” means a plan or outline of expected money and spending over a specific period.

“Capital Assets” means tangible capital assets (physical assets) such as buildings, land and major equipment.

“Capital Project” means the construction, rehabilitation, or replacement of Ahtahkakoop Cree Nation’s capital assets and any other major capital projects in which Ahtahkakoop Cree Nation or its related entities are investors.

“Capital Plan” A consolidated plan or outline of expected funds and spending of all capital projects to be undertaken in a fiscal year.

“Capital Project Plan” means a project management plan to carry out a capital project that includes the budget.

“Cash” means money, cheques, money orders, and equivalent forms of currency.

“Cash Reserves” money that a company keeps on-hand to meet short-term and emergency funding needs.

“Comprehensive Funding Agreement (CFA)” refers to the annual funding agreement that exists between Canada and Ahtahkakoop Cree Nation.

“Chairperson” means head of a meeting, department, committee, or board. The vice-chairperson shall function as chairperson when he or she is absent.

“Charitable Gaming Event” means a Bingo Event at a Bingo Hall for which a Class “B” Licensee is licensed to conduct and manage one or more lottery schemes, including Bingo, and all revenues are shared within the Class B licensees according to an IGR approved distribution formula.

“Chief” refers to the individual elected to the office of Chief as per the Indian Act.

“Band Administrator” means a person who is responsible for leading the day-to-day administration or management of Ahtahkakoop Cree Nation and who reports directly to Council.

“Class A Bingo Hall” means any premises where Bingo Events or Charitable Gaming Events are conducted over three events a week and it is apparent the premise exists primarily for the purpose of conducting these events.

“Class A License” means a License issued to an organization to manage and coordinate activities related to Bingo Events and Charitable Gaming Events of behalf of all the licensed charities operating at a Bingo Hall.

“Class B License” means a License issued to a single charitable or religious organization to conduct and manage Bingo Events and Charitable Gaming Events in conjunction with a Class A licensee at a Bingo Hall

“Code of Conduct Declaration” means a statement that Council, committee members, employees, and contractors must sign on an annual basis that states they understand and agree to Ahtahkakoop Cree Nation’s Code of Conduct.

“Committee” means a group of people appointed by Council for advising Council or conducting decision-making activities assigned by Council until or unless they are suspended by Council.

“Conflict of Interest” means a situation of personal gain at the expense of others.

“Contract” means legally binding agreement between two or more parties.

“Control” means a policy, procedure, or process put in place to manage a First Nation’s government’s administration.

“Cost” means an amount of money to be paid or spent to obtain something.

“Council” means elected or appointed official representatives of Ahtahkakoop Cree Nation that

includes Chief and Council. It has the same meaning as council of the band in subsection 2(1) of the Indian Act.

“**Band Council Resolution (BCR)**” means a decision made by a majority of Council at a duly convened Council meeting and approved by a quorum of Council.

“**Councilor**” refers to elected members of the band council under the *Indian Act*.

“**Cumulative Deficit Ratio**” is a ratio used to determine the financial health of Band operations.

“**Debt**” something that is owed or due, usually money.

“**Deficit**” means the shortage that occurs when an organization spends more money than it has on-hand over a period.

“**Delegation**” means transfer of specific responsibilities from one person to another.

“**Department**” means an administrative program of Ahtahkakoop Cree Nation as established from time to time by Council.

“**Department Head**” means the person who is responsible for administering his/her department.

“**Designated Lottery Bank Account**” means the separate account created to administer all funds related to the conduct of a Bingo Event.

“**Director of Finance**” means the person responsible for the day-to-day management of Ahtahkakoop Cree Nation’s finances.

“**Director of Public Works**” monitors and oversees the physical facilities of the band.

“**Direct Supervisor**” means an employee responsible for managing and overseeing the work and development of other staff.

“**Electronic Funds Transfer (EFT)**” is direct deposit that allows companies to streamline their payables and receivables for everything like invoices from service providers to employee salaries through easy payments between different users' bank accounts in Canada.

“**Elder**” refers to an individual, 65 (sixty-five) years or older, recognized by the Chief, Council, Boards and Committees.

“**Eligibility Criteria**” means requirements set by Council which must be met by an individual to be considered independent and eligible to be appointed to the Finance and Audit Committee.”

“**Engagement Letter**” means a written document prepared by the auditor that serves as a contract to confirm the audit arrangements between the auditor and Ahtahkakoop Cree Nation. It is required by the Canadian Generally Accepted Auditing Standards.

“**Entity**” means a corporation, partnership, joint venture or unincorporated association or organization whose financial transactions are consolidated in ACN government’s financial statements in accordance with GAAP.

“Event Close-Out Summary” means a document that details all financial transactions related to a Bingo Event or Charitable Gaming Event in a format authorized by the IGR.

“Expenditure” means an amount of money spent by Ahtahkakoop Cree Nation to buy goods or services.

“Expenses” means an amount of money spent on transportation, accommodation, meals, hospitality, or incidentals, to be paid back (reimbursed).

“Financial Administration Law (FAL)” means the Ahtahkakoop Cree Nation Financial Administration Law enacted on March 31st, 2022, pursuant to the *First Nations Fiscal Management Act, (S.C. 2005, c.9)*.

“Finance and Audit Committee” means the group of people selected to oversee the financial reporting and audit functions of the Ahtahkakoop Cree Nation.

“Financial Administration Policies” or “Financial Policies” means these policies and procedures, including any schedules or addendums thereto.

“Financial Competency” means the ability to read and understand Ahtahkakoop Cree Nation’s financial statements.

“Financial Statement” is the formal record of all funding and property of ACN within a specific period.

“Financial Reporting Risk” means the possibility of a significant error in financial information often caused by weak internal controls or fraud.

“First Nation Governments” means Assembly of First Nations (AFN), Federation of Sovereign Indigenous Nations (FSIN), Battlefords Agency Tribal Chiefs (BATC), and

“Fiscal Year” means the twelve-month period used for tax or accounting purposes.

“First Nations Finance Authority (FNFA)” is a statutory not-for-profit organization. It operates under the authority of The First Nations Fiscal Management Act.

“Financial Management Plan (FMP)” It is a long-term plan developed by the Band Administrator and Department/Program Heads that is intended to address financial difficulties within a particular program or department.

“Fraud” means a wrongful or criminal act that involves lying or holding back information; this is usually done for personal or financial gain.

“Canadian Generally Accepted Accounting Principles (GAAP)” means, the framework of accounting guidelines, rules and procedures.

“General Ledger” means the master accounting document providing a complete record of all financial transactions of Ahtahkakoop Cree Nation.

“General Ledger Clerk” is responsible for creating journal entries and assembling supporting documentation, as well as tracking the contents of accounts and creating portions of the financial statements.

“Human Resource Records” means records that contain information on an individual’s hiring, job duties, compensation, performance, and general employment history.

“Human Resources Officer” is responsible for managing the aspects of the employment process. They also assist with payroll management.

“Immediate Family” shall be defined as father, mother, (or alternatively stepfather, stepmother, or foster parent) brother, sister, spouse, (including common-law spouse) child, (including child of common-law spouse) stepchild, or ward of the employee, father-in-law, mother-in-law, maternal/paternal grandparents, nephew and niece, and relative permanently residing in the employee’s household or with whom the employee permanently resides.

“Indigenous Gaming Regulators (IGR)” is responsible for the licensing and regulation of bingos, break-open tickets, raffles, Texas hold 'em poker and Monte Carlo (mock casino) events.

“Indigenous Service Canada (ISC)” means Indigenous Services Canada or its equivalent whose name may change from time to time.

“ISC Funding” means funding provided by ISC for administration, education, social assistance, economic development, capital, construction, community infrastructure, maintenance, health, safety, recreation, training, and various other projects. Such funds will be used for the various programs and services administered by Ahtahkakoop Cree Nation and will be expended in accordance with the terms and conditions of the appropriate funding agreement.

“Indemnity” means security or protection against a loss or other financial commitment.

“Independence” means;

- a. eligibility criteria for the Finance and Audit Committee membership defined as an individual who does not have a direct or indirect relationship with the Ahtahkakoop Cree Nation that could, in the opinion of Council, interfere with the individual’s judgement as a member of the Audit and Finance Committee; and
- b. an individual with a role in the financial management of Ahtahkakoop Cree Nation involving planning, organizing, directing or controlling of its financial activities – including budgeting, financial accounting, financial reporting, procurement and use of funds, does not meet the minimum independence requirements for Finance and Audit Committee membership.

“Information” means knowledge received in any documented material regardless of source or format.

“Information Security” means the way a First Nation government protects information from unauthorized access, use, modification or destruction.

“Integrated Planning and Budgeting” means an annual process of planning and budgeting activities across every level of Ahtahkakoop Cree Nation that are linked, coordinated, and driven by Ahtahkakoop Cree Nation’s vision and strategic objectives.

“Internal Assessment” means the review of an activity/process by an independent Ahtahkakoop Cree Nation staff member (i.e., an individual not responsible for or involved in the activity) to determine the effectiveness of that specific activity or process.

“Investment” an asset or item bought with the hope that it will gain value or provide income in the future

“License” means a license issued under the *Criminal Code*, RSC, 1985, c C-46, as amended, for the conduct and management of a lottery scheme, including both a Class A License and a Class B License.

“Life Cycle Plan” means the plan of Ahtahkakoop Cree Nation’s assets in terms of costs to buy, operate, upkeep and disposal of, over a specified period.

“Loan Guarantee” means a promise to pay all or part of the principal and/or interest on a debt obligation in the event of default by the borrower.

“Local Revenues” means the term used to describe property taxes under the *First Nations Fiscal Management Act*.

“Materiality” means the financial amount that Ahtahkakoop Cree Nation considers significant, typically large amounts; the materiality threshold is the minimum financial amount that a First Nation government considers significant.

“Member” means a person entitled to membership of Ahtahkakoop Cree Nation.

“Membership” means an individual who is recognized as being a member of Ahtahkakoop Cree Nation, as defined by the Indian Act.

“Department Head” means the Band Administrator, Director of Finance or any other employee of Ahtahkakoop Cree Nation designated by the Council as a Department Head.

“Organizational Chart” means a visual representation of the different positions in a First Nation government that clearly shows reporting relationships (i.e., who reports to whom).

“Other Project Funding” means financial assistance received from various federal and provincial government departments, upon submission and approval of a required proposal to the appropriate government department.

“Payroll Service Provider” means the payroll provider by Ceridian.

“Personal Gain and/or Financial or Monetary Gain” means a financial benefit for an individual or for the members of his/her immediate family, friends or associates, silent partners, numbered companies or any silent or public partnerships, Chief and Council, Ahtahkakoop Members and band employees (incl. Employees, Directors, Managers, Coordinators) of Ahtahkakoop Cree Nation programs and services.

“Personal Information” means the information about a specific individual. In addition to common items such as an individual’s name, gender, physical characteristics, address, contact information, identification, and file numbers – this also includes criminal, medical, financial, family, and educational history as well as evaluative information and other details of an individual’s life.

“Portfolio” means the department service area.

“Portfolio Councilor” means the Councilor who is assigned a portfolio at the beginning of their elected

term, usually based on interest or area of expertise, of one whom may serve as chairperson/vice-chair.

“Privacy Protection” means the rules a First Nation government puts into place to collect, create, use, share/disclose, retain, protect, and dispose of the Personal Information that is needed for its administration.

“Program Head” means the person who is responsible for administering his/her individual program.

“Projection” means the estimates for a future situation based on all the information available now.

“Purchase Order” means a document stating the wish of the buyer to purchase something from a seller that shows the exact details of the items the buyer wishes to buy.

“Purchasing” means buying an asset or item. Also referred as “procurement” per the First Nations Financial Management Board Standards.

“Record” means information created, received, and maintained by Ahtahkakoop Cree Nation for operational purposes or legal obligations. A record may be electronic, or hardcopy paper based.

“Recordkeeping” means how an organization creates, obtains, and manages records.

“Rehabilitation” means an asset alteration, extension and renovation but does not include routine maintenance.

“Remuneration” means salaries, wages, commissions, bonuses, fees, honoraria, and dividends and any another other monetary or non-monetary benefits.

“Replacement” means a substitution, in whole or in part, with another of Ahtahkakoop Cree Nation’s capital assets.

“Requisition” means a purchase order used by Ahtahkakoop Cree Nation when recording expenditures.

“Request for Proposals” (RFP) means Request for Proposals, a competitive process followed by Ahtahkakoop Cree Nation to enter a major service contract. RFPs lay out Ahtahkakoop Cree Nation’s needs and conditions and leave it up to the potential contractors to present a proposal that shows their experience, skills, and ability to carry out the contract within time and cost specifications.

“Risk” means the possibility of a loss or other negative event that could threaten the achievement of Ahtahkakoop Cree Nation’s goals and objectives.

“Remedial Management Plan (RMP)” is a plan developed by the Band Administrator and Department/Program Heads that reflects decisions and measures that are necessary to address the default/difficulties.

“Risk Management Plan” is a document that is prepared to foresee risks, estimate impacts, and define responses to risks.

“Sole Source” means a contract entered by Ahtahkakoop Cree Nation without a competitive process to purchase goods and/or services.

“Special Committee” means a committee formed for a specific purpose and is dissolved when that

purpose has been achieved.

“Special Purposes Report” means a financial report on a specific activity, required by an agreement or law.

“Standing Committee” means a committee that has an ongoing purpose.

“Tax Administrator” means the person responsible for managing the local revenues and local revenue account on a day-to-day basis, if Ahtahkakoop Cree Nation is collecting local revenues.

“Terms of Reference” means an outline of the purpose and structure of a project, committee, meeting or negotiation.

“Travel Status” means pre-approved travel on official Ahtahkakoop Cree Nation business by an individual’s direct supervisor; Travel Status begins from the individual’s place of work e.g., Ahtahkakoop Cree Nation band office) to the approved destination and ends once they return to their place of work.

“Useful Life” an estimate of how long a capital asset is expected to be used by ACN government, the life of a capital asset may extend beyond the useful life and the life of a capital asset, other than land which is fixed (limited)

“Value for Money” means the best combination of price, quality, and benefits of a product or service.

“Virtual Private Network (VPN)” is a way to use public telecommunication infrastructure, such as the internet, to provide remote offices or individual users with secure access to Ahtahkakoop Cree Nation’s virtual network.

“Write-Down” means the reduction in the estimated or nominal value of an asset; and

“Year to Date Activities Report” means a report for each Ahtahkakoop Cree Nation employee which sets out all leaves (i.e., sick leave, annual leave, compassionate leave, leave without pay, etc.) and other entitlements earned, used and balance (i.e., positive, negative, zero) for each clearly indicating specific dates and other details of interest in relation to payroll processing and annual accrual and usage of leave.

3. GENERAL FINANCIAL ADMINISTRATION

POLICY

Policy Statement

Ahtahkakoop Cree Nation wishes to provide guidance, assistance, and an accountability framework to users of the financial accounting system, accounting and reporting procedures, thereby augmenting our capacity and transparency to our membership and funding agencies.

Scope

This policy applies to the Council, the Director of Finance, Directors, Program Heads, and Band Administrator.

3.1 Composition of Finance Department

3.1.1 The Finance Department for Ahtahkakoop Cree Nation shall be composed of the following components:

- (a) Band Administrator
- (b) Director of Finance
- (c) Accounts Payable Clerk
- (d) General Ledger Clerk
- (e) Human Resources Officer

3.2 Responsibilities

3.2.1 Responsibilities of Council

- (a) negotiating and executing funding agreements on behalf of Ahtahkakoop Cree Nation
- (b) ensuring sound financial management of all Ahtahkakoop Cree Nation programs and services, including accountability to its funding agencies
- (c) ensuring that Band funds will be used in a fiscally responsible manner
- (d) ensuring that Council is accountable to its Membership in the use of Ahtahkakoop Cree Nation funds
- (e) adopting financial administration policies and procedures, and review same on a regular basis to ensure they are kept current
- (f) ensuring that all Ahtahkakoop Cree Nation programs and departments activities and financial management are administered and reported according to these Policies
- (g) reviewing the financial statements and reports and the Finance and Audit Committee's corresponding recommendations
- (h) ensuring that Ahtahkakoop Cree Nation adheres to all agreements and contracts with funding agencies and maintaining positive relationships therewith
- (i) approving the financial reports list, the financial statements, and reports
- (j) determining the preferred level of auditor involvement for the report to be issued by the auditors on the special purpose reports referred to in the FAL
- (k) ensuring that all resolutions, decisions, and other proceedings of the Council are recorded
- (l) any authority not specifically delegated in these policies remains with the Council.

3.2.2 Responsibilities of Band Administrator

- (a) provides Council with financial information to enable Council to make informed financial decisions

- (b) ensures that all required financial reports are available at Council meetings
- (c) interprets financial information for the Council when required.
- (d) ensures that all financial decisions, policies, and procedures of Council are adhered to by Band staff
- (e) ensures all programs are administered within budget
- (f) administrative staff and Department/Program Heads are responsible to the Chief and Council through the Band Administrator
- (g) adheres to the job description prepared for his/her position as approved by Chief and Council and as amended from time to time.

3.2.3 Responsibilities of Director of Finance

- (a) ensuring the receptionist maintains a log of employee daily attendance sheets.
- (b) assists with budget preparation for funding applications
- (c) submits all Band Fund expenditures to the Department of ISC
- (d) ensures that a Band Council Resolution is authorized for Band Fund expenditures
- (e) takes any internal transfers requested by Department/Program Heads to Chief and Council for approval
- (f) preparing monthly financial statements (showing total revenue/expenditures) and distributing to the Department/Program Heads or upon request
- (g) advises Department/Program Heads of program/department deficits as they arise
- (h) if the Department/Program Head does not take immediate action in rectifying the problem(s), the Director of Finance has full authority to withhold future expenditures
- (i) prepares quarterly expenditure statements to the appropriate funding agency
- (j) ensures annual GST submissions to Canada Revenue Agency for reimbursement
- (k) Ensuring all requirements are met for the annual audit
- (l) adhere to the job description prepared for his/her position as approved by Chief and Council as amended from time to time.

3.2.4 Responsibilities of Accounts Payable Clerk

The Accounts Payable Clerk will report directly to the Director of Finance and is responsible for:

- (a) ensuring goods or services supplied have been ordered and received and that computations are mathematically correct.
- (b) entering all invoices into the Accounts Payable program so that a permanent record exists of all vender transactions.
- (c) printing all cheques and distributes in person or by mail.

- (d) maintaining a color-coded filing system.
- (e) maintaining a purchase order ledger.
- (f) reconciling all vender statements.
- (g) reconciling accounts payable balance sheet accounts with the computer ledger and
- (h) Adhering to the job description prepared for his/her position as approved by Chief and Council and as amended from time to time.

3.2.5 Responsibilities of the General Ledger Clerk

The General Ledger Clerk will report directly to the Director of Finance and will be responsible for:

- (a) reconciling bank statements with the General Ledger.
- (b) reconciling all balance sheets monthly.
- (c) reconciling the ledger with the general ledger balance electronically.
- (d) receiving and sorting cancelled/void cheques.
- (e) posting totals from Accounts Payable/Payroll in the General Ledger.
- (f) issuing receipts for funds received,
- (g) prepares bank deposits and credits deposits to the proper accounts.
- (h) entering any adjusting entries and bank charges electronically and;
- (i) Adhering to the job description prepared for his/her position as approved by Chief and Council and as amended from time to time.

3.2.6 Responsibilities of the Human Resources Officer

The Human Resource Officer will report directly to the Director of Finance and is responsible for:

- (a) reviewing and processing payroll for specific departments (i.e., monthly time/attendance sheets)
- (b) ensuring bi-weekly remittances are forwarded to the Payroll Service provider for employment insurance for both the employee and employer's share
- (c) submits payment to group insurance and payment to the pension plan company on behalf of the employee and employer
- (d) prepares and issues year-end T-4 slips
- (e) calculates all salary adjustments (incl. holiday pay, severance pay, etc.)
- (f) collects time sheets for Housing (incl. seasonal employees)
- (g) issues Record of Employment when needed

- (h) maintains up-to-date personnel/payroll files
- (i) facilitates payroll for new employees
- (j) submits and keeps copies of employee's expense claims to be reimbursed from the Insurance company
- (k) reconciles salaries, garnishees to the General Ledger Clerk and;
- (l) reviews and verifies the mathematical accuracy of payroll information and time sheets and ensures correct payroll data is entered into the payroll system.
- (m) The Human Resource Officer will also adhere to the job description prepared for his/her position as approved by Chief and Council and as amended from time to time.

3.3 Accounting System

3.3.1 The following are accepted accounting principles used by Ahtahkakoop Cree Nation to develop their own financial management and accounting system.

3.3.2 Ahtahkakoop Cree Nation has adopted an accounting system that will ensure that all funds received and expended are properly recorded and credited/debited to the proper account including correct coding; and that financial reporting requirements for funding agencies are met, as per contractual agreements.

3.3.3 An adequate double-entry accounting system will be maintained daily to record all financial transactions. This system will record:

- (a) all assets and liabilities
- (b) all receipts and receivables
- (c) all disbursements and payables
- (d) details of employees' salary and payroll deductions
- (e) commitments for services, and benefits/goods received, but not immediately paid for (payables)

3.3.4 Ahtahkakoop Cree Nation currently utilizes a timed backup system for all programs (i.e., Cloud-based)

4. DELEGATED AND ASSIGNED RESPONSIBILITIES

POLICY

Policy Statement

In addition, while the overall responsibility for financial management of Ahtahkakoop Cree Nation remains with Council, it is the Council's policy to give specific financial administration authority to identified departments, committees and individuals for the purpose of performing duties, making commitments and authorizing the collection and disbursement of funds on behalf of Ahtahkakoop Cree Nation.

Purpose

The purpose of this policy outlines the financial responsibilities of Ahtahkakoop Cree Nation employees involved in the financial administration of Ahtahkakoop Cree Nation operations. In addition, this policy defines the delegation and the assignment authorities of leadership, management, and staff, thereby providing accountability with respect to financial authorization and the authority to bind Ahtahkakoop Cree Nation to legal obligations.

Scope

This policy and procedure applies to the Council, committees of Council, Department Heads, employees of ACN and any other persons with authority to conduct activities in connection with the Financial Administration of ACN. New employees of Ahtahkakoop Cree Nation will not be granted authority until they have successfully passed their probation period.

The authorities defined in this policy will be the default authorities for leadership, committees, department heads, and employees of Ahtahkakoop Cree Nation. Unless otherwise stated in a funding agreement, these default authority limits will apply.

In addition to the authorities and responsibilities identified within this policy and procedure document, the following transactions or decisions will comply with their related policies and procedures:

- (a) Expenditures and Payables
- (b) Procurement
- (c) Debt
- (d) Investments
- (e) Capital Assets
- (f) Loans, Guarantees and Indemnities
- (g) Records Management and Retention
- (h) Insurance
- (i) Financial Reporting
- (j) Integrated Planning and Budgeting

4.1 Responsibilities

4.1.1 Council is responsible for:

- (a) Delegating or assigning to others any or all its financial management activities or functions except:
 - (i) Approval of policies and procedures or the giving of directions respecting any financial administration matter.
 - (ii) Approval of budgets, budget amendments, borrowings and financial statements.
 - (iii) Approval of the Authorization, Assignment and Delegation Table.

- (iv) Any matter which is the employment or statutory responsibility of the Band Administrator, the Director of Finance, or the Tax Administrator; and
- (v) The appointment and removal of the Finance and Audit Committee members, including the Chairperson and Vice-Chairperson.

4.2 Band Administrator Delegation

4.2.1 The Band Administrator can assign any or all his or her financial management activities or functions except:

- (a) Maintaining and revising the Authorization and Delegation Table. (Schedule A)
- (b) Ensuring those with delegated authority understand their responsibilities and have the skill and knowledge necessary for the effective exercise of the authority.
- (c) Establishing protocols for delegation and temporary assignments to deal with absences due to illness, vacation, or other extended leaves.
- (d) On a regular and periodic basis, monitoring performance of individuals' delegated authorities to ensure that the delegated authority is being exercised in the manner intended and that there is no delegation of authority when specifically precluded under this policy.

4.2.2 All employees, committees, contractors, or agents of Ahtahkakoop Cree Nation are responsible when acting under delegated authority to ensure the activity or function is within the authority and limitation of their delegation and that they have followed other relevant policies and procedures.

4.2.3 Employees, committees, contractors, or agents of Ahtahkakoop Cree Nation may reassign functional authorities and responsibilities if it is made in accordance with the Authorization and Delegation Table.

4.2.4 Employees, committees, contractors, or agents will ensure that decisions or transaction approval falling outside of their scope of authority are referred to the Band Administrator or otherwise as appropriate.

4.2.5 Regardless of the delegation of any financial administration authority by the Council, the Council remains responsible for the financial management of Ahtahkakoop Cree Nation.

Procedures

4.3 Procedures for Delegation

4.3.1 The Director of Finance is responsible for preparing and updating the Authorization and Delegation Table in accordance with this policy for Ahtahkakoop Cree Nation.

4.3.2 The Band Administrator will ensure an appropriate level of documentation including a signed delegation of authority statement or agreement accompanies and is maintained with the Authorization and Delegation Table.

4.3.3 The Director of Finance will submit the Authorization, Assignment and Delegation Table to the Council for approval, and the Council will, at least annually and with a motion duly recorded in the minutes, approve the Authorization and Delegation Table.

4.3.4 The Band Administrator will ensure that the delegation of authorities is communicated to each department head and other persons as appropriate to ensure the delegated responsibilities can be carried out effectively.

4.3.5 Council, Committees, Band Administrator, Director of Finance, employees, contractors, or agents delegate authority only when there is assurance that the control objectives of authorization of the decision or transaction will be effectively served.

4.4 Procedures for the Authorization, Assignment and Delegation Table

4.4.1 The Authorization, Assignment and Delegation Table will include components of the financial management system that require decision and approval authority to carry out activities, make commitments, and collect and disburse funds on behalf of Ahtahkakoop Cree Nation.

4.4.2 Any delegation of authority granted will be aligned with the hierarchical organizational chart structure.

4.4.3 Updates made to the Authorization, Assignment and Delegation Table by the Band Administrator will be approved by Council. The Band Administrator will submit an updated Authorization and Delegation Table to the Council for approval as soon as possible.

4.5 Reduced Authorities During Probationary Period

4.5.1 For employees other than the Band Administrator who are working within their probationary period, the delegated authorities will not apply. The delegated authorities will apply once the probationary period ends unless there is permission by the Chief and Council to do otherwise.

4.5.2 For the Band Administrator and the Director of Finance who are working within their probationary periods, the delegated authorities (dollar values) will be reduced by 50%. Once the probationary period has been completed, the full delegated authority will apply.

4.6 Reduced Authorities During Management Action Plan (MAP)

4.6.1 For the Band Administrator, the Director of Finance and the Department/Program Heads who are working during a period when a Management Action Plan (MAP) is in place, the delegated authorities (dollar values) will be reduced by 50%. Once the MAP has been completed, the full delegated authority will be reinstated.

4.7 Temporary Delegation of Responsibility

4.7.1 Short-term – Each functional area or department with authority under the Table will establish a protocol for delegation of responsibility to deal with absences due to illness, vacations, and other forms of temporary leave. Delegations of assignment are to be documented and distributed to the Band Administrator. Persons assigned to temporarily fill in for absent employees will have the same authorities as a person who is on probationary status unless the Council determines otherwise.

4.7.2 Long-term – Any delegation of responsibility of a long-term nature will be approved by the Band Administrator and appropriately documented.

4.8 Procedures for Monitoring and Evaluation

4.8.1 The Band Administrator will, at least annually, monitor and evaluate the performance of the delegated duties and functions, and if necessary, make recommendations to Council for amendments to the Authorization and Delegation Table.

Attachments

Appendix A – Authorization, Assignment and Delegation Table

Appendix B – Council Delegation of Duty/Function Agreement

Appendix C – Implementation Notes

5. FINANCIAL AND OPERATIONAL REPORTING

POLICY

Policy Statement

It is the Council's policy to establish financial and operational processes that promote transparency and accountability and to communicate to members ACN's government's progress towards achieving its goals. Revenue sources for Bands include ISC funding, Band Moneys, special project funding from other federal and provincial government departments, and charitable foundations.

Purpose

The primary source of funds is through ISC funding agreements. These agreements between ISC and Ahtahkakoop Cree Nation set out the obligations of both parties, the services to be provided, and the payment schedule of the funding.

The Departmental funding mechanism used for the implementation of programs on Indian Reserves depends on the size, value, and complexity of projects as well as Ahtahkakoop Cree Nation's willingness to undertake the responsibilities for managing the program and ensuring that the necessary services are provided.

The purpose of this policy is to establish financial and operational reporting requirements and practices to provide timely, accurate and relevant financial and operational information to decision-makers. This will support ACN in assessing progress toward achieving its goals.

Scope

This policy applies to all financial operations and activities of ACN including those operations that ACN controls. The person's affected by this policy include the Council, Finance and Audit Committee, Department Heads, and employees of ACN.

5.1 Responsibilities

5.1.1 Council is responsible for:

- (a) reviewing the financial statements and reports and the Finance and Audit Committee's corresponding recommendations
- (b) approving (quarterly and annually) the financial reports list, the financial statements and reports

- (c) approving the annual audited financial statements and annual Special Purpose Reports within 120 days of fiscal year end
- (d) determining the preferred level of auditor involvement for the report to be issued by the auditors on the special purpose reports referred to in the Financial Administration Law
- (e) documenting procedures for identification of risks
- (f) reviewing financial reporting risks and fraud risks reported by the Finance and Audit Committee and approving the implementation of internal controls to mitigate risks
- (g) approving and publishing an annual report within the earlier of 180 days after the fiscal year end or the timeline specified in the Financial Administration Law, that details the progress towards the financial and operational goals of ACN over the course of the fiscal year.

5.1.2 Responsibilities – Finance and Audit Committee

The Finance and Audit Committee is responsible for:

- (a) determining the financial reports list contents and frequency of reporting it requires from ACN
- (b) reviewing the financial reports list, quarterly and annual financial statements and reports and the Band Administrator’s corresponding recommendations and making appropriate recommendations to Council
- (c) reviewing financial reporting risks and fraud risks reported by the Band Administrator and making recommendations to Council.

5.1.3 Responsibilities – Band Administrator

The Band Administrator is responsible for:

- (a) identifying, assessing, monitoring, and reporting on financial reporting risks to the Finance and Audit Committee
- (b) monitoring and reporting on the effectiveness of mitigating controls for the financial reporting risks and fraud risks taking into consideration the cost of implementing these controls
- (c) ensuring that financial reporting risk assessment and management practices have been performed in relation to quarterly and annual financial statements
- (d) periodically reviewing these policies in consultation with the Director of Finance and other staff as appropriate and recommending any updates to the Finance and Audit Committee
- (e) annually, as part of the evaluation process, the Band Administrator will make sure the persons engaged in the financial management system
- (f) have the necessary knowledge, skills and competence to perform the services for which they have been engaged
- (g) confirm in writing that they understand their responsibilities

5.1.4 Responsibilities – Director of Finance

The Director of Finance is responsible for:

- (a) preparing and updating the financial reports list
- (b) preparing the financial statements and reports in accordance with Canadian GAAP and this policy and procedure
- (c) reviewing the financial statements and reports and making appropriate recommendations to the Finance and Audit Committee
- (d) developing a “financial closing and reporting process checklist” for use at the end of each fiscal year, which will include procedures to mitigate financial reporting risk
- (e) assessing and managing financial reporting risk and reporting risks to the Band Administrator
- (f) prepares the monthly accounts payable statement
- (g) developing and recommending procedures for identifying and mitigating financial reporting risks and fraud risks and ensuring approved procedures are followed
- (h) providing all requested information related to the preparation of financial statements and reports and the assessment and management of Financial Reporting Risk
- (i) if Ahtahkakoop Cree Nation has a loan from the First Nations Finance Authority (FNFA) that is secured by other revenues: maintaining a complete set of all records respecting other revenues of ACN, including all records referred to in Section 5 of the Local Revenue Management Implementation Regulation as amended by the Financing Secured by Other Revenues Regulations, if applicable

ADMINISTRATIVE PROCEDURES

Procedures

5.2 Financial Reports List

5.2.1 The council and the Finance and Audit Committee, with the assistance of the Director of Finance, are responsible for preparing a list of all financial statements and reports that are to be prepared on a regular basis.

5.2.2 The financial reports list must include the required monthly financial information, as well as quarterly and annual financial statements.

5.2.3 Monthly financial reports prepared by the Director of Finance will be tailored to the needs of ACN for monitoring purposes in the form and content recommended by the Finance and Audit Committee and approved by Council. The monthly financial reports will be provided to [one or more of Council, the Finance and Audit Committee or the Band Administrator], as written in the FAL.

5.2.4 If ACN has borrowed money from the FNFA secured by other revenues, these other revenues must be accounted for and reported on separately.

5.2.5 For each report or financial statement listed, the following information must also be identified:

- (a) a brief description or contents of the report
- (b) the person responsible for its preparation
- (c) when it is to be made available and its frequency
- (d) the report's distribution list

5.2.6 The Director of Finance will review and update the financial reports list quarterly and annually and submit the list to the Finance and Audit Committee quarterly and annually for their review and recommendation.

5.2.7 The Council will review and approve the financial reports list quarterly and annually.

5.3 General Ledger

5.3.1 Immediately after the end of each month, all balance sheet accounts in the general ledger will be reconciled. The Director of Finance initials and dates the trial balance at the bottom of the final page and is kept on file.

5.4 Journal Entries

5.4.1 Adjusting journal entries are used to correct an error in posting to the General Ledger, or to record any financial information not done by cheques, receipt etc., such as recording bank service charges. All journal entries should be fully explained and backed up by documents that are relevant to the entry.

5.4.2 Journal entries are as important to the financial records as receipts, cheques, and bank deposits, and should be approved by an authorized person. Journal entries are assigned batch numbers and all journal entries will be posted monthly, including printing and filing.

5.5 Bank Reconciliation Statement

5.5.1 On receipt of bank statements and cancelled cheques, reconciliation should be carried out for each bank account. From the bank statement, applicable cheque list, and general ledger bank account balance, a bank reconciliation statement is prepared. The Director of Finance keeps the statements in a bank reconciliation file for each bank account for the fiscal year. Bank reconciliation statements should be reconciled monthly.

5.6 Financial Statement Preparation – Monthly & Quarterly

5.6.1 The Director of Finance will prepare monthly information on the financial affairs of Ahtahkakoop Cree Nation and its quarterly and annual financial statements. Other financial reports that are listed in the approved financial reports list will be prepared by the Director of Finance.

5.6.2 Monthly financial statements are required by the 15th of each month or as requested. This report is an income statement, which indicates current period expenses, year-to-date expenses, year budget and year variance. In addition, the monthly financial statements will include:

- (a) year-to-date expenses reflecting the beginning of the fiscal year to current month revenue and expenditures in each account
- (b) year budgets reflecting total expected revenues and expenditures for the fiscal year
- (c) year variance(s) reflecting the difference between the year to date and year budget.

5.6.3 Quarterly financial statements will be provided to the Finance and Audit Committee and Council no later than 45 days following the end of the quarter for which they were prepared.

5.6.4 The quarterly financial statements will be considered and recommended to Council by the Finance and Audit Committee no later than 14 days following the quarter-end and considered and approved by Council no later than 28 days following quarter end.

5.6.5 Each quarterly financial statement will include the following for Ahtahkakoop Cree Nation:

- (a) a statement of revenue and expenditures containing a comparison to the approved annual budget
- (b) a statement of financial position
- (c) financial information for the local revenue account as required by the Financial Administration Law and the Local Revenue Policy, if applicable
- (d) if ACN has borrowed money from the First Nations Finance Authority secured by other revenues: Financial information on these other revenues, if applicable
- (e) any other information requested by the Finance and Audit Committee or Council

5.6.6 Each annual financial statement will include the following for Ahtahkakoop Cree Nation:

- (a) the financial information and disclosures for Ahtahkakoop Cree Nation for the fiscal year prepared in accordance with Canadian GAAP
- (b) a special purpose report setting out all payments made to honor guarantees and indemnities
- (c) a special purpose report setting out the information required in the Financial Administration Law (Reporting of Remuneration and Expenses)
- (d) a special purpose report setting out all debts or obligations forgiven by Ahtahkakoop Cree Nation
- (e) any other report required under the Act or an agreement

5.6.7 Annual financial statements will be prepared according to a standard “financial closing and reporting process checklist.”

5.6.8 Annual financial statements will be presented to the Finance and Audit Committee no later than 90 days following the end of the fiscal year for which they were prepared.

5.6.9 The Finance and Audit Committee will review the annual financial statements, the accompanying information and the Director of Finance’s comment(s) and recommendation(s). Subsequently, the Finance and Audit Committee will forward the financial statements, accompanying information, and its comment(s) and recommendation(s) to Council no later than 105 days following the end of the fiscal year for which they were prepared.

5.6.10 Council will review the annual financial statements (other than those prepared for local revenues), the accompanying information, and the recommendation(s) of the Finance and Audit Committee and the Band Administrator and approve no later than 120 days after the fiscal year end.

5.6.11 If the financial statements are not approved by Council, a documented rationale will be communicated to the relevant Department Head for corrective action. The financial statements will be re-submitted for approval within the timeframe stated by Council.

5.6.12 A “financial reporting record” file will be created for each annual financial statement. The financial statement record file will at a minimum contain the:

- (a) financial statements presented to Council for approval
- (b) record of, or reference to Council’s decision to approve or not approve the financial statements, the Finance and Audit Committee’s recommendation(s), and the Director of Finance’s recommendation(s)

5.6.13 The financial reporting record file will be classified as confidential and secure, and maintained according to the relevant policy. The retention period will be seven years unless otherwise specified by Ahtahkakoop Cree Nation Information Management Policy.

5.7 Accounts Payable

5.7.1 At the end of each month, an accounts payable statement shall be printed from the General Ledger and reconciled by the Director of Finance, submitted to the Band Administrator and the Finance and Audit Committee. This list shall consist of companies to whom Ahtahkakoop Cree Nation owes monies and the amount(s) owed by Ahtahkakoop Cree Nation.

5.8 Accounts Receivable

5.8.1 Ahtahkakoop Cree Nation holds a firm policy that accounts receivable shall be kept at a minimal amount. The Band Administrator shall review this report monthly and is held at his/her discretion. Accounts receivable consist of minimal reimbursements of expenditures. The Band Administrator and Director of Finance are authorized to charge the accounts receivable expense, at the request of the Department Head.

5.8.2 Invoices will also be issued to bill outside agencies for services rendered, when monies are due to Ahtahkakoop Cree 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 sequential invoice number, description of the goods and services supplied, and the amount due.

5.8.3 The original will be sent to the debtor and the duplicate retained in numerical order by the Director of Finance. When a payment invoice is received, a receipt will be issued, and the deposit will be entered into the Sage 300 General Ledger system as a credit to the accounts receivable and a debit to cash.

5.8.4 At the end of each month, the accounts receivable codes will be reconciled by the Director of Finance. Any amounts that have been outstanding for more than 30 days will be listed on a statement and sent to the debtor.

5.8.5 When the review of the accounts receivable reveals that any account has been outstanding for more than 90 days, a form letter will be sent to the debtor.

5.8.6 Prompt action should be taken to collect accounts receivable. If no response or an unsatisfactory response is received to the follow-up letter, the Band Administrator will review the case. Where a Band member is the debtor, the Band Administrator will recommend to Ahtahkakoop Cree Nation member a repayment schedule of deductions from monies due from Ahtahkakoop Cree Nation. Should Ahtahkakoop Cree Nation member concur to this arrangement, a repayment schedule will be passed to the Director of Finance for garnishee to commence.

5.9 Project Reports

5.9.1 For each department for which a project has been undertaken, a project report should be prepared at the end of each month. Such reports may be prepared in different formats, depending on the requirements of the department concerned. The figures are taken from the General Ledger. The original shall be submitted to the funding agency and photocopies made for the Program/Department Head, Band Administrator, and the Director of Finance.

5.10 Financial Reporting Risks

5.10.1 Annually, as part of the evaluation process, the Band Administrator will make sure that the persons engaged in the financial management system:

- (a) have the necessary knowledge, skills, and competence to perform the services for which they have been engaged
- (b) confirm in writing that they understand their responsibilities

5.10.2 The Director of Finance will develop a “financial closing and reporting process checklist” for use at the end of each fiscal year, which will include procedures to mitigate financial reporting risk. The financial closing process checklist will include the following minimum procedures:

- (a) reconciliation / analysis of all statement of financial position accounts with approval by the Director of Finance; in those instances, where the Director of Finance prepared the reconciliation or analysis, then the Band Administrator will be required to approve the reconciliation or analysis (or alternatively a member of the Finance and Audit Committee)
- (b) review of trade, loan, and other receivable balances to identify late payments; late payments followed up on and have been reviewed for collectability and any necessary adjustment to the allowance for doubtful accounts has been prepared
- (c) reconciliation of general ledger balances with sub-ledger balances (e.g., trade accounts receivable, trade accounts payable, contribution receivable, etc.)
- (d) search for unrecorded liabilities and preparation of accrual journal entries, including:
 - (vi) reconciliation of supplier statements
 - (vii) review of unmatched receiving information
 - (viii) review of unmatched purchase orders
 - (ix) review of numerical continuity of purchase orders
 - (x) review of current contracts for supplies or services, including follow-up with supplier when necessary
 - (xi) department/program inquiries for any invoices, expense reports, commitments or any other knowledge of liabilities incurred at reporting date
- (e) reconciliation of payroll expense to the payroll register and bank account balance
- (f) preparation of non-recurring journal entries with supporting documentation
- (g) review of recurring journal entries for preparation, approval, and recording by the

Director of Finance

- (h) review of financial statements for accuracy, additions, and cross-references and for agreement with the general ledger
- (i) presentation of financial statements has been reviewed; necessary disclosures and reclassification entries have been prepared and have been approved by the Director of Finance
- (j) provision of draft departmental financial statements to respective departments for review, comment, and budgetary variance explanations
- (k) the Director of Finance is satisfied that the financial statements are accurate and presented in accordance with Canadian GAAP

5.10.3 Changes to the accounting software (i.e., new system or major changes to the current system set-up) require authorization from the Director of Finance and consultation and communication with the Finance and Audit Committee and Council. Changes such as the addition/deletion/modification of general ledger accounts, customer/member accounts, or vendor accounts require approval from the Director of Finance.

5.11 Fiscal Year

5.11.1 The fiscal year for ACN will be the period beginning on April 1 and ending on March 31 of the following year.

5.12 Annual Report

5.12.1 The Council must prepare and publish an annual report within the earlier of 180 days after the fiscal year end, or the timeline specified in the Financial Administration Law, which details the progress towards the financial and operational goals of ACN over the course of the fiscal year.

5.12.2 The annual report will contain, at a minimum, the following:

- (a) a description of the services provided by ACN and its operations
- (b) a progress report on any established objectives and performance measures of ACN
- (c) reference to the audited annual financial statements for the previous fiscal year
- (d) reference to any special purpose reports

5.12.3 The annual report will be made available to all members of ACN as required by the Financial Administration Law, and provided to all Council members, the First Nations Finance Authority, and other organizations as required no later than 180 days after the fiscal year end.

5.12.4 The Council must make sure that a remedy process is available to First Nation members who have requested but have not been provided with the annual report of ACN within the required timeframe.

5.12.5 The remedy process should at a minimum, define the following;

- (a) ACN member who made the request's contact information

- (b) response time of no later than [5 days]
 - (c) report on requests
 - (d) solutions to rectify delayed requests and accessibility of information
- 5.12.6 The responsibility of the Annual Report is of the Band Administrator
- 5.12.7 The Annual Report will be made available at the;
- (a) Band Office
 - (b) Ahtahkakoop Website

6. ANNUAL PLANNING AND BUDGETING

POLICY

Policy Statement

It is Council's policy to establish a process for establishing the Ahtahkakoop Cree Nation's short and long-term priorities and goals and linking them to operations and spending.

Purpose

The purpose of this policy is to make sure that a comprehensive planning process is established to support the on-going decision making of Ahtahkakoop Cree Nation. Proper budget planning should involve preparation meetings with those who are involved or familiar with programs or services and have knowledge of personnel, needs and costs, required for each program. This is to make sure that Ahtahkakoop Cree Nation has enough resources to deliver quality services to members at a reasonable cost and support it in achieving its goals.

Scope

This policy applies to the Council, the Finance and Audit Committee, Department Heads, and employees of ACN involved in the planning and budgeting process.

6.1 Responsibilities

6.1.1 Council is responsible for:

- (a) reviewing and approving the budget and ensuring that it was prepared in accordance with the Ahtahkakoop Cree Nation Financial Administration Law and other applicable Ahtahkakoop Cree Nation laws, and provides for required programs and services
- (b) reviewing and approving any circumstances that are expected to create a budget deficit including consideration of any recommendations from the Finance and Audit Committee on plans to eliminate the budget deficit in a future period
- (c) reviewing and approving other planning documents including but not limited to a strategic plan, capital budget, and a multi-year financial plan

- (d) reviewing and approving the annual materiality threshold for budget amendments, per the approved amounts in the Authorization and Delegation Table
- (e) reviewing and approving any amendments to the annual budget or other planning documents, greater than the approved annual materiality threshold for budget amendments.
- (f) ensuring that a process is in place to address membership priorities in the strategic plan and other planning documents as appropriate.
- (g) ensuring that the membership of ACN is informed about or involved in the preparation of the annual budget, multi-year financial plan, projected budget deficits or projected extraordinary expenditures as set out in ACN's Financial Administration Law
- (h) establishing general budget policies such as requirements for a balanced budget and use of cash reserves

6.1.2 The Finance and Audit Committee is responsible for:

- (a) reviewing the draft annual budget and multi-year financial plan and recommending them to Council for approval
- (b) providing recommendations to Council respecting plans to eliminate budget deficits in a future year
- (c) reviewing draft amendments of the annual budget and recommending them to Council for approval
- (d) reviewing information, within the capital plan schedules and proposed budget for rehabilitation or replacement of capital assets and plans for new construction of capital assets

6.1.3 The Band Administrator is responsible for:

- (a) creating a planning and budgeting calendar and making sure deadlines are met – subject to ACN's Financial Administration Law
- (b) making sure that the annual planning and budgeting calendar is met by arranging necessary budgeting planning meetings with Council and employees
- (c) preparing, in conjunction with Department/Program Heads, for submission to the Finance and Audit Committee and Council on a quarterly basis
- (d) reviewing draft budgets and budget amendments in consultation with the Finance and Audit Committee
- (e) reviewing other draft planning documents in consultation with the Finance and Audit Committee
- (f) communicating the approved budget to employees
- (g) conducting regular financial monitoring to compare actual income and expenditures to those budgeted
- (h) maintaining a current register of all First Nation's capital assets and arranging for annual inspections

- (i) reviewing funding formulas, funding methodologies and departmental policies of various funding agencies to ensure Ahtahkakoop Cree Nation receives its entitled funding.
- 6.1.4 The Director of Finance is responsible for:
- (a) establishing the format for draft budgets
 - (b) participating in budget planning sessions with Council, the Finance and Audit Committee, Band Administrator, and other key stakeholders
 - (c) collaborating with the appropriate employees in setting draft expenditures for their respective department
 - (d) preparing the draft budget or consolidating and evaluating draft budgets from departments for accuracy, reasonableness, applicable guidelines, and anticipated resources in accordance with the Financial Administration Law
 - (e) developing revenue projections based on reviews of fiscal transfer agreements and collaboration with other Department Heads on own source revenues projections
 - (f) recommending the annual materiality threshold for budget amendments to the Finance and Audit Committee for recommendation to Council for approval
 - (g) preparing and communicating to the Finance and Audit Committee budget amendments that meet the Council approved materiality threshold, for recommendation to Council for approval
 - (h) presenting draft annual budgets to the Band Administrator and to the Finance and Audit Committee on an annual basis
 - (i) implementing financial monitoring, including preparing and analyzing budgeted versus actual revenue and expenditure reports for the Finance and Audit Committee use and overseeing any Council approved budget amendments after the annual budget is approved
 - (j) making projections and preparing budgets for capital assets, within the capital plan
 - (k) any other responsibilities as outlined in the Financial Administration Law

ADMINISTRATIVE PROCEDURES

6.2 Annual Integrated Planning Process

6.2.1 An annual planning session will be held within the timeframe set out in the annual planning and budget calendar. The planning session will include:

- (a) Council, Finance and Audit Committee members, Band Administrator, Director of Finance, Department/Program Heads, and other appropriate employees
- (b) development or communication of operational goals and objectives based on priorities established by the Council.
- (c) presentation of budgeting calendar
- (d) development or update of key budget assumptions, constraints, and cost drivers for

current year and the multi-year plan

- (e) development or update of a multi-year capital plan to ensure the effective management of capital assets which identifies and prioritizes expected needs, costs, and expected sources of financing
- (f) development or update of strategic plan, goals, and objectives

6.2.2 ACN's integrated planning and budgeting process must link and provide the relationships between related aspects of the strategic plan, multi-year financial plans, capital plans, life-cycle management program plans and annual budgets. The strategic priorities and goals identified in the strategic plan must be reflected in all aspects of the planning documents to operational levels, such as departmental work plans. Documentation of ACN's integrated planning should be evident at all participating levels including program managers, senior managers, Band Administrator, Director of Finance, Finance and Audit Committee and Council review process.

6.2.3 The integrated planning process can include the following items:

- (a) integrated planning and budget calendar
- (b) departmental work plans
- (c) process documentation
- (d) regular reporting in integrated planning process
- (e) meeting minutes or notes of review

6.2.4 The Finance and Audit Committee will review the appropriate planning documents to ensure integration of all relationship aspects are considered in the process and provide a recommendation to Council.

6.3 Program Budgets

6.3.1 Individual program/department budgets shall be prepared by each Department/Program Head, including monthly expenditure projections. The annual budget must include;

- (a) the overall estimate for each year
- (b) the final approved budget appropriations from all funding sources
- (c) the difference between funds needed and funds available
- (d) alternative means of operations if there is a difference in funds needed and funds available
 - (i) reduction in non-essential programs
 - (ii) reduction or elimination of specific programs, and/or
 - (iii) raising of additional funds from internal or other sources

6.3.2 Where a projected deficit exists, the Finance and Audit Committee will provide recommendations to the Council on plans to eliminate the budget deficit in a future year.

6.3.4 It is the policy of the Department/Program Head to maintain strict control over their budgets, to ensure that over-expenditures do not occur.

6.4 Analysis of Funding Arrangements

6.4.1 At the beginning of each fiscal year, the funds provided in each funding arrangement should be analyzed to determine the areas from which funds can be made available to reduce outstanding deficits. If applicable, a budget worksheet shall be prepared for the following expenditures:

- (a) Salary and wages
- (b) Annual contracts
- (c) Other flexible expenditures
- (d) Non-flexible expenditures

6.4.2 The Band Administrator shall review funding formulas, funding methodologies and departmental policies of various funding agencies, including federal and provincial departments, First Nation Governments and other parties with whom Ahtahkakoop Cree Nation may have a funding agreement.

6.4.3 The Band Administrator in conjunction with the Membership/Lands Clerk will ensure all population statistics are maintained and up to date with respect to all Band members residing on and off reserve.

6.5 Annual Budget

6.5.1 Based on the annual integrated planning session, the initial operating budget estimates will be prepared, and the multi-year capital budget estimates will be prepared or updated accordingly.

6.5.2 Capital budgeting estimates should include all capital improvement projects (purchase, construction, or renovation of physical facilities) and all capital equipment expenditures.

6.5.3 Any projected deficit must be accompanied by a report, and in accordance with the Ahtahkakoop Cree Nation Financial Administration Law, that outlines the contributing factors and circumstances and the plan by which it will be eliminated in a future year.

6.5.4 The draft budget will be presented for discussion at a Finance and Audit Committee meeting.

6.5.5 Where a projected deficit exists, the Finance and Audit Committee will provide recommendations to the Council on plans to eliminate the budget deficit in a future year.

6.5.6 The final draft budget recommended for approval to Council by the Finance and Audit Committee will be approved by Council no later than March 31st of the fiscal year preceding the budget year.

6.5.6 The draft budget must meet the requirements of ACN's Financial Administration Law and the integrated planning process must comply with the schedule for planning activities set out in that Law.

6.5.6 On or before January 31st of each year, the Director of Finance must prepare and submit to the Finance and Audit Committee for review a draft annual budget for the next fiscal year.

6.5.6 On or before February 15th of each year, the Finance and Audit Committee must review the draft annual budget prepared by the Director of Finance and recommend the annual budget to Council for approval.

6.6 Strategic Plan

6.6.1 Based on the annual integrated planning session, a strategic plan will be prepared that will include:

- (a) development of a community vision that provides the guiding principle of the plan.

- (b) development of a community priorities list (e.g., housing, education, etc.)
- (c) setting a realistic timeframe to implement the plan
- (d) identifying the requirements to implement the plan (i.e., using legislative tools of governance and public finance to support activities or the need to acquire additions to reserve, or invest in new businesses to generate additional revenues etc.)
- (e) determining how the implementation of the plan will be resourced
- (f) The plan should include community input on the vision and priorities, in accordance with ACN's communication procedures, as noted in the Annual Planning and budgeting process section of this policy.

6.6.2 The plan will include a long-term vision for ACN and be used to guide financial and community decision-making. The strategic plan will be reviewed on a periodic basis and updated, as necessary.

6.7 Multi-Year Financial Plan

6.7.3 Based on the annual integrated planning session, a multi-year financial plan that has a planning period of five years (the current fiscal year and the next four fiscal years) will be prepared that will also include the following:

- (a) revenue projections by major revenue type that demonstrate trends in existing revenue streams
- (b) expenditure projections that set out separate amounts for payments, including payments of principal and interest on debt, payments required for capital projects as defined in the Financial Administration Law, payments required to address any deficits and payments for all other purposes
- (c) projected transfers between accounts that include the amounts from the capital asset reserve account, and the life cycle management program
- (d) all categories of restricted cash
- (e) projected deficits or surpluses

6.7.4 The draft multi-year financial plan will be presented for discussion at a Finance and Audit Committee meeting. The Committee may accept the plan as presented or request amendments, within the context of the operating objectives and the strategic plan.

6.7.5 The final multi-year financial plan recommended for approval to Council by the Finance and Audit Committee will be adopted as a formal planning document no later than March 31st of each fiscal year.

6.8 Plan and Budget Amendments

6.8.1 Amendments to budgets are limited to situations of material changes to the projected revenues or expenditures of ACN or to the expenditure priorities of Council. Materiality is approved by Council each year as indicated in the Delegation and Authorization Table.

6.8.2 Budget amendments, above the approved annual materiality threshold, will be brought to the Finance and Audit Committee for review and recommendation to Council.

6.8.3 The amendment budget timeline for local revenue must meet the requirements of ACN's Financial Administration Law which is the following;

- (a) On or before June 15 of each year the Director of Finance must prepare and submit to the Finance and Audit Committee for review a draft amendment of the component of the annual budget respecting ACN's local revenue account.
- (b) On or before June 30 of each year, the Finance and Audit Committee must review the draft amendment of the component of the annual budget respecting ACN's local revenue account.
- (c) No later than July 15 of each year, the Council must approve the amendment of the component of the annual budget respecting ACN's local revenue account.

References and Related Authorities

FMB's Financial Management System Standards

- Standard 15.0 – Integrated Process
- Standard 17.0 – Financial Plan
- Standard 18.0 – Budgets
- Standard 25 – Tangible Capital Assets

FMB's Financial Administration Law Standards

- Standard 15.0 – Multi-year Financial Plan
- Standard 16.0 – Budgets

7. FINANCIAL INSTITUTION ACCOUNT AND CASH MANAGEMENT

POLICY

Policy Statement

It is the Council's policy to establish effective and efficient controls for all banking activities and financial service agreements with financial institutions.

Purpose

The purpose of this policy is to specify authorities and responsibilities over banking activities including signing and approval authorities, opening, and closing of accounts, and processing transactions. Having control over access to, and the management of, ACN's bank accounts limits the chance of loss of money.

Scope

This policy applies to the Council, Department Heads, and employees assigned financial institution account responsibilities.

7.1 Responsibilities

7.1.1 Council is responsible for:

- (a) approving the addition or the removal of authorized signatories for each financial institution account used by ACN
- (b) approving and coordinating the opening, maintenance and closing of bank accounts
- (c) designating the financial institutions that ACN may conduct banking activities with
- (d) approving the establishment of an operating line of credit or overdraft account
- (e) approving the transfer of funds between financial institution accounts

7.1.2 The Finance and Audit Committee is responsible for

- (a) ensuring significant irregularities or unusual reconciling items are investigated.

7.1.3 The Director of Finance is responsible for:

- (f) representing ACN in dealing with financial institutions
- (g) coordinating the opening, maintenance and closing of bank accounts
- (h) assigning banking duties and ensuring that adequate segregation of duties is maintained
- (i) making sure physical safeguards are implemented over any handling of cash and blank cheques
- (j) ensuring all funds received are recorded properly and signed
- (k) making sure all money received by ACN is deposited as soon as practicable into the

appropriate accounts

- (l) approving and doing an independent review of monthly bank reconciliations for each financial institution account
- (m) making sure that a reconciliation is performed each month for every financial institution account
- (n) documenting and alerting the Finance and Audit Committee of any irregularities in the reconciliation process
- (o) monitoring and projecting ACN's cash position
- (p) managing ACN's short-term liquidity and working capital including credit line facilities
- (q) The employees assigned banking duties by the Director of Finance are responsible for:
 - (r) receiving cheques and cash
 - (s) preparing cheques and cash for deposit to the appropriate financial institution account
 - (t) reconciling petty cash accounts on a regular basis
 - (u) recording revenue deposited in the accounting system
 - (v) making sure all anticipated recurring deposits have been received

7.1.4 The employee designated by the Director of Finance to prepare financial institution account reconciliations is responsible for:

- (a) preparing a reconciliation for each of the financial institution bank accounts
- (b) ensuring that supporting documentation and records are retained for each reconciliation
- (c) alerting the Director of Finance of any irregularities

ADMINISTRATIVE PROCEDURES

Procedures

7.2 Financial Institution Account Management

7.2.1 The Director of Finance maintains correspondence and official documents relating to the opening, maintenance, and closing of all financial institution accounts.

7.2.3 ACN must establish the following accounts in a financial institution;

- (a) general account for funds from sources other than those described in (b) and (d)
- (b) a local revenue account for funding from local revenues, if applicable
- (c) a trust account if ACN has funds held in trust, if applicable, and
- (d) a tangible assets reserve account for funds set aside for tangible capital asset replacement

7.2.4 ACN may establish any other accounts not referred to above as may be necessary and appropriate to manage ACNs assets.

7.2.5 The Director of Finance will develop a clear description of the purpose of each financial institution's account and provide it to all employees who are responsible for depositing funds or reconciling the accounts.

7.2.6 All interest earned on a trust account, local revenue and tangible capital assets reserve fund must be retained in their accounts.

7.2.7 The list of individuals with authorized signing authorities for each financial institution account will be maintained by the Director of Finance. All changes to signing authorities must be approved by Council. Authorization for opening or closing a bank account in the name of Ahtahkakoop Cree Nation must be approved by way of Council Resolution. When signing authority is changed due to a change in personnel or Council members, a Council Resolution is required. New signature cards must be obtained, completed, and delivered to the bank before the effective date of the change.

7.2.8 All accounts will have the following designated signatures:

- (a) Band Administrator
- (b) Director of Finance
- (c) Portfolio Councilor
- (d) Department/Program Head or designate approved Council.

7.2.9 Online financial institution access will be permitted and controlled as follows:

- (a) the employee performing account reconciliations will be granted read-only access to the account they have been assigned to reconcile
- (b) only employees with signing authority will be provided with online banking access to perform transactions
- (c) transaction completion activities, such as electronic funds transfers, will be controlled in a similar manner as cheques and two employees will be required to approve each transaction; each employee will have a separate login and individual password Ex. If two members of Council are authorized signatories to the financial institution account, two members of council must sign the electronic fund transfer.
- (d) Once approved by the authorized signatories on the account, two employees will also be required to approve each electronic transaction.

7.3 Cash Receipts & Cheques

7.3.1 The person recording cash receipts in the General Ledger must not be the same individual making the deposit at the financial institution or the individual performing the bank reconciliation.

7.3.2 Cheques received by direct mail will be recorded in a cheque receipt with pre-numbered duplicate receipts and endorsed (stamped) immediately as “for deposit only to [account #] ” by a designated person. This blocks negotiation of the cheque(s) if stolen. All pre-numbered receipts should be accounted for and retained in the receipt book for audit examination.

7.3.3 The cheque receipt log will include;

- (a) the date
- (b) who the funds are from
- (c) source amount
- (d) reason for payment (account code)
- (e) cheque numbers
- (f) signature of the Director of Finance

7.3.4 Cheques must face in the same direction for expediting the bank processing. Cheques must be bundled with a rubber band and include one of the matching adding machine tapes.

7.3.5 An adding machine tape must be run to determine the total amount of cheques being deposited. A second adding machine tape must be run to verify the total previously calculated. Continue calculating until the two adding machine tapes match.

7.3.6 A deposit slip must be prepared by one employee and reviewed by a second employee. The employee making the deposit at the financial institution provides the deposit book to another employee responsible for accounts receivable.

7.3.7 The cheque receipts log will be delivered to the employee responsible for accounts receivable. This person will reconcile the deposit slip and the cheque receipts log.

7.3.8 Cash received will be recorded in a duplicate receipt book. One copy will be provided to the payee submitting the cash and the other will be forwarded to the employee responsible for accounts receivable. The receipt will include the date, source, amount, reason for payment, general ledger account code and financial institution account the funds are to be deposited into.

7.3.9 Each deposit will be placed in a separate deposit bag (inspect the bag for holes or tears before using) and should be stored in the safe until they are deposited at the bank. The combination of the safe lock shall be kept confidential and known only by the:

- (a) Band Administrator
- (b) Director of Finance
- (c) Accounts Payable Clerk

7.3.10 Deposits for all cash receipts will be made to the appropriate First Nation bank account as soon as possible (daily preferred) with weekly deposits being the minimum requirement.

7.3.11 Deposits (funds) will only be used for their intended purpose as per their respective agreements.

7.3.12 Deposit all cash receipts to ACN's bank accounts within:

- (a) Two banking days after being received for accumulations of \$1,000 or more in cash/cheques.
- (b) Three banking days after being received for accumulations of less than \$1,000 in cash/cheques.

7.3.13 At the end of each day, any cash received will be stored in ACN's safe or locked cabinet until it can be deposited in a financial institution account. Access to secure storage should be limited to the employee responsible for making deposits.

7.3.14 A list of anticipated ongoing deposits will be maintained and reviewed monthly, such as the following:

- (a) A 30/60/90-day outstanding accounts receivable list that could assist in determining whether the deposits were posted to the correct account
- (b) An outstanding deposits list that could assist in determining whether all expected deposits were deposited in the financial institution account(s)
- (c) Any expected deposits that have not been deposited in the financial institution account(s) will be reported by the employee to the Director of Finance immediately.

7.3.15 In recording deposits to the bank account, various entities use clearing accounts to record amounts due from the following sources:

- (a) A/R Cash
- (b) A/R Debit
- (c) A/R Visa
- (d) A/R MasterCard
- (e) A/R other credit card(s)

7.3.16 These clearing accounts will be treated as if they were bank accounts and reconciled monthly. As an overall guidance, amounts outstanding in these accounts should under no circumstances be older than five (5) working days.

7.3.17 The following steps cannot be followed or initiated until the bank reconciliations are complete for all bank accounts for the month under review:

- (a) make sure all deposits were prepared in accordance with the above procedures.
- (b) prepare monthly bank reconciliation.
- (c) determine balance left in all clearing accounts.
- (d) print detail for each clearing account

- (e) obtain list of uncleared amounts from the prior month
- (f) mark off or strike out each deposit expected as compared to the amount which cleared the bank by starting with the items uncleared from the prior month - note any differences.
- (g) make a new listing of amounts which are uncleared at the end of the month which should include details of the date the funds were received, the source of the funds and the amount due. The listing should be added and totaled and agreed to the control account.
- (h) go to the online access for ACN's banking and print out transactions posted for ACN's bank accounts for the first ten (10) days of the next month.
- (i) make sure that outstanding clearing amounts were received in that ten (10) day period - that is to say, outstanding amounts that have cleared must be documented as part of preparing the listing.

7.4 Petty Cash

7.4.1 A limited number of petty cash accounts as determined by the Director of Finance and based on business needs will be created to pay for small items when payment by cheque is not practical or possible; however, every effort will be made to pay by cheque or electronic transfer. Petty cash will be managed as follows:

- (a) the creation of a petty cash account must be approved by the Director of Finance
- (b) the total amount of the fund will not exceed \$1000.00.
- (c) the person responsible for petty cash will maintain an activity log, supporting documentation, and reconciliation.
- (d) petty cash reconciliations will occur monthly.
- (e) petty cash funds and receipts must be kept in a locked drawer or safe with controlled access.
- (f) accounts payable will replenish the petty cash only upon receipt of a completed petty cash reconciliation.

7.5 Cheque Stock

7.5.1 All blank cheque stock will be stored in a locked cabinet or safe with controlled or limited access.

7.5.2 Cheque stock should be sequentially pre-numbered.

7.5.3 No accounts payable employees, or employees authorized to print out cheques, are authorized to sign cheques or approve money transfers.

7.5.4 No one person or employee will be allowed to enter invoices, select invoices for payment and then print and sign cheques. At minimum, this process requires at least two individuals to make sure there is segregation of duties.

Cheque signers will not sign blank cheques under any circumstances.

7.6 Credit Lines

7.6.1 The Director of Finance. With the approval of the Band Administrator and the Finance and Audit Committee, will authorize the draw down on any line of credit or overdraft facilities.

7.7 Opening a Financial Institution Account

7.7.1 Once the opening of a financial institution account has been approved, the Director of Finance outlines the following:

- (a) name of account
- (b) instructions regarding purpose of account
- (c) names of signatories and authority limits
- (d) address where all statements and correspondence are to be sent
- (e) financial institution contact person

7.7.2 The financial institution accounts will be created such that all non-deposit transactions (such as cheques, electronic transfers, etc.) require two signatures for approval according to the relevant policy.

7.7.3 Once the financial institution account is opened, the Director of Finance instructs the appropriate employee to set up the account in the general ledger.

7.8 Closing a Financial Institution Account

7.8.1 When a bank account is to be closed, the Band Administrator will either write or visit the financial institution's branch manager advising of Ahtahkakoop Cree Nation's intention to close the account. There will be a specified period to allow time for all cheques to clear. The request to close a financial institution account must include:

- (a) name of account
- (b) financial institution account number

- (c) closing bank balance and statement
- (d) approval by Council

7.8.2 Upon approval, a financial institution account closing letter will be prepared and delivered to the financial institution with instructions to transfer any remaining account balance. The letter will be signed by at least two authorized signatories of ACN.

7.8.3 Once the financial institution account has been closed, the Director of Finance will instruct the appropriate employee to disable the account in the general ledger.

7.9 Transfers Between Accounts

7.9.1 Two approvals from authorized Council signatories are required for all transfer of funds between bank accounts via cheque or EFT.

7.10 Financial Agreements

7.10.1 ACN may enter into the following financial agreements in the name of ACN (lines of credit or overdraft credit);

- (a) for the purpose of efficient management of ACNs assets, agreements with financial institutions and related services agreements
- (b) for the purpose of reducing risks or maximizing benefits in relation to the borrowing, lending or investing ACN's financial assets, agreements with financial institutions respecting currency exchange, spot and future currency exchange, interest rate exchange and future interest rates
- (c) The Director of Finance may enter into any financial agreements referred to above on behalf of ACN

7.11 Account Reconciliation

7.11.1 Each of Ahtahkakoop Cree Nation's financial institution accounts will be reconciled to the accounting system records monthly and independently reviewed within 30 business days of the month end. An independent review must be undertaken by an employee or external person who does not report to the employee who prepared the financial institution account reconciliation.

7.11.2 Bank service charges, transfers, overdraft interest, etc. require an adjusting journal entry to record this information in the general ledger. Each cheque (i.e., amount and cheque number) will be compared to the bank statement. This must be completed with all deposits recorded on the bank statement. Cheques that have not yet been processed will be identified as "O/S" (i.e., outstanding) on the bank statement. Finally, all cheques will be placed in numerical order.

7.11.3 The bank statement should be checked to ensure that no unauthorized items have been included. The bank reconciliation statement, cancelled cheques, debit or credit memos, and the bank statement should then be filed.

7.11.4 Reconciliation and documentation records to support the amounts recorded on the reconciliation will be retained according to the Ahtahkakoop Cree Nation Information Management Policy

7.11.5 The employee preparing the financial institution account reconciliation will monitor and investigate unreconciled and outstanding amounts carrying forward beyond thirty business days of month end and will complete the following:

- (a) monitor outstanding cheques and inquire to determine whether the cheques are valid, void or stale-dated
- (b) monitor outstanding deposits and inquire if not cleared by the financial institution

7.11.6 The employee preparing the reconciliation will sign and date it as evidence that the reconciliation is complete and submit the reconciliation to the Director of Finance.

7.11.7 The Director of Finance will submit all financial institution account reconciliations for independent review.

7.12 Independent Review

7.12.1 Each financial institution account's monthly reconciliation must be independently reviewed for completeness, timeliness, and accuracy to ensure the following:

- (a) reconciliation balances
- (b) all amounts recorded on the reconciliation are appropriately supported by documentation such as financial institution statements and financial system reports
- (c) adjustments are reasonable, routine in nature (e.g., financial institution fees), supported by documentation, and are not carried over for multiple months on the reconciliation
- (d) unusual adjustments are well explained, supported, and, if material in nature, are

brought to the attention of the Finance and Audit Committee

7.12.2 The independent review must be undertaken by someone other than the preparer who does not report to the preparer.

7.13 Irregularities

7.13.1 Irregularities, such as significant reconciliations that do not balance or unusual adjustments, will be reported by the Director of Finance to the Finance and Audit Committee as soon as practical.

References and Related Authorities

FMB's Financial Management System Standards

(a) Standard 19.0 – Financial Management and Controls

FMB's Financial Administration Law Standards

(b) Standard 18.0 – Financial Management and Controls

Appendixes

1. Travel Expense Claim Form

8. BINGO PROCEEDS

POLICY

Policy Statement

The policies for Bingo Events ensure the integrity of gaming, commitment to transparency, and the financial return to Ahtahkakoop Cree Nation from such events.

Purpose

The purpose of this policy is to establish sound procedures in relation to accounting of Bingo Proceeds.

Scope

These policies are applicable to the Director of Finance, Council and all other employees who are tasked with overseeing the deposit and/or accounting of Bingo Proceeds.

8.1 Responsibilities

8.1.1 The Director of Finance is responsible for:

- (a) ensuring the safekeeping of all money deposited into the Designated Lottery Bank Account.
- (b) ensuring that all proceeds, less payment of the appropriate cash prizes, of the Bingo Event or Charitable Gaming Event are deposited into the Designated Lottery Bank Account.
- (c) ensuring that all proceeds from a Bingo Event or a Charitable Gaming Event is deposited no later than two business days after the event: and
- (d) ensuring that no proceeds are transferred from the Designated Lottery Bank Account to any other account or term deposit, unless otherwise approved by the IGR
- (e) ensuring that the Council is provided with copies of the deposit record of Bingo Proceeds monthly.

8.2 Procedure

8.2.1 All deposits to the Designated Lottery Bank Account will be made in accordance with the following procedure:

- (a) payment received must have receipts immediately prepared, and recorded in a receipt journal that:
 - (i) is pre-numbered.
 - (ii) records the transaction date.
 - (iii) records the name of the payer.
 - (iv) records whether the payment is in the form of cash or cheque.

- (v) records the amount paid.
 - (vi) is signed by the individual that prepared the receipt.
 - (vii) contains a duplicate format where one copy of the receipt is forwarded to the payee and the duplicate is forwarded to the Bingo chairperson.
 - (viii) along with the receipt, the payments will be transferred to the Bingo chairperson.
- (b) the forwarding of receipts and payments must be recorded in the receipt journal by the Bingo chairperson.
 - (c) the Bingo chairperson will complete a cash reconciliation and prepare a deposit slip.
 - (d) the Bingo chairperson will forward the receipts, payments, cash reconciliation, and deposit slip to the Bingo Hall manager, the relevant charity representative, and the individual Director of Finance who will, together, complete and certify an Event Close-Out Summary.
 - (e) the Director of Finance and one of either the Bingo Hall manager or relevant charity representative will, together, deposit the proceeds into the Designated Lottery Bank Account.
 - (f) the Director of Finance will maintain a deposit record of each deposit made into the Designated Lottery Bank Account that:
 - (i) records the date and time of the deposit.
 - (ii) records the amount of the deposit; and
 - (iii) is signed by the Director of Finance and one of either the Bingo Hall manger or relevant charity representatives, whichever is present at the deposit, to certify the deposit record.
 - (g) the Director of Finance will provide monthly copies of the deposit record to the Council.

Bingo Close-Out Summary Template

	<h3 style="margin: 0;">Indigenous Gaming Regulators Inc.</h3> <p style="margin: 0;">Suite 400 - 203 Packham Avenue, Saskatoon, Saskatchewan S7N 4K5</p> <p style="margin: 0;">Telephone: (306) 477-5700 Toll Free: (877) 477-4114 Facsimile: (306) 477-4449</p>
	<h3 style="margin: 0;">Class "A" Bingo Event Close-Out Summary</h3> <h4 style="margin: 0;">Management Model</h4>
Organization and Event Information	
Hall Location: _____ Date of Bingo Event: _____	
Charity Name: _____ Licence Number: _____	
Matinee Evening Late Night	Event Time: _____ to: _____ Attendance: _____
Line A	Total Gross Revenue \$ _____
Line B	Prize Payouts (not to exceed 70% of gross revenue on a monthly basis) \$ _____
Line C	Trust Account Funding \$ _____
Line D	Total Prizes (total of Line B and Line C) \$ _____
Line E	Calculated Cash on hand (Line A minus Line D) \$ _____
Line F	Amount to Class "B" (not less than 15% of Line A) \$ _____
	[a] Cash Amount \$ _____
	[b] Cheque Amount \$ _____ Cheque # _____
Line G	Calculated Available for Event Expenses (Line E minus Line F) \$ _____
	[a] Overage \$ _____
	[b] Shortage \$ _____
	<i>Indicate shortage with a negative sign (-)</i>
Line H	Actual Available for Event Expenses (Line G plus overage or minus shortage) \$ _____
Line I	Actual Deposit \$ _____
	<i>(To be deposited into an account authorized by IGR)</i>
	<i>If the ACTUAL deposit does not match the total of Line G; provide explanation for variances below:</i>
	_____ \$ _____
	_____ \$ _____
Line J	Prize payout from Trust Account for this Event \$ _____
Certification	
We the undersigned hereby certify the above information to be true and correct.	
Bingo Hall Manager Signature: _____	Print Name: _____
Charity Representative Signature: _____	Print Name: _____
Depositor's Signature: _____	Print Name: _____

9. PURCHASING

POLICY

Policy Statement

It is the Council's policy to establish a process around the purchase of goods and services that demonstrates due diligence, transparency, fairness, quality, and value for money.

Purpose

The purpose of this policy is to provide guidance to ACN on how purchases will be planned, managed, approved, and paid. Having clear rules around purchasing makes sure that the goods and services meet ACN's quality and cost expectations.

Scope

This policy applies to the Council, Department Heads and any other First Nation employees involved in purchasing goods, services, and assets on behalf of ACN.

9.1 Responsibilities

9.1.1 The Council is responsible for:

- (a) ensuring effective control of purchasing of goods, services and assets through documented policies and procedures

9.1.2 The Band Administrator is responsible for:

- (a) communicating the policies and procedures to all parties who are affected.

9.1.3 The Director of Finance is responsible for:

- (a) developing, documenting, and maintaining policies and procedures relating to the procurement process for goods, services, and assets
- (b) assisting in the selection, evaluation, and monitoring of contractors and suppliers
- (c) managing and monitoring expenditures and identifying and reporting on budget variances

9.1.4 The Accounts Payable Clerk is responsible for:

- (a) maintaining the purchase order ledger

ADMINISTRATIVE PROCEDURES

Procedures

9.2 Purchasing of Goods and Services

9.2.1 All employees will comply with the Delegation and Authorization Table in the relevant policy as it relates to potential expenditure limits.

- (a) Procurement of low value good and services \$1.00 to \$2,500
- (b) Employees will ensure that the goods or service selected are the best value for ACN.
- (c) Procurement of moderate value goods and services \$2,501 to \$10,000. A documented analysis of the costs and benefits of at least three options will be performed and where practical, informal quotes will be obtained through advertisements, direct solicitations to suppliers and other methods to compare prices and select the best option for ACN.
- (d) Procurement of goods and services above \$10,000 when Council approval is required per the Authorization and Delegation Table, a competitive purchasing process must occur.

9.2.2 Where practical, informal quotes will be obtained through advertisements, direct solicitations to suppliers and other methods to compare prices and select the best option for ACN. Price quotes should be obtained on all major purchases, as well as the credit terms available, shipping/delivery costs, and any other pertinent factors, to attempt to obtain the best financial arrangements for Ahtahkakoop Cree Nation. Price quotes should be obtained from at least three sources, either by telephone, or in writing for larger purchases/services.

9.2.3 When appropriate, Ahtahkakoop Cree Nation will promote the use of local content in the procurement of goods and services in accordance with the attachment.

9.2.4 Contracts with a service period of less than 12 months will follow the Authorization & Delegation Table. Contracts with a service period of greater than 12 months require Council approval.

9.2.5 When Council approval is required per the Delegation and Authorization Table, a competitive purchasing process must occur.

9.3 Purchase Orders

9.3.1 All purchases of supplies and services are to be authorized in writing, either through contracts, or purchase orders (PO's) prepared and signed by authorized personnel. Immediately after issuance, POs must be entered in the Purchase Order ledger by the Accounts Payable Clerk. POs should be safeguarded and controlled in the same way as cheques. The PO (or contract) must be completed in triplicate, and indicate the items or service being purchased, the quoted price, and the total of the order and expense code. POs should be filed in a way that allows personnel to determine any time that POs are outstanding. Cancelled POs should be clearly marked and retained on file. When the goods are received, POs are compared to the invoice, to check that only authorized items, at the agreed price, are billed for.

9.3.2 Purchase Authorizations

The Program/Department Head or designate, will authorize POs for approved purposes, providing that:

- (a) the necessary funds are identified in an approved and designated budget.
- (b) purchases are made in accordance with the established regulations and procedures of Ahtahkakoop Cree Nation

9.3.3 Processing and Filing of Purchase Orders and Contracts

- (a) after being authorized, the Purchase Order (PO) or contract shall be forwarded to the Accounts Payable Clerk
- (b) the original copy of the PO shall then be mailed or delivered to the supplier.
- (c) the duplicate shall be filed in alphabetical order by department
- (d) when the quality and quantity of all items on an order have been certified received and the price and total charge on the invoice checked against the original PO, the duplicate shall be attached to the invoice which completes the order, and process for payment
- (e) when the payment is complete, the cheque number, date paid, amount paid, and code

shall be entered into the purchase order ledger

- (f) unpaid invoices/statements should be kept in a separate file and segregated by supplier in alphabetical or activity order. Any invoice and statement older than two years should be maintained in a separate file for future follow-up

9.4 Competitive Purchasing Process – Construction Projects and Non-Professional Services

9.4.1 Except where otherwise specified in these Policies or determined by Council, tenders (bids) for contracts expected to exceed \$25,000, a competitive purchasing process will be conducted. The council should require a tender security deposit of 10% of the total tender value from the proposed bidder, to ensure contract entry by the low value bidder. In addition, the Council should require that the successful bidder provide the proper contract security within fourteen (14) days of being awarded the contract, to ensure performance by the contractor, and payments to subcontractors and suppliers.

9.4.2 For construction projects valued at \$50,000 or more, Council should require that the successful bidder submit proof of fire, liability, and vehicle insurance (as applicable) within fourteen (14) days of being awarded the contract.

9.4.3 Under a competitive purchasing process, Council will decide, in consultation with external legal counsel as needed, whether specific construction projects or non-professional services as part of a Request for Proposal (RFP) process will be invited to submit proposals or an open invitation as part of a formal open tender process will be issued.

9.4.4 The Department Head responsible for managing an RFP will include the following:

- (a) background and context
- (b) scope of work
- (c) period of contract
- (d) qualifications (e.g., experience, skills, education, and certifications)
- (e) criteria and weighting (if applicable) by which proposals will be assessed
- (f) proposal due date
- (g) planned contract award date
- (h) contact person and information
- (i) disclaimer(s) limiting liability of ACN in the RFP process; (e.g., This Request for Proposal does not represent a call for tender. Except as expressly and specifically permitted in this RFP, no contractor shall have any claim for compensation of any kind whatsoever because of participating in this RFP, and by submitting a proposal, each contractor shall be deemed that it has agreed it has no claim")

9.4.5 The relevant Department Head(s), representatives from Council, and any relevant employees will form a review panel and review the proposals received against the pre-determined selection criteria for the RFP as outlined in the attachment. The review panel will provide the Council with a recommended course of action.

9.4.6 All tenders/proposals should be marked to show the date and time they were received. They should be kept unopened in a locked file cabinet, until the time and date set for tender opening.

9.4.7 Tenders and proposals should be opened immediately, or as soon as possible after the closing date, by a committee of at least two persons designated by Council. (Bidders may be present if they wish). If a member of the Council has a personal interest in the tender, the member will not sit on the proposal evaluation committee, nor vote on the motion to award the contract.

9.4.8 The Chairperson of the tender/proposal opening committee should announce the following to those present for the opening:

- (a) the official name of the project
- (b) that all tenders/proposals received are subject to a technical and administrative review, prior to the contract being awarded
- (c) that no questions concerning tenders/proposals will be answered at the opening.

9.5 Competitive Purchasing Process – Professional Services

9.5.1 An invitation to submit proposals for professional services should include the following documents:

- (a) A letter of invitation
- (b) A statement of work required
- (c) Proposal evaluation criteria
- (d) Articles of agreement
- (e) A requirement that the contractor agree to being bonded (i.e., should their bid be selected)
- (f) General conditions
- (g) Terms of payment.

9.6 Competitive Purchasing Process – Review of Proposals

9.6.1 As tenders/proposals are opened, one at a time, the Chairperson will announce only the following:

- (a) the name and address of each bidder
- (b) the amount of each bid, including the total amount of any amendments, and revised total tender/proposal amount

9.6.2 The details of tenders and proposals received, such as name and address of the bidders, date and time received, amount of bid etc., should be recorded and authenticated by all members of the Opening Committee.

9.6.3 All tenders and proposals received should be reviewed by an Evaluation Committee, whose members will prepare a summary of their evaluation and recommendation to the Council.

9.6.4 For construction and non-professional services, the contract should normally be awarded to the lowest bidder pending all criteria as indicated in section 8.4 is addressed. For professional and consulting services, the contract should be awarded to the highest rated bidder or to the contractor offering the lowest priced proposal. In all instances, the contractor selected for the contract or tender must agree to being bonded as a condition of the agreement.

9.6.5 Upon approval of the recommended contractor by Council, such a decision will be recorded in the minutes as a Council Resolution.

9.6.6 Contracts should clearly state all requirements and responsibilities of the contractor in detail, and details such as starting and completion dates, terms, and schedules of payments, reporting requirements etc. All copies of the contract should also include the Council Resolution number (i.e., that which referenced the awarding of the contract by Council).

9.6.7 When Ahtahkakoop Cree Nation does not have the resources to prepare documents, invite proposals or tenders, award a contract, and carry out the administrative and management duties the contract requires, Ahtahkakoop Cree Nation should hire a specialist, such as a consultant or an engineer, to do this for them.

9.6.8 All unsuccessful bidders who submitted tenders or proposals should be notified in writing as to who was awarded the contract, as soon as possible after the contract is awarded.

9.6.9 The council should appoint a representative to act on their behalf to liaise with the contractor, and ensure that the work is performed on schedule, and meets all terms and conditions of the contract.

9.6.10 The council should keep complete records of contracts, such as correspondence, invoices, receipts, vouchers, change orders, minutes, faxes, warranties, shop drawings, agenda, etc., for at least two years following the completion date of the contract.

9.7 Exceptions to the Competitive Purchasing Process

9.7.1 Where a contract is not expected to exceed \$25,000, or when otherwise determined by Council, the Council may authorize the Band Administrator to negotiate a specific contract with a company, firm or individual, within budgetary limits, with the intent that the contract will be awarded by Council on a sole source basis.

9.7.2 Contracts and tenders relating to the “Housing and Capital” program will adhere to the Housing Policy of Ahtahkakoop Cree Nation. All other programs/departments will utilize this policy, where applicable.

9.7.3 Otherwise, under rare and limited circumstances and only upon approval from Council, a sole source contract may be awarded to a supplier in the following situations:

- (a) if there were no bids received during the RFP process
- (b) when the good or service is available only through a sole source
- (c) in an emergency where a delay in purchasing the good or service would result in severe loss or damage to ACN

9.7.4 Any exceptions to the purchasing process outlined above will be documented to demonstrate the rationale and approval.

9.8 Approval, Initiation and Monitoring

9.8.1 On a monthly basis, the Director of Finance will review the contract progress, noting and communicating budget variances to the Band Administrator exceeding the materiality threshold as approved by Council and outlined in the Delegation and Authorization Table.

9.9 Documentation Requirements

9.9.1 All purchasing documents (including but not limited to requisitions, invoices, purchase orders, RFPs) will clearly indicate the details of the goods and services requested.

9.9.10 Approvals and budget appropriations and accounts from which certain goods or services may or must be purchased will be documented on relevant internal purchasing documentation.

9.9.11 A file will be created for each competitive purchasing process that contains the results of each supplier evaluation.

9.10 Monitoring of Suppliers

9.10.1 On an ongoing basis, the Band Administrator will monitor the quality of the work and the working relationship with the supplier. Issues noted will be documented in the supplier file and resolved by the Band Administrator.

9.10.2 Performance evaluation should be tailored to job size and complexity. A review of both the project quality and the service quality should be conducted using a standard set of criteria and applying weight factors established at the time of award.

9.11 Encouraging new suppliers

9.11.1 Contracts will be reviewed on an annual basis (or other timeframe as deemed appropriate by the Band Administrator for the nature and complexity of the goods or services in question) and a request for other suppliers initiated.

References and Related Authorities

FMB's Financial Management System Standards

- (c) Standard 19 – Financial Management and Controls
- (d) Standard 25 – Tangible Capital Assets

FMB's Financial Administration Law Standards

- (e) Standard 8.0 – First Nation Council
- (f) Standard 18.0 – Financial Management and Controls
- (g) Standard 27.0 – Contracts and Tendering

Attachments

- 1. Local Content
- 2. Contractor/Supplier Evaluation Template

LOCAL CONTENT REQUIREMENTS

ACN should promote the use of local content when appropriate in the procurement of goods and services. For construction contracts on reserve lands, ACN may include a clause that requires the contractor to employ local labor and resources. Another option is to add a training component to the contract that requires the contractor to train local laborers. Where applicable, the RFP package should also require bidders to stipulate the extent to which they will use local materials, local equipment, and provide a formal training program for local labour employed by the contractor.

Pre-RFP Considerations for Local Content

Before developing the tender documents, ACN should establish:

- (a) extent of labor and trades available locally
- (b) quantities and firm prices of locally available materials
- (c) local equipment available and firm rental rates
- (d) training requirements and trade apprenticeships

Once the contract has been awarded, special clauses reflecting the agreed upon local content requirements will be incorporated in the contract with the successful vendor.

CONTRACTOR/SUPPLIER EVALUATION TEMPLATE

SUPPLIER EVALUATION				
	Organization name:			
	Service/goods to be provided:			
	RFP reference #:			
	Value of contract:			
	Criteria	Details / Comments	Value	Score
1.	RFP or other requirements [list here] [xxxx] [xxxx] [xxxx]	<i>Describe any areas of concern or where requirements were not met....</i>	[#]	[#]
2.	Qualifications and experience	<i>Do they have the appropriate qualifications and experience to perform the work?</i>	[#]	[#]
3.	Terms and conditions	<i>Are their terms and conditions acceptable to ACN?</i>	[#]	[#]
4.	Has the organization worked previously with ACN? Provide details and an evaluation of the work.	<i>Evaluate ACN's previous experience with this supplier</i>		
5.	[xxxx]			
6.	[xxxx]			
7.	[xxxx]			
8.	[xxxx]			
9.	[xxxx]			
10.	[xxxx]			
11.	Price	<i>Evaluation of the price, results of previous criteria.</i>		
12.	Other considerations?	<i>Anything not covered above that should be included in evaluation the supplier i.e., inclusion of local content</i>		
Evaluation			Score:	[XX/XX]
Overall comments / recommendation:				%

Attachments:

1. Contractor/Supplier response to RFP
2. Results of any previous contractor/supplier evaluations
3. Other supporting information as required

10. EXPENDITURES

POLICY

Policy Statement

It is the Council's policy to establish a process around expenditures paid to suppliers or reimbursed to Councilor's and Ahtahkakoop Cree Nation employees for valid Ahtahkakoop Cree Nation activities.

Purpose

The purpose of the policy is to make sure that all expenditures from First Nation's funds are in support of valid First Nation services and activities and that processing of payments are subject to proper approvals and budget controls. Having rules in place for how spending can be approved and for what is an important part of a First Nation's ability to operate smoothly.

Scope

This policy applies to the Council, committees of Council, Department Heads, employees of Ahtahkakoop Cree Nation and any other persons conducting activities in connection with the financial administration of the Ahtahkakoop Cree Nation.

10.1 Responsibilities

10.1.1 Department Head(s) identified in the Delegation and Authorization Table are responsible for:

- (a) before approving an expenditure, ensuring that it is permitted under the current Ahtahkakoop Cree Nation annual budget and as required in the Financial Administration Law, and ensuring there are available funds within their budget remaining that have not already been earmarked for other commitments
- (b) reviewing reimbursable expenditure claims to make sure that the requirements of relevant policy have been met before approving for payment
- (c) updating and communicating the reimbursable expenditure claim form to current rates
- (d) approving expenditures per the relevant policies

10.1.2 The employee(s) assigned responsibility for paying accounts are responsible for:

- (a) making sure that all expenditures have the required approvals per relevant policy before processing for payment
- (b) making sure that all required documentation accompanies each payment and is retained in the financial records of ACN in accordance with Ahtahkakoop Cree Nation Information Management Policy

10.1.3 Employees, committees, and Council members are responsible for:

- (a) ensuring that all reimbursable expenditures claimed are in accordance with this policy and the Delegation and Authorization Table

- (b) preparing a reimbursable expenditure claim that includes all required documentation
- 10.1.4 The Band Administrator is responsible for:
- (a) approving expenditures for emergency purposes not anticipated in the budget if the expenditure is not expressly prohibited by or under the Financial Administration Law or another First Nation law
 - (b) updating and communicating reimbursable expenditure claim form to current rates.

ADMINISTRATIVE PROCEDURES

Procedures

10.2 General and Operational Expenditures

10.2.1 All expenditures will be made in accordance with the relevant purchasing policies and procedures, and the Delegation and Authorization Table.

10.2.2 In emergency situations, the Band Administrator, per the Authorization and Delegation Table, may approve the purchase of goods or services that were not anticipated in the budget and are not procured in accordance with the relevant policies and procedures. The rationale for these purchases must be documented by the Band Administrator and reported immediately to the Finance and Audit Committee and to Council.

10.2.3 Receiving documents will be reviewed and initialed by the individual receiving the goods that all goods on the document have in fact been received in satisfactory condition and that any goods not received are clearly identified as such. The receiving documentation should be forwarded with the requisition for payment to the employee responsible for accounts payable.

10.2.4 If goods are received without receiving documents, the employee receiving those goods is to create a receiving slip noting which goods were received, date of receipt, delivery agent, First Nation contact person (normally the person who initiated the expenditure), and the supplier. The receiving document will be initialed by the delivery agent and the employee receiving the goods, and then forwarded with the requisition for payment to the employee responsible for accounts payable.

10.2.5 All requests for payments for performance of work or services or supply of goods must be initiated through a requisition for payment that includes a statement certifying that:

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

10.2.6 All requisitions for payment must identify the appropriate financial institution or trust account out of which payment is to be made and must include a statement certifying that the expenditure is not prohibited and that it is in accordance with the appropriation identified in the certified statement and the Financial Administration Law.

10.2.7 Funds in a trust account must not be used for any purpose other than that authorized per the trust agreement. Payment out of the trust account may only be authorized as per the trust agreement.

10.2.8 Funds in a local revenue account must not be used for any purpose other than that authorized in a local revenue law or as permitted under section 13.1 of ACNs Fiscal Management Act. The Tax Administrator must authorize payment out of the local revenue account.

10.2.9 Funds in a tangible capital assets reserve account must not be used for any purpose other than that described per the capital asset reserve policy. The Band Administrator or the Director of Finance must authorize payment out of the capital asset reserve account.

10.3 Payroll

10.3.1 Salaried employees

- (a) When compiling salary grids, Ahtahkakoop Cree Nation will take into consideration the following:
 - (a) Salaries will be comparable to pay ranges for similar positions at nearby reserves and competitive to salaries for work of equal value in nearby communities.
 - (b) Pay will be commensurate with the individual's qualifications and experience.
 - (c) Level of responsibilities of the position, including number of people supervised (if applicable), budget administered and workload.
 - (d) The availability of funding within that program/department.
 - (e) All salaries shall be paid according to the terms and conditions of employment; annual salaries for employees shall be paid at the rate approved by Council.
 - (f) Supervisors will be responsible for approving hourly employee time sheets in their department or program. Employees will ensure approved monthly attendance sheets are submitted to the Human Resource Officer by the fifth of the next month.
 - (g) It is the policy of Ahtahkakoop Cree Nation to pay their full-time employees on a bi-weekly basis. Paydays for these employees will be on Wednesday and include payment for the Friday of that week. Seasonal employees working on an hourly or daily basis will be paid each Friday of the pay period.
 - (h) Payroll administration for Ahtahkakoop Cree Nation is facilitated by Ceridian, which automatically calculates salary with deductions. The Human Resource Officer is responsible for calculating and distributing payroll cheques to Band employees.
 - (i) Employees will be provided with a statement of earnings and all deductions made from their pay cheques. Teaching staff and bus drivers have the option of receiving their

salaries through the school term only, or pro-rated the 12-month period, subject to the approval of the Director of Education.

- (j) New pay schedules for teaching staff and bus drivers will take effect at the beginning of the school year.
- (k) Any salary adjustments for other staff will take effect on April 1st of each year.
- (l) Under no circumstances will Ahtahkakoop Cree Nation authorize advances. This applies to all staff, contractors, Chief and Council.
- (m) Part-time employees will be hired on an hourly or contract basis, to be agreed upon at the time of hiring. Hourly-rate employees will receive holiday pay at the rate of 6.1% of gross salary. Holiday pay for hourly rate employees will be paid on each cheque, or upon termination of employment.
- (n) Ahtahkakoop Cree Nation will provide employee benefits for all permanent staff. Employee benefits include the following: Employment Insurance, Canada Pension Plan, Registered Pension Plan, Worker's Compensation, Disability and Group Insurance.

10.3.2 Hourly employees

- (a) Hourly employees will record their time daily and submit timesheets on a weekly basis to their immediate supervisor for review. Both the employee and supervisor will sign and date the time sheet to demonstrate its accuracy and approval for payment.
- (b) Supervisors of salaried employees will submit any adjustments for vacation, sickness or other types of leave to the individual responsible for payroll.
- (c) Based on the weekly timesheets for hourly employees and any adjustments required from the salaried employees, a payroll authorization sheet will be created listing all payment amounts and deductions for the previous two-week period.
- (d) Payroll remittance packages will be reviewed and approved by the Director of Finance prior to payroll being released for payment.
- (e) Payroll reconciliations will be completed within thirty business days of the month end. The reconciliation will compare the payroll authorization report, input instructions to the payroll service provider, financial institution account statements and the general ledger payroll accounts.
- (f) Payroll reconciliations and packages will be signed and dated within thirty business days of the month end by an independent reviewer.
- (g) Any irregularities will be reported to the Band Administrator.

10.4 Payroll Deductions

10.4.1 Employment Insurance

- (a) Ahtahkakoop Cree Nation shall deduct the required employee's contributions of the employee's gross salary for Employment Insurance contributions, unless the employee's hours of earnings fall below the minimum requirements specified by the Canada Revenue Agency.
- (b) In addition, Ahtahkakoop Cree Nation shall make contributions of 1.2 times the employee's premium or the current premium reduction rate. The employers/employee's rate shall be remitted to the Receiver General of Canada after each pay period or as required by the Canada Revenue Agency.
- (c) Employment insurance deductions will not apply to contract employees, or to part-time employees under the minimum thresholds.

10.4.2 Canada Pension Plan (CPP)

- (a) The non-status employees must contribute to the Canada Pension Plan. Ahtahkakoop Cree Nation shall deduct CPP off their gross earnings, up to the maximum per year. Ahtahkakoop Cree Nation shall make matching contributions at the same rate, also to the maximum contribution per year.
- (b) Ahtahkakoop Cree Nation will adjust rates annually or as required when amendments are made to Canada Pension Plan Schedules.
- (c) Ahtahkakoop Cree Nation employees who are Status Indians do not contribute to the Canada Pension Plan. (It is an “all” or “none” situation). The Employer will facilitate a vote of its Status employees to determine whether most Status employees wish to contribute to the Canada Pension Plan. Such a vote will be carried out once every four (4) years or as directed by the Employer.

10.4.3 Band Employee Benefits (BEB) Program

- (a) The BEB Program provides pension benefits for eligible employees. The program funds the employer’s share of contributions for Band sponsored private pension plans, and the Canada Pension Plan (CPP). ISC may contribute up to a maximum total of each eligible employee’s salary. This may be:
 - (i) A contribution towards the employer’s share of CPP, equal to the full employer’s share, as established by applicable legislation. A contribution towards the employer’s share of the cost of a private pension plan, up to a maximum of each employee’s pension-able salary, minus the amount the employee is required to contribute under the CPP.
 - (ii) A contribution towards the eligible employer’s share of the cost of a private pension plan, up to a maximum of the eligible employee’s salary, for each employee who is not contributing to CPP. The pension plan is compulsory after the first three (3) months of employment. v the pension plan is compulsory for all permanent staff.
 - (iii) Casual employees are not entitled to pension benefits.
 - (iv) To be approved, pension plans must meet the requirements of Revenue Canada Taxation, and be registered under the Federal Pension Benefits Standards Act, 1985, with the Office of the Superintendent of Financial Institutions of Canada (OSFI).
 - (v) To be considered for funding, an eligible employer must submit a funding application form and a pension plan proposal, in accordance with the operating procedures of the BEB program.

10.4.4 Disability and Group Insurance

- (a) This includes extended health, optical and dental insurance for all employees. Ahtahkakoop Cree Nation also offers disability and group insurance for permanent employees. Ahtahkakoop Cree Nation may wish to consider other benefits for staff, such as: subsidized daycare, housing, and transportation allowance.
- (b) The following procedures outline the payroll process for employees.

10.4.5 Time Record/Deductions

(a) Salaried employees

- (i) The Human Resource Officer calculates the rate of pay according to the pay period (i.e., semi-monthly, bi-weekly, weekly). The calculation will include gross pay and other pay (i.e., vacation, if applicable). Complete staff monthly attendance sheets will be delivered to the Personnel Office by the 5th of the following month. Any adjustments will be completed in the following pay period.

(a) Hourly/Seasonal Rate Employees

- (i) timecards with the usage of the time clock will be submitted by the immediate supervisor or foreman, containing the following information:
- (ii) department (ex. Housing)
- (iii) the pay period and date
- (iv) name of person claiming wages
- (v) rate of pay per hour
- (vi) number of hours worked, including overtime, if applicable
- (vii) deductions to be made
- (viii) signature of immediate supervisor, authorizing payment of timecards
- (ix) the immediate supervisor or foreman will submit a time sheet to the Human Resource Officer on the Thursday, prior to the payday of the Friday.
- (x) The Human Resource Officer will review the time sheet with the immediate supervisor to observe any discrepancies or notice of garnishee. The hours and rate of pay shall be entered in the computer and calculated. Such calculations will include the gross pay, vacation pay (if applicable), current EI premium, garnishees, and net pay.

10.4.6 Printing/Issuing Salaried/Seasonal Cheque

- (a) Editing payroll cheques registers and sending in any changes to the Payroll Service Provider prior to payday if needed, followed by printing of a cheque register. The cheque register lists all employees and net pay for the pay period.
- (b) Pay cheques for seasonal staff will be distributed by the Immediate Supervisor.

10.5 Year End Balances

10.5.1 At the end of each fiscal year, the Band Administrator and Department/Program Heads will request from the Payroll Clerk a Year-to-Date Activities Report for each respective employee under their authority or supervision. The Band Administrator and Department/Program Heads will arrange a meeting with each respective employee to review the Year-to-Date Activities Report. Each will sign off the report to confirm the records or to adjust where needed.

10.5.2 The Band Administrator and Department/Program Heads will have their Year-to-Date Activities Report processed by the Director of Finance. The Director of Finance will gather the required information from the Payroll Clerk and schedule a meeting with the Band Administrator and each Department/Program Head to review their report. Each will sign off the report to confirm the records or to adjust where needed.

10.5.3 The Year-to-Date Activities Report will be retained by the Finance and Administration department with a copy provided to the Employee.

10.5.4 The Finance and Administration department will, on an annual basis, review all Year-to-Date Activities Reports for all employees of Ahtakakoop Cree Nation. Any errors or discrepancies will be immediately reported to the Band Administrator and Department/Program Heads and the employee. The Band Administrator and Department/Program Heads will schedule a meeting with the employee to address and adjust the error or discrepancy. Each will sign off the report to confirm the records or to adjust where needed. A copy of this adjustment report will be placed on the employees' file with a copy provided to the Finance and Administration department.

10.6 Reimbursable Expenses (Schedule B)

10.6.1 Employees will clearly demonstrate and document that all amounts they are claiming for reimbursement were directly related to authorized activities performed on behalf of Ahtakakoop Cree Nation.

10.6.2 Expenses reimbursed by hosts or other third-party funding arrangements must not be claimed. Declaration of such third-party reimbursements must be made in accordance with ACN's relevant policy.

10.7 Travel (Schedule C)

10.7.1 Prior to travel, employees will submit a request to their immediate supervisor stating the purpose, dates, and estimated costs for the proposed travel. The immediate supervisor will review it to make sure the proposed travel is in support of official Ahtahkakoop Cree Nation business and that there is sufficient budget available.

10.7.2 Travel should always be justifiable in terms of conducting Ahtahkakoop Cree Nation business. In some cases, alternate communication methods, such as conference calls, may be equally effective. Consideration should also be given to the number of representatives traveling for each meeting or workshop. An employee is deemed to be on official "travel status" for an approved trip for the period when an employee departs their residence or office until they return to their residence or office.

10.7.3 Travel expenditures eligible for reimbursement include:

(a) Transport

- (i) Commercial transport will be the preferred method of travel for distances greater than 800 kilometers. If you prefer to travel by air or any other commercial means, you will be paid accordingly to what is most cost effective. For each type of travel, the lowest price alternative will be purchased.
- (ii) The standard class for rail or air travel will be economy or the equivalent.
- (iii) The standard car rental vehicle class will be mid-size. Gas purchases and full vehicle insurance will be reimbursed for rental cars.
- (iv) Business class travel will be permitted only in exceptional circumstances and must be authorized by the Band Administrator before booking. If travel is for the Band Administrator, the Chair of the Finance and Audit Committee must authorize business class travel. In each case, the pre-authorization will be attached to the reimbursable expense claim for payment.

(b) Private Vehicles

- (i) Private vehicle mileage will be reimbursed at a rate of \$0.51 per kilometer from the administration office location. All other non-business-related vehicle costs are the responsibility of the individual.
- (ii) All staff using private vehicles in the performance of their duties must have a valid Saskatchewan driver license and carry the minimum insurance coverage legally required for work related use by their province or territory of residence. An employee who is regularly required to use his/her private vehicle for the purpose of carrying out work related duties on the reserve and/or local towns (Victoire, Debden, Canwood, Mont Nebo and Shell Lake) will be given a flat rate per month, as agreed upon between the employee and the Department/Program Head and approved by Council.
- (iii) Ahtahkakoop Cree Nation will not be held responsible for any claims, accidents, or damage to a private vehicle.

(c) Band Vehicles

- (iv) If using a band vehicle, please refer to the Vehicle use Policy.

(c) Hotel

- (i) The lowest cost hotel option will be selected. The standard for accommodation is a single room, in a safe environment, conveniently located and comfortably equipped.

10.8 Per Diems and Incidentals

10.8.1 Meals will only be reimbursed for those incurred during approved travel status.

10.8.2 If a meal is provided as official hospitality from another individual/organization in the course of their duties on approved travel status, a meal allowance will not be claimed by the individual on travel status.

10.8.3 Incidentals can only be claimed for each night away on travel status. Part days on travel status will not be eligible for incidentals. Incidental rates are \$6.00 per day. The purpose of the daily 'incidentals' amount is to cover general expenses during official travel. This amount covers items such as: dry cleaning, tips and other personal expenses incurred while on travel status.

10.8.4 Receipts are not required for meals when per diems are claimed or for items that fall under the incidental category.

10.8.5 Within Saskatchewan: A maximum per diem amount will be reimbursed for each day on approved travel status on behalf of ACN to cover meal expenses and incidentals. Per diems may be claimed according to the following:

Timeframe:	Meal Claimed:	Amount:
6:00 AM – 8:30 AM	Breakfast	\$10.00
11:30 AM – 1:30 PM	Lunch	\$15.00
5:00 PM – 7:30 PM	Supper	\$30.00
	Total per day:	\$55.00

10.8.6 Outside of Saskatchewan: Those traveling out of province on Band-related business, will be entitled to receive per diem of \$250.00/day, which also includes mileage, if applicable plus accommodations.

10.9 Other Travel Expenses

10.9.1 Other travel and business-related expenses that are directly attributable to travelling or business on the Ahtahkakoop Cree Nation's behalf will be reimbursed, including internet access, business long-distance phone calls, parking, airport taxes, tolls, taxi fares, and public transit fares.

10.9.2 Child Care Allowance for Overnight Travel – If travel on official Ahtahkakoop Cree Nation business requires an overnight stay, a flat rate of \$25.00 per night is allowed provided that the babysitter is not a member of the household.

10.10 Memberships

10.10.1 Memberships in professional organizations that are required for an individual's position or are meeting a demonstrated need of Ahtahkakoop Cree Nation will be reimbursed provided that the appropriate immediate supervisor has approved each membership.

10.10.2 For other expenses not listed in this policy, pre-approval is necessary from the Band Administrator before initiating the expense and submitting a reimbursement claim.

10.11 Boards/ Committee Expenditures

10.11.1 Board/Committee members who in performance of their duties as members shall be paid expenses depending on available budgets and Chief and Council decision. All expenditures must be approved by the applicable Board/Committee and as permitted within the budget. Honorarium will be paid to Elders.

Regular Meetings (off-reserve)	\$150.00	Honorarium
Regular Meetings (on-reserve)	\$75.00	Half Day (4 hours)
Meetings away from place of residence	\$150.00	Day
Workshops (off-reserve)	\$150.00	Day
Meetings out of Province	\$250.00	Day
Emergency Meetings	\$75.00	Day
Evening Meetings	\$75.00	Honorarium

**Authorized expenses will be paid as per current Band travel rates for support staff. **

10.12 Honoraria and Expenditures for Official Ahtahkakoop Cree Nation Delegates

10.12.1 Expenses

Band delegates attending meetings/workshops will:

- (a) attend all sessions in a businesslike manner
- (b) submit a written or oral report on the proceedings of the meeting/workshop to the applicable Department/Program Head and/or Council.

10.12.2 A delegate who fails to attend meeting/workshop sessions will be required to notify his/her immediate Supervisor, outlining the reasons. If this occurs, the delegate will be required to repay any travel advances provided for these sessions to Ahtahkakoop Cree Nation.

Honoraria

Location of Meeting	Honorarium
On/*Off-Reserve	\$ 150.00/full day \$ 75.00/half day
Evening Meetings	\$ 75.00
Out of Province	\$ 250.00/day plus travel expenses

*Mileage calculated according to rates prescribed herein.

10.12.3 Participants required to attend an out of province meeting or workshop will receive an honorarium as opposed to meals. Participants must attend all meetings or workshops to receive their honorarium, except for an emergency.

10.12.4 If a participant does not attend the scheduled meeting or workshop, his/her honoraria will be pro-rated in accordance with actual time he/she was in attendance of the meeting or workshop. If participants attend a meeting (Board, Tribal Council etc.) for which the sponsoring agency pays the expenses, an honorarium will not be in effect.

10.12.5 Community Board/Committees: voluntary participation on committees should be encouraged. Any out-of-pocket expenses should be compensated. In certain circumstances, and in accordance with Ahtahkakoop Cree Nation's ability to pay, a schedule of honorarium may be adopted.

10.13 Reporting and Documentation

10.13.1 For general and operational expenditures, the following should be submitted to accounting for payment;

- (a) original contract/agreement (if applicable)
- (b) original invoice
- (c) purchase order (if applicable) (Schedule D)

- (d) receiving documents/packing slips
- (e) requisition for payment that has signed approval according to the relevant policy and the Financial Administration Law

10.14.1 Reimbursable expense claims must be complete, sufficiently supported, and recorded on the prescribed expense claim form. Before submitting expenses to Accounting for approval and payment, the employee will make sure that they have prepared a complete claim that includes:

- (a) the employee's signature and date signed, acknowledging that all amounts claimed are accurate and in support of First Nation official business.
- (b) original receipts for all amounts claimed; depending on the nature of the claim, these can include;
 - (i) invoices
 - (ii) itineraries for air/train travel
 - (iii) itemized restaurant bills (where per diems do not apply)
 - (iv) support for any exchange rates used in the expense claim. Sufficient support includes receipts from exchange bureaus for money exchanged or credit card bills showing the exchange rate received. When neither is available, the Bank of Canada official rate will be used
 - (v) signed travel authorization from the employee's manager (for the Band Administrator a member of Council will approve, for Council members the Chair of the Finance and Audit Committee will approve)
 - (vi) if applicable, a signed pre-authorization supporting business class travel
 - (vii) proof of payment for items claimed, which includes credit card or debit receipts.

10.14.2 Credit card receipts alone are not sufficient, the original itemized receipt or invoice from the supplier must be included in every reimbursement or expense claim.

10.14.3 For all expenditures, claims with the appropriate support as described previously must be submitted to accounting within 30 days of the expense being incurred.

10.14 Approval for Payment

10.14.1 No money will be paid out of any financial institution's account without a requisition for payment.

10.14.2 In addition to the steps below, the authorized Department Head must authorize payment out of a local revenue account.

10.14.3 Invoices received must be immediately forwarded to the finance department with a requisition for payment who will then process them to:

- (a) match with the purchase order and the receiving document
- (b) make sure that all required documentation has been submitted to support payment
- (c) verify mathematical accuracy
- (d) make sure that any taxes are correctly calculated and processed if applicable for tax

exemption claims

- (e) confirm that funds are available to pay the invoice
- (f) identify and note the authorized general ledger account coding

10.14.4 The individual that approves the expenditure cannot be the same individual who approves the requisition for payment.

10.14.5 Reimbursable expense claims will be reviewed by the finance department to make sure that the:

- (a) expense claim is mathematically correct and that taxes are identified and accounted for correctly
- (b) authorized general ledger account coding instructions are identified
- (c) expenses claimed are for authorized activities
- (d) expenses claimed are eligible and comply with this policy and procedure
- (e) documentation attached is adequate and sufficient

10.14.6 Any exceptions to the above will require authorization from the Director of Finance for payment.

10.14.7 Invoices or reimbursable expense claims that are still being processed or approved at the end of an accounting period will be recorded as an accrued liability. Claims that do not meet the requirements outlined in this policy will be denied reimbursement.

10.15 Accounts Receivable Payments

10.15.1 Accounts payable will be paid within thirty (30) days of the receipt of an invoice or reimbursable expense claim, except for those invoices or expense claims which require management approval.

10.15.2 After opening the mail, the mail recorder stamps the back of all copies of each invoice, and then submits each to the Accounts Payable Clerk for processing. The Accounts Payable Clerk matches the Purchase Order (PO) to the invoice and completes price checks. He/She then forwards the PO and the invoice to the Program/Department Head for authorization. Once authorization is received, the invoice is processed for payment through SAGE 300.

10.15.3 All payments should be made by cheque that includes an original copy of the bill (invoice), payment voucher and PO. Packing slips should be attached to invoices whenever possible, and the invoice should be signed by the person responsible for checking the goods to indicate that they have been received in good condition. This individual should also initial the original invoice "Received On (date)." A copy of the cheque or the cheque requisition, along with the PO, should be attached to the invoice and filed by supplier name. Payment will then be either mailed or hand delivered to the supplier.

10.15.4 After a cheque has been issued for an invoice, the invoice should be stamped "PAID," and the cheque number and date provided. This will clearly indicate that the invoice has been paid and prevent accidental duplication.

10.15.5 All payments should be charged to the department activity to which they belong, regardless of the activity's surplus or deficit.

10.15.6 Where payments are made in connection with contracts, the Department/Program Head may withhold a percentage of the contract amount, subject to the contractual agreement, until the contract has been completed to Ahtahkakoop Cree Nation's satisfaction. The amount of holdback should be based on accepted industry percentages, and taken into consideration the contractor's past work record, as well as any applicable provincial or federal regulations.

10.16 Timing of Payments

10.16.1 As a general policy, invoices must be paid within thirty (30) days of the invoice date. Where cash discounts are provided for prompt payment, such invoices shall be paid upon receipt. The invoice should be immediately audited by the Accounts Payable Clerk and a cheque issued.

10.16.2 The finance department will prepare cheques as soon as possible.

10.16.3 The payments package will be provided to two authorized signatories, and will be accompanied by:

- (a) a listing of all payments prepared noting the payee, amount, and payment date
- (b) supporting documentation for each payment (e.g., cheque, transfer) including
 - (i) approved invoices, expense claims, purchase orders, and receiving documents
 - (ii) evidence that the finance department has completed the processing of the payment, including account coding

10.16.4 When the terms of a contract provides for payment on specified dates, cheques should be issued in sufficient time to ensure that they are received by the contractor by the due date. In all other instances, invoices should be paid within 30 days of the invoice date to avoid extra interest charges.

10.16.5 Manual cheques are issued only for emergencies. Manual cheques shall be updated weekly in the Accounts Payable system and imported, as below.

10.17 Recording Accounts Payable

10.17.1 The following procedures describe the process and procedures to be followed with respect to importing the accounts payable data into the general ledger SAGE 300 program. All documentation supporting payment will be retained in accordance with the relevant policy.

10.17.2 When invoices are received, the Accounts Payable Clerk will check calculations, match to the purchase order, and reconcile with statement. The Accounts Payable Clerk will forward such to the Department/Program Head for authorization of payment. Once the invoice has been approved for payment, Accounts Payable will enter the invoice into the SAGE 300 system and issue a cheque immediately, attaching a copy of the invoice.

10.17.3 When invoices are posted to the Accounts Payable system, the expense code is debited, and accounts payable code is credited. When cheques are issued, the system automatically debits the accounts payable code and credits the bank.

10.17.4 The General Ledger Clerk will, at a minimum, post on a weekly basis.

10.17.5 Accounts Payable employees will notify the Director of Finance immediately of any instances of:

- (a) non-compliance with policy requirements that cannot be resolved
- (b) suspected fraud

10.18 Cheque Issuing

10.18.1 As general policy, all cheques drawn against Ahtahkakoop Cree Nation bank accounts signed by two people, who have been designated as official cheque signing officers by Council.

10.18.2 Statements authorizing the issuance of cheques; must also be approved for payment by the applicable Department/Program Head.

10.18.3 Statements authorizing the issuance of cheques for Department Heads, must be approved by their immediate supervisor, generally the Band Administrator.

10.19 Types of Cheques

10.19.1 Ahtahkakoop Cree Nation uses two (2) types of cheques.

- (a) Computer (three part)
- (b) Manual (with stub)

10.19.2 Social Assistance programs require a separate bank account for their financial transactions.

10.20 Safekeeping

10.20.1 All unreleased and blank cheques will be placed in the safe.

10.21 Documents required for Cheque Issuance

10.21.1 Accounts Payable: Invoices for goods and/or services must be approved for payment by the applicable Department/Program Head prior to it being forwarded to the Accounts Payable Clerk for payment.

- (a) Statement: If no invoice/statement is available to support a payment, a statement must be prepared showing the name of the payee, the amount required, the code, and the reason for the payment. Such a statement must be approved for payment by the applicable Department/Program Head prior to being forwarded to the Accounts Payable Clerk.
- (b) Social Assistance Payments: On a pay list prepared in advance, the Director of Social Development and Social Development Aide should prepare a listing from the budget decision sheets, which indicate the amounts to be paid to each client in the current month. The Director of Social Development will then approve it for payment and forward it to the Social Development Clerk for cheque issuing.

10.21.2 Cheques issued against Ahtahkakoop Cree Nation's accounts shall be numbered consecutively, recorded, and accounted for. All cheques will have two signatures; those authorized by the Council to sign include the Chief, the Band Administrator, Portfolio Councilor and Department Head or designate.

10.21.3 Cheque signing privileges will be established at the Bank on the first banking day following a change in the authorized cheque signers. Cheques drawn on Ahtahkakoop Cree Nation's accounts will not be post-dated or signed blank, before being completed and approved.

10.21.4 If a cheque has been reported lost, destroyed, or stolen, it shall be cancelled, and a "Stop Payment" notice sent to the bank. A second cheque will be issued after the bank has received a Stop Payment notice.

10.21.5 Cheques not presented for payment within three months of the date of issuance shall be considered stale dated. Another cheque will be issued upon the request of the payee. Cancelled/voided cheques will have the signature portion removed and be filed with the other cheques.

10.21.6 Statements for payment should be submitted to the Accounts Payable Clerk before noon of that day for payment at 2:00 PM, the following day, being conscious of holidays.

References and Related Authorities

FMB's Financial Management System Standards

- (h) Standard 8.1 – Delegated/Assigned Responsibilities
- (i) Standard 19.0 – Financial Management and Controls

FMB's Financial Administration Law Standards

- (j) Standard 8.0 – First Nation Council
- (k) Standard 18 – Financial Management and Controls

Attachments

1. Reimbursable Expenses Claim Template

11. INVESTMENTS

POLICY

Policy Statement

It is the Council's policy that First Nation's investments will be managed and administered to preserve capital and generate sufficient income and growth to meet ACN's operational or strategic objectives.

Purpose

The purpose of this policy is to provide a framework for management of ACN's investments to achieve short and long term operational and strategic objectives within an acceptable level of risk.

Scope

This policy applies to the Council, the Finance and Audit Committee, and Department Heads of ACN.

11.1 Responsibilities

11.1.1 Council is responsible for:

- (a) determining and approving ACN's short- and long-term investment strategy
- (b) determining allowable use of funds and making sure restricted funds are only invested in investments specified by the Financial Administration Law
- (c) approving preliminary risk assessment of funds
- (d) appointing of an investment manager
- (e) approving the opening of an investment account
- (f) approving funds to be invested
- (g) approving the redemption of invested funds not related to operational financial institution accounts
- (h) making sure the approved investment strategy is periodically reviewed for effectiveness.

11.1.2 The Finance and Audit Committee is responsible for:

- (a) providing Council with recommendations for an investment strategy and appointment of investment manager
- (b) providing input into a preliminary risk assessment and making recommendations to Council on steps to mitigate potential risks identified prior to investing
- (c) monitoring performance
- (d) the redemption of invested funds not related to operational financial institution accounts and the rebalancing of funds.

11.1.3 The Band Administrator is responsible for:

- (a) monitoring the performance of all parties to whom duties have been delegated
- (b) reporting any significant changes to the investment portfolio to the Finance and Audit Committee for recommendation to Council
- (c) consulting with the Finance and Audit Committee, investment manager, Director of Finance, and investment consultants, as required
- (d) providing the Finance and Audit Committee with recommendations in relation to preliminary risk assessment of funds, appointing of the investment manager, funds to be invested, monitoring performance, rebalancing portfolios, and the redemption of

invested funds.

11.1.4 The Director of Finance is responsible for:

- (a) analyzing proposals received from investment managers
- (b) performing a preliminary risk assessment analysis against criteria to be met prior to investing decisions are made by Council
- (c) overseeing rebalancing of the investment portfolios asset mix according to Council instructions
- (d) overseeing or executing transfers between investment account(s) according to Council instructions
- (e) receiving or preparing a quarterly investment monitoring report including investment performance and summary of portfolio management fees (if any)
- (f) recommending transfers, rebalancing, monitoring actions, investment manager changes, and any other recommendations

ADMINISTRATIVE PROCEDURES

Procedures

11.2 Determine Investment Management Strategy

11.2.1 The Council will establish and implement a documented investment management strategy for First Nation funds that meet the requirements of the FAL.

11.2.2 The investment management strategy will include both short and long-term strategies and will determine the allowable uses of available funds in accordance with ACN's Financial Administration Law

11.2.3 The investment strategy will:

- (a) Include both short term and long term strategies
- (b) Will determine the allowable uses of available funds in accordance with ACN's Financial Administration Law
- (c) identify criteria that must be met before an investing decision is made by Council
- (d) require an annual review of investments to confirm they meet the requirements of ACN's Financial Administration Law and are consistent with the approved investment management strategy
- (e) be reviewed on an annual basis.

11.3 Selection of Investment Manager

11.3.1 The Council will select the investment manager. The Director of Finance may review and analyze the proposals, or Council may engage an independent consultant to facilitate the selection process of an investment manager:

- (a) investment manager proposals will be analyzed using several criteria including: experience, qualifications, investment management style, costs, past performance, volatility of returns, management fees and any other criteria identified by Council.

11.3.2 The investment management agreement will be consistent with this procedure and must facilitate execution of the short- and long-term investment strategies. The agreement must be executed before any funds are transferred into the investment account.

11.4 Termination of Investment Manager

11.4.1 Council will specify within the investment management agreement the terms and conditions for termination of the agreement, which could include:

- (a) failure to achieve performance goals and investment returns
- (b) changes in ACN or its investment strategy which would no longer require the services of an investment manager
- (c) changes in investment manager personnel, firm or ownership structure, investment philosophy, style or approach which might adversely affect the potential return and risk level.

11.5 Designation and Transfers of Investment Funds

11.5.1 The Director of Finance will notify the Finance and Audit Committee in writing when there are funds available for transfer to the investment account. The written notification must identify the source of the available funds (i.e., government transfer, local revenues, or unrestricted) and whether they are to be invested according to the investment strategy.

11.5.2 Council must approve the transfer of funds to and from the investment account.

11.5.3 The Director of Finance will communicate and oversee approved requests to redeem investments and transfer the proceeds to ACN.

11.6 Local Revenues Permitted Investments

11.6.1 If Ahtahkakoop Cree Nation is collecting local revenues, these may only be invested in:

- (a) securities issued or guaranteed by Canada or a province
- (b) securities of a local, municipal, or regional government in Canada
- (c) investments guaranteed by a bank, trust company or credit union
- (d) deposits in a bank or trust company in Canada or non-equity or membership shares in a credit union

- (e) securities issued by ACNs Finance Authority, or a municipal finance authority established by a province as per the Government Transfer Agreement

11.7 Monitoring of Investments

11.7.1 The Director of Finance will reconcile the investment accounts to the general ledger and investment statements.

11.7.2 The Director of Finance will verify the investment management fees charged to make sure they are consistent with the underlying contracts.

11.7.3 The Director of Finance will prepare a quarterly monitoring report and provide that report to the Band Administrator. The report will summarize:

- (a) the performance of the investments under management to relevant benchmarks
- (b) the weighting of the investment portfolio and comparison to the target portfolio asset allocation
- (c) any relevant media or news articles about the investment manager
- (d) any ownership or staffing changes within the investment manager organization

11.7.4 The Band Administrator will review the report, provide further recommendations, and submit it to the Finance and Audit Committee.

11.7.5 The Finance and Audit Committee will review the quarterly monitoring report, and may provide further recommendations, provide the report to Council for approval.

11.7.6 The investment manager may attend a Council meeting and discuss investment performance, changes in personnel and investment strategy.

11.7.7 On an annual basis, the Director of Finance will review all investments to confirm they meet the requirements of ACN's Financial Administration Law and are consistent with the approved investment management strategy of ACN. The results of this review will be provided to the Finance and Audit Committee.

11.8 Re-balancing of the Investment Portfolio

11.8.1 An Department Heads will communicate any rebalancing instructions to the investment manager once approved by Council.

11.9 Record Keeping

11.9.1 All records regarding investment decisions will be retained in accordance with the Ahtahkakoop Cree Nation Information Management Policy

References and Related Authorities

FMB's Financial Administration System Standards

- (l) Standard 20.0 – Risk Management

12. CAPITAL ASSETS

POLICY

Policy Statement

It is Council's policy to establish a process around capital assets that includes a life-cycle approach to effectively plan, manage, account for, and dispose of assets according to ACN's capital asset strategy and to accurately reflect these in ACN's financial statements.

Purpose

The purpose of this policy is to provide guidance on the planning, management, and accounting treatment for capital assets over the entire capital asset life cycle so ACN can manage its resources efficiently and effectively to meet its goals and priorities.

Scope

This policy applies to the Council, Finance and Audit Committees, Department Heads and employees directly involved in capital asset management.

12.1 Responsibilities

12.1.1 Council is responsible for:

- (a) approving policies for the safeguarding of capital assets in accordance with the Financial Administration Law
- (b) approving the capital asset register and capital plan
- (c) approving capital project plans and capital asset reserve fund transactions
- (d) making sure capital project budgeting requirements are implemented
- (e) establishing a capital asset reserve fund and approving capital asset reserve fund transactions
- (f) establishing asset recognition criteria
- (g) establishing the capital project trigger threshold amount and approving capital project plans for projects above the trigger threshold amount, as per the Authorization and Delegation Table
- (h) ensuring adequate insurance coverage is obtained to protect Ahtahkakoop Cree Nation's capital assets
- (i) informing or involving Membership about capital asset projects and borrowings for capital projects for projects above the trigger threshold amount, as per the Authorization

and Delegation Table

- (j) maintaining fire safety standards for Ahtahkakoop Cree Nation buildings

12.1.2 The Finance and Audit Committee is responsible for:

- (a) reviewing on or before January 15th the financial information provided on the life-cycle management program by the Director of Finance
- (b) reviewing and recommending to Council the annual budget for capital assets
- (c) reviewing on or before January 15th the capital asset register and capital plan
- (d) reviewing and recommending to Council procedures for the safeguarding of assets
- (e) reviewing status reports on the capital asset reserve fund and making recommendations to Council relative to the funding contribution
- (f) reviewing any scheduled capital project plans including supplemental information and their budgets and developing recommendations for Council

12.1.3 The Band Administrator is responsible for:

- (a) developing the life-cycle management program in accordance with the requirements of this policy and the Financial Administration Law and making recommendations to the Finance and Audit Committee on matters concerning the management of ACN's capital assets
- (b) maintaining the capital asset register as required in this policy and the Financial Administration Law, including arranging for an annual inspection to obtain updated information of each capital asset (e.g., physical condition, remaining useful life, etc.)
- (c) making sure First Nation members are informed and involved in capital asset projects and borrowings for construction as required in the Financial Administration Law and ACN's communication procedures, as noted in the Annual Planning and Budgeting section of this policy
- (d) establishing the criteria including monetary threshold for defining a capital asset and capital project as per the Delegation and Authorization Table and recommending to Council for approval
- (e) providing office keys to a limited number of employees and establishing and maintaining a list of employees who have been granted keys and updated as required.

12.1.4 The Director of Finance is responsible for:

- (a) the accurate and timely recording and reporting of capital assets in the financial statements in accordance with Canadian GAAP
- (b) updating and monitoring the application of this policy on a regular basis
- (c) preparing on or before December 31 annually the financial information related to maintenance and or replacement of capital assets as required in the Financial Administration Law and this policy
- (d) preparing on or before December 31 annually the capital asset register and capital plan

Administration Law and this policy

- (e) preparing the quarterly reporting to the Finance and Audit Committee, or more frequently, if necessary, on the status of the capital asset reserve fund
- (f) developing and recommending procedures for the safeguarding of assets and making sure approved procedures are followed
- (g) developing the budget for capital project plans and annual capital plans

12.1.5 The Director of Public Works is responsible for:

- (a) establishing and maintaining an inventory of all capital assets
- (b) maintaining capital asset information, implementing asset security, and safeguarding measures as provided through the application of these policies and safeguarding procedures approved by Council
- (c) recording and reporting changes in capital assets to the Band Administrator
- (d) ensuring all equipment, furniture, etc., is numbered and recorded in a register, giving all necessary information for easy identification of assets
- (e) ensuring all smaller assets (i.e., tools, furniture, appliances, etc.) are engraved with “Property of Ahtahkakoop Cree Nation #104” for ease of identification

ADMINISTRATIVE PROCEDURES

Procedures

12.2 Capital Asset Register

12.2.1 A capital asset register will be established and updated by the Band Administrator in collaboration with the Director of Public Works. The capital asset register will contain a complete list of band assets, separating leased assets from those that are owned or financed by Ahtahkakoop Cree Nation, including the following:

- (a) Office furniture and equipment
- (b) Tools
- (c) Machinery
- (d) Buildings
- (e) Vehicles.

12.2.2 The asset register will reflect the life-cycle management program including maintenance, rehabilitation, and replacement activities as well as provide an accurate inventory of capital assets.

12.2.3 The capital asset register may include:

- (a) location or address
- (b) acquisition date

- (c) acquisition cost
- (d) remaining useful life in years
- (e) estimated repairs and maintenance costs
- (f) cumulative repairs and maintenance costs to date
- (g) insured value
- (h) disposal value (current year disposal of asset only)
- (i) inspection date
- (j) general comments

12.2.4 When an asset is purchased, a photocopy of the covering invoice should be placed in a file labeled “assets purchased” and a master list maintained. At the end of the year, these invoices should be sorted by service and category, to prepare inventory lists showing the identification of each item, the serial number (if applicable), and its cost.

12.2.5 Periodically, the Director of Public Works or his/her delegate will be responsible for verifying the existence of the items listed. They will prepare a list of missing, unserviceable, and obsolete items for the Council, to authorize as write-down.

12.2.6 In the event of any items being noted as missing, the Director of Public Works will refer this concern to the attention of the RCMP to investigate and attempt to locate the lost item(s).

12.2.7 The write-down or sale of Ahtahkakoop Cree Nation assets shall be authorized by the Council and recorded in the Council’s minutes through a Council Resolution.

12.2.8 When write-down approval is received, the items should be deleted from the listings, and Ahtahkakoop Cree Nation Council Resolution number written beside the deleted item.

12.2.9 The finance department will regularly reconcile the capital asset register to the general ledger.

12.3 Annual Inspection and Review

12.3.1 On or before November 30, the Band Administrator will initiate an annual inspection of the Ahtahkakoop Cree Nation’s capital asset inventory. Employees in the property management department will be assigned by the Band Administrator to complete the inspection. Where appropriate or necessary the Band Administrator may choose to engage the services of an external specialist to assist in the valuation of assets.

12.3.2 Any changes to the capital asset register will be documented and communicated to the Band Administrator for review and approval. Once reviewed and approved by the Band Administrator, the changes will be recorded in the capital asset register.

12.3.3 The Band Administrator will report to the Finance and Audit committee on the outcome of the annual inspection and review of assets, noting any significant developments or findings.

12.3.4 If there is evidence of damage to or a loss of an asset identified during the inspection process or at any other time of the year, the Band Administrator will investigate the matter and initiate the insurance claim process if applicable. The capital asset register will be updated based on this latest information.

12.3.5 When conditions indicate that a capital asset no longer contributes to ACN’s ability to provide goods and services, or that the value of future economic benefits associated with the capital asset is less than its net book value, the cost of the capital asset should be reduced to reflect the decline in the asset’s value.

12.3.6 The net write-downs of capital assets should be accounted for as expenditures in the statement of operations. For greater certainty, a write-down cannot be reversed.

12.4 Safeguarding Assets

12.4.1 Physical security arrangements over capital assets will be reviewed annually by the Director of Finance and the results of this review will be reported to and reviewed by the Finance and Audit Committee with any recommendations to Council.

12.4.2 Insurance coverage for capital assets will be obtained and remain in force unless an asset is to be self-insured based on a risk management assessment that balances any potential loss with the cost of insurance, replacement value of items, etc. Insurance will be obtained in accordance with the relevant policy.

12.5 Maintenance of Assets

12.5.1 The Band Administrator will prioritize capital assets in the register according to importance and impact on the safety and well-being of ACN. The highest ranked assets will be given priority for replacement or rehabilitation in future planning.

12.5.2 A list of any capital assets identified as no longer in use will be prepared and reported to the Band Administrator. Steps will be taken to decommission and appropriately dispose of the assets in accordance with any applicable laws or regulations.

12.5.3 All warranty and related work including inspections will be undertaken in a timely manner.

12.5.4 The Band Administrator will make sure that appropriate staff training on the use of the capital assets will be provided.

12.5.5 Department Heads will make sure the capital asset register and accounting records are updated and make recommendations to the Finance and Audit Committee for changes to the annual capital plan based on the results of the inspections performed for the year.

12.6 Life Cycle Management Program

12.6.1 Based on the information in the capital asset register and contributions from relevant employees, the Director of Finance will prepare the annual capital plan by December 31 of each year.

12.6.2 The annual capital plan will include short- and long-term projections for asset maintenance, rehabilitation, or replacement (including acquisition and/or construction). The plan will include the information that the Director of Finance is required to prepare in the Financial Administration Law and, at a minimum, the following details:

- (a) asset description
- (b) rationale
- (c) estimated cost
- (d) estimated timeframe and schedule of maintenance, rehabilitation, or replacement (acquisition and/or construction) of each asset
- (e) budget and multi-year financial plan impact

12.6.3 The Finance and Audit Committee will review the annual capital plan and capital assets register.

12.6.4 The Finance and Audit Committee will review by the annual capital plan by January 15 and report to Council on its findings and recommendations by February 15 for review and consideration of the annual budget for the upcoming fiscal year.

12.7 Capital Projects

12.7.1 The Band Administrator, with input from the Director of Finance, will develop a plan for each capital project. (Project with total cumulative cost greater than the Capital Cost Trigger Threshold amount in the Authorization and Delegation Table). The plan will include a business case for the capital project, which will contain, at a minimum, the following:

- (a) the financial viability of the project (i.e., how it will be financed, what the expected return on investment will be, etc.)
- (b) project operating requirements (e.g., annual operating and maintenance costs, cash flow considerations, etc.)
- (c) a project risk assessment
- (d) evaluation of all other options considered.

12.7.2 The Band Administrator will coordinate planning, design, engineering, RFP, supplier selection, and environmental requirements for each capital project with each step carried out in accordance with the relevant policy for Purchasing and Risk Management. Capital project external advisors may be engaged to carry out these obligations.

12.7.3 The Director of Finance will coordinate project costing, budgeting, financing, and approval for each capital project with each step carried out in accordance with the relevant policy for Purchasing and Risk Management.

12.7.4 The annual capital plan and recommendations from the working committee will be provided to the Finance and Audit Committee.

12.7.5 The Finance and Audit Committee will review the annual capital plan on or before January 15 and forward their recommendation to the Council for approval.

12.7.6 The Council will inform or involve members about capital projects and borrowings (if any) for capital projects in accordance with ACN's communication procedures, as noted in the Annual Planning and Budgeting section of this policy. At minimum, Council will post a public notice of each Council meeting when borrowing for a new tangible capital asset project is presented for approval and allow members of ACN to attend that part of the Council meeting, per the Authorization and Delegation Table.

12.8 Construction Management

12.8.1 The Band Administrator will obtain appropriate course of construction insurance for each capital project in accordance with the relevant policy and will require guarantees and bonding from the supplier.

12.8.2 The Director of Finance will process supplier progress payments, manage construction holdbacks and payments.

12.8.3 The Director of Finance will report to the Finance and Audit Committee on each capital project respecting:

- (a) year to date borrowings, loans, and payments
- (b) the status of the project including
 - (i) a comparison of the expenditures to date against the project budget
 - (ii) a detailed description of any identified problems with the project
 - (iii) problem or issue resolution if any

12.9 Acquisition of Capital Assets

12.9.1 The acquisitions of capital assets are subject to the Purchasing Policy and the Authorization and Delegation Table.

12.9.2 All purchases or leases of capital assets are to be made in accordance with the annual budget, annual capital plan, and approval limits in the Delegation and Authorization Table.

12.9.3 Any significant variance between budgeted and actual cost of the capital asset will be reported to the Band Administrator and the Finance and Audit Committee.

12.10 Capital Asset Reserve Fund

12.10.1 The Council will establish a capital asset reserve fund to be applied for the purposes of construction, acquisition, maintenance, rehabilitation, and replacement of ACN's capital assets.

12.11 Disposal of Capital Assets

12.11.1 The fair market value must be determined for all disposals as a prior condition of approval. The Band Administrator will consult with external specialists in establishing a fair market value, if necessary.

12.11.2 Members of ACN shall have an equal opportunity to purchase surplus assets through a competitive disposal process.

12.11.3 All items to be sold are on an "as is, where is" basis with no warranties or guarantees, or deliveries expressed or implied.

References and Related Authorities

FMB's Financial Management System Standards

(n) Standard 25.0 – Tangible Capital Assets

FMB's Financial Administration Law Standards

(o) Standard 25.0 – Tangible Capital Assets Management

(p)

13. INSURANCE POLICY

POLICY

Policy Statement

It is the Council's policy to establish a process around insurance coverage for its operations, staff and Councilor is as part of its overall risk management strategy.

Purpose

The purpose of this policy is to provide guidance on the establishment and maintenance of an insurance program to make sure material risks are addressed for ACN and its Council, Department Heads, and employees.

Scope

This policy applies to the Council, the Finance and Audit Committee, Department Heads and all other employees involved in insurance matters at ACN.

13.1 Responsibilities

13.1.1 Council is responsible for:

- (a) purchasing and maintaining in force all insurance coverage that is appropriate and aligned with the risks under the care or control of ACN based on the recommendation of the Finance and Audit Committee
- (b) if Council chooses, purchasing and maintaining insurance for the benefit of a Councilor or an Department Heads against any liability arising from that person being or having been a Councilor or an Department Head

13.1.2 The Finance and Audit Committee is responsible for:

- (a) providing its insurance coverage recommendation to Council for approval; the Finance and Audit Committee may retain external expertise to assist in its deliberations given the technical nature of insurance decisions.

13.1.3 The Band Administrator is responsible for:

- (a) leading and managing the risk identification and assessment process
- (b) leading and managing the RFP process for selection of an insurance provider
- (c) recommending a preferred insurer and coverage options to the Finance and Audit Committee and Council
- (d) monitoring insurance coverage expiration and payment dates to make sure coverage does not lapse
- (e) on an annual basis reviewing insurance coverage to make sure that it continues to meet the needs of ACN

ADMINISTRATIVE PROCEDURES

Procedures

13.2 Identify Significant Material Risks

13.2.1 The Band Administrator, with input from members of the management team, the Finance and Audit Committee and Council, will develop a list of potentially significant material risks to ACN's financial assets and operations. This will include an examination of:

- (a) potential sources of liability of ACN arising from its operations
- (b) value and use of assets under control of ACN
- (c) potential sources of liability for individuals such as Councilors, s, and employees
- (d) other risk areas that could result in a loss to ACN and could be insured.

13.3 Identify and Purchase Insurance Products

13.3.1 Based on the risk analysis performed, the Band Administrator will identify the risks where insurance coverage is appropriate.

13.3.2 The Band Administrator will review options from different insurance providers and will make a recommendation to the Finance and Audit Committee. Recommendation may include:

- (a) cost of the coverage
- (b) scope of coverage

13.3.3 Where appropriate, legal advice will be sought as required to make sure that the terms and conditions of coverage sought are appropriate for ACN.

13.4 Approval for Insurance Coverage

13.4.1 Council will review, approve, and document the selected option.

13.4.2 Once approved by the Council, purchase of the insurance coverage will follow the relevant policy.

13.5 Maintenance of Insurance Coverage

13.5.1 The Director of Finance will maintain a schedule of insurance policy expiration dates and payment dates and monitor on a regular basis to make sure that coverage does not lapse.

13.5.2 The Band Administrator will review insurance coverage on an annual basis to make sure that it continues to address the risks and meet the needs of ACN.

References and Related Authorities

FMB's Financial Management System Standards

- (q) Standard 20.0 – Risk Management

14. RISK MANAGEMENT

POLICY

Policy Statement

It is the Council's policy to establish a process around identifying, managing, and monitoring risks related to the financial management system and the achievement of ACN's goals.

Purpose

The purpose of this policy is to provide guidance on risk management as part of the integrated planning process and ongoing governance activities of ACN.

Scope

This policy applies to the Council, Department Heads, the Finance and Audit Committee and all other employees involved in risk management at ACN.

14.1 Responsibilities

14.1.1 Council is responsible for:

- (a) providing input to the annual risk assessment, including consideration of fraud risks
- (b) reviewing, approving, and monitoring the annual First Nation risk management plan and fraud risk assessment
- (c) subject to the Financial Administration Law, approving;
 - (i) the undertaking of for-profit activities, consolidated entities, and ventures
 - (ii) the investment strategy and investment risk assessment
 - (iii) lending, guarantees or indemnities
 - (iv) insurance coverage
 - (v) emergency and operations continuity plan
- (d) the monitoring of an approved for-profit activity
- (e) consideration of risks associated with investing in external for-profit business activities
- (f) the monitoring of any approved external for-profit business activity
- (g) establishing policies and procedures respecting the limitation or management of the risks associated with ACN's external for-profit business activities.
- (h) The Finance and Audit Committee is responsible for:

- (i) providing input to the annual risk assessment including consideration of fraud risks and risks associated with for-profit business activities
- (j) providing input to the annual risk assessment including risks associated with external for-profit business activities
- (k) reviewing the monitoring reports on external for-profit business activities, if applicable
- (l) reviewing the risk management plan and fraud risk assessment on a regular basis

14.1.2 The Band Administrator is responsible for:

- (a) establishing and maintaining a positive workplace environment which supports integrity, honesty, accountability, and transparency
- (b) managing the annual risk assessment process and preparing the risk management plan both which will include fraud risk
- (c) identifying and assessing risks associated with specific material business activities, lending, guarantees, indemnities, investments, general operations, financial reporting, and fraud risks
- (d) identifying risks associated with proposed for-profit business activity, steps taken to limit the risks, approvals required to undertake for-profit activity and monitoring of any approved for-profit activity
- (e) reviewing and updating the risk management plan and fraud risk assessment on a regular basis
- (f) reporting any significant changes to the risk management plan and fraud risk assessment to the Finance and Audit Committee
- (g) preparing documentation that assesses the qualification and competency of individuals engaged or hired in the control activity process of the financial management systems
- (h) obtaining a written confirmation from the persons engaged in ACN's financial management system that they understand their responsibilities
- (i) identifying risks associated with proposed external for-profit business activity, steps taken to limit the risks, approvals required to undertake the external for-profit business activity and monitoring of any approved external for-profit business activity
- (j) reviewing the monitoring reports provided by the Director of Finance with regards to external for-profit business activities and providing to the Finance and Audit Committee for review, if applicable

14.1.3 The Director of Finance is responsible for:

- (a) ensuring all for-profit business activities are separately reported periodically to the Finance and Audit Committee
- (b) developing and recommending procedures for identifying and mitigating risks, including financial reporting and fraud risks for the annual risk management plan
- (c) monitoring the control activities and its impact on ACN and the risk management plan
- (d) compiling the monitoring reports for external for-profit business activities and providing

to the Band Administrator for review

ADMINISTRATIVE PROCEDURES

Procedures

14.2 Annual Risk Management Planning

14.2.1 As part of the integrated planning process, a risk assessment will be developed by the Band Administrator. Risks identified will include any risks that could impact the achievement of its strategic goals or its operations in general.

14.2.2 Risks will be recorded in the risk management plan. The Band Administrator will analyze the potential impact and likelihood of each risk identified and develop an appropriate risk mitigation plan.

14.2.3 The risk management plan must separately address risks related to specific business activities, lending, guarantees, indemnities, investments, general operations, and financial reporting so that these may be managed and monitored.

14.2.4 The risk management plan will be presented to the Finance and Audit Committee for review and recommendation to Council for approval, as part of the integrated planning process.

14.2.5 On a quarterly basis, the Band Administrator will review the risk management plan with the risk owners to update the risk and mitigation plans. Any significant changes will be reported to and reviewed by the Finance and Audit Committee and approved by the Council.

14.3 Fraud Risk Assessment

14.3.1 On an annual basis as part of the integrated planning process, a fraud risk assessment will be performed by the Band Administrator.

14.3.2 On an annual basis, the Band Administrator will prepare a documentation that assesses the qualification of individuals engaged in fraud risk control activities in ACN's financial management system.

14.3.3 On a periodic basis, the individuals involved in the fraud risk controls must confirm in writing that they understand their responsibilities.

14.4 For-profit Business Activity Risk Management Considerations

14.4.1 Prior to beginning any for-profit business activity, the Band Administrator will lead the preparation of a business case supporting the activity. The business case should contain, at a minimum, a detailed description of the proposed activity, costs, projected revenues and benefits, funding arrangements, strategic impact, and a risk assessment (including whether the activity will result in a material liability of ACN or expose ACN's financial assets, property, or resources to significant risk).

14.4.2 The risk assessment should address all risks related to the project and the resulting overall impacts on ACN.

14.4.3 For each risk, a detailed mitigation plan with assigned responsibility will be developed.

14.4.4 The complete business case and risk assessment will be presented to the Finance and Audit Committee for review and recommendation to Council for approval of the activity via a Council Resolution.

14.4.5 The Band Administrator will be responsible for ongoing monitoring of the for-profit business activity. Deviations from the approved business plan will be presented to the Finance and Audit Committee for review and recommendation to Council.

14.5 Lending, Guarantees and Indemnities

14.5.1 For any lending, guarantees or indemnities, the Director of Finance must annually document their evaluation of the risks to ACN of extending credit to the requesting member. The following are risks to be considered:

- (a) ability of the individual or group to repay
- (b) potential for negative impact on ACN's reputation
- (c) extent of other similar agreements ACN has entered
- (d) ability of ACN to honor the guarantee or indemnity should it be required to do so
- (e) in the case of a program for lending to members of ACN, the risks associated with the program and the costs of administering the program

14.5.2 Approval and management of lending, guarantees and indemnities is detailed in the relevant section of this policy.

14.6 Investment Risk Assessment

14.6.1 Monitoring, reporting and approval of the investments strategy and performance is detailed in the relevant section of this policy.

14.7 Financial Reporting Risks

14.6.2 The Director of Finance will identify and document any activities that could result in the risk of the following occurring:

- (a) a material misstatement in information in the quarterly and annual financial statements
- (b) failure to achieve planned levels of financial performance
- (c) failure to perform ACN's obligations.

14.8 Insurance and Emergency Operations Continuity Plans

14.8.1 Refer to the relevant section of this policy for guidance on the risk assessment and management of investments, insurance, and emergency planning.

References and Related Authorities

FMB's Financial Management System Standards

(s) Standard 20.0 – Risk Management

FMB's Financial Administration Law Standards

(t) Standard 19.0 – Risk Management

15. AUDITS

POLICY

Policy Statement

A qualified external auditor will be appointed to render an audit opinion on the annual financial statements (and special purpose reports, as applicable) of Ahtahkakoop Cree Nation in accordance with GAAP.

Purpose

This policy describes annual consolidated audits, as well as information on the importance of an audit and its timely completion, use of tendering to select an auditor, appointing an auditor, information required for the consolidated audit, reducing audit costs, and audit follow-up. Also included in this policy is a sample letter of invitation to tender (to auditors) and a letter appointing the auditor.

Scope

This section describes annual consolidated audits, as well as information on the importance of an audit and its timely completion, use of tendering to select an Auditor, appointing an auditor, information required for the consolidated audit, reducing audit costs, and audit follow-up. Also included in Appendix I; is a sample letter of invitation to tender (to Auditors) and a letter appointing the auditor.

15.1 Responsibilities

15.1.1 Council is responsible for:

- (a) Appointing (re-appointing) an auditor meeting eligibility requirement and documenting the appointment with a council resolution.
- (b) Ensuring the engagement letter requires the auditor to confirm that the financial statements and the audit comply with the Board standards, any relevant funding agreement requirements and all applicable laws.
- (c) Approving and reviewing periodically the policies and procedures related to the external auditor's authority to receive the information and documents required to perform the audit function.
- (d) Reviewing and approving the audited annual financial statement within 120 days after fiscal year end, and ensuring they are signed by those required in the Financial Administration Law –Director of Finance, Chief, and Chair of the Finance and Audit Committee.
- (e) Acting on recommendations from the Finance and Audit Committee related to the audit.

- (f) Ensuring Ahtahkakoop Cree Nation members' access to the audited financial statements and special purpose reports after they have been approved and signed as required in the Financial Administration Law.

15.1.2 The Finance and Audit Committee is responsible for:

- (a) Providing oversight on the external audit and advising the council as required.
- (b) Making recommendations to Council on the selection, engagement, and performance of an auditor.
- (c) Receiving assurances on the independence of a proposed or appointed auditor.
- (d) Ensuring that the appropriate action is taken with respect to any communication from the external auditors.
- (e) Approving the terms and conditions of the appointment of the auditor as set out in the engagement letter and ensuring that it includes the auditor's obligation to confirm that the annual financial statements and the audit of them comply with the Financial Administration Law, and ACNs Financial Management Board Standards and any relevant funding agreements.
- (f) Reviewing the draft annual financial statement from the senior financial officer and presenting the statements to council within sixty days following the end of the fiscal year for which they were prepared.
- (g) Reviewing and making recommendations to council on the planning, conduct and results of audit activities.
- (h) Reviewing and making recommendations to the Council on the audited annual financial statements, including the audited local revenue account financial statements and any special purpose reports.

15.1.3 The Band Administrator is responsible for:

- (a) Directing and facilitating any notices regarding meetings concerning the annual audit or audited financial statements.
- (b) With the Director of Finance, preparing the auditor performance evaluation report.

15.1.4 The Director of Finance is responsible for:

- (a) Overseeing, supervising, directing, and facilitating requests for any information required by the auditor to carry out its audit responsibilities.
- (b) Preparing and providing to the Finance and Audit Committee within forty-five days of the fiscal year end the annual financial statements and special purpose reports for the fiscal year in accordance with GAAP and any funding agreements.
- (c) Facilitating the flow of accounts and other information and acting on auditor's requests during the audit.
- (d) Ensuring the accounts are properly updated to reflect audit adjustments, the account balances are reconciled to the audit statements and schedules, and a proper year end closing of the accounts is completed.

- (e) With the Band Administrator, preparing the auditor performance evaluation report.

ADMINISTRATIVE PROCEDURE

Procedure

15.2 Auditor Selection, Engagement and Performance

15.2.1 The Band Administrator and Director of Finance will establish evaluation criteria to be included in a Request for Proposals (“RFP”) for external audit which will be approved by the Finance and Audit Committee, at a minimum:

- (a) Independence from Ahtahkakoop Cree Nation, its related bodies, Councilors and Department Heads and members.
- (b) In good standing with regulatory bodies (Canadian Institute of Chartered Accountants, Certified General Accountants Association of Canada, or the Society of Management Accountants of Canada) and their respective counterparts in the province or territory in which the firm or accountant is practicing.
- (c) License to practice public accounting.
- (d) Other considerations as appropriate (i.e., funding agreement requirements)

15.2.2 The Finance and Audit Committee will review and approve the RFP before it is made public.

15.2.3 The tendering process begins by contacting auditors and providing them with an invitation to tender. The letter should include a brief description of Ahtahkakoop Cree Nation, its location, size of the audit, and conditions of appointment (i.e., completion by July 31st). The final date for submissions should also be included in the letter. The letter of invitation to tender, requests the auditor to provide a price that they feel is fair for the services required by Ahtahkakoop Cree Nation.

15.2.4 The Band Administrator and Director of Finance will review and evaluate the proposals and provide a recommendation to the Finance and Audit Committee for approval. Upon approval, the Director of Finance or the Band Administrator shall prepare a “letter of engagement,” outlining the needs of Ahtahkakoop Cree Nation, commitments to the auditor, and the auditors’ commitments to Ahtahkakoop Cree Nation.

15.2.5 Council will review the engagement letter with auditor to ensure it contains the content required by the Financial Administration Law and any other applicable requirements and will proceed to sign the engagement letter in accordance with Ahtahkakoop Cree Nation’s approved signing authorities and ensure that it is delivered to the auditor. This should be completed as early as possible each year.

15.2.6 It is important for the Band Administrator to have an interim meeting with the Auditor to discuss what is presently being done, and to find out what the auditor requires at year-end. (In addition to Ahtahkakoop Cree Nation’s present bookkeeping records). If possible, this should be done five to six months before year-end.

15.2.7 The consolidated audit must be completed within a reasonable period following the March 31st year-end. ISC has established that a reasonable period is 120 days (July 31st).

15.2.8 The Chief and Council also need information from the consolidated audit to plan the Ahtahkakoop Cree Nation’s financial affairs for the multi-year financial plan. The earlier the consolidated audit is received, the more time Chief and Council must adjust spending patterns, based on last year’s expenditures. When used as a planning tool, the consolidated audit can help Ahtahkakoop Cree Nation avoid financial crisis.

15.3 Auditor Process

15.3.1 Detailed financial statements covering all activities of Ahtahkakoop Cree Nation shall be prepared annually.

- (a) The Council shall appoint an auditor to audit financial records and inventories of Ahtahkakoop Cree Nation once a year. The consolidated audit shall be completed and submitted to Council by July 31st, for each fiscal year ending March 31st.
- (b) The auditor shall be either a Chartered Accountant or a Certified General Accountant or a Certified Management Accountant, licensed to do audits under provincial guidelines.
- (c) The Council shall set terms of reference, such as the following, for its auditor.

15.3.2 The auditor shall:

- (a) Perform, in accordance with GAAP, a general review of accounting procedures and such tests of accounting records as the Auditor considers necessary under the circumstances.
- (b) Have the right of access at all reasonable hours to Ahtahkakoop Cree Nation's accounting records, supporting documents, including the minutes of Council meetings.
- (c) Prepare financial statements in accordance with accepted accounting principles as defined by the Canadian Institute of Chartered Accountants (i.e., Public Sector Accounting Handbook relating to First Nations) and ISC Policy (i.e., Year End Reporting Handbook). Report on all Band financial activities, and provide:
 - (i) Balance sheets
 - (ii) Statements of revenue and expenditures for each Band Government service.
 - (iii) A comprehensive schedule of surpluses or deficits in each program or department, detailing transfers, and prior year balances.
 - (iv) A consolidated balance sheet and statement of revenue, expenses, and surplus or deficit.
- (d) Prepare annual GST submissions to Canada Revenue Agency for reimbursement.
- (e) Express an opinion regarding the accuracy of the financial statements as a reflection of Ahtahkakoop Cree Nation's financial position, in accordance with accepted accounting principles, together with any recommendations deemed advisable.
- (f) The audit shall include a list of fixed assets costing \$500.00 or more each.
- (g) The auditor shall present a draft of the consolidated audit report to Council and answer any questions. Appropriate adjustments, such as the recording of deferred revenues, etc., should be made prior to the signing of Ahtahkakoop Cree Nation's official copy.
- (h) The consolidated audit shall be signed by the Chief and the Band Administrator and be recorded in the Council minutes as reviewed and approved.
- (i) Following the Council's approval of the consolidated audit, a presentation should be made to Ahtahkakoop Cree Nation membership in the form of a public meeting. In addition to information regarding the audited financial statements, information on program achievements, policy changes, future planning etc. can also be presented, and community input can be obtained.
- (j) Council shall ensure that, where appropriate, the recommendations made by the Auditor are implemented, and that the audit report and any other relevant accounting record is made available to the funding agencies, Band members, and to any other party authorized by Council.

15.4 Information Required for the Consolidated Audit

15.4.1 Requirements for the consolidated audit includes the following specific information for operations under the control of Chief and Council:

- (a) List of all SAGE 300 batches

- (b) General ledgers
- (c) Minutes book recording all motions and decisions of Council
- (d) Band Council Resolutions
- (e) Cancelled cheques, bank statements, and cheque stubs/duplicates
- (f) Receipt books
- (g) Statements and invoices
- (h) Deposit books
- (i) Copies of all contracts
- (j) Payroll sheets and T4's issued
- (k) All applications for grants
- (l) Letters approving grant applications
- (m) List of accounts receivable
- (n) List of accounts payable
- (o) List of inventories
- (p) Schedules of salaries, honoraria, and travel
- (q) Employment Contracts
- (r) Adjusting entries made

15.4.2 All ledgers and journals should be balanced monthly and completed to March 31st of the current fiscal year.

15.5 Reducing Audit Costs

15.5.1 To reduce audit costs Ahtahkakoop Cree Nation will:

- (a) Ensure all records are properly completed and balanced.
- (b) Ensure the Auditor has access to all required records at the time of the audit.
- (c) File supporting documents neatly and in logical order
- (d) Complete bank reconciliation statements
- (e) Prepare an accounts receivable and accounts payable list, and financial statements in proper form, to reduce the Auditor's time and charges.

15.6 Audit Follow-up

15.6.1 When the auditor presents the draft copy of the consolidated audit to the Band Administrator and Finance personnel a copy of all adjustments made to Ahtahkakoop Cree Nation's books by the auditor should also be presented. These should be reviewed with the auditor, and any additional adjustments or corrections that are required should be requested prior to the final draft of the consolidated audit.

15.6.2 When the consolidated audit is complete, Ahtahkakoop Cree Nation will act upon suggestions made by the auditor. Acting on improvements suggested by the Auditor would help to speed up the audit process in the following year, as well as reduce audit costs.

16. EMERGENCIES AND OPERATIONS CONTINUITY

POLICY

Policy Statement

It is the Council's policy to establish a process around emergency and operations continuity planning that addresses the key risks facing ACN.

Purpose

The purpose of this policy is to provide guidance on preparing for emergencies through a documented emergency and operations continuity plan designed to meet the size, risk and impact of potential emergencies that could affect ACN and its ability to achieve its goals and priorities.

Scope

This policy applies to the Council, Department Heads, committee members, employees, and members of ACN.

16.1 Responsibilities

16.1.1 Council is responsible for:

- (a) approving the emergency and operations continuity plan

16.1.2 The Band Administrator is responsible for:

- (a) ensuring that an emergency and operations continuity plan is prepared and approved
- (b) ensuring that the emergency and operations continuity plan is communicated to the affected First Nation staff and members as part of its implementation along with any necessary training
- (c) updating the emergency and operations continuity plan on an annual basis

ADMINISTRATIVE PROCEDURES

Procedures

16.2 Analyze the Current Situation

16.2.1 The Band Administrator will conduct a risk assessment to identify all risks that could have an impact on the operations and finances of ACN, including potential threats such as fires, natural disasters, and environmental risks.

16.2.2 For each of the risks identified, the Band Administrator will determine the likelihood of the threat occurring and the potential impact on ACN's operations.

16.3 Develop the Emergency and Operations Continuity Plan

16.3.1 Based on the likelihood and impact, the Band Administrator, with input from outside expertise as required, will determine which risks will be addressed in the emergency and operations continuity plan. The plan should identify critical systems or operations and how these will be managed in the event of an emergency to minimize effects on ACN's overall operations and finances.

16.3.2 Areas which should be examined and examples of issues to address for each risk include the following:

(a) Buildings and sites

- (i) How will operations continue if the site is inaccessible or destroyed?
- (ii) What safety precautions need to be taken in the event of damage to the building?

(b) Critical equipment

- (i) Are there backups in place for critical equipment (i.e., an extra item in storage)?
- (ii) How quickly can repairs be made and by whom?
- (iii) Are there outside vendors that can be used to replace an unavailable piece of equipment?

(c) Information Technology

- (i) Can the computer network be accessed from offsite (e.g., virtual private network)?
- (ii) Are there adequate numbers of laptops, cell/satellite phones, etc. to maintain communication remotely during an emergency?
- (iii) Are critical systems and databases regularly backed up? Is the backup stored offsite?

(d) People

- (i) How will ACN communicate with staff/members during an emergency?
- (ii) Do the critical finance and operations staff members have designated and trained back-ups?
- (iii) Is there an offsite location where limited but critical operations can continue during an emergency?

- (iv) Are there any potential health and safety issues associated with a particular risk?
How would these be dealt with?

16.3.3 Responsibilities for each component of the emergency and operations continuity plan will be clearly identified and communicated with the assigned individuals. Alternates for key individuals will be identified and provided with information on their duties.

16.3.4 The Band Administrator will develop an emergency notification procedure to explain how to enact the plan should an emergency occur.

16.4 Implement the Plan

16.4.1 The Band Administrator will develop a communication strategy to make sure all affected staff and First Nation members have access to the emergency and operations continuity plan.

16.4.2 All staff who have been assigned responsibilities within the emergency and operations continuity plan will be provided with training to carry out their role in the event of an emergency.

16.4.3 The emergency and operations continuity plan will be evaluated by the Band Administrator. Testing could include mock disaster exercises, communication and off-site computing tests, fire drills, etc.

16.4.4 The emergency and operations continuity plan documentation will be maintained at all First Nation's site locations and key employees will keep a copy at home. It should include all required information to enact the plan (i.e., emergency contact, responsibilities list, vendor lists, fire drill routes, etc.)

16.5 Annual Review

16.5.1 On an annual basis, the Band Administrator and key employees will review the plan and associated documentation to make sure it remains relevant and up to date. Updates will be performed, and new versions of the plan and associated documentation distributed to the sites and individuals noted above.

16.5.2 Changes to the plan will be approved by Council.

References and Related Authorities

FMB's Financial Management System Standards

- (u) Standard 20.0 – Risk Management

17. FINANCIAL MANAGEMENT SYSTEM IMPROVEMENT

POLICY

Policy Statement

It is the Council's policy to establish a process around continuous improvement in ACN's financial management system. The Council should ensure strong, internal controls and security through the careful development and implementation of their bookkeeping and accounting system and financial management policies. Significant factors informing same include:

- (a) well-trained staff with adequate knowledge and abilities to maintain duplicate, cross-referenced bookkeeping, filing, and accounting systems; to help ensure accurate up-to-date reporting to the Council; and to enable rapid information retrieval and/or verification on individual transactions, when required
- (b) staff members who manage cash and cheques should be bonded, insurance coverage obtained, and physical security precautions taken
- (c) timelines of reporting: bookkeeping should always be up-to-date, and weekly financial reports will be provided in this way, the Department/Program Head is always informed regarding the status of budgets, made aware of any variance between projected cash flows and actual expenditures to date, and able to make any budgetary adjustments as required
- (d) financial authorities and responsibilities of individual staff members will be clearly defined in their respective job description and these Policies.

Purpose

The purpose of this policy is to provide guidance on the Ahtahkakoop Cree Nation's continuous improvement of its financial management system. Regularly reviewing and making improvements to the financial management system of ACN helps to make sure the policies and procedures are meeting its needs.

Scope

This policy applies to the Council, Department Heads, the Finance and Audit Committee, and employees involved in the financial administration of Ahtahkakoop Cree Nation.

17.1 Responsibilities

17.1.1 The Finance and Audit Committee is responsible for:

- (a) reporting to Council as soon as practicable any gaps or areas of non-compliance between the Ahtahkakoop Cree Nation's financial management systems and practices and ACNs Financial Management Board Standards and monitoring actions taken to bring the Ahtahkakoop Cree Nation into compliance.

17.1.2 The Director of Finance is responsible for:

- (a) overseeing the reception, recording, and depositing all monies received, and pay out those monies in accordance with contractual agreements and these Policies
- (b) preparing financial statements on a quarterly basis or at the request of Council, for presentation at monthly meetings of Council, which includes revenue and expenditures for the previous month.

17.1.3 The Band Administrator is responsible for:

- (a) maintaining a filing system of Council meetings, all bylaws and copies of all statements/invoices, bank statements, cancelled cheques and correspondence relating to business of Ahtahkakoop Cree Nation
- (b) planning, scheduling, and conducting internal assessments of programs
- (c) ensuring issues or concerns identified through the internal assessment process are resolved
- (d) holding an annual meeting to review the financial management system for the previous fiscal year
- (e) performing self-assessments of the Ahtahkakoop Cree Nation's financial management systems and practices against First Nation Financial Management Board's Standards and monitoring to make sure that any gaps or areas of non-compliance are resolved as soon as possible
- (f) reporting to Council and the Finance and Audit Committee the results of reviews
- (g) ensuring issues and concerns regarding the financial management system are collected, tracked, managed, reported, and resolved as required in this policy.

ADMINISTRATIVE PROCEDURES

Procedures

17.2 Financial Management System Review

17.2.1 Annually on a date scheduled by the Finance and Audit Committee, the Band Administrator will review the financial management system for the period of the previous four quarters and up to the date of the meeting.

17.2.2 The agenda items will include, but are not limited to, the following:

- (a) review of the system's processes and procedures
- (b) review of applicable laws for compliance
- (c) review of external and internal assessment results
- (d) review of identified process improvement opportunities including their resolution
- (e) review of all committees' terms of reference

- (f) review of ACN's corporate and personnel organization charts

17.2.3 The Band Administrator will prepare a report for distribution to the Finance and Audit Committee that includes the following:

- (a) statement of whether the financial management system has, during the review period, been operated in compliance with all applicable laws, policies, procedures, and directions
- (b) recommendations for any changes to those laws, policies, procedures, and directions that would be beneficial to the financial management system.

17.2.4 The Band Administrator will make the report available to the Council and auditors.

17.3 Internal Assessments

17.3.1 The employee performing the internal assessment will be independent of the operations or activities being assessed. This employee will be assigned by the Band Administrator and must be independent of the operation or activity under review.

17.3.2 Operations or activities under review by the employee assigned by the Band Administrator includes the following:

- (a) Reviewing all policies under the Financial Administration Law
- (b) Reviewing all procedures, within the policies, under the Financial Administration Law
- (c) Reviewing the Terms of Reference (Schedule E) for the Finance and Audit Committee
- (d) Any other documentation with regards to the Financial Management System of ACN

17.3.3 A documented report will be prepared by the reviewer for each internal assessment performed. The report will contain the reviewer's findings and resolutions of any concerns identified in the findings.

17.3.4 Reports will be issued to the Band Administrator.

17.4 Continual Improvement Process

17.4.1 The Director of Finance will be responsible for ensuring that any concerns or issues regarding the financial management system brought to their attention are tracked, managed, and resolved on an ongoing basis.

17.4.2 The Director of Finance shall monitor the administration and efficacy of these Policies on an ongoing basis. Such amendments must be documented in writing and submitted to the Band Administrator. All proposed amendments and/or recommendations to these Policies will be presented to the Finance and Audit Committee by the Band Administrator. The Chief and Council will support such amendments by way of Council Resolution. Amendments that are not supported by Council will be documented and placed on file for future reference.

17.4.3 The Band Administrator will update or cause these Policies to be updated according to the approved amendments and distributed to all staff.

17.5 Review of Financial Administration Law

17.5.1 Annually, the Finance and Audit Committee will review the Financial Administration Law to:

- (a) determine if it facilitates effective and sound financial administration of ACN
- (b) identify any amendments to this Law that may better serve this objective

17.5.2 The Finance and Audit Committee will report to the Council and auditors on the results of its review including any recommendations it makes for amendments to the Financial Administration Law.

17.6 Membership Information or Involvement

17.6.1 If recommendations from the Finance and Audit Committee require amendments to the Financial Administration Law, Council will make sure that First Nation members are provided the information or involved in consideration of any proposed amendments to the Law as required in the Financial Administration Law.

17.6.2 The Financial Administration Law will be available on the Ahtahkakoop website or by request from the Ahtahkakoop Band Office.

17.6.3 Membership will be informed in accordance with ACN's communication procedures, as noted in the Annual Planning and Budgeting section of this policy.

References and Related Authorities

The FMB's Financial Management System Standards

- (v) Standard 27.0 – FMB Standards
- (w) Standard 29.0 – Financial Management System Improvement

The FMB’s Financial Administration Law Standards

- (x) Standard 33.0 – FAL Review
- (y) Standard 29.0 – FMB Standards

18. FINANCE AND AUDIT COMMITTEE

POLICY

Policy Statement

The Finance and Audit Committee shall remain accountable to Ahtahkakoop Cree Nation membership, in regards to all financial, administrative, and operational matters contained herein on a monthly and annual basis. The Finance and Audit Committee will act in the capacity of an advisory body to Chief and Council and the Finance and Administration department in the areas of monitoring financial management plans, remedial management plans, operational plans, and recommends banking limitations and minimum required savings.

Purpose

The purpose of this policy is to establish the procedures for the Finance and Audit Committee.

18.1 Responsibilities

18.1.1 Responsibilities of Audit and Finance Committee

- (a) One (1) Councilor will serve as chairperson of the Finance and Audit Committee.
- (b) The Chairperson shall preside over the meetings of the Finance and Audit Committee and shall, between meetings of the Committee, exercise or perform such of the powers, duties or functions of the Committee as the Committee may determine.
- (c) The Chairperson shall exercise administrative responsibilities including:
 - (k) calling meetings of the Finance and Audit Committee Members and setting the agenda for the meetings
 - (l) certifying Financial and Audit Committee decisions
 - (m) providing minutes of the meetings to Council
 - (n) reporting to Chief and Council; and
 - (o) performing such other functions as the Council may assign.
- (d) The Finance and Audit Committee will be responsible for:
 - (i) monitoring financial activities of Ahtahkakoop Cree Nation.
 - (ii) monitoring overall budget variances and ensuring a remedial management plan, financial management plan and operational plan is developed in accordance with the provisions of the Ahtahkakoop Cree Nation Financial Administration Law, 2022 Sec. 11.
 - (iii) reporting and recommending to the Chief and Council on financial matters, and

(iv) all other matters relating to the financial affairs of Ahtahkakoop Cree Nation not assigned by another Act or Council resolution to any department or agency.

18.1.2 A member of the Finance and Audit Committee may be removed from office if he/she commits any offence as described in Sec 11.7 of the Ahtahkakoop Cree Nation Financial Administration Law, 2022

18.1.3 Each Finance and Audit Committee Member will adhere to the Code of Conduct and Conflict of Interest as described in Section 6 of the Ahtahkakoop Cree Nation Governance Policy, 2023

18.1.4 The Finance and Audit Committee is responsible to monitor both the RMP and FMP via monthly financial statements and variance reports depicting the year-to-date effectiveness of the recovery plan. These reports will be prepared by Finance and Administration.

18.1.5 The Finance and Audit Committee will monitor the financial performance of Band operations including all programs and departments. The Finance and Audit Committee will also monitor the consistency of administration standards, accountability of controls, financial practices (incl. financial management/planning/control/review standards), etc.

Procedures

Finance and Audit Committee– Composition, Term and Selection Process

18.2 Composition

18.2.1 The Finance and Audit Committee will consist of seven (7) members, three (3) of whom shall be Councilors. Council will be responsible to appoint each member of the Finance and Audit Committee. The 7th will be a non-voting elder.

18.2.2 A quorum for a decision of the Finance and Audit Committee will consist of at least fifty percent (50%) of the total number of committee members, including at least one (1) councillor. In the absence of the Chairperson, the Vice Chairperson will assume the duties.

18.3 Term

18.3.1 The term of office for members of the Finance and Audit Committee, will be for a period of not less than thirty-six consecutive staggered months as required in the Ahtahkakoop Financial Administration Law, 2023 Sec 11(6).

18.4 Selection and Application Process

18.4.1 The Council shall appoint through an application process that is open to all Ahtahkakoop Cree Nation Members and the composition of the Finance and Audit Committee shall be as follows;

- (a) three Councilors
- (b) three persons from the general Ahtahkakoop Cree Nation membership, (on and off),
and

(c) one Elder

18.4.2 The application process shall consist of submitting a resume, cover letter, and a Criminal Record Check (CPIC - Canadian Police Information Centre) and addressing how each candidate meets the selection criteria set out below. Screening will be the responsibility of the Finance and Administration department. The final list of applicants will be provided to the Chief and Council for their consideration and approval.

18.4.3 Selection Criteria

- (a) be a member over the age of 20 years old.
- (b) not be in arrears with Ahtahkakoop Cree Nation.
- (c) be financially competent, meaning possessing the following:
- (d) The individual has a minimum of five (5) years of finance experience including reading and presenting financial plans and financial statements.
- (e) The individual must be able to demonstrate their finance/accounting experience including reading, understanding, and analyzing financial statements or an equivalent of First Nation governance and administration experience.
- (f) The ability to understand accounting policies, including any estimates used or judgments applied by management in the application of ACN's accounting policies, when these are explained by ACN's Finance Director and the auditor
- (g) An understanding of ACN's objectives and operations that may impact the selection or application of accounting policies
- (h) A knowledge and understanding of the strategies that have been adopted by ACN and the risks inherent in any new strategies; and
- (i) An ability to understand ACN's risk environment
- (j) Signing the Finance and Audit Committee Eligibility Declaration (Schedule F)

18.5.4 Meetings

- (a) The Committee will convene monthly or as requested by the Chairperson.
- (b) The Finance and Audit Committee will review the impact of banking decisions initiated by Band operations compared with stated objectives outlined in the Multi-Year Financial Plan.

THIS AHTAHKAKOOP CREE NATION FINANCIAL MANAGEMENT POLICY AND PROCEDURES AND ITS APPENDIXES WAS REVIEWED BY A QUORUM OF CHIEF AND COUNCIL ON May 16th, 2023.

THIS AHTAHKAKOOP CREE NATION FINANCIAL MANAGEMENT POLICY AND PROCEDURES AND ITS APPENDIXES IS HEREBY DULY SIGNED BCR# ADMN-2023-05-16, by Council on the 16th day of May 2023, at Ahtahkakoop Cree Nation, in the Province of Saskatchewan, at a duly called and conducted Council meeting at which the required quorum of seven (7) members of Council was present throughout.

The Ahtahkakoop Cree Nation Financial Management Policy and Procedures, 2023 will take effect May 16th, 2023.

Chief Larry Ahenakew

Councillor Ben Ahenakew

Councillor Lanny Ahenakew

Councillor Russell Ahenakew

Councillor Dean Genereaux

Councillor James Isbister

Councillor Patricia Isbister

Councillor David Masuskapoe

Councillor Chad Peekeekoot

Councillor Rodney Sasakamoose

Councillor Stanley Sasakamoose

Councillor Evan Williams

Councillor Cynthia Williams-Johnstone

AHTAHKAKOOP CREE NATION FINANCIAL MANAGEMENT POLICY AND PROCEDURES, 2023 SIGNATURE PAGE

(All employees must comply with Ahtahkakoop Cree Nation Financial Management Policy and Procedures, 2023)

Instructions to Employees:

All Ahtahkakoop Cree Nation council, department heads and employees are required to read the Ahtahkakoop Cree Nation Financial Management Policies and Procedures, 2023 listed in this document.

If you have trouble locating the policies, let your supervisor know.

Direct questions about Ahtahkakoop Cree Nation Financial Management Policy and Procedures, 2023 can be directed to your supervisor.

Employee's Name: _____

Employee's Signature: _____

Date: _____

(My signature indicates I have read the policies and had my questions answered. I understand I must comply with procedures and requirements of the policies. Failure to comply with finance policies may result in disciplinary actions).

(The original Ahtahkakoop Cree Nation Financial Policy signature page is retained in the employee's Personnel File. Provide a copy to the employee.)