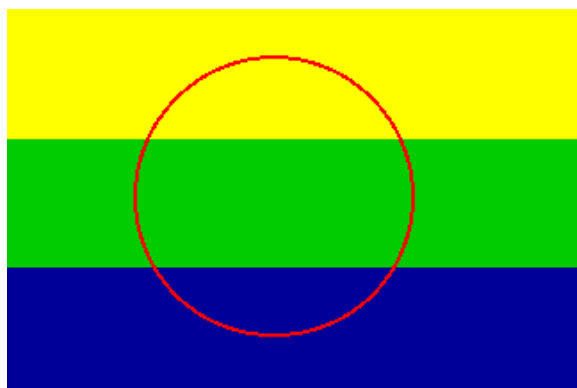


FINANCE POLICY

PEGUIS FIRST NATION



Adopted: BCR 09/04/29

Revised: BCR August 13, 2009

PEGUIS FIRST NATION

FINANCE POLICY

PREAMBLE

Being a Policy to regulate the receipt, management, and expenditure of Peguis First Nation funds and to establish the administrative structure for the management of Peguis First Nation Funds.

The Council of the Peguis First Nation has determined that it is desirable and necessary for the better administration of the Peguis First Nation's business to establish a Financial Policy to regulate the receipt, management and expenditure of Peguis First Nation funds and to establish the administrative organization of the Peguis First Nation for the management of Peguis First Nation funds.

TITLE

- 1 This Policy may be cited as the "Peguis First Nation Finance Policy".

DEFINITIONS

- 2 In this policy:
 - (a) "**account**" means a financial account of the Peguis First Nation held at an accredited financial institution where the funds on account are held to the credit of the Peguis First Nation;
 - (b) "**agency**" means any board, tribunal, commission or committee of the Peguis First Nation or any corporate body controlled by the Peguis First Nation including a society or a corporation;
 - (c) "**agreement**" means any written contract between the Peguis First Nation and another party or parties, including the federal government, a provincial government, or a third party, pursuant to which money is to be paid to the Peguis First Nation;
 - (d) "**annual budget**" means the forecast of revenues and planned expenditures for each fiscal year by the Peguis First Nation;
 - (e) "**audit**" means the annual audited consolidated financial statements of the Peguis First Nation prepared in accordance with Canadian generally accepted accounting principles (GAAP) as set out in the Public Sector Accounting Handbook and audited in accordance with generally accepted auditing standards;
 - (f) "**authority**" means a body as defined by Chief and Council to carry out specific responsibilities in a functional area such as Health, Education, Housing or Recreation The Authority may have a Director, staff, and may be given responsibility for its own Policies and Procedures;

- (g) “**band**” means Peguis First Nation Band;
- (h) “**Chief and Council**” and “**council**” means the Peguis First Nation leadership consisting of one Chief and Councillors;
- (i) “**department**” means an administrative division of the Peguis First Nation as established from time to time by Council and includes service centres, administrative units, and other internal organizational units of the Peguis First Nation;
- (j) “**discrimination means**” any demonstrated bias toward an individual, which is attributed to his or her race, national or ethnic origin, color, religion, age, sex, marital status, family status, political beliefs, economic status, disability, pardoned conviction, or sexual orientation;
- (k) “**dismissal**” is a disciplinary action involving the termination of services usually without normal notice or benefits, and imposed for just cause;
- (l) “**elders**” are respected senior members of the community who provide advice to Authority members as well as Chief and Council and are designated by Chief and Council;
- (m) “**employee**” means any individual employed by the Peguis First Nation or any of its committees, boards, agencies, corporations or other entities;
- (n) “**employer**” means the Peguis First Nation Band;
- (o) “**essential or vital services**” means those essential or vital services provided by the band which operate on a twenty-four hour basis. (i.e. Emergency Services, Personal Care Home);
- (p) “**fiscal year**” means the period of time from April 1st of one year to March 31st of the following year;
- (q) “**general account**” means the consolidated financial account of the Peguis First Nation into which all revenues of the Peguis First Nation are deposited and held at an accredited financial institution where the funds on account are held to the credit of the Peguis First Nation;
- (r) “**management team**” means the COO and the Directors;
- (s) “**member(s) of council**” means the Chief or one or more of the Band Councillors of Peguis First Nation;
- (t) “**member**” means an individual whose name appears on the Peguis First Nation membership list;
- (u) “**membership**” means all members;
- (v) “**Peguis First Nation funds**” means all monies belonging to the Peguis First Nation including:
 - i all revenues of the Peguis First Nation,
 - ii money borrowed by the Peguis First Nation,
 - iii money received or collected on behalf of Peguis First Nation, and

- iv all moneys that are received or collected by the Peguis First Nation pursuant to any agreement or funding arrangement to be disbursed for a purpose specified by Council or pursuant to that agreement or funding arrangement; but, does not include:
 - i money received by the Government of Canada on behalf of the Peguis First Nation and held in the Peguis First Nation capital and revenue trust accounts pursuant to the provisions of the Indian Policy, and
 - ii money received by the Peguis First Nation on behalf of an individual;
- (w) **“Peguis First Nation reporting entity”** means all Peguis First Nation organizations that are part of the reporting entity as defined by generally accepted accounting principles (GAAP) as set out in the Canadian Institute of Chartered Accountants (CICA) Public Sector Accounting Handbook;
- (x) **“policy”** means a program of actions adopted by the Council of the Peguis First Nation and the principles upon which they are based;
- (y) **“purchase”** includes any purchase of goods or services for a capital or operating purpose;
- (z) **“related person”** means the spouse (legal or common law), parents, grandparents and siblings of the individual, parents or grandparents (natural, adopted or step), children (natural or adopted) of either the individual or of the spouse, and shall also include any other relative permanently residing in the person’s household;
- (aa) **“resignation”** means voluntary termination of employment by an employee, other than retirement;
- (bb) **“resolution”** means a decision made at a meeting of a quorum of the council;
- (cc) **“secretary”** means the person appointed by the Council to record the minutes of the Council or committee meetings;
- (dd) **“senior management”** means a specific executive position or person named on a list of persons occupying executive positions approved by the Council by motion;
- (ee) **“service area”** means an administrative division of the Peguis First Nation Government as established from time to time by the Council and includes branches, departments, administrative units and other internal organizational units of the Peguis First Nation administration;
- (ff) **“spouse”** includes common-law or married partners;

APPLICATION

- 3 This Policy governs the receipt, management, and expenditure of Peguis First Nation funds, and the administrative organization of the Peguis First Nation for the management of Peguis First Nation funds.
- 4 This Policy applies to the Peguis First Nation and all Peguis First Nation service areas and agencies in receipt of the Peguis First Nation funds.

ROLE OF THE COUNCIL

- 5 The Council is responsible for ensuring the effective and efficient administration of the financial resources of the Peguis First Nation for the benefit of the members of the Peguis First Nation.
- 6 Any decision made by the Council for the purposes of this Policy shall be by motion as defined in this Policy.
- 7 The Council shall ensure that written minutes are taken of the proceedings of all meetings of the Council and General Meetings and that the minutes are kept in a secure location.
- 8 The minutes shall be approved by Council.
- 9 The Council shall receive and approve the annual budget of the Peguis First Nation.
- 10 The Council may, for any purpose which the Council deems advisable, approve an amendment to the annual budget.
- 11 The Council shall receive and approve the annual audit of the Peguis First Nation.
- 12 The Council shall approve the establishment of such positions, agencies, service areas, boards, authorities or committees, as may be necessary, for the good administration of Peguis First Nation funds and shall ensure that such bodies have a specified mandate, a clearly defined role, a defined relationship to the Council and appropriate policies and procedures sufficient to ensure the effective administration of the affairs of the Peguis First Nation.
- 13 The Council shall approve the establishment of such appeal or review bodies as are necessary to create appeal mechanisms in relations to the delivery of services, shall appoint the members of such bodies and shall ensure that such bodies operate according to the rules of natural justice.
- 14 The Council shall ensure that criteria are established for program delivery and such criteria shall include as a minimum the following:
 - (a) formally defined and publicly available benefit schedules specifying applicable rates, conditions and criteria for eligibility;
 - (b) provision for equal treatment of all members of the Peguis First Nation;
 - (c) an impartial process for the appeal of administrative decisions; and
 - (d) procedures to ensure confidentiality of client/member information.
- 15 The Council shall approve, on behalf of the Peguis First Nation, any agreements, or funding arrangements with the federal or provincial governments or with any other party for the provision of funding for the Peguis First Nation, its agencies and other bodies.

PEGUIS FIRST NATION CORPORATIONS

- 16 All corporations which are owned or controlled by the Peguis First Nation are accountable to the Peguis First Nation through the Council.
- 17 All Peguis First Nation Corporations shall present a corporate plan and an annual budget to the Council prior to the commencement of the fiscal year of the Corporation.
- 18 All capital budgets and any proposed borrowing by a Peguis First Nation Corporation must be presented to and approved by the Council prior to any major capital expenditure or any borrowing being transacted.
- 19 All major transactions or changes in the nature of the business of a Peguis First Nation Corporation shall be approved by the Council prior to the transaction being made or the nature of the business being changed.
- 20 All Peguis First Nation Corporations shall present a quarterly financial statement to the Council within 30 days of the end of each quarter of the corporation's fiscal year.
- 21 All Peguis First Nation Corporations shall provide an annual audit to the Council for approval unless they have been audited in conjunction with the audit conducted for the Peguis First Nation pursuant to this Policy.

POLICIES AND PROCEDURES

- 22 The Council may approve such additional policies and procedures as may be necessary to give effect to the provision of this Policy. Such policies and procedures, when approved by the Council shall become part of this Policy and shall be enforced as such.

FINANCE COMMITTEE

- 23 A Finance committee for the Peguis First Nation is hereby established and shall continue in existence notwithstanding changes in its membership from time to time.
- 24 The Finance Committee shall consist of seven members appointed by the Council with two members being Councillors selected by the Council. The Council shall have the right to terminate the term of office for a Councillor and select a different Councillor to be appointed by the Committee. The term of office for the other five members shall expire concurrently with the term of office for the Council appointing them. At least one of the members of the Finance Committee shall be a designated accountant (CA, CMA or CGA).
- 25 The Chief shall be an ex-officio member of the Committee and is entitled to vote.
- 26 A quorum for a decision of the Committee shall consist of four members, at least one of whom is a Councillor.

- 27 The Chairperson shall be the Councillor holding the First Nation's Finance portfolio. In the absence of the Chairperson, the Committee may appoint a Chairperson for any meeting from among the members present;
- 28 The Chairperson shall preside over the meetings of the Committee and shall exercise administrative responsibilities including:
 - (a) calling meetings of the Committee and setting the agenda for the meetings,
 - (b) certifying Committee decisions, and
 - (c) performing such other functions as the Committee may assign.
- 29 The Councillors who are members of the Committee shall report to Council on behalf of the Committee.
- 30 Under no circumstances shall a Finance Committee member be allowed to be represented by proxy. All votes shall be in person or by teleconference.
- 31 The Committee shall be responsible for:
 - (a) monitoring the receipt of Peguis First Nation funds;
 - (b) monitoring the expenditure of Peguis First Nation funds;
 - (c) ensuring the maintenance of the financial records of the Peguis First Nation in accordance with generally accepted accounting principles as defined by the Canadian Institute of Chartered Accountants (CICA), and the reporting requirement of any funding arrangements approved by the Council;
 - (d) overseeing, reviewing in detail and approving the annual budget in accordance with the priorities approved by the Council;
 - (e) submitting the annual budget to Chief and Council;
 - (f) overseeing the preparation of the annual audit of the Peguis First Nation;
 - (g) making recommendations to the Council on financial matters;
 - (h) attending to other matters relating to the financial affairs of the Peguis First Nation as directed by the Council;
 - (i) reviewing the implementation of the finance related policies carried out by the Chief Finance Officer;
 - (j) reviewing the funding agreements, salary schedules, travel rates, honorariums, and expenditure reports prepared and making recommendations to the Council with respect to such reviews;
 - (k) establishing an Audit Committee.
- 32 The general duties of the Finance Committee are as follows:
 - (a) to consider all financial matters referred to them by Council;
 - (b) to consult with Membership before making recommendations to Council;

- (c) to report to Council from time to time as often as the interests of the Band may require; and
 - (d) to recommend such action by Council in relation to Band finances as they deem necessary.
- 33 The Committee shall prepare any amendment to the annual budget for the Peguis First Nation which shall be submitted to the Council for review and approval.
- 34 The Committee shall maintain the financial records of the Peguis First Nation through the offices of the Chief Financial Officer and the senior managers of the Peguis First Nation Administration.
- 35 The Committee shall establish the financial administration system of the Peguis First Nation and may prescribe the form and content of the financial records to be used.
- 36 The Committee shall develop policies and procedures for its meetings and activities which shall take effect upon approval by the Council.
- 37 The Committee shall follow the general administrative policies established by the Council for the Peguis First Nation Administration.

AUDIT COMMITTEE

- 38 The role of the audit committee is to:
- (a) provide the Finance Committee with independent and objective advice and guidance on the adequacy of the First Nation's control and accountability processes;
 - (b) advise on the internal and external audit plans and results; and
 - (c) comment on the adequacy of management's response to the audit recommendations.
- 39 The responsibilities¹ of the audit committee are:
- (a) overseeing the financial reporting and disclosure process;
 - (b) monitoring choice of accounting policies and principles;
 - (c) overseeing hiring, performance and independence of the external auditors;
 - (d) oversight of regulatory compliance, ethics, and whistleblower hotlines;
 - (e) monitoring the internal control process; and
 - (f) overseeing the performance of the internal audit function.

¹ Added BCR 09/08/01

- (g) discussing risk management policies and practices with management.
- 40 At least one of the members of the Audit Committee shall be a designated accountant (CA, CMA or CGA).

CHIEF FINANCIAL OFFICER

- 41 The Chief Financial Officer shall act as the senior administrative official of the Finance committee and shall assist the Committee in carrying out its duties.
- 42 The Chief Financial Officer reports to the Chief Operating Officer but exercises significant independence in financial matters.
- 43 The Chief Financial Officer shall be responsible for:
- (a) the conduct of the administration necessary to discharge the responsibilities of the Committee;
 - (b) administrative supervision of the Finance staff;
 - (c) preparation of the overall annual budget;
 - (d) preparation of the five year financial projections, cash flows and capital plan;
 - (e) monitoring the adherence to any agreements and funding arrangements entered into by the Peguis First Nation or any of its service areas or agencies;
 - (f) administration and supervision of the financial record keeping and reporting systems;
 - (g) preparing an annual monthly financial report to the Chief Operating Officer no later than the 20th day of each month which shall show:
 - i an itemization of all revenue monies received and expenditures made,
 - ii standing of the general ledger balances,
 - iii a variance report for each department,
 - iv an explanation of any significant variances, and
 - v any other information that may be required or requested by the Council;
 - (h) presenting the monthly financial report at the next regular meeting of Council;
 - (i) presenting a financial report to the membership as required by Council; and
 - (j) any other task assigned by the Committee.

SENIOR MANAGERS

- 44 The senior managers shall be responsible for the conduct of the administration necessary to discharge the responsibilities of the Council for their respective branches.
- 45 The senior managers including the Chief Financial Officer shall be hired in accordance with the personnel policy established by the Council for the employees of the Peguis First Nation Administration and shall follow the general administrative policies established by the Council for the Peguis First Nation Administration.

ANNUAL BUDGET

- 46 The Finance Committee shall prepare estimates of the revenues of the Peguis First Nation by February 1st of each year for the purpose of preparing an annual budget for the coming fiscal year.
- 47 The Council shall establish a list of spending priorities for the coming fiscal year by February 1st of each year.
- 48 The senior managers, including the Chief Financial Officer, shall ensure the preparation of the annual budget for the operation of their respective branches in accordance with the priorities established by the Council and shall submit it to the Finance Committee by February 28th of each year.
- 49 The annual budget of revenues and expenditures for the Peguis First Nation, its service areas and its agencies shall be prepared by the Finance Committee and submitted to the Council for consideration and approval by March 15th of each year.
- 50 The Council is solely responsible for the approval of the annual budget and any amendments for the Peguis First Nation, its service areas and its agencies for each fiscal year and Council must approve the Annual Budget for the Peguis First Nation by Band Council Resolution.
- 51 The Council may amend the annual budget after its approval.
- 52 A General Account shall be established by the Chief Financial Officer at the direction of the Finance Committee, with approval of the Council, into which all Peguis First Nation funds shall be deposited upon receipt, unless the Council has approved an alternative arrangement by motion in relation to the deposit of specific funds.
- 53 The Chief Financial Officer shall ensure the safekeeping of Peguis First Nation funds received and shall forthwith deposit all Peguis First Nation funds to the credit of the Peguis First Nation General Account unless an alternative arrangement has been made.
- 54 Subject to the approval of the Council, the Chief Financial Officer may reallocate funds from the General Account to other accounts for:
- (a) program and services delivery according to the approved annual budget,
 - (b) for long term investment of Peguis First Nation funds, or
 - (c) for other purposes approved by the Council.
- 55 The Council shall, by motion, delegate cheque-signing authority to specific persons or positions for cheques to be drawn on and account of the Nation.
- 56 Funds in the General Account shall be administered by the Chief Financial Officer who shall have the authority to invest excess cash on hand in specific short-term investments such as term deposits, guaranteed investment certificates or treasury bills at an accredited financial institution as approved and directed by the Council.

- 57 The Council shall, by motion, approve any loans or investments to be made on behalf of the Peguis First Nation including investments in or loans to corporations owned by the Peguis First Nation
- 58 The Annual Budget shall be presented by Council to membership at a General Meeting for discussion.

FINANCIAL MANAGEMENT: EXPENDITURES

- 59 All payments and financial commitments including any disbursements or financial commitments made directly by, or approved by the Council, shall be in accordance with the annual budget or in accordance with a motion of the Council. Any commitment of funds exceeding the budgeted amounts must be approved by a motion of the Council.
- 60 The Council may authorize the senior management and the managers of service areas and agencies to commit expenditures of Peguis First Nation funds where the expenditures are within the annual budget of the Peguis First Nation as approved by the Council.
- 61 The Finance Committee may make accountable advances from the General Account to an account administered by a senior manager or a service area or agency manager according to the approved annual budget or a motion of the Council.
- 62 At the beginning of each fiscal year each service area or agency may receive an advance or an amount determined by the annual budget and the cash flow approved by the Finance Committee.
- 63 The senior manager or service area agency manager shall provide to the Chief Financial Officer within fifteen (15) days of each month-end,
- (a) a variance report for the previous month,
 - (b) the bank reconciliation,
 - (c) the general ledger transactions,
- 64 The statement submitted to the Finance Committee shall be reviewed and approved by the Committee.
- 65 The Committee may deduct from the current advance any amounts previously advanced which exceed the amount of the expenditures recorded in the statement.
- 66 The Committee may make such adjustments as are required in the last month of the fiscal year to close out the final payment for the year.
- 67 No payment shall be made for the supply of goods or rendering of services to the Peguis First Nation unless:
- (a) the change in respect of such goods or services has been authorized,
 - i by a person delegated to authorize such payment, or
 - ii pursuant to a motion of the Council, or

- iii pursuant to a contract entered into between the Peguis First Nation and the person providing such goods or services which establishes the amount or a method of calculating the amount, to be charged for such goods or services, and
 - (b) an invoice c/w purchase order number has been presented to substantiate the requirement for the payment.
- 68 Payments for programs and services, which do not relate to the payment for goods and services provided to the Peguis First Nation, shall be made in accordance with the direction of the Council by motion.

PURCHASES OF GOODS AND SERVICES

- 69 By motion, the Council may appoint the Chief Financial Officer, the senior managers or other designated persons as authorized persons to approve the purchase of goods and services where the expenditures are within the approved annual budget.
- 70 All orders for goods or services provided to the Peguis First Nation must be approved either by the person authorized to approve the purchase of goods or services, or by a motion of the Council, and documented by a numbered purchase order.
- 71 Any purchase of goods and services over \$15,000 or such greater amount as may be approved by the Council, shall require authorization by the Chief Financial Officer in addition to the signature of the senior manager of the agency proposing the purchase.

SET-ASIDE²

- 72 In order to generate business with the community, all members and member-controlled (51% or greater ownership) entity will be given a 10% set-aside margin bonus when bidding against non-band member suppliers. For greater certainty, the bid price from a member or member-controlled entity will be reduced by 10% for the purpose of comparing all bids.

FINANCIAL MANAGEMENT REPORTING

- 73 The Council shall review and approve the monthly financial statement during a regular Council meeting.

TENDERS

- 74 Purchases greater than \$50,000 but less than \$250,000 approved in the annual budget must be made by invitations to tender or by public tender.

² Approved May 22, 2007

- 75 Purchases in excess of \$250,000 must be made by public tender,
- 76 ³ Every effort should be made to ensure that the best value for money is attained for purchases under \$50,000 by obtaining three or more quotes wherever possible.
- 77 All potential bidders will be dealt with on an equitable basis.
- 78 All tenders will be treated confidentially.
- 79 Clear consistent evaluation criteria will be developed prior to the opening of tenders.
- 80 Invitations to tender shall include:
- (a) the time and date of closing,
 - (b) sufficient details from which comparable bids can be made,
 - (c) the time, date, and place tenders are to be opened, and
 - (d) amount of security deposit if required.
- 81 The tendering period is not to be less than five (5) working days, unless it is in an emergency situation.
- 82 All tenders are to be returned sealed and addressed to the Peguis First Nation, clearly marked "Tender for" and the time and date of receipt is to be recorded on the unopened envelope of tender when received.
- 83 All tenders received shall be opened in public in the presence of the department or agency manager or other person responsible for the tender process.
- 84 The name of the tendered, project, date of bid and amount shown must be recorded.
- 85 The lowest tender received shall normally be accepted unless the person or body authorized by the Council to accept the tender deems it in the best interests of the Peguis First Nation to accept a higher tender because the higher tender:
- (a) provides a better quality product or better service;
 - (b) provides economic benefits to the Peguis First Nation or its members;
 - (c) provides a joint venture opportunity for the Peguis First Nation; or
 - (d) is approved by the Council by motion.
- 86 Where other than the lowest tender is accepted, the reasons are to be recorded in writing and signed and dated by the person or persons who made the decision.

³ Paragraphs 76 to 79 added BCR 09/08/01

87 Subject to this Policy, tenders shall comply with the policies and procedures approved by the Council to govern the activity.

ACCOUNTING FOR FIXED ASSETS⁴

88 Fixed assets shall include land, buildings, equipment and materials.

89 The Chief Financial Officer shall be responsible for accounting for general fixed assets.

90 These accounts will serve to:

- (a) maintain a physical inventory of assets;
- (b) establish accountability;
- (c) determine replacement costs; and
- (d) provide appropriate insurance coverage.

91 Fixed assets with a minimum value of \$2,000 and one (1) year or more and physical characteristics not appreciably affected by use or consumption shall be inventoried and recorded on an annual basis.

92 Assets shall be recorded at initial cost or, if not available, at estimated initial cost; gifts of fixed assets shall be recorded at estimated fair value at the time of the gift. A property record will be maintained for each asset and will contain, where possible, the following information:

- (a) Date of acquisition;
- (b) Description;
- (c) Cost or value;
- (d) Location;
- (e) Asset type;
- (f) Estimated useful life;
- (g) Replacement cost;
- (h) Current value;
- (i) Salvage value;
- (j) Date and method of disposition; and
- (k) Responsible official.

⁴ Added BCR 09/08/01

- 93 The Chief Financial Officer shall arrange for the annual inventory and appraisal of First Nation property, equipment and material. Any discrepancies between an inventory and the property records on file will be traced and explained.

SALE AND DISPOSAL OF FIXED ASSETS⁵

- 94 No fixed asset shall be sold without prior approval of the Chief Operating Officer.
- 95 Net proceeds from the sale of fixed assets shall be deposited in the General Fund.
- 96 Equipment or materials that are obsolete, surplus, or unusable by the First Nation shall be disposed of in such a manner that is advantageous to the First Nation. The item(s) shall be sold in such a way so as to maximize the net proceeds of sale
- 97 If it is determined that reasonable attempts to dispose of the equipment have been made and such attempts have not produced an adequate return, the Chief Operating Officer may dispose of the equipment in any manner which he/she deems appropriate.

OPERATION & MAINTENANCE⁶

- 98 Peguis First Nation will provide for adequate maintenance and appropriate replacement of capital facilities and equipment. The Nation will provide maintenance schedules to ensure facilities and equipment are maintained so as to:
- (a) maximize the life cycle of physical assets;
 - (b) mitigate health and safety risks;
 - (c) ensure assets meet applicable codes and standards; and
 - (d) ensure assets are managed in a cost-effective and efficient manner.

FISCAL YEAR

- 99 The fiscal year for the Peguis First Nation Government shall be from April 1st of each year to March 31st in the following year.

AUDIT

- 100 The Council, by motion, shall appoint an Auditor to conduct the annual audit of the books and records of the Peguis First Nation.
- 101 The Auditor shall be a members of a recognized professional accounting association authorized to conduct audits.

⁵ Added BCR 09/08/01

⁶ Added BCR 09/08/01

- 102 The auditor shall report to the Council or a delegate authorized by the Council and shall not release any information in relation to the audit except to the Council or its delegate.
- 103 The audit shall include all transaction of the Peguis First Nation reporting entities.
- 104 The senior managers, including the Chief Financial Officer, shall have the financial records for the preceding fiscal year of their respective branches, service areas or agencies completed and available for inspection by the Auditor by May 15th of each year.
- 105 The auditors are entitled to access the following Band information:
- (a) all books, records, accounts and vouchers;
 - (b) information necessary for the completion of the audit from any service area or program manager;
 - (c) Council resolutions, bylaws, and minutes;
 - (d) administrative and financial policies; and
 - (e) agreements, funding arrangement, contracts and any other related documents.
- 106 The Auditor is entitled to attend any Council or General Meeting, and to receive every notice and other communication relating to such meetings that a member and Councillor is entitled to receive, and is entitled to be heard at any Council or General Meeting that he or she attends on any part of the business of such meeting that concerns him or her as Auditor for the Band, or that concerns Financial Statements of the Band.
- 107 The audit shall be conducted in accordance with generally accepted auditing procedures and shall include a general review of the adequacy of the accounting procedures and systems of control employed to preserve and protect the assets of the Peguis First Nation.
- 108 The Committee shall provide the Auditor with instructions concerning the annual audit and, through the Chief Financial Officer, shall assist the Auditor in the completion of the audit.
- 109 After the review of the Audit by the Committee, the Auditor and the Committee shall present the Audit to the Council.
- 110 The Audit shall be approved by the Council by motion and signed by the Chief and any other person designated by the Council.
- 111 The Chief Financial Officer shall retain the signed Audit, together with the related financial statements.
- 112 An original copy of every annual Audit shall be kept at all times by the Band as part of the permanent financial records of the Band.

- 113 Upon approval of the Audit by the Council, the members of the Peguis First Nation shall be notified that a copy of the Audit is available for inspection by any citizen over the age of 18 years, at the office of the Peguis First Nation Administration upon written request for a review during normal office hours.

DEBT MANAGEMENT⁷

- 114 The budget for the year approved by Council as per Paragraph 9, or amended as per Paragraph 10 shall anticipate the debt retirement level and achieve a balanced budget, or a budget with a surplus, which includes the forecast debt retirement payments.
- 115 Where the consolidated debt ratio is greater to 8%, Council will have a working Remedial Management Policy (RMP) and shall adhere to the RMP.
- 116 Where Council is unsuccessful in accomplishing any part of Paragraphs 114 or 115, the results and reasons shall be made know to Peguis members by a Counsellor who sits on the Finance Committee, during the General Band Meeting at which the Audit results are presented.
- 117 The Auditor shall be made aware of the particulars referred to in Paragraph 116 by way of a letter signed by a quorum of Council, so it may be included in the Management Letter, if the Auditor so wishes.
- 118 Where Council takes on new debt, the project must have own source funding such that investment plus the present value of net future project revenues, less the capital cost of the project shall not be in deficit.

SALARIES FOR SENIOR STAFF AND ELECTED OFFICIALS⁸

- 119 The honorarium and any other form of remuneration for any elected official within any Peguis First Nation reporting entity, shall be set approved at a duly convened meeting of Council by way of a BCR signed by a quorum of Council.
- 120 The salary and any other form of remuneration for senior staff within any Peguis First Nation reporting entity shall be set by negotiation between the individual and the Council or Board to whom the individual reports with due regard for the competitive environment, the salaries of positions within the administration of comparable responsibility, and commensurate with the individual's educational and experience.

⁷ Added BCR 09/08/01

⁸ Added BCR 09/08/01

LOANS TO MEMBERS, STAFF AND ELECTED OFFICIALS⁹

- 121 The policy with regard to loans to members, staff and elected officials is there will be no loans, except in extreme emergencies.
- 122 Under no circumstances will a loan be given to an employee of any band reporting entity until the employee agrees to, and signs, a recovery document which defines the terms of repayment, and such terms shall be no less than a deduction of 20% of the employee's gross salary on each subsequent pay cheque.
- 123 There shall be no advances by Social Development other than those contemplated in Social Assistance policies.
- 124 The Audit shall disclose the amount of any loan, the reason for the loan and the name of the individual or business holding the loan outstanding as of March 31st.

DISPUTE CONCERNING ADMINISTRATIVE DECISIONS

- 125 A member may appeal a decision of the Chief Financial Officer or Peguis First Nation administration which adversely affects him or her financially, through the Redress Mechanism.

AMENDMENTS AND REPEAL

- 126 Amendment or repeal of this Policy shall require a majority vote in favour of the amendment or repeal at a duly convened meeting of a quorum of the Council.

DECISION IN CONTRAVENTION IS VOIDABLE

- 127 A decision made in contravention of this Policy is voidable by a vote of a majority of the Council at a duly convened meeting of a quorum of the Council.

⁹ Added BCR 09/08/01