



FINANCIAL MANAGEMENT SYSTEMS MANUAL

Last Draft dated: December 18, 2018

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Nipissing First Nation

Vision, Mission and Value Statements

VISION

Nipissing First Nation will be a well-balanced, healthy politically and economically independent, culturally strong and self-governing nation.

MISSION

Our mission is to continue to protect our Nation's inherent rights and to empower our membership of Nipissing First Nation to work together in a positive, progressive manner to improve well-being and quality of life, to be socially and economically independent, culturally strong, and self-governing.

VALUES

We will be guided by our seven grandfather / grandmother teachings:

Respect – Minaadendamowin	“To honour all creation is to have respect.”
Wisdom – Nibwaakaawin	“To cherish knowledge is to know wisdom.”
Love – Zaagi’idiwin	“To know love is to know peace.”
Humility – Dabaadendiziwin	“Humility is to know yourself as a sacred part of creation.”
Bravery – Aakode’ewin	“Bravery is to face the foe with integrity.”
Honesty – Gwayakwaadiziwin	“Honesty in facing the situation is to be brave.”
Truth – Debwewin	“Truth us to know all of these things.”

Notice to Users

This document is intended for use by Nipissing First Nation. It provides statements of policies and procedures (“SPP”) that meet requirements contained in both the Financial Management Systems\ Standards and Financial Administration Law Standards established by Nipissing First Nations Financial Management Board (“FMB”) under the First Nations Fiscal Management Act (“FNFMA”). The policy and procedures conform to Nipissing First Nation’s financial administration laws, culture and operating environment.

Preamble and Declaration of Values and Principles

The Nipissing First Nation have decided to review and amend their current Financial and Administration Procedural Policy to better reflect the operational requirements for today's business and to foster efficient and effective open government.

The philosophy of Nipissing First Nation has been consistent in values and principles with equality service and government for membership and improved quality of life of First Nation members as constant cornerstones of their goals and aspirations.

To achieve this, the Council is committed to the continued reviews and improvements to the public service organization and its service quality. Improvements to Nipissing First Nation's Financial Management Systems Manual is one step in this ongoing process.

The revised Financial Management Systems Manual shall include managerial and employee empowerment by means of strong and meaningful delegations. This strategic direction and planning with community membership will be an annual exercise in forming the accountability framework in which Nipissing First Nation will operate programs.

Purpose of Financial Management Systems Manual

The purpose of this Financial Management Systems Manual includes the following:

- To provide guidance, assistance and accountability to the users of the accounting system.
The users include the elected Council, the Chief Executive Officer, Program managers, other employees, committees, the Nipissing First Nation membership and other mandated authorities of the Nipissing First Nation Council.
- To promote efficiency of operations.
- To ensure consistency in the preparation and processing of financial information.
- To ensure timeliness of the provision of information to Council and operating personnel.

Listing of Chief & Council Approved Resolutions

(by meeting date for Additions, Deletions, Amendments, Revisions, etc)

1. Annual Planning and Budgeting Policy

*Approved this 6th day of October, 2015,
Amended and approved this 4th day of October, 2016
Amended and approved this 18th day of December, 2018*

2. Code of Conduct Policy

*Approved this 6th day of October, 2015
Amended this 7th day of January, 2016.*

3. Collection of Accounts in Arrears Policy

Approved this 8th day of September, 2017.

4. Conflict of Interest Code

*Approved this 22nd day of January, 2013,
Amended and approved this 4th day of October, 2016,
Amended and approved this 6th day of March, 2018.*

5. Debt Borrowing Obligations Policy

Approved this 11th day February, 2016.

6. Delegated & Assignment of Responsibilities Policy

*Approved this 1st day of September, 2015,
Amended & Approved this 11th day February, 2016;
Amended & Approved this 9th day of March, 2017.*

7. Disclosure of Financial Information Policy

*Approved this 5th day October, 2014,
Amended and approved this 18th day of December, 2018*

8. Dispute Resolution Policy

Drafted for consideration only (NEVER APPROVED)

9. Emergencies Policy

*Approved this 19th day June, 2017,
Amended and approved this 18th day of December, 2018*

10. Expenditure Policy

*Approved this 19th day June, 2017,
Amended and approved this 18th day of December, 2018*

11. External Audit Policy

*Approved this 11th day February, 2016,
Amended and approved this 18th day of December, 2018*

12. Finance & Audit Committee Policy

*Approved this 2nd day of September, 2014,
Amended and approved this 27th day of May, 2015,
Amended this 10th day of March, 2016,
Amended and approved this 4th day of October, 2016,
Amended and approved this 18th day of December, 2018.*

13. Finance & Audit Committee – Terms of Reference

*Approved this 2nd day of September, 2014,
Amended and approved this 27th day of May, 2015,
Amended and approved this 10th day of March, 2016,
Amended and approved this 4th day of October, 2016.*

14. Financial Institution Account & Cash Management Policy

*Approved this 26th day of January, 2016,
Amended and approved this 5th day of October, 2016,
Amended and approved this 18th day of December, 2018*

15. Financial Management System Improvement Policy

*Approved this 27th day of May, 2015,
Amended and approved this 18th day of December, 2018.*

16. Human Resources Management Policy

*Accepted this 5th day of October, 2004,
Amended and approved on this 21st day of June, 2011,
Amended and approved this 7th day of May, 2013,
Amendments approved this 6th day of January, 2015,
Amended and approved by Council on the 6th day of September, 2016,
Amended and approved by Council on the 24th day of September, 2017.*

17. Human Resources – Organization Chart Policy

*Approved this 27th day of May, 2015,
Amended and approved by Council on the 24th day of September, 2017.*

18. Human Resources – Attendance Management Policy

*Addendum to NFN Human Resource Policy Manual accepted this 1st day of April, 2008.
Amended and approved by Council this 21st day of June, 2011.
Amended and approved this 7th day of May, 2013.
Amended and approved this 6th day of January, 2015.
Amended and approved by Council on the 6th day of September, 2016,
Amended and approved by Council on the 24th day of September, 2017.*

19. Information Privacy Policy
Approved this 5th day of October, 2016.
20. Information Technology Policy
Approved this 11th day of February, 2016.
21. Insurance Policy
*Approved this 11th day of February, 2016,
Amended and approved this 18th day of December, 2018*
22. Investment Policy
*Approved this 6th day of October, 2015,
Amended and approved this 4th day of October, 2016,
Amended and approved this 18th day of December, 2018*
23. Loan Guarantees & Indemnities Policy
Approved this 5th day of October, 2016.
24. Policies, Procedures and Directions Policy
*Approved this 27th day of May, 2015,
Amended and approved this 18th day of December, 2018.*
25. Procurement Policy
*Approved this 11th day of February, 2016,
Amended and approved this 18th day of December, 2018.*
26. Records Management Policy
Approved this 9th day of September, 2016.
27. Reporting of Breaches and Financial Irregularities
(formerly known as the “Whistleblower” Policy)
*Approved this 27th day of May, 2015,
Amended and approved this 4th day of October, 2016,
Amended and approved this 18th day of December, 2018.*
28. Reporting of Remuneration & Expenses Policy
*Approved this 11th day of February, 2016,
Amended and approved this 18th day of December, 2018*
29. Revenue Recognition Policy
*Approved this 7th day of January, 2016,
Amended and approved this 18th day of December, 2018*

30. Risk Management Policy

Approved this 5th day of September, 2016.

31. Tangible Capital Assets Policy

*Approved by Council this 3rd day of August, 2010,
Amended and approved this 4th day of October, 2016.*

32. Travel Policy (Chief & Council)

*Approved this 18th day of January, 2011.
Amended and approved this 21st day of June, 2011.
Amended and approved this 18th day of December, 2012.
Amended and approved this 4th day of November, 2014,
Amended and approved this 26th day of January, 2016,
Amended and approved this 7th day of March, 2017.*

33. Travel Policy (Staff)

*Approved this 19th day of January, 2011.
Amendment(s) approved this 21st day of June, 2011.
Amended and approved this 18th day of December, 2012.
Amended and approved this 4th day of November, 2014,
Amended and approved this 26th day of January, 2016.*

Policies

Annual Planning and Budgeting Policy

Policy

It is Council's policy to establish an annual planning and budgeting process that is integrated with the operational and long-term strategy of Nipissing First Nation.

Purpose

The purpose of this policy is to ensure that a comprehensive planning process is established to support the on-going decision making of the Nipissing First Nation.

Scope

This policy applies to Council and employees of Nipissing First Nation involved in the planning and budgeting process.

Definitions

“annual integrated planning process” refers to the annual process whereby all planning and budgeting activities throughout every level of the organization are effectively linked, coordinated, and driven by the Nipissing First Nation's vision and strategic objectives.

“Planning Documents” are the combination of a strategic (community development) plan, capital budget, multi-year financial plan, and annual budget.

Responsibilities

Council is responsible for:

- reviewing and approving the annual budget and ensuring that it was prepared in accordance with the Nipissing First Nation's Financial Administration Law and other applicable Nipissing First Nation laws, is based on plausible assumptions and provides for required program and services;
- reviewing and approving any circumstances that are expected to create a budget deficit including consideration of any recommendation from the Finance and Audit Committee on plans to eliminate the budget deficit in a future period;
- Reviewing and approving other Planning Documents including but not limited to a strategic (community development) plan, Capital budget, and a multi-year financial plan;
- reviewing and approving any changes or amendments to the annual budget or other planning documents;
- establishing specific goals and service priorities to guide resource and allocation decisions during the budget planning sessions;

- ensuring that a process is in place to address membership priorities in the Strategic Plan and other Planning Documents as appropriate;
- ensuring that the membership of the Nipissing First Nation is informed about or involved in the preparation of the annual budget, multi-year financial plan, forecast budget deficits or forecast extraordinary expenditures as set out in Nipissing First Nation's Financial Administration Law;
- establishing general budget policies or guidelines such as requirements for balanced budget and use of cash reserves.

The Finance and Audit Committee is responsible for:

- Reviewing the draft annual budget and multi-year financial plan and recommending them to Council for approval;
- Providing recommendations to Council respecting plans to eliminate any budget deficit in a future year;
- Reviewing any draft amendments of the annual budget and recommending them to Council for approval;
- Reviewing information, schedules and proposed budget for rehabilitation or replacement of tangible capital assets and plans for new construction of tangible capital assets.

The Chief Executive officer is responsible for:

- arranging early budgeting planning sessions with Council and other key stakeholders essential in developing the budget;
- arranging and staffing planning sessions for the development of other key planning documents;
- ensuring that the fiscal year planning calendar is met;
- reviewing draft budgets in consultation with the Finance and Audit Committee;
- reviewing other draft planning documents in consultation with the Finance and Audit Committee;
- Communicating the approved budget to management and line staff;
- Conducting regular financial monitoring to compare actual income and expenses to those budgeted;
- Maintain a current register of all Nipissing First Nation's tangible capital assets and arrange for an annual inspection of them.

The Chief Financial Officer is responsible for:

- creating a budget development calendar and ensuring deadlines are met – subject to Nipissing First Nation's Financial Administration Law;
- establishing the format for draft budgets;
- participating in budget planning sessions with Council, the Finance and Audit Committee, Chief Executive Officer and other key stakeholders;
- collaborating with department heads in setting draft expenses for their department;

- preparing the draft budget or consolidating and evaluating draft budgets from department heads for accuracy, reasonableness, applicable guidelines, and anticipated resources in accordance with Section [26] of Nipissing First Nation's Financial Administration Law;
- developing revenue forecasts based on reviews of fiscal transfer agreements and collaboration with other officers on business and self-generating revenue forecasts;
- presenting draft annual budgets to the Chief Executive officer and to the Finance and Audit Committee on an annual basis;
- Implementing financial monitoring, including preparing and analyzing budgeted versus actual revenue and expense reports for the Finance and Audit Committee use and overseeing any Council approved corrective action (i.e. budget amendments), after the annual budget is approved;
- Make forecasts and prepare budgets for tangible capital assets; and
- Any other responsibilities as outlined in Nipissing First Nations' Financial Administration Law.

Procedures

Annual Integrated Planning Process

- a) An annual planning session will be held within five (5) months prior to the start of the fiscal year being planned for. The planning session will generally include:
 - a. Council members, members of the Finance and Audit Committee, the Chief Executive officer, the Chief Financial Officer, and other representatives from Department or functional areas of business;
 - b. establishment or communication of current year and the five (5) multi-year operational goals and objectives based on priorities established by Council in consultation with membership. An example of communication would be the posting notice of all publicly held Council meetings that deal with budgets, and the multi-year strategic plans will be completed;
 - c. presentation of budget development calendar;
 - d. establishment or update of key budgetary assumptions, budgetary constraints, and cost drivers for current year and the five (5) year plan;
 - e. establishment or update of a multi-year capital plan schedule to ensure the effective management of capital assets which identifies and prioritizes expected needs, costs, and expected sources of financing;
 - f. establishment or update of strategies, goals and objectives for the strategic plan – the plan that details Nipissing First Nation's longer term priorities and the plan for resources needed to meet the objectives of the plan.

Budget

- a) Based on the annual integrated planning session, the initial operating budget estimates will be prepared and the five (5) year Capital budget estimates will be prepared or updated accordingly.
- b) Budget assumptions will be documented and updated throughout the budget preparation process with budget adjustments made as required.
- c) Capital budgeting estimates should include all capital improvement projects (purchase, construction, or renovation of physical facilities) and all capital equipment expenditures.
- d) Any projected deficit must be accompanied by a report that outlines the contributing factors and circumstances and the plan by which it will be eliminated in a future year;
- e) Human Resources will provide detailed financial information on staffing and benefits for each department.
- f) The draft budget will be presented for discussion at a Finance and Audit Committee meeting. The Committee may accept the estimates as presented or request amendments, within the context of the operating objectives and the strategic plan.
- g) Where a projected deficit exists, the Finance and Audit Committee will provide recommendations to Council on plans to eliminate the budget deficit in a future year.
- h) 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 proceeding the budget year.
- i) The draft budget must meet the requirements of Nipissing First Nation's Financial Administration Law and the integrated planning process must comply with the schedule for planning activities set out in that Law.

Strategic Plan

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

- a) Developing a community vision that provides the guiding principle of the plan;
- b) Developing 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);
- e) Determining how the implementation of the plan will be resourced.

The plan should include community input on the vision and priorities.

The draft strategic 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 vision and priorities of Nipissing First Nation.

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

Multi-Year Financial Plan

Based on the annual integrated planning session, a multi-year financial plan that has a planning period of five (5) years comprised of the current fiscal year and the four (4) succeeding 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) in respect of projected revenues sets out separate amounts for income from taxes, fees and charges, transfers from Canada or a provincial or territorial government, grants and business operations and proceeds from borrowing;
- c) in respect of projected expenditures, sets out separate amounts for payments, including payments of principal and interest on debt, payments required for capital projects as defined in Nipissing First Nation's Financial Administration Law, payments required to address any deficits and payments for all other purposes;
- d) is based on projections of revenues, expenditures and transfers between accounts;
- e) in respect of transfers between accounts, sets out the amounts from the tangible capital asset reserve account;
- f) reserves/fund balances that estimate the available reserves available to help short-term fiscal shortfalls or unanticipated or planned expenditures;
- g) shows all categories of restricted cash;
- h) indicates whether in any of the five (5) years of the plan a deficit or surplus is expected from the project of revenues and expenditures that year; and
- i) a cover sheet that describes the broad assumptions and judgments used in the developments of the plan.

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.

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 the each fiscal year.

Adjustments to the Plans and Budgets

An annual adjustment process in the Budget Calendar will be included to adjust the plans and budgets.

The circumstances to make adjustments to budgets are limited to substantial change in the forecasted revenues or expenses of Nipissing First Nation or in the expenditure priorities of the Council; which may include the following:

- External factors that impact funding arrangements;
- impacts related to capital project adjustments;
- unforeseen changes to budget assumptions;

- Council approved changes to priorities or operating objectives.

Proposed amendments to the strategic plan or multi-year plan will be brought forward to the next annual planning session.

Significant time-sensitive adjustments should be brought to the Finance and Audit Committee for review and recommendation to Council.

On or before October 31st of each year the Chief Financial Officer must prepare and submit to the Finance and Audit Committee for review a draft amendment of the component of the annual budget.

On or before November 15th of each year, the Finance and Audit Committee must review the draft amendment of the component of the annual budget.

No later than December 1st of each year, the Council must approve the amendment of the component of the annual budget.

Conflict of Interest Policy

Policy

Council members, employees or Committee members are expected to conduct themselves with personal integrity, ethics, honesty and diligence in performing their duties for Nipissing First Nation. Council members, employees or Committee members are required to support and advance the interests of Nipissing First Nation and avoid placing themselves in situations where their personal interests actually or potentially conflict with the interests of the First Nation.

Preamble

The Nipissing First Nation Chief and Council serve as the elected representatives of the Nipissing First Nation Members and as such are the governing authority for Nipissing First Nation. It is their role, as a whole, to promote the community's best interest, to set goals and policies, pass regulations, and through the office of the Chief Executive Officer to ensure that all Nipissing First Nation Employees uphold and respect the decisions of the Nipissing First Nation Chief and Council and do not use their position for personal advantage.

This Conflict of Interest Code applies to the Nipissing First Nation Chief and Council, all Employees of Nipissing First Nation, Trustees of trusts for the benefit of Nipissing First Nation, agencies and other entities including committees, boards, commissions and corporations, unless otherwise provided by Chief and Council and recorded in the minutes of meeting of Chief and Council.

This Conflict of Interest Code replaces all conflict of interest provisions in all other Nipissing First Nation by-laws, policies and directives and shall be read in conjunction with the provisions of the Nipissing First Nation Land Code.

This Code establishes standards for Public Officials for personal and public moral conduct and responsibility to protect the integrity of the Nipissing First Nation and decisions made with respect to Nipissing First Nation and its Members.

This Code will be interpreted and applied in a manner that reflects the Nipissing First Nation community standards and expectations using common sense.

Definitions

1. In this Code:

“**Chief**” means the chief of Nipissing First Nation duly elected under the Nipissing First Nation Custom Election Regulations;

“Child” means a child born within or outside marriage and includes an adopted child and an individual whom a parent has demonstrated a settled intention to treat as a child of his or her family;

“Conflict of Interest” means an issue that arises when a Public Official uses his or her position, authority or influence in such a way as to interfere or alter, or appear to interfere or alter the policies, procedures, standards, protocols and services of Nipissing First Nation and/or a particular program in order to gain personal Financial Benefits for him or herself, Related Persons or other persons that directly or indirectly creates an advantage in obtaining resources, services and/or access to programs or services from Nipissing First Nation for a Member that is over and above any other Member.

“Director” means an individual who is
(a) a member, commissioner, director or trustee of a Nipissing First Nation Public Institution,
(b) a director or officer of a Nipissing First Nation Corporation;

“Chief Executive Officer” means the individual employed as the executive director by Nipissing First Nation who reports directly to Chief and Council;

“Employee” means an individual employed by the Nipissing First Nation;

“Financial Benefit” includes, but is not limited to:

- a. employment benefit;
- b. contract benefit;
- c. educational, medical or other social benefit;
- d. compensation;
- e. payment of any consideration; and
- f. allotment, lease or other grant of an interest in Nipissing First Nation property or lands.

“Meeting” includes any regular, special, committee or other meeting of Chief and Council, a Nipissing First Nation Public Institution, a Nipissing First Nation Corporation or other entity, as the case may be;

“Member” means an individual whose name appears on the membership list for Nipissing First Nation;

“Nipissing First Nation Corporation” means a corporation incorporated by the First Nation in which Nipissing First Nation or a Nipissing First Nation Corporation owns more than one quarter of the voting shares or votes;

“Nipissing First Nation Public Institution” means a board, commission, tribunal or committee established by Nipissing First Nation under Nipissing First Nation law or policy;

“Panel” means the Dispute Resolution Panel established by Nipissing First Nation under the Nipissing First Nation Land Code ratified by the Nipissing First Nation on May 9, 2003 and any duly ratified amended Code;

“Parent” means a person who has demonstrated a settled intention to treat a child as a member of his or her family whether or not that person is the natural parent of the child;

“Public Official” means the Chief, a Councillor, an Employee of Nipissing First Nation, a Director of a Nipissing First Nation Corporation, an individual selected by Chief and Council to a Public Institution, a member who is a trustee of the Nipissing First Nation 2013 Claim Trust Agreement, or any person identified as a public official by the Chief and Council by resolution;

“Related Person” includes a person’s Spouse, Child, grandchild, Parent, grandparent, sibling, nephew/niece and includes his or her Spouse’s Parent, Child, grandchild or grandparent, nephew/niece and shall also include any other person permanently residing in the person’s household;

“Spouse” means a person to whom the person is married or has cohabited for a period of at least 3 years or who are in a relationship of some permanence, if they are the Parents of a Child.

PART 1 – CONFLICT OF INTEREST

Personal and Related Persons’ Conflict of Interest

2. A Public Official shall not use his or her office or employment for a Financial Benefit for himself or herself or for Related Persons to the detriment of the interests of Nipissing First Nation. A Public Official has a Conflict of Interest if he or she exercises an official power or performs an official function knowing that in so doing there is the opportunity to further his or her private interest or the interests of his or her Related Persons.

Conflict of Interest Prohibition

3. A Public Official must not exercise an official power or perform an official duty or function if he or she has a Conflict of Interest. Each Public Official must arrange their private affairs and conduct themselves in a manner that avoids real or perceived Conflicts of Interest.

Acceptance of gifts or personal benefits

4. Without limiting the generality of section 3, a Public Official is in a Conflict of Interest if he or she accepts a gift or personal benefit that might reasonably be seen to have been given to influence him or her in the exercise of his or her powers or the performance of his or her duties or functions.

5. Despite section 4, a Public Official may accept a gift or benefit if the gift or benefit is or would be considered:
 - a. normal protocol exchanges or social obligations associated with the person's office or duties,
 - b. normal exchanges common to ordinary business relationships, or
 - c. normal exchanges common at public cultural events of Nipissing First Nation or other First Nations,
 - d. of nominal value,
 - e. given by a friend or a relative solely as an element of that relationship and not seen as being given for political favour, or
 - f. of a type that is permitted under the policies or directions issued by Chief and Council.
6. A Public Official is not in a Conflict of Interest if engaged in the conduct of business with another party if the party, by agreement, assumes costs which otherwise would be costs to Nipissing First Nation or a Nipissing First Nation Corporation as a result of the business relationship.
7. If a gift or benefit with a value greater than \$200 is given to a Public Official, he or she is not in a Conflict of Interest provided he or she makes a written disclosure of the gift or benefit to the Chief or his/her designate, who may require that the gift or benefit be made the property of Nipissing First Nation based on the policies or directions issued by Chief and Council.

Exception

8. A Public Official must not be found to be in a Conflict of Interest if the matter with respect to which he or she has an interest is the payment of an account, or the creation or alteration of a benefit generally available to Members, if that benefit is intended or extended at the same time to:
 - a. all Members;
 - b. a group of Members who are identifiable by reference to age, gender, financial circumstances, educational or medical need; or,
 - c. the Nipissing First Nation Chief and Council as a whole and is authorized by Band Council Resolution.

PART 2 – DISCLOSURE DUTIES, CONTRACTS, AND USE OF RESTRICTED INFORMATION

Declaration of Conflict of Interest

9. All Public Officials, other than the Chief, Councillors and Directors must each file with the Chief Executive Officer a declaration of Conflict of Interest in the prescribed form, setting out the following:
 - a. the names of all corporations in which they or their Related Persons have an interest as shareholder, director or officer;
 - b. the names of each proprietorship, partnership or other business entity in which they or their Related Persons have an interest and the names of each of the other persons who have a substantial financial interest in that proprietorship, partnership or other business entity.
10. Every individual to whom section 9 applies must:
 - a. make a supplemental declaration of Conflict of Interest in the prescribed form and file it with the Chief Executive Officer as soon as is reasonably possible if any of the matters set out in the declaration provided under section 9 are not or are no longer true, accurate and complete, and
 - b. provide any additional information about such matters that the Chief Executive Officer may require based on the policies or directions issued by Chief and Council.

Affidavits of Conflict of Interest

11. Before being appointed or assuming their duties, the Chief, all Councillors and all Directors and trustees of the Nipissing First Nation 2013 Claim Trust who are Members, must make an affidavit in the prescribed form disclosing the following:
 - a. if they have been convicted of an indictable offence within the preceding 5 years;
 - b. the names of all corporations in which they have an interest because they or Related Persons are shareholders, directors or officers;
 - c. the names of each partnership in which they have an interest because they or Related Persons are partners, and the names of each of the partners in the partnership;
 - d. the names of all proprietorships or other business entities in which they have an interest because they or Related Persons have a substantial financial interest, and, must undertake in that affidavit to inform the Chief Executive Officer in writing as soon as possible if any of the matters set out in it were inaccurate or are no longer true, accurate and complete, and, if so, to provide such additional

information concerning those matters as the Chief Executive Officer may require, based on the policies and directions of Chief and Council, and to provide a supplementary affidavit to that effect if requested to do so by the Chief Executive Officer.

12. The Chief Executive Officer must maintain a permanent record of declarations and affidavits of Conflict of Interest and supplemental declarations and affidavits required and made under this Part.

Responsibility to disclose when in conflict of interest

13. A Public Official must not be found to be in a Conflict of Interest if he or she, at the first available opportunity
 - a. discloses the particulars of a real or perceived Conflict of Interest, and
 - b. abstains from being involved in any discussion regarding the matter and from voting on any question relating to it.
14. Where a Public Official is in doubt as to whether a Conflict of Interest exists, the Public Official shall consult with the Chief for elected officials or Chief Executive Officer for employees to determine if a Conflict of Interest exists.

When present at Meeting at which matter considered

15. Where a Public Official, either on his or her own behalf or while acting for, by, with or through another, has any Financial Benefit, direct or indirect, in any matter and is present at a Meeting at which the matter is the subject of consideration, that Public Official:
 - a. shall prior to any consideration of the matter at the Meeting, disclose the interest and the general nature of the conflict;
 - b. shall immediately leave the Meeting or the part of the Meeting during which the matter is under consideration;
 - c. shall not take part in the discussion of, or vote on any question in respect of the matter;
 - d. shall not attempt in any way whether before, during or after the Meeting to influence the opinion or voting on any such question;
 - e. shall not, if he or she is the Chief or a Councillor, sign a Band Council Resolution or letter in respect of the matter;
 - f. shall not, if he or she is a trustee of the Nipissing First Nation 2013 Claim Trust sign a trustee resolution or letter in respect of the matter; and,
 - g. shall not in any way influence an Employee or other Public Official in carrying out his or her duties in respect of the matter.

When absent from Meeting at which matter considered

16. Where the interest of a Public Official has not been disclosed as required by section 15 by reason of the Public Official's absence from the Meeting referred to in that section, the

Public Official shall disclose the interest and otherwise comply with section 15 at the first Meeting attended by the Public Official after the Meeting referred to in section 15.

17. Where a Public Official fails to make a declaration of a Conflict of Interest, any other Public Official may make such a declaration on the interested Public Official's behalf. The interested Public Official shall have opportunity to briefly explain the conflict or perceived conflict in question, after which the:
- a. the Chief and Council by majority vote, for the Chief or Councillor alleged to have a Conflict of Interest;
 - b. the board of directors, trustees or committee members, as appropriate, by majority vote for a Director, trustee or committee member; or,
 - c. the Chief Executive Officer, for an Employee;

will determine whether the Public Official in question is in fact in a Conflict of Interest. A decision on a Conflict of Interest under this section is final.

18. Where a decision has been made under section 17 that a Public Official has a Conflict of Interest, that Public Official:
- a. shall immediately leave the Meeting or the part of the Meeting during which the matter related to the Conflict of Interest is under consideration;
 - b. shall not take part in the discussion of, or vote on any question in respect of the matter related to the Conflict of Interest;
 - c. shall not attempt in any way whether before, during or after the Meeting to influence the opinion or voting on any such question;
 - d. shall not, if he or she is the Chief or a Councillor, sign a Band Council Resolution or letter in respect of the matter; and,
 - e. shall not, if he or she is a trustee of the Nipissing First Nation 2013 Claim Trust sign a trustee resolution or letter in respect of the matter;
 - f. shall not in any way influence an Employee or other Public Official in carrying out his or her duties in respect of the matter.

Disclosure to be recorded in minutes

19. Every declaration or determination of Conflict of Interest and the general nature of that conflict made under section 15 or section 17 shall, where the Meeting is open to the public, be recorded in the minutes of the Meeting.
20. Every declaration or determination of Conflict of Interest made under section 15 or section 17, but not the general nature of that interest, shall, where the Meeting is not open to the public, be recorded in the minutes of the next Meeting that is open to the public.

Quorum where disclosure occurs

21. The absence of a Public Official from a Meeting because of the requirements of section 15 or section 17 must not be taken into account in determining whether a quorum is present for that Meeting. In other words, the remaining number of voting individuals at the Meeting shall be deemed to constitute a quorum, provided such number is not less than three.
22. If, because of the operation of section 21 there are fewer than 3 voting individuals able to discuss and vote on a particular matter or any question relating to that matter, then a committee composed of the remaining voting individuals, the Chief Executive Officer and an individual designated by Chief and Council must be convened and empowered to discuss the particular matter and vote on any question relating to it in the place of the decision-makers who are in Conflict of Interest; provided in the case of the Nipissing First Nation 2013 Claim Trust Agreement, the determination of the Corporate Trustee, as such term is defined therein, shall be final and binding on all interested parties.

Contracts

23. A Public Official may not directly or indirectly enter into a contract with Nipissing First Nation while he or she is acting in an official capacity or for 2 months following the date on which that individual ceases to act in that capacity, unless
 - a. the contract is awarded in accordance with the procurement policies of Nipissing First Nation,
 - b. the interest is disclosed, and
 - c. the work to be performed under the contract is reasonably necessary to Nipissing First Nation and the fees payable for performing the work stipulated in the contract are fair and reasonable in relation to the fees that would be paid to or charged by an independent person for the same work.

Unauthorized use of restricted Information

24. A Public Official may not use information that is
 - a. supplied in confidence to Nipissing First Nation,
 - b. not generally available to all Members, and
 - c. obtained while that individual serves in an official position or at any time after he or she ceases to serve in that position, if the information at issue could result in, or could appear to have resulted in, a Financial Benefit to him or her.

Implications for agreements in which restricted information used

25. Any Financial Benefit received in contravention of section 25 may be recovered by Nipissing First Nation from the individual who received the financial benefit, unless it involved doing something required to be done because of the existence of an emergency,

if it could be reasonably concluded that compliance with the requirements of section 25 would have been impracticable.

PART 3 – ENFORCEMENT

Reporting to the Chief Executive Officer

26. Any Member who believes, on reasonable grounds, that information contained in a declaration or an affidavit of conflict of interest of Public Official sworn in compliance with this Code is untrue, incomplete or inaccurate, may report in writing that belief and the reasons for it to the Chief Executive Officer.
27. If a Public Official becomes aware that he or she is or may be in contravention of this Code, he or she must report the matter to the Chief Executive Officer immediately upon becoming aware of the possible contravention.
28. If it is the Chief Executive Officer who reasonably believes that there is a contravention of this Code by a Public Official, the process set out in section 30 must be followed.

Conflict of Interest of the Chief Executive Officer

29. If a Public Official or Member reasonably believes that the Chief Executive Officer is in contravention of this Code, he or she must immediately report the belief and the reasons for it, in writing, to the Chief who must determine what action, if any, is to be taken.

Breach of terms of employment

30. An Employee is in breach of his or her terms of employment, and subject to disciplinary action including dismissal, if he or she acts in contravention of any provision of this Code.

Reporting to Panel

31. On receiving a report under sections 27 or 28, the Chief Executive Officer must expeditiously review the matter and make such enquiries as he or she considers necessary into the matter and if he or she is of the opinion that a Public Official is in contravention of this Code, he or she must make an application to Panel.
32. The application to the Panel must identify a Public Official alleged to be in conflict but not name the Public Official in order to ensure the fairness in the Committee's decision, the name of the individual alleging the Conflict of Interest will not be disclosed in order to ensure the fairness of the decision of the Committee, the nature of the alleged Conflict

of Interest, the reasons cited by the individual who reported the alleged Conflict of Interest, and the nature and results of the Chief Executive Officer's enquiries. The application may be supported by an affidavit of the Chief Executive Officer setting out the details of his or her enquiries and any other evidence the Chief Executive Officer deems necessary for the Panel to make a decision.

Responding to an application

33. An application under this Part must be heard within 30 days of the date on which the application was filed and a decision must be rendered within the 14 days following the day on which the hearing ends.

Continuing to act

34. A Public Official who is alleged to be in a Conflict of Interest may continue to act in his or her official capacity, until the Panel makes a declaration under section 41 (a) to (c).

Timing of application

35. An application under this Part may only be made within one year from the date the Conflict of Interest is alleged to have occurred.
36. In the case of the Chief or a Councillor, an application under this section may be brought or continued whether or not an election has been held between the time the disqualification is alleged to have occurred and the time the application is or was commenced and whether or not the individual in respect of whom the application is being brought was re-elected in an election.

Principles of Natural Justice

37. After receiving a report on alleged Conflict of Interest, the Chief Executive Officer or the Chief, as the case may be, must review the information provided and make a decision in accordance with the rules of natural justice, including:
- a. providing an opportunity for the person with the alleged Conflict of Interest to know the allegation and provide an answer before a final decision is made; and
 - b. the person or persons making the decision on the Conflict of Interest allegations shall make that decision without any influence or bias.
38. After receiving an application on alleged Conflict of Interest, the Panel must review the information provided and make a decision in accordance with the rules of natural justice, including:
- a) providing an opportunity for the person with the alleged Conflict of Interest to know the allegation and provide an answer before a final decision is made; and

- b) the person or persons making the decision on the Conflict of Interest allegations shall make that decision without any influence or bias.

Effect of Conflict of Interest on Contracts

- 39. Any contract involving the receipt or expenditure of Nipissing First Nation funds is void where the person or persons approving the contract or Related Persons have a financial interest in the contract, unless the contract is confirmed by the Chief and Council notwithstanding the existence of Conflict of Interest.

PART 4 – DECISIONS OF PANEL

Powers of Panel

- 40. After hearing an application, the Panel may declare that the Public Official, depending on the seriousness of the matter,
 - a. may be disqualified and/or order that their position be vacated,
 - b. must make restitution to Nipissing First Nation in an amount determined by the Panel,
 - c. must pay a fine to Nipissing First Nation in an appropriate amount as determined by the Panel,
 - d. may remain in the position, subject to such conditions as the Panel may determine, or
 - e. is not in contravention of this Code, in which case the matter must be dismissed.

Award of damages

- 41. If Panel declares an individual to be in Conflict of Interest because information obtained in contravention of section 24 was used to gain a monetary benefit, the Panel may order that individual to pay an appropriate amount of money in damages to Nipissing First Nation.

Reimbursement of costs and expenses

- 42. The Panel, if it makes a declaration under subsection 41 (e), may order that any costs and expenses incurred by the defendant are reimbursed.

Final Decision

- 43. All decisions of the Panel are final. There is no appeal to any court of any decision of the Panel, unless the Panel has acted beyond its authority or outside of the scope of this Code.

PART 4 – MISCELLANEOUS

Regulations

44. The Chief and Council may make policies, procedures or regulations considered necessary and advisable, ancillary to this Code and not inconsistent with it, and to provide for administrative and procedural matters for which no express, or only partial, provision has been made in this Code.
45. Without limiting the generality of section 43, the Chief and Council may make policies, procedures or regulations as follows:
- a. to define a word or expression used but not defined in this Code;
 - b. to specify the content and form of affidavits required by this Code;
 - c. to designate any Nipissing First Nation Corporations or other entities that it may wish to subject to all or part of this Code.

Commencement

46. This Code comes into force on the date of its approval by Chief and Council.
47. When this Code comes into force, it replaces the Conflict of Interest provisions in all Nipissing First Nation by-laws, policies and procedures and directives.

Amendment

48. This Code may be amended by the Chief and Council on recommendation of the Policy Review Committee.

*This Conflict of Interest Code approved this 22nd day of January, 2013,
Amended and approved this 6th day of March, 2018.*

Code of Conduct Policy

Policy

It is Council's policy to have Councillors, Officers and any staff involved in the financial administration of Nipissing First Nation, make an annual Code of Conduct declaration.

Purpose

The purpose of this policy is to provide each Councillor and each Finance Department employee with a clear understanding of his/her expected conduct in the performance of their responsibilities.

Scope

This policy and procedure applies to all individuals involved with the financial administrative system of the Nipissing First Nation, including Councillors, Officers and all Departments / Programs.

Definitions

"Code of Conduct" is the Schedule – Avoiding and Mitigating Conflicts of Interest attached to and forming part of the Nipissing First Nation's Financial Administration Law.

"Code of Conduct declaration" is the declaration attached to this Policy as **Appendix "C"**.

Responsibilities

Council members are responsible for:

- reading and understanding the Code of Conduct and signing the Code of Conduct declaration upon commencement of their Term of Office or employment with the Nipissing First Nation.

The Chief Executive Officer is responsible for:

- ensuring that all employees are advised of and required to inform themselves of the Code of Conduct and this policy and for ensuring training/orientation' on the Code of Conduct is provided to Councillors, Officers, Committee Members, Employees and Contractors at least once per political term.
- ensuring all Councillors, Officers, Committee Members, Employees and Contractors sign the Code of Conduct Declaration annually and submit it to the Human Resources ("HR") Department.

Immediate supervisors of employees are responsible for:

- ensuring that new employees entering their department read and understand the Code of Conduct, sign the Code of Conduct Declaration and submit it to the HR Department.

- ensuring their supervised employees sign the Code of Conduct Declaration annually and submit it to the HR Department.

When an officers or employee reports a potential conflict of interest as required in the Code of Conduct, he or she will complete and file the Conflict of Interest Disclosure Form (see **Appendix “B”**) with the Chief Executive Officer who will submit it to the HR Department for the retention and safeguarding of the disclosure.

When the Chief Executive Officer reports a potential conflict of interest as required in the Code of Conduct, the Chief Executive Officer will complete and file the Conflict of Interest Disclosure Form with the Chair of the Finance and Audit Committee who will submit it to the HR Department. All such reported disclosures will be filed individually but monitored centrally by the HR Department.

Procedures

At the end of each Fiscal year, the HR department will communicate, in writing, to the Councillors, Officers, and employees to request those who have not been made aware of the Code of Conduct to read and sign the Code of Conduct Declaration and submit it to the HR department.

The HR department will inform the Chair of the Finance and Audit Committee and the Chief Executive Officer of any Councillors who have not submitted a signed Declaration.

The HR department will inform the Chief Executive Officer and the Chief Financial Officer of all employees who have not submitted a Code of Conduct Declaration.

The HR department will retain the signed Code of Conduct Declaration forms in the employee’s personnel file. The signed Code of Conduct Declaration forms for councillors will be held by the secretary, or equivalent, to the Council.

The HR Department will retain all Conflict of Interest Disclosure Forms in the respective officer or employee’s personnel files.

Collection of Accounts in Arrears Policy

Policy

Nipissing First Nation will take all necessary and reasonable actions for the collection of overdue accounts to ensure that accounts in arrears are paid.

Purpose

The purpose of this policy is to provide Nipissing First Nation with an effective and transparent process for the approval, collection and documentation of:

- program funds where an agreement is in place for non-commitment or non-completion of funding requirements,
- rent accounts,
- loans receivables, and any other
- Loan Guarantees and indemnities given by Nipissing First Nation as authorized in its Financial Administration Law.

Scope

All money loaned out belongs to Nipissing First Nation as a whole and it is the responsibility of the Finance Department to collect these funds on behalf of the membership.

Definitions

“**Arrears**” refers to an unpaid, overdue debt, or an unfilled obligation.

“**Indemnity**” is the right of a person to recover the amount of a financial loss or a liability to a third party.

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

“**Loan Receivable**” is the financial asset of Nipissing First Nation (as the lender) represented by a promise of the borrowing member to repay a specific amount, at a specific time or times, or on demand, usually with interest.

“**Risk**” is defined as anything of variable uncertainty of a loss.

Responsibilities

In accordance to the Financial Administration Law, Council members are responsible for:

- to monitor the collection and receipt of the Nipissing First Nation’s financial assets, including debts owed to Nipissing First Nation.

The Chief Executive Officer is responsible for:

- ensuring that all employees are advised of and required to inform themselves of this Collection of Accounts in Arrears Policy.

The Chief Financial Officer is responsible for:

- monitoring the status of loan repayments, overseeing the loan receivable collection procedures, evaluation the likelihood of collectability and risk of loss, on a monthly basis and reporting the results of this monitoring to the Finance and Audit Committee.

Human Resources Manager is responsible for:

- All employee's hired by NFN are contacted by the Human Resources Department before the employments begins. As part of the orientation, members will be provided with a form that will be signed by them acknowledging this policy and agreeing to this deduction if they have an outstanding debt. For privacy reasons, all employees must sign the form whether or not they have outstanding debts.
- A collection of outstanding debts owing to NFN will form part of contracts signed by NFN.

Procedures

All new receivable accounts will be set on a pre-payment term (for example: automated withdrawals from individual bank accounts).

Should a member with an outstanding account be employed by Nipissing First Nation, ten percent (10%) of his/her wages will be collected from each pay or contract until the past due amount is paid in full.

Christmas Distribution will be applied to any outstanding debts owed to Nipissing First Nation.

All program funds owing back to Nipissing First Nation will be invoiced when the receivable account is created. Thereafter, monthly statements will be issued.

All rental accounts will be invoiced at the beginning of each month. If a rental account is overdue, the following procedures will be applied:

- After the rental account is overdue by thirty (30) days, a first notice letter will be issued. If the rental fails to make payment, the tenant will be contacted by the Housing Apartment Coordinator to set up a payment plan. If contact is unsuccessful,
- After the rental account is overdue by sixty (60) days, a second notice letter hand delivered. The Housing Apartment Coordinator will again attempt to make contact with the tenant and warn him/her that their rental account may proceed toward eviction.

On a monthly basis, accounts receivable reconciliations will be performed in order to analyze overdue accounts.

Loan accounts found to be in an overdue situation, will be sent a reminder letter that their account is going into arrears.

Any member who begins to pay late will be treated as credit on hold, hence access to other loans will be restricted.

All efforts to collect overdue accounts will take place before an account sent to legal and/or placed with an external collection agency.

Debt Borrowing Obligations Policy

Policy

All proposals for funding through debt obligations will be submitted to the Finance and Audit Committee for review and recommendation and to Council for review and approval and will be supported by a financing proposal. Debt obligations will be recorded, monitored, reconciled and reported to Council quarterly through the Finance and Audit Committee and any exceptions or issues identified and resolved.

Purpose

The purpose of this policy is to establish an effective and accountable borrowing framework for Nipissing First Nation.

Scope

This policy applies to the Chief Executive Officer, Chief Financial Officer, Finance and Audit Committee, Council, and those persons with the authority to recommend or approve debt.

Definitions

“**GAAP**” means generally accepted accounting principles established by the Canadian Institute of Chartered Accountants, as revised or replaced from time to time.

Responsibilities

Council is responsible for:

Reviewing and approving any proposed debt financing, including the terms and conditions, recommended by the Finance and Audit Committee.

The Finance and Audit Committee is responsible for:

- Reviewing any debt financing proposal report presented by the Chief Executive Officer and Chief Financial Officer and recommending a course of action to Council;
- Monitoring borrowings, loans and payments in respect of each capital project.

The Chief Executive Officer is responsible for:

- Reviewing any debt financing proposal report prepared by the Chief Financial Officer and recommending a course of action to the Finance and Audit Committee.

The Chief Financial Officer is responsible for:

- Preparing any debt financing proposal report for each proposed financing and presenting it to the Chief Executive Officer for review and comment,

- Ongoing monitoring and management of all debt obligations, including timely payments, maintaining sufficient documentation, and performing regular reconciliations of debt transactions, and
- Reporting and disclosing the debt obligations in the financial statements in accordance with GAAP, Nipissing First Nation's Financial Administration Law and any agreements under which the debt obligations were incurred.

Procedures

Determination of need and evaluation of options

The Chief Executive Officer and Chief Financial Officer will document the requirement for the First Nation to incur a debt obligation by examining the strategic plans, multi-year financial plan, annual budget, current financial situation, and any planned activities requiring funding. Once the need and amount of funding required is determined, the Chief Financial Officer will work with the Chief Executive Officer to outline the various financing options available to Nipissing First Nation.

The Chief Financial Officer (and members of the finance team under the supervision of the Chief Financial Officer as appropriate) will prepare a debt financing proposal report which includes the following:

- Need for financing and alternatives considered;
- Evaluation of available financing options;
- Recommended financing option;
- Proposed security for the financing option;
- The purpose, use and application of funds;
- Description of re-payment plans based on cash flow analysis;
- Linkage to the First Nation integrated planning process, including the strategic plan, multi-year financial plan, annual budget, and cash flow statements;
- Identification of any provisions in Nipissing First Nation's Financial Administration Law or in any other applicable law that limits debt which can be incurred by the First Nation or that imposes requirements or conditions which must be met before debt may be incurred;
- Requirement for consultation with members of the First Nation before any capital project-related debt is incurred by the First Nation.

The Chief Financial Officer will consider at least the following for each financing alternative identified in the report:

- Impact on future budgets and projected cash flow;
- The cost to Nipissing First Nation;
- Level of risk involved (i.e. covenant risks, refinancing, earnings dilution, interest rate risk, project completion risk);
- Nipissing First Nation's ability to service the debt and repayment schedules;

- An analysis of the terms and conditions and how these would impact Nipissing First Nation;
- Any financial reporting implications.

The Chief Executive Officer will review and approve the content of the debt financing proposal report prepared by the Chief Financial Officer, including a recommended course of action to the Finance and Audit Committee.

The Chief Executive Officer will obtain concurrence from legal counsel on the debt financing proposal.

Approval

The Chief Executive Officer and Chief Financial Officer will present the debt financing proposal report to the Finance and Audit Committee for their review. The Finance and Audit Committee will review the report and make a recommendation to Council on whether to incur the debt and which option it recommends.

Council will review the debt financing proposal report and accompanying recommendations. Subject to Nipissing First Nation's Financial Administration Law, Council will vote on whether to approve the requirement for entering into a debt obligation. If the requirement to incur debt is approved, Council must also approve, through a Band Council Resolution, the terms and conditions of the debt financing option that will be used.

Management and monitoring of debt obligations

The Council will manage and monitor the debt obligation by:

- Ensuring the multi-year financial plan of Nipissing First Nation demonstrates how and when this deficit will be addressed and how it will be serviced;
- Ensuring the deficit does not have a negative impact on the credit worthiness of Nipissing First Nation; and
- Ensuring that any financial covenants contained in lending agreements are reported upon to the appropriate stakeholders in a timely manner.

The Chief Financial Officer will manage and monitor the debt obligation by:

- Ensuring that timely payments are made according to the terms and conditions/repayment schedule of the debt obligation;
- Performing [monthly/quarterly – depending on materiality/complexity] reconciliations between Nipissing First Nation's financial records and statements from the lender; and
- Calculating any financial covenants contained in lending agreements and evaluating whether compliance with the terms of the covenants have been met.

Reporting

The Chief Executive Officer will report to each meeting of the Finance and Audit Committee the year to date borrowings, loans and payments in respect of each capital project.

The Chief Financial Officer will ensure that the debt obligation is reported to the Finance and Audit Committee on a quarterly basis in the financial statements in accordance with GAAP and any requirements of Nipissing First Nation's Financial Administration Law.

Records management

The Chief Financial Officer will ensure that records pertaining to the debt obligation are created, maintained and retained in accordance with the Records and Information Policy. For each debt obligation, the following will be documented:

- The loan agreement and any ancillary agreements;
- The debt financing proposal report on which council based its decision;
- Documented council approval and required membership information or involvement;
- An interest and principal repayment schedule (if applicable) that includes the dates of all payments required under the loan agreement or plan for extinguishing the debt;
- The cost of borrowing including interest payments and service or other charges;
- The purpose for which the debt has been incurred.

Delegated and Assignment of Responsibilities Policy

Policy

While the overall responsibility for financial management of the Nipissing First Nation remains with the Council, it is 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 the Nipissing First Nation.

All persons affected by this Systems Manual are required to understand and comply with the policies and procedures appropriate to their responsibility and interaction.

Purpose

The purpose of this policy is to document and specify the use of delegation and assignment authority to transfer the responsibility for making a decision or performing a duty to another functional area, officer, employee, or agent and to provide accountability with respect to financial authorization and authority to bind the Nipissing First Nation to legal obligations.

Scope

This policy and procedure applies to the Council, committees of Council, officers, employees of the Nipissing First Nation and any other persons with authority to conduct activities in connection with the Financial Administration of the Nipissing First Nation.

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:

- Expenditures
- Procurement
- Debt
- Investments
- Capital assets
- Loans, Guarantees and Indemnities
- Self Generating Revenue
- Insurance
- Human Resources
- Records Management
- Financial Reporting

- Integrated Planning and Budget

Definitions

“Authorization and Delegation Table” means a table approved by Council specifying the delegation and assignment authorities over decisions or activities in connection with the financial administration of the Nipissing First Nation.

“GAAP” means generally accepted accounting principles established by the Canadian Institute of Chartered Accountants, as revised or replaced from time to time.

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

“to delegate” means the transfer of the authority to carry out decisions or activities from Council to an officer where the officer receiving the delegation authority assumes full responsibility for carrying out the activities;

“officer” means the Chief Executive Officer, Chief Financial Officer, or any other employee of the Nipissing First Nation designated by the Council as an officer;

“Chief Executive Officer” means the person who is responsible for leading the day to day administration or management of the Nipissing First Nation and who reports directly to Council.

Organizational Structure / Reporting Responsibilities

Responsibilities

Council is responsible for all matters relating to the efficient delivery of programs and services of Nipissing First Nation whether or not they have assigned or delegated to an officer, employee, committee, contractor agent.

The Chief Executive Officer is responsible for the planning, organization, implementation and evaluation of the overall management of the day-to-day operations of the Nipissing First Nation. The Chief Executive Officer has the sole responsibility to delegate the day-to-day administration of programs and services to Program Directors, managers and employees of Nipissing First Nation. It is their duty to deliver the programs and services as approved and instituted by the Council. It is the Chief Executive Officer’s duty to report back to the Council on progress and financial status based on established time lines.

Elected officials shall not be directly involved or be perceived to interfere with the delegated financial administration nor the delegated administration duties of mandated programs or authorities without reference to the Conflict of Interest Guidelines of the Nipissing First Nation.

Council can delegate or assign to others any or all of its financial management activities or functions except:

- a) approval of policies and procedures or the giving of directions respecting any financial administration matter;
- b) approval of budgets, budget amendments, borrowings and financial statements;
- c) approval of the Authorization, Assignment and Delegation Table;
- d) any matter which is the employment or statutory responsibility of the Chief Executive Officer, the Chief Financial Officer;
- e) the appointment and removal of the Finance and Audit Committee members, including the Chairperson and Vice-Chairperson.

For the purposes of administering programs and services of Nipissing First Nation, the Council has delegated certain responsibilities and authorities to specific positions of employment or office.

Employees with delegated or signing authorities must be bonded bondable.

The Finance and Audit Committee is responsible for:

- a) making recommendations to Council for the issuance, revision or rescission of any policy and procedure document;
- b) ensuring policy and procedure documents being reviewed are neither contradictory to the Nipissing's Financial Administration Law nor inconsistent with GAAP;
- c) conducting an assessment for each significant function or activity of the Nation's financial administration to determine if a policy and procedure document is required (e.g. policies and procedures that ensure the control and safeguarding of all the assets of the Nation);
- d) conducting an assessment of the Nipissing's Financial Administration Law to determine the policies or procedures required by the Law.

The Chief Executive Officer is responsible for:

- a) reviewing all policy and procedure document requests and submitted the document to the Finance and Audit Committee for review and a recommendation to Council for approval where the Chief Executive Officer supports the request;
- b) determining if the policy and procedure document request needs to be referred to a subject matter expert for additional review;
- c) determining if the policy and procedure document needs cross functional review from other departments within the Nation;
- d) ensuring that the current list of policy and procedures are made available to all affected persons.

The Chief Executive Officer can assign any or all of his or her financial management activities or functions except:

- a) maintaining and revising the Authorization and Delegation Table;

- b) ensuring those with delegated authority understand their responsibilities and have the skill and knowledge necessary for the effective exercise of the authority;
- c) establish protocols for temporary 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.

The Chief Financial Officer is responsible for:

- a) maintaining a comprehensive list and repository of all existing policies and procedure documents;
- b) ensuring proposed or revised policy and procedure documents are in the standardized format;
- c) ensuring proposed or revised policy and procedure documents incorporate the requirements of the Nation's laws and regulatory requirements;
- d) monitoring the policy and procedure document through the draft, approval, and issuance process;
- e) serving as the policy and procedure document sponsor and providing the initial approval to the document initiator to proceed with creating a proposed document, revising an existing document or rescinding an existing policy; and
- f) ensuring that existing policy and procedures are kept current by reviewing periodically.

The document initiator is responsible for:

- a) preparing a draft policy and procedure document (for new policies) in accordance with the standardized format established by this policy;
- b) revising an issued policy and procedure document in accordance with the standardized format;
- c) preparing a written request to rescind an outdated or inaccurate policy and procedure document;
- d) submitting all policy and procedure document requests to the Chief Executive Officer or delegated authority for review and recommendation of approval.

All officers, employees, committees, contractors or agents of Nipissing First 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.

Officers, employees, committees, contractors or agents of Nipissing First Nation may reassign functional authorities and responsibilities as long as it is made in accordance with the Authorization and Delegation Table.

Officers, employees, committees, contractors or agents will ensure that decisions or transaction approval falling outside of their scope of authority are referred to the Chief Executive Officer or otherwise as appropriate.

Regardless of the delegation of any financial administration authority by the Council, the Council remains responsible for the financial management of Nipissing First Nation.

Procedures

Procedures for delegation

1. The Chief Executive Officer is responsible for preparing and updating the Authorization and Delegation Table in accordance with this policy for the Nipissing First Nation.
2. The Chief Executive Officer 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.
3. The Chief Executive Officer will submit the Authorization, Assignment and Delegation Table (see Appendix “D”) to Council for approval and Council will at least annually, with a motion duly recorded in the minutes, approve the Authorization and Delegation Table with a band council resolution.
4. The Chief Executive Officer 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.
5. Council, Committees, Chief Executive Officer, officers, 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.

Procedures for the Authorization, Assignment and Delegation Table

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

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

Updates made to the Authorization, Assignment and Delegation Table by the Chief Executive Officer will be approved by Council. The Chief Executive Officer will submit an updated Authorization and Delegation Table to Council for approval as soon as practicable.

Temporary delegation of responsibility

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 Chief Executive Officer.

Long-term – Any delegation of responsibility of a long-term nature will be approved by the Chief Executive Officer and appropriately documented.

Procedures for monitoring and evaluation

The Chief Executive Officer 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.

Disclosure of Financial Information Policy

Policy

It is Council's policy to make the Nipissing First Nation more accountable to Membership by giving them a general right to access financial records of the First Nation in the custody or control of Nipissing First Nation. The policy also sets out specific limited exceptions to the Memberships' right to access to certain financial records.

Procedure

Request for Disclosure

To obtain access to a financial record, a Member of the Nipissing First Nation must make a written request to the Nipissing First Nation for a copy of the financial record or make a verbal request to examine the financial record.

The Chief Executive Officer must make every effort to assist Members who make a request for the disclosure of financial records.

First Nation Response

The Chief Executive Officer must respond openly, accurately and completely within thirty (30) days from the date a request is received unless more time is required. If more time is required, the Chief Executive Officer must inform the Member when the response can be reasonably responded to.

In a response to the request for information, the Chief Executive Officer must advise the Member in writing whether or not the Member is entitled to have the financial record or part of the record disclosed to him or her.

If access to the financial record or to part of the record is refused, the reasons for the refusal must be given to the member and the Member may request a review of the Chief Executive Officer's decision by Nipissing First Nation Council in accordance with the Dispute Resolution provisions.

If the Member is entitled to have the financial record disclosed to him/her and it can be reasonably reproduced, a copy of the financial record must be provided with the Chief Executive Officer's response. (i.e. covering memo for documentation purposes).

Nipissing First Nation may charge the applicant reasonable photocopy charges for administrative time and supplies costs.

Rates shall be published for public awareness.

If the Member is entitled to have the financial record disclosed to him or her and it cannot be reasonably reproduced, the Member must be permitted to examine the financial record at the

Nipissing First Nation office during regular business hours of any business day in the presence of an employee who shall be responsible for the protection and safe keeping of Nipissing First Nation records.

Records shall not be removed from the office or from any records library of Nipissing First Nation, except where an employee of the Nipissing First Nation requires the file or work purposes and in accordance with established rules of access.

Exceptions to Disclosure

The Chief Executive Officer shall refuse to disclose to a Member, financial information that would reveal the deliberations of the Nipissing First Nation Council and any of its committees, including any advice, recommendations, or policy considerations submitted or prepared for submission to the Council or any of its committees unless those deliberations concerned the applicant's legal opinions which are subject to solicitor-client privilege:

- other privileged documents which could reasonably expect to reveal information received in confidence from a government, First Nation, Society, Corporation or harm the conduct of negotiations relating to Aboriginal self-government or treaties;
- could reasonably be expected to harm the financial or economic interests of Nipissing First Nation;
- would be an unreasonable invasion of a third-party's personal privacy, including personal financial information relating to eligibility for or receipt of employment benefits, income assistance, education benefits or social service benefits,
- unless the financial information pertains to the payment of money, honoraria, contract fees, and travel expenses of an elected official received from Nipissing First Nation for which the Chief Executive Officer must fully disclose upon request by a Member.

Third Party Disclosure

Nipissing First Nation may disclose a Nipissing First Nation Members' financial information to another government body only if that financial information is required to ensure that the Member is complying with all eligibility requirement for Financial Benefits of programs administered by Nipissing First Nation.

Dispute Resolution Policy

Policy

It is Council's policy to provide equitable procedures for Nipissing First Nation and its members to settle disputes.

Definitions

"Arbitration" means a process where a neutral party considers the facts and arguments presented by the parties, and renders a decision that is non-binding or binding as determined beforehand by the parties.

"Dispute" means a disagreement concerning a matter of fact, law, or policy in which a claim or assertion of one party is met with refusal, denial or counterclaim by another.

"Facilitation" means the collaborative process used to help parties with divergent views reach a goal or complete a task to the mutual satisfaction of the participants.

"Mediation" means the process where a neutral and acceptable third party who has no authoritative decision-making power assists the contending parties in voluntarily reaching their own mutually acceptable resolution of the dispute.

Procedure

Council Decisions

Prior to a meeting to make a decision which may adversely affect the financial interests of a member, Nipissing First Nation Council will:

- provide notice of meeting to the member, at least five (5) days prior to the meeting, disclosing the nature of the meeting; and
- provide the member with an opportunity to be heard either orally or in writing.

This section does not apply to members who are employees or contractors of Nipissing First Nation.

The decision will be recorded as a motion in the minutes of the Nipissing First Nation Council meeting. Council will advise the member of the decision within five (5) days of the Council meeting and disclose the factors used in making their decision which adversely affects the financial interests of a member.

Administrative Decisions

A member may appeal a decision of the Chief Executive Officer or those of delegated managers which adversely affects them financially within thirty (30) days by providing the Nipissing First Nation Council a written notice to appeal and containing the reasons of appeal.

Upon receipt of a written notice to appeal from a member, the Nipissing First Nation Council may hear the member's appeal within thirty (30) days at a Council meeting or refer the appeal to the Appeal Process provision.

Mediation and Arbitration

In the event of a dispute between the Nipissing First Nation Council and Membership in respect of this policy, the dispute may be resolved by either mediation or arbitration.

The mediator or arbitrator selected must be acceptable to both parties.

In any instance whereby the Nipissing First Nation Council decides to approve a benefit which may violate funding or program guidelines or restrictions, Council shall produce a signed approval document indicating reason and stating responsibility for budget identification.

Emergencies Policy

Policy

An emergency plan addressing the key risks facing Nipissing First Nation will be documented, updated on an annual basis and communicated to all affected persons.

Purpose

The purpose of this policy is to provide guidance on preparing for emergencies through a documented emergency plan designed to meet the size, risk and impact of potential emergencies that could affect Nipissing First Nation and its finances.

Scope

This policy applies to Nipissing First Nation Council, committee members, staff and First Nation members.

Definitions

[To be added as necessary]

Responsibilities

Council is responsible for:

- Approving the emergency response plan.

The Chief Executive Officer is responsible for:

- Appointing an Emergency Response Coordinator;
- Creating an Emergency Control Group ;
- Ensuring that an emergency response plan is prepared and approved;
- Ensuring that the emergency response plan is communicated to the affected Nipissing First Nation staff and members as part of its implementation along with any necessary training.

The Emergency Response Coordinator is responsible for:

- To coordinate Emergency Control Group meetings;
- To conduct exercises at least once per year to test the emergency response plan;
- Updating the emergency response plan on an annual basis.

The Emergency Control Group members are responsible for:

- Attending the Emergency Control Group meetings;
- Assisting with preparing and updating the emergency plan;

Procedures

Analyze the current situation

The Chief Executive Officer will create an Emergency Control Group which will consist of the Chief Executive Officer, Chief Financial Officer, Facilities Manager, Director of Administration, Health Manager, Communications Officer, Emergency Services Manager and other key staff across all areas of Nipissing First Nation as deemed appropriate. External groups, such as representatives from the local fire or police services, will be invited to participate as required.

The Emergency Control Group will conduct a risk assessment to identify all risks that could have an impact on the operations and finances of Nipissing First Nation, including potential threats such as fires, natural disasters, and environmental risks.

For each of the risks identified, the Emergency Control Group should determine the likelihood of the threat occurring and the potential impact on Nipissing First Nation's operations.

Develop the Emergency Plan

Based on the likelihood and impact, the Chief Executive Officer, with input from outside expertise as required, and the Emergency Control Group will determine which risks will be addressed in the business 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 Nipissing First Nation's overall operations and finances.

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

Buildings and sites

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

Critical equipment

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

Information Technology

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

People

- How will Nipissing First Nation communicate with staff/members during the emergency?

- Do the critical finance and operations staff members have designated and trained back-ups?
- Is there an offsite location where limited but critical operations can continue during an emergency?
- Are there any potential health and safety issues associated with a particular risk? How would these be dealt with?

Responsibilities for each component of the emergency 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.

The Emergency Control Group will develop an emergency notification procedure to explain how to enact the plan should an emergency occur.

Documented approval of the plan will be obtained from council.

Implement the Emergency Plan

- The Chief Executive Officer will develop a communication strategy to ensure all affected staff and First Nation members have access to the emergency plan.
- All staff who have been assigned responsibilities within the emergency plan will be provided training to carry out their role in the event of an emergency.
- The emergency plan will be tested by the Emergency Control Group. Testing could include mock disaster exercises, communication and off site computing tests, fire drills, etc.
- Emergency plan documentation will be maintained at all Nipissing First Nation site locations and key staff members will keep a copy at home. It should include all required information to enact the plan (i.e. Emergency contact & responsibilities lists, vendor lists, fire drill routes, etc.).

Annual Review

- On an annual basis, the Emergency Control Group and key operational managers will review the plan and associated documentation to ensure 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.
- Significant changes to the plan will be approved by Council.

Expenditure Policy

Policy

Expenditures paid to suppliers or reimbursed to Councillors and Nipissing First Nation employees will be in support of valid Nipissing First Nation activities, duly authorized, accurately recorded in the financial system and sufficiently supported through original documentation.

Purpose

The purpose of the policy is to ensure that all expenditures from Nipissing First Nation's funds are in support of valid Nipissing First Nation programs and activities and that processing of payments are subject to proper approvals and budgetary controls.

Scope

This policy and procedure applies to the Council, committees of Council, officers, employees of Nipissing First Nation and any other persons conducting activities in connection with the Financial Administration of Nipissing First Nation.

Definitions

“Approved travel status” – Travel on official Nipissing First Nation business that has been pre-approved by an individual's immediate supervisor. Approved travel status begins once the individual leaves their place of residence for the approved destination and ends once they return to their place of residence or their regular place of employment (e.g. Nipissing First Nation office).

Responsibilities

The individuals listed in the Authorization and Delegation Table from the Delegated and Assignment of Responsibilities Policy are responsible for:

- Before approving an expenditure, ensuring that it is permitted under the current Nipissing First Nation annual budget and as required in Nipissing First Nation's Financial Administration Law,
- Reviewing reimbursable expenditure claims to ensure that the requirements of this policy have been met before approving for payment; and
- Approving expenditures per the Delegated and Assignment of Responsibilities Policy.

The employees assigned responsibility for paying accounts will:

- Ensure that all expenditures have the required approvals per this policy and the Delegated and Assignment of Responsibilities Policy before processing for payment; and
- Ensure that all required documentation accompanies each payment and is retained in the financial records of Nipissing First Nation.

Employees, committees and Council members are responsible for:

- Ensuring that all reimbursable expenditures claimed are in accordance with this policy,
- Preparing a reimbursable expenditures claim that includes all required documentation; and
- Seeking approval from the Chief Executive Officer for items that are not addressed in this policy before proceeding.

The Chief Executive Officer is responsible for:

- Providing pre-approvals for planned expenditures that have not been specifically addressed in this policy but that he/she deems to meet the intent of the policy and as are permitted in Nipissing First Nation's Financial Administration Law;
- Approving expenditures for emergency purpose that was not anticipated in the budget if the expenditure is not expressly prohibited by or under Nipissing First Nation's Financial Administration Law or another Nipissing First Nation law.

Procedures

General and Operational Expenditures

All purchases of goods or services will be made in accordance with the Procurement Policy and procedure and the Delegated and Assignment of Responsibilities policy and procedure.

In emergency situations, the Chief Executive Officer may approve the purchase of goods or services that were not anticipated in the budget and are not procured in accordance with the Procurement Policy and procedure and the Delegated and Assignment of Responsibilities policy and procedure. The rationale for the purchases must be documented by the Program Manager. If possible, the payment of the purchases should be in accordance with the Procurement Policy and procedure and the Delegated and Assignment of Responsibilities Policy and procedure.

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.

If goods are received without receiving documents, the employee receiving those goods is to create a receiving slip noting what goods were received, date of receipt, delivery agent, Nipissing 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.

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

- 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; or
- 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.

All requisitions for payment must identify the appropriate 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; or
- allowed without the authority of an appropriation under Nipissing First Nation's Financial Administration Law.

Payroll

Employee payroll will be paid on a bi-weekly basis.

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.

Supervisors of salaried employees will submit any adjustments for vacation, sick or other types of leave to the Human Resource individual who is responsible to relay the payroll adjustments to Nipissing First Nation Finance department.

Vacation pay is paid to hourly paid employees over and above their regular pay in accordance to employment standard percentage rates specified by the province of Ontario.

Statutory payroll deductions defined by Revenue Canada will be remitted no later than the 15th day of each month.

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. The payroll authorization report will then be authorized (through signature and date) by the Chief Financial Officer and EFT batches or cheque payments will be prepared by the Payroll Officer, verified by the Finance Manager and approved according to the Delegated and Assignment of Responsibilities Policy.

Payroll reconciliations will be performed by an individual independent of the payroll process on a monthly basis. The reconciliation will compare the payroll authorization report, input instructions to the payroll service provider, financial institution account statement and the general ledger payroll accounts. Any irregularities will be reported to the Chief Executive Officer.

Reimbursable Expenditures

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

Expenses reimbursed by hosts or other third party funding arrangements must be declared on the expense claim in accordance with Nipissing First Nation's Conflict of Interest Policy.

All officers (ie: Chief & Council, Committee members) and employees are deemed to be on official "travel status" for approved trip(s) for the period when he/she department their residence or office until he/she returns to their residence or office.

Travel expenditures will be reimbursed in accordance with the Travel policy.

Other reimbursable expenditures are as follows:

A) Meals and Entertainment (Hospitality)

Hospitality budgets will be set at the beginning of the fiscal year through the integrated planning process. The only individuals that are entitled to a hospitality budget include the following: the Councillors, the Chief Executive Officer, and individuals directly reporting to the Chief Executive Officer.

Pre-approval will be obtained for any meals/expenses that are not within an individual's hospitality budget.

For meals and entertainment expenses, the individual requesting reimbursement must clearly document the purpose of the meal/event, objectives, and individuals (name, position, organization) that are in attendance. Documentation may be on the receipt(s) or in a memo attached to the expense report.

Hospitality funds are available for official Nipissing First Nation business only.

Restrictions on hospitality fund usage include:

- i. Family members must not benefit from hospitality funding;
- ii. Gifts cannot be purchased using hospitality funds. However, small tokens of a nominal value may be given to key contacts;
- iii. Alcohol must not be purchased using hospitality funds.

Hospitality expenses must include original supporting documentation demonstrating the goods or service received (original itemized receipts or invoices) and proof of payment.

B) Memberships

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

For other expenditures not listed in this policy, pre-approval is necessary from the Chief Executive Officer before initiating the expenditure and submitting a reimbursement claim.

For reimbursable expenditures related to Nipissing First Nation activities that are funded through an outside source (i.e. a Federal government contribution agreement), requirements of that source will be monitored by the Chief Financial Officer to ensure proper adherence to all accepted terms and conditions. When the standards for reimbursable expenditures differ between Nipissing First Nation and the funding agreement, Nipissing First Nation's rates will apply.

C) Expenditure Reporting and Documentation

For general and operational expenditures, the following should be submitted to the Finance Department for payment:

Original contract/agreement (if applicable).

Original invoice.

Purchase order (if applicable).

Receiving documents / packing slips.

For payroll: payroll authorization form, timesheets, and salaried employee adjustments.

Requisition for payment that has signed approval according to the Delegated and Assignment of Responsibilities Policy and the Nipissing First Nation's Financial Administration Law.

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

- i. The employee's signature and date signed, acknowledging that all amounts claimed are accurate and in support of Nipissing First Nation official business;
- ii. Original receipts for all amounts claimed. Depending on the nature of the claim, these can include:
 - Invoices.
 - Itineraries for air/train travel.
 - Itemized restaurant bills (where per diems do not apply).

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 shall be used.

Signed travel authorization from the employee's manager (for the Chief Executive Officer a member of Council will approve, for Council members the Chief will approve).

If applicable, a signed pre-authorization supporting business class travel.

Proof of payment for items claimed, which includes credit card or debit receipts.

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.

For all expenditures, claims with the appropriate support must be submitted to the Finance Department within thirty (30) days of the expense being incurred.

D) Approval for Payment

No money may be paid out of any account without a requisition for payment.

In addition to the steps below, the Chief Executive Officer must authorize payment out of a self generating revenue account.

Invoices received must be immediately forwarded to the Finance Department with a requisition for payment who will then process them to:

- i. Match with the purchase order and the receiving document,
- ii. Ensure that all required documentation has been submitted to support payment,
- iii. Verify mathematical accuracy,
- iv. Ensure that any taxes are correctly calculated and processed if applicable for tax exemption claims,
- v. Confirm that funds are available to pay the invoice, and
- vi. Identify and note the authorized general ledger account coding.

Invoices for goods or services that have not been ordered through a purchase order or contracting process, will be approved for payment by the manager of the employee (for the Chief Executive Officer a member of council will approve, for Council members the Chief will approve) who initiated the purchase. Approval for payment will:

- i. Be evidenced by a dated signature or initials on the invoice,
- ii. Attest that the good or service has been received in accordance with the terms and conditions of the purchase, and that the invoiced amount is accurate mathematically and also for any taxes calculation, and
- iii. Identify and note the authorized general ledger account coding.

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

Reimbursable expense claims will be reviewed by the Finance Department to ensure that:

- i. The expense claim is mathematically correct and that taxes are identified and accounted for correctly,
- ii. Authorized general ledger account coding instructions are identified,
- iii. Expenses claimed are for authorized activities,
- iv. The claimed expenses are eligible and comply with this policy and procedure, and
- v. Adequate and sufficient supporting documentation is attached.

- vi. Any exceptions to the above will require authorization from the Chief Financial Officer for payment.

The Chief Finance Officer will enter invoices and reimbursable expense claims into the general ledger for payment only when they have been appropriately processed and approved according to this policy and procedure and the Nipissing First Nation's Financial Administration Law.

Invoices or reimbursable expense claims that are still being processed or approved at the end of the Finance Department period will be recorded as an accrued liability.

Claims that do not meet the requirements outlined in this policy will be denied reimbursement.

E) Payments

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

The Finance Department will prepare cheques every Wednesday unless specified by program requirement(s) (for example, post secondary education issues two(2) payment runs a month which is the 15th day and 30th day of each month).

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

- i. A listing of all payments prepared noting the payee, amount, and payment date; and
- ii. Supporting documentation for each payment (e.g. cheque, transfer) including:
 - Approved invoices, expense claims, purchase orders, and receiving documents, and
 - Evidence that the Finance Department has completed the processing of the payment, including account coding.

Payments will be initiated / distributed by Finance immediately upon receipt of the signed payments from two authorized signatories.

All documentation supporting payment will be retained in accordance with the Records Management Policy and the Information Privacy Policy. This will include purchase orders, invoices, contracts, packing slips, reimbursable expense claims with receipts, etc.

Accounts Payable employees will notify the Chief Financial Officer immediately of any instances of:

- i. Non-compliance with policy requirements that cannot be resolved, and
- ii. Suspected fraud.

External Audit Policy

Policy

A qualified external auditor will be appointed to render an audit opinion on the annual financial statements (and special purpose reports, as applicable) of Nipissing First Nation in accordance with generally accepted audit standards as established by the Canadian Institute of Chartered Accountants. Nipissing First Nation will appropriately prepare for the audit and ensure that the external auditor has the necessary access and authorities to complete their work.

Purpose

The purpose of this policy is to provide guidance on the appointment of an external auditor and the management of the annual audit process within Nipissing First Nation.

Scope

This policy applies to Council, the Finance and Audit Committee, the Chief Executive Officer and the Chief Financial Officer and those personnel providing service within the financial administrative system.

Definitions

“**Engagement letter**” is a written communication from the independent auditor outlining the terms and conditions of appointment and may include a letter to management (or post audit letter) reporting on audit findings.

“**GAAP**” means Generally Accepted Accounting Principles as established by the Canadian Institute of Chartered Accountants as modified or changed from time to time.

Responsibilities

Council is responsible for:

- Appointing (re-appointing) an auditor meeting eligibility requirements and documenting the appointment with a council resolution;
- 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;
- 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;
- Reviewing and approving the audited annual financial statement within 120 days after fiscal year end, and ensuring they are signed by those required in Nipissing First Nation’s Financial Administration Law – Chief Financial Officer, Chief or Council Chairperson, and Chair of the Finance and Audit Committee;

- Acting on recommendations from the Finance and Audit Committee related to the audit;
- Ensuring Nipissing First Nation members' access to the audited financial statements and special purpose reports after they have been approved and signed as required in Nipissing First Nation's Financial Administration Law.

The Finance and Audit Committee is responsible for:

- Providing oversight on the external audit and advising the council as required;
- Making recommendations to Council on the selection, engagement and performance of an auditor;
- Receiving assurances on the independence of a proposed or appointed auditor;
- Ensuring that the appropriate action is taken with respect to any communication from the external auditors;
- 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 Nipissing First Nation's Financial Administration Law, the FSMA and the First Nations Financial Management Board Standards and any relevant funding agreements;
- Reviewing the draft annual financial statement from the Chief financial officer and presenting the statements to council within [sixty days] following the end of the fiscal year for which they were prepared;
- Reviewing and making recommendations to council on the planning, conduct and results of audit activities;
- Reviewing and making recommendations to the Council on the audited annual financial statements, including the audited self generating revenue account financial statements and any special purpose reports.

The Chief Executive Officer is responsible for:

- Directing and facilitating any notices regarding meetings concerning the annual audit or audited financial statements;
- With the Chief Financial Officer, preparing the Auditor performance evaluation report (See Appendix "T").

The Chief Financial Officer is responsible for:

- Overseeing, supervising, directing and facilitating requests for any information required by the auditor to carry out its audit responsibilities;
- 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;
- Facilitating the flow of account and other information and acting on auditor's requests during the audit;

- 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;
- With the Chief Executive Officer, preparing the Auditor performance evaluation report (See Appendix “T”).

Procedures

Auditor selection, engagement and performance

The Chief Executive Officer and the Chief Financial Officer will establish evaluation criteria to be included in a Request for Proposal (“RFP”) for the external audit which will be approved by the Finance and Audit Committee and include, at a minimum:

- Independence from Nipissing First Nation, its related bodies, Councillors and officers and members;
- 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;
- License to practice public accounting;
- Other considerations as appropriate (i.e. funding agreement requirements).

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

The Finance and Audit Committee will review Management’s evaluation of the proposals and their recommendation. The Finance and Audit Committee may approve the recommendation or may ask for additional information, including an in-camera (i.e. without management) interview with the recommended Auditor.

Upon approval, the Finance and Audit Committee will recommend the engagement of the selected Auditor and the engagement letter to Council.

Council will review the engagement letter with the Auditor selected to ensure it contains the content required by Nipissing First Nation’s Financial Administration Law and any other applicable requirements, and will proceed to sign the engagement letter in accordance with Nipissing First Nation’s approved signing authorities and ensure that it is delivered to the Auditor.

Annually at the conclusion of the audit, the Chief Executive Officer and Chief Financial Officer will meet to discuss the performance evaluation report of the Auditor’s activities, along with any Management recommendations, and present the report to the Finance and Audit Committee.

The Committee will review the Auditor performance evaluation and recommendations and take necessary steps as appropriate.

On a periodic basis, the Finance and Audit Committee and Council will review the engagement of the external auditor and determine whether an RFP should be initiated for a new auditor.

Termination / Dismissal of Auditor(s)

Council may terminate an Auditor agreement for:

- performance results;
- changes in auditing personnel, firm or ownership structure, philosophy, style or approach which might adversely affect the potential return and / or risk level; and
- failure to adhere to policy and procedures as set out in accordance with the Financial Administrative Law of Nipissing First Nation.

Auditor independence

The Finance and Audit Committee will ensure that Nipissing First Nation has received a letter from the Auditor, before the audit is finalized, in which the Auditor confirms their continued independence.

Audit planning

The Finance and Audit Committee will meet with the Auditor before commencement of the annual audit to review the proposed audit plan, to make any requests or to provide any feedback that the Auditor should consider when finalizing the plan and conducting the audit.

The Finance and Audit Committee will submit the finalized audit plan along with any recommendations, to Council for approval.

Preparations for the audit

The Chief Financial Officer will keep the auditor apprised and discuss in advance of the audit of any significant accounting issues, developments or changes for Nipissing First Nation that could have an impact on the audit and the audit report.

Prior to fiscal year end, the Chief Financial Officer will issue instructions to the finance staff concerning fiscal year end procedures to help ensure the accuracy and completeness of Nipissing First Nation's financial statements and disclosures.

Additionally, finance staff, under the direction of the Chief Financial Officer, will commence preparation before fiscal year end of necessary schedules and working papers for audit according to the audit work plan. This will also include preparation of third party confirmation letters, bank confirmations, and account balance reconciliations.

Issues arising or communicated in a mid-year review (if applicable) by the auditor will be discussed with the Finance and Audit Committee for recommended resolution. The instructions for preparation of Nipissing First Nation's financial statements will take into account any such resolutions.

The Finance and Audit Committee will be informed of any issues that could affect the audit (e.g. where the auditor believes a change in the terms of the engagement may be warranted).

Audited annual financial statements

The Finance and Audit Committee will receive and review the draft audited annual financial statements, including any special purpose reports and the Self generating revenue Account financial statements.

The Committee will satisfy itself that:

- The audit has been completed according to the plan;
- The financial statements are fairly presented according to GAAP;
- The auditors have provided an opinion on the financial statements and an opinion or review of any special purpose reports as required by Nipissing First Nation's Financial Administration Law;
- There are no significant unresolved issues.

The Committee will meet with the Auditor to review the draft audited financial statements. To ensure sound governance, the committee will meet with the auditor 'in camera' (without Nipissing First Nation Management team) for a part of the meeting.

When satisfied with its review of the draft audited financial statements and the resolution of any audit issues, the Finance and Audit Committee will recommend the draft audited financial statements to Council for approval.

Before publishing the audited financial statements, the following approvals are required:

- Approval of Council through a motion of Council minutes;
- Approval by signature from all of the following:
 - The Chief of Nipissing First Nation; and
 - The Chief Executive Officer.

Finance and Audit Committee Policy

Policy

It is Council's policy and a requirement of the Nipissing First Nation's Financial Administration Law to establish and maintain a Finance and Audit Committee ("the Committee") to assist Council in carrying its oversight responsibilities for financial reporting, internal control, and risk management processes.

Purpose

The purpose of this Policy is to set out the composition, responsibilities, and procedures in establishing and maintaining a Finance and Audit Committee.

Scope

This policy applies to Council, the Finance and Audit Committee, the Chief Executive Officer and the Chief Financial Officer.

Definitions

"eligibility criteria" are the documented requirements which must be met by an individual in order to be appointed as a member of the Committee.

"financial competency" is the ability to read and understand financial statements that present accounting issues reasonably expected to be raised by the Nipissing First Nation's financial statements.

"terms of reference" is a documented statement of the mandate, objectives, purpose, scope, functions and rules under which the Committee is expected to operate.

"financial reporting risk" is the possibility of an undetected material misstatement in financial information due to the existence of ineffective internal control or fraud resulting from manipulation or alteration of accounting records, misrepresentation or intentional omissions of transactions, or intentional misapplication of accounting principles.

"fraud risk" is the potential for an employee, agent or other person connected to the financial administration of the Nipissing First Nation to use deception to dishonestly make a personal gain for oneself or a loss for another. This commonly includes activities such as theft, corruption, embezzlement, or bribery etc.

"independence" – an individual has independence if the individual does not have a direct or indirect relationship with the Nipissing First Nation government that could, in the opinion of council, reasonably interfere with the individual's exercise of independent judgment as a member of the finance and audit committee. Staff and other resource persons to this Committee have ex-officio status only.

“internal control” is a process, effected by the Nipissing First Nation’s Council, Finance and Audit Committee, management and other personnel designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- effectiveness and efficiency of operations;
- reliability of reporting; and
- compliance with applicable laws and regulations.

Responsibilities

Subject to the Nipissing First Nation’s Financial Administration Law, the Council is responsible for:

- assigning to the Committee any responsibilities or functions in addition to those set out in the Law;
- approval of the Terms of Reference for the Committee (see attached Appendix “E”);
- determining the minimum qualifications and eligibility requirements of the Committee members, chairpersons and vice-chairpersons;
- confirming, before appointment, that each potential member of the Committee is eligible to be a member and is independent;
- ensuring that each member of the Committee signs a statement annually, confirming that they continue to meet the eligibility criteria;
- the appointment of the Chairperson and the Vice-Chairperson of the Committee and the filling of any vacancies in those offices;
- evaluating the effectiveness of the Committee;
- providing the Committee with the resources it might need to carry out its functions;
- requiring the Council to consider any recommendations or advice provided by the Committee; and
- Providing a non-councillor chairperson with the agendas of the Council meetings, any documents and information requested by the non-councillor chairperson respecting agenda items and permitting a non-councillor to attend and speak at Council meetings.

The Chief Executive Officer is responsible for:

- maintaining the current Committee member list;
- keeping the Chair of the Committee current in a timely fashion on major developments and provide the Committee with sufficient information on a timely basis to enable the Committee to discuss potential issues, make decisions, and fulfill its mandate;
- assisting the chair of the Committee in planning and making necessary arrangements for setting agendas, giving required meeting notices and holding meetings;
- attending each Committee meeting, unless excused by the chair for a reasonable reason or excluded from attendance by vote of the Committee as provided in the Nipissing First Nation’s Financial Administration Law.

The Chief Financial Officer is responsible for:

- attending each Committee meeting, unless excused by the chair for a reasonable reason or excluded for in-camera purposes only from attendance by vote of the Committee as provided in the Nipissing First Nation's Financial Administration Law;
- providing technical and professional support to the Committee as requested or as required in the Nipissing First Nation's Financial Administration Law.

The Finance and Audit Committee Chairperson is responsible for:

- facilitating the Committee's interaction with Senior Management;
- chairing the Committee meetings and ensuring they are conducted in an efficient and effective manner;
- planning the Committee's activities to ensure that the Committee is successful in fulfilling its mandate and addressing its functions, duties and responsibilities;
- preparing the Committee's agendas;
- ensuring that minutes are recorded at each duly called meeting;
- recruiting qualified Committee member candidates and recommending them to Council;
- evaluating committee members and their contributions in consultation with Chief & Council;
- reporting to Council on behalf of the Committee.

Committee Members are responsible for:

- preparing for meetings by reading reports and background materials prepared for each meeting and acquiring adequate information necessary for decision making;
- actively participating in the Committee's deliberations;
- attending all scheduled Committee meetings subject to reasonable exceptions acceptable to the Chairperson;
- becoming knowledgeable of the Committee functions and statutory responsibilities under the Nipissing First Nation's Financial Administration Law;
- maintaining direct, open and frank communications with the Chairperson;
- ensuring that they have financial competency;
- ensuring that they maintain their independence as required in the Nipissing First Nation's Financial Administration Law;
- avoiding conflicts of interests and complying with conflict of interest policies and procedures established by Council or under Nipissing First Nation laws;
- reviewing and making recommendations to the Council on the terms of reference of the Committee.

Procedures

Appointment and Removal of Members

- a) Subject to the Nipissing First Nation's Financial Administration Law, the Council will appoint the Chairperson or a Vice-Chairperson of the Finance and Audit Committee by a majority vote.
- b) Subject to the Nipissing First Nation's Financial Administration Law, the Committee will have a quorum comprised of no fewer than three (3) members (including the Chairperson) at least two (2) of whom must be Councillors of the Nipissing First Nation.
- c) The Council, upon recommendation of the Chairperson, will appoint the members of the Committee, a majority of whom must have financial competency (see Financial Competency Guidelines as attached Appendix "F") and all of whom must have independence and meet eligibility criteria established by Council.
- d) A Committee member may be removed from office by majority vote of Council in the circumstances permitted in the Nipissing First Nation's Financial Administration Law.

Term Requirements

- a) Subject to the Nipissing First Nation's Financial Administration Law, when making appointments to the Committee, Council will endeavor to ensure that no more than half of the members' terms will expire in any one fiscal year.
- b) The Chief Executive Officer will maintain a register of Finance and Audit Committee members which will, for each member, include the date of appointment or re-appointment, the term of the membership, and the term end date and which will track independence and financial competency issues for each member.
- c) Upon any changes in the Committee membership, the Chief Executive Officer will report to Council on the term end dates for each member of the Committee.
- d) The term of a Committee member will be as established in the Nipissing First Nation's Financial Administration Law.
- e) The terms of office of members of the Finance and Audit Committee are staggered to ensure the continuing effectiveness of the committee and to provide for succession planning.
- f) If a Finance and Audit Committee member is removed from office, dies, or resigns before their term expires, the Council must as soon as practicable appoint a new Finance and Audit Committee member to hold office for the remainder of the term.

Eligibility Criteria

- a) The Council will establish eligibility criteria of a Finance and Audit Committee member by specifying that an individual must not have a role in the financial management of Nipissing First Nation involving the planning, organizing, directing, or controlling of its financial activities, including budgeting, financial accounting, financial reporting, procurement and utilization of funds.

- b) The Council will document the criteria for independence of a Finance and Audit Committee member by specifying that the individual does not have a direct or indirect financial relationship with Nipissing First Nation government that could, in the opinion of Council, reasonably interfere with the individual's exercise of independent judgement as a member of the Finance and Audit Committee.
- c) The Council will establish the criteria for financial competency of a Finance and Audit Committee member and the effectiveness of the Committee.

Committee Administration and Reporting

- a) Subject to the Nipissing First Nation's Financial Administration Law, the quorum necessary for the transaction of business at Committee meetings will be a majority of the members of the Committee.
- b) Subject to the Nipissing First Nation's Financial Administration Law, the Finance and Audit Committee will meet at least once in each quarter in the same fiscal year and otherwise as necessary but in any event as soon as practical following receipt of the audited annual financial statements and report of the auditor.
- c) Additional rules for the conduct of meetings established by the Committee must be consistent with NFN's Financial Administration Law or any directions given by Council.
- d) Any member of the Committee in consultation with the Chairperson may call meetings of the Committee.
- e) All Councillors of Nipissing First Nation may attend meetings of the Committee provided, however, that no Councillor is entitled to vote at such meeting and is not counted as part of quorum for the Committee if he or she is not a member of the Committee.
- f) The external auditor may attend and be heard at meetings of the Committee.
- g) The Committee will maintain written records of attendance at its meetings of Committee members and of any ex-officio member such as the Chief Executive Officer, and the Chief Financial Officer.
- h) The Committee will provide minutes of its meetings to the Council and the Chairperson will provide reports to Council as appropriate on the substance of meetings at the next Council meeting following a Committee meeting.

Financial and Operational Reporting Policy

Policy

Financial statements and reports will be prepared on a regular basis in accordance with generally accepted accounting principles in accordance with the Nipissing First Nation's Financial Administration Law. An annual operations report, including the audited annual financial statements and an assessment of progress towards financial and operational goals of Nipissing First Nation, will be published following the fiscal year end and will be provided to Nipissing First Nation members, council, and other organizations as required.

Purpose

The purpose of this policy is to establish financial reporting requirements and practices to facilitate the preparation and reporting of timely, accurate and relevant financial information on which to assess progress toward goals.

Scope

This policy applies to all of the financial operations and activities of Nipissing First Nation including those operations that Nipissing First Nation controls. The persons affected by this policy include the Council, Finance and Audit Committee, Chief Executive Officer, Chief Financial Officer and managers of Nipissing First Nation.

Definitions

“financial reporting risk” is the possibility of an undetected material misstatement in financial information due to the existence of ineffective internal control or fraud resulting from manipulation or alteration of accounting records, misrepresentation or intentional omissions of transactions, or intentional misapplication of accounting principles.

“financial reports list” means the list of financial statements and reports that are to be prepared on a regular basis.

“fraud risk” is the potential for an employee, agent or other person connected to the financial administration of Nipissing First Nation to use deception to dishonestly make a personal gain for oneself or a loss for another. This commonly includes activities such as theft, corruption, embezzlement, or bribery etc.

“GAAP” refers to generally accepted accounting principles (“GAAP”) of the Canadian Institute of Chartered Accountants, as amended or replaced from time to time.

“internal control” is a process, effected by the Nipissing First Nation's Council, Finance and Audit Committee, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- effectiveness and efficiency of operations;

- reliability of reporting; and
- compliance with applicable laws and regulations.

Responsibilities

Council is responsible for:

- Reviewing the financial statements and reports and the Finance and Audit Committee's corresponding recommendations;
- Deciding whether to approve the financial reports list, the financial statements and reports.

The Finance and Audit Committee is responsible for:

- Determining the financial reports list contents and frequency of reporting it requires from Nipissing First Nation's management team;
- Reviewing the financial reports list, the monthly reports, quarterly and annual financial statements and reports and the Chief Executive Officer's corresponding recommendations, and making appropriate recommendations to Council.

The Chief Executive Officer is responsible for:

- Preparing and updating the financial reports list;
- Reviewing the financial statements and reports and making appropriate recommendations to the Finance and Audit Committee;
- Identifying, assessing, monitoring and reporting on financial reporting risks to the Finance and Audit Committee;
- 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;
- Ensuring that financial reporting risk assessment and management practices have been performed in relation to quarterly and annual financial statements;
- Periodically reviewing these policies in consultation with the Chief Financial Officer and other staff as appropriate and recommending any updates to the Finance and Audit Committee.

The Chief Financial Officer is responsible for:

- At the end of each quarter of the fiscal year, the Chief Financial Officer must prepare financial statements for Nipissing First Nation for that quarter in the form and with the content approved by the Council on the recommendation of the Finance and Audit Committee;
- The Chief Financial Officer must provide the quarterly financial statements to the Council and the Finance and Audit Committee not more than forty-five (45) days after the end of the quarter of the fiscal year for which they are prepared;

- Assessing and managing financial reporting risk and reporting risks to the Chief Executive Officer;
- Developing and recommending procedures for identifying and mitigating financial reporting risks and fraud risks and ensuring approved procedures are followed.

Managers are responsible for:

- Providing all requested information in relation to the preparation of financial statements and reports and the assessment and management of financial reporting risk.

Procedures

Financial reports list

Council and the Finance and Audit Committee, with the assistance of the Chief Executive Officer, is responsible for preparing a list of all financial statements and reports that are to be prepared on a regular basis.

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

Monthly reports prepared by the Chief Financial Officer and will be tailored to the needs of the Nipissing First Nation's management team for monitoring purposes in the form and content recommended by the Finance and Audit Committee and approved by Council.

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

- A brief description or contents of the report;
- The person responsible for its preparation;
- When it is to be made available and its frequency;
- The report's distribution.

The Finance and Audit Committee will review and update the financial manifest reporting requirements report list annually, and submit the list to Council for their review and recommendation.

Council will review and approve the financial manifest reporting requirements report list.

Financial statement preparation

The Chief Financial Officer will prepare monthly information respecting the financial affairs of Nipissing First 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 person identified as responsible for its preparation.

Quarterly financial statements must be prepared and presented to Council and the Finance and Audit Committee not more than forty-five (45) days after the end of the quarter of the fiscal year

for which they are prepared. Each quarterly financial statement will include the following for the Nipissing First Nation and all its related bodies:

- A statement of revenue and expenditures containing a comparison to the approved annual budget;
- A statement of financial position;
- Financial institution account reconciliations;
- Financial information for the self-generating revenue account as required by Nipissing First Nation's Financial Administration Law.

Each quarterly financial statement will be made available to all members of Nipissing First Nation [at the principal offices of Nipissing First Nation, on the Nipissing First Nation website, etc.] as required by the Nipissing First Nation Financial Administration Law.

Each annual financial statement will include the following for Nipissing First Nation [and all its related bodies]:

- The financial information for Nipissing First Nation for the fiscal year prepared in accordance with GAAP;
- The financial information for the self generating revenue account that is required to meet the First Nation Financial Management Board's standards respecting audit of the account;
- The revenue categories for the Nipissing First Nation's lands referred to in subsection [26 (2)] of Nipissing First Nation's Financial Administration Law;
- A special purpose report setting out all payments made to honour guarantees and indemnities;
- A special purpose report setting out the information required in section [10] of Nipissing First Nation's Financial Administration Law (reporting of compensation, benefits and perks of councillors, Chief Executive Officer and their respective families);
- A special purpose report setting out all debts or obligations forgiven by the Nipissing First Nation;
- A special purpose report setting out the information required in paragraph 64(3)(c) of Nipissing First Nation's Financial Administration Law (lending program to Nipissing First Nation members);
- Nipissing First Nation has a land code in force, therefore, a report is done setting out moneys of Nipissing First Nation derived from Nipissing First Nation lands, categorized and shown separately from other revenues and that includes a sub-category respecting revenues from natural resources obtained from Nipissing First Nation lands; and
- Any other report required under the Act or an agreement.

Annual audited financial statements will be prepared, reviewed by the Finance and Audit Committee and reviewed and approved by Council within 120 days after fiscal year end.

Annual financial statements, the corresponding completed financial closing and reporting process checklist, and the highlights memo (if applicable), will be signed by the Chief Financial Officer and presented to the Finance and Audit Committee along with his / her comment(s) and recommendation(s), no later than forty-five (45) days following the end of the fiscal year for which they were prepared.

The Finance and Audit Committee will review the annual financial statements, the accompanying information, and the Chief Financial Officer'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 [60] days following the end of the fiscal year for which they were prepared.

Council will review the annual financial statements, the accompanying information, and the recommendation(s) of the Finance and Audit Committee and the Chief Executive Officer, and make a decision to approve or not approve the annual financial statements.

In the event that the financial statements are not approved by Council, a documented rationale will be communicated to the responsible party(ies) for corrective action. The financial statements will be re-submitted for approval within the timeframe stated by Council.

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

- Financial statements presented to Council for approval;
- 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 Chief Executive Officer's recommendation(s);
- Completed financial closing and reporting process checklist;
- Completed highlights memo (if applicable).

The financial reporting record file will be classified as confidential and secure, and maintained according to the Records and Information Management Policy and Procedure. Retention period will be seven years.

Financial reporting risks

The Chief Financial Officer will maintain the financial manifest reporting requirements list to ensure that all identified financial statements and reports have been prepared and submitted for review and approval by the dates specified.

Annually, as part of the evaluation process, the Chief Executive Officer will ensure that the persons engaged in the financial management system:

- Have the necessary knowledge, skills and competence to perform the services for which they have been engaged;
- Confirm in writing that they understand their responsibilities.

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

- Reconciliation / analysis of all statement of financial position accounts with approval by the Chief Financial Officer. In those instances where the Chief Financial Officer prepared the reconciliation or analysis, then the Chief Executive Officer will be required to approve the reconciliation or analysis (or alternatively a member of the Finance and Audit Committee);
- Review of trade, loan and other receivable balances to identify late payments. Late payments followed up on and have been reviewed for collectability. Any necessary adjustment to the allowance for doubtful accounts has been prepared;
- Reconciliation of general ledger balances with sub-ledger balances (e.g. trade accounts receivable, trade accounts payable, contribution receivable, etc.);
- Search for unrecorded liabilities and preparation of accrual journal entries, including:
 - Reconciliation of supplier statements;
 - Review of unmatched receiving information;
 - Review of unmatched purchase orders;
 - Review of numerical continuity of purchase orders;
 - Review of current contracts for supplies or services, including follow-up with supplier when necessary;
- Enquiries of departmental managers for any invoices, expense reports, commitments or any other knowledge of liabilities incurred at reporting date.

The “financial closing and reporting process checklist” will be approved by the Chief Financial Officer on a monthly basis.

Analysis of revenue and expense accounts for budgetary variances and for reasonability, where necessary, will be prepared by the Chief Financial Officer and the Finance Manager including:

- Reconciliation of payroll expense to the payroll register and bank account balance;
- Preparation of non-recurring journal entries and journal entries not in the ordinary course of business, with supporting documentation;
- Approval of material non-recurring journal entries and journal entries that are not in the ordinary course of business by Finance and Audit Committee;
- Recurring journal entries have been prepared, approved by the Chief Financial Officer, and recorded;
- The financial statements have been reviewed for accuracy, additions, and cross-references. The financial statements agree with the general ledger;
- The presentation of the financial statements has been reviewed. Necessary disclosures and reclassification entries have been prepared and have been approved by the Chief Financial Officer;

- Draft departmental financial statements have been provided to managers for their review, comment and budgetary variance explanations. Any issues or questions have been resolved;
- The Chief Financial Officer is satisfied that the financial statements are accurate and presented in accordance with GAAP.

The Chief Financial Officer will prepare a highlights memo for each set of quarterly and/or annual financial statements prepared. The highlights memo will, at a minimum, report:

1. Financial Performance, specifically:

- An assessment of the overall financial situation for Nipissing First Nation (i.e. surplus, deficit, adequate reserves, etc.);
- A review of progress towards financial and operational goals set during the planning process;
- Identification and explanation of material budgetary variances;
- Current ratio and any ratios required to be maintained by contract (e.g. financial covenants contained in borrowing agreements);
- Doubtful accounts receivable, with changes since last quarter summarized;
- Payment status of statutory and contractual obligations. Specifically, a listing of all late payments with explanations;
- Remediation options where financial performance is not in accordance with plans.

2. Exceptions to expected financial and system performance. Specifically:

- Unanticipated problems preparing the financial statements and the resolution;
- Unusual or unexpected accounting balances or transactions;
- Accounting entries not in the ordinary course of business;
- Explanation of transactions where measurement or accounting treatment was uncertain or where there were choices under GAAP;
- Weaknesses in, and, suggestions to improve, the financial management system;
- Instances of financial administration law or system non-compliance, fraud and / or unauthorized activities.

Forecast to end of year. Specifically:

- Forecast of annual operations and budgetary performance, and annual cash flow and expected cash surplus or financing requirement;
- Statement of assumptions used in the budget process and any changes in assumptions that affect the budget;
- Identification of emerging financial performance risks and opportunities;
- Remediation options where forecast financial performance is not in accordance with plans.

- Changes to the accounting software (i.e. new system or major changes to the current system set-up) require authorization from the Chief Financial Officer 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 Chief Financial Officer or designate.

Fiscal year

The fiscal year for Nipissing First Nation will be the period beginning on April 1 and ending on March 31 of the following year.

Annual Report

The Council must prepare and publish an annual report within the timeline specified in Nipissing First Nation's Financial Administration Law that details the progress towards the financial and operational goals of the Nipissing First Nation over the course of the fiscal year.

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

- A description of the services provided by Nipissing First Nation and its operations;
- A review of Nipissing First Nation's achievement towards its values, goals and objectives;
- A progress report on any established financial objectives and performance measures of Nipissing First Nation;
- The audited annual financial statements for the previous fiscal year including any special purpose reports prepared and approved in accordance with the External Audit Policy.

The annual operations report will be made available to all members of Nipissing First Nation [at the principal offices of Nipissing First Nation, on the Nipissing First Nation website, etc.] as required by the Nipissing First Nation Financial Administration Law, and provided to all Council members, to the Board, to the First Nations Finance Authority and other organizations as required.

Financial Institution Account and Cash Management Policy

Policy

It is Nipissing First Nations policy that all financial institution accounts be authorized according to the provisions in the Financial Administration Law, operated solely for the identified purposes and by properly authorized person(s), reconciled in a timely manner and independently reviewed and approved, and properly recorded in the book of accounts and reported in the Nipissing First Nation's financial statements.

It is Nipissing First Nations policy to maintain records of all financial institution transactions.

Purpose

The purpose of this policy is to ensure that all financial institution accounts and related transactions, excluding investment accounts, are properly authorized, controlled, recorded and reported.

Scope

This policy and procedure applies to Council, the Chief Executive officer, the Chief Financial Officer, the Finance Officer and any other Nipissing First Nation employee who has been assigned financial institution account responsibilities.

Definitions

“Finance staff” – The employee(s), reporting to the Chief Financial Officer or the Finance Officer, who are responsible for the day-to-day financial administration of Nipissing First Nation.

Responsibilities

Council is responsible for:

- the approval of additions / removals from the signing authority list for each financial institution account, subject to the Financial Administration Law.

The Chief Finance Officer is responsible for:

- the approval of the creation or termination of each financial institution account;
- ensuring the safekeeping of all money received by Nipissing First Nation;
- ensuring all money received by Nipissing First Nation is deposited as soon as practicable into the appropriate accounts described;
- assigning banking duties to employees and ensuring that adequate segregation of duties is maintained;
- providing oversight and monitoring of the deposit process;
- ensuring physical safeguards are implemented for cash and blank cheques;

- performing an independent review of each account reconciliation and acknowledging the same by signing and dating the reconciliation;
- ensuring that a reconciliation is performed each month for every financial institution account; and
- documenting and alerting the Finance and Audit Committee of any irregularities in the reconciliation process.

The Finance staff are responsible for:

- recording revenue deposited in the accounting system; and
- ensuring all anticipated recurring deposits have been received. The accountant will alert the Chief Financial Officer when expected receipts have not been received.
- The employees assigned banking duties by the Chief Financial Officer are responsible for:
 - receiving cheques and cash;
 - preparing cheques and cash for deposit to the appropriate financial institution account;
 - reconciling petty cash accounts on a regular basis.
 - The employee delegated by the Chief Financial Officer and the Finance Officer to prepare financial institution reconciliations is responsible for:
 - preparing a reconciliation for each of Nipissing First Nation's financial institution accounts;
 - ensuring that supporting documentation and records are retained for each reconciliation;
 - alerting the Chief Financial Officer of any irregularities.

The Finance and Audit Committee is responsible for:

- ensuring an investigation takes place of any irregularities from the reconciliation process brought to their attention by the Chief Financial Officer or any other employee.

Procedures

The Finance Officer will develop a clear description of the purpose of each financial institution account and provide it to all employees who are responsible for depositing funds or recording revenue into the accounting system.

Separate revenue accounts will be created to manage self-generating revenues separately from the other sources of revenue or funding of Nipissing First Nation.

Cash

Cash received will be recorded in the Nipissing First Nation accounting system. Two receipt copies will be provided: the first copy will be for the organization/individual submitting the cash; and the second (2nd) receipt copy will be maintained for Nipissing First Nation's records. The receipt will indicate the amount, source, date, and reason for payment.

Cash will be deposited once the total amount received reaches Five Thousand (\$5,000) or on a weekly basis, whichever occurs first.

All cash received should be securely stored in a safe or a locked cabinet until it is brought to the financial institution for deposit. Access to the secure storage should be limited to the employee responsible for making deposits.

A limited number of petty cash accounts as determined by the Finance Officer 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 transfer. Petty cash accounts will be managed as follows:

1. the creation of a petty cash account must be approved by the Chief Financial Officer;
2. the Chief Financial Officer will decide the total value of the petty cash, not to exceed Two Hundred and Fifty dollars (\$250.00), and the maximum transaction that can be paid using a petty cash, not to exceed Forty dollars (\$40);
3. each petty cash account will be assigned to a specific employee who is responsible for managing its use and maintaining all receipts to support cash spent;
4. petty cash reconciliations will occur periodically as determined by the Chief Financial Officer.

Cheques

All cheques received will be recorded the Nipissing First Nation accounting system. The receipt entry will include the date, source amount and reason for payment. All cheques will be deposited at the appropriate financial institution on a weekly basis, at a minimum.

Recording of Deposits

To maintain proper segregation of duties, the employee who accounts for revenue and accounts receivable in the accounting system will not be the same employee who receives cash or cheques or performs bank reconciliations on behalf of Nipissing First Nation.

A list of anticipated ongoing deposits will be maintained and reviewed on a monthly basis. Any expected deposits that have not been deposited in the financial institution account(s) will be reported by the Finance Officer to the Chief Financial Officer immediately.

Financial Institution Account Management

Approval of the Chief Executive officer, the Chief Financial Officer, in accordance with the Nipissing First Nation Financial Administration Law, is required to open a Nipissing First Nation bank account.

Approval of the Council is required to close a Nipissing First Nation bank account.

Separate revenue accounts will be opened and maintained. Only self-generating revenues can be deposited in these accounts.

The Chief Financial Officer and/or the Finance Officer are the main points of contact for all interactions with financial institutions. Arrangements will be made with the financial institution to ensure that all account statements, returned cheques or inquiries are sent to the Chief Financial Officer or an assigned employee. The employee preparing account reconciliations will not be given this assigned responsibility.

Nipissing First Nation will maintain a current list of all financial institution accounts and a file of all financial institution mandates, letters of intent, and correspondence.

Individuals on the authorized signing authorities list for each financial institution account will be set out in the Financial Administration Law.

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 Delegated and Assigned Responsibilities Policy and the Financial Administration Law.

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

- the employee performing account reconciliations will be granted read-only access to the account he/she has been assigned to reconcile;
- only employees with signing authority will be provided online banking access to perform transactions;
- ability to complete transactions, such as electronic funds transfers, will be controlled in a similar manner as cheques. Two employees will be required to approve each transaction. Each employee will have a separate login and individual password.

Cheque stock

Blank cheques will be stored in a secure cabinet or safe with controlled or limited access and cheque stock should be sequentially pre-numbered.

Payee and amount must be presented before any of the authorized signatories can sign the cheque. No cheques will be signed if blank.

Reconciliation

Each of Nipissing First Nation's financial institution accounts will be reconciled to the accounting system records within forty-five (45) days of the end of each month, except under documented extenuating circumstances.

Reconciliation records will be retained. Documentation to support the amounts recorded on the reconciliation, such as accounting system general ledger reports, financial institution statements, outstanding cheque reports, etc., will be included in the reconciliation file.

The employee preparing the financial institution account reconciliation will monitor and investigate adjustments that carry over from month to month.

Outstanding cheques will be monitored and any cheques outstanding for more than six months will be investigated with the employee responsible for preparing cheques (i.e. Accounts Payable) to determine whether the cheque remains valid or if it should be stale-dated.

'In transit' deposits will be investigated immediately if not cleared by the financial institution within one week.

Other adjustments that are routine in nature will be entered in the financial system through the journal entry process.

Unusual, or unresolved entries that carry over for more than one month, will be reported to the Chief Financial Officer.

The employee preparing the reconciliation will sign it as evidence that the reconciliation is complete and that they have carried out their duties as described in this policy.

Independent Review

The Chief Financial Officer will review and approve each financial institution account's reconciliation for completeness, timeliness and accuracy. The Chief Financial Officer will review to ensure the following:

- the reconciliation balances;
- all amounts recorded on the reconciliation are appropriately supported by documentation such as financial institution statements and financial system reports;
- 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;
- un-usual adjustments are well explained, supported, and, if material in nature, are brought to the attention of the Finance and Audit Committee.

The Chief Financial Officer or the Finance Officer performing the independent review will sign and date the reconciliation to indicate that they have carried out their duties as described in this policy.

Irregularities

Any irregularities, such as reconciliations that do not balance or unusual adjustments, will be reported by the Chief Financial Officer to the Finance and Audit Committee as soon as practicable.

Financial Management System Improvement Policy

Policy

Areas for improvement in the financial management system will be managed, tracked and resolved on an ongoing basis as identified by the Chief Financial Officer and annually through internal assessments of critical activities.

Purpose

The purpose of this policy is to provide guidance on Nipissing First Nation's continual improvement of its financial management system.

Scope

This policy applies to the Chief Financial Officer, Finance and Audit Committee, and the Financial Management System Assessment Ad Hoc Team.

Definitions

"Internal Assessment" is a review of an activity/process by an independent Nipissing First Nation staff member (i.e. an individual not responsible for or involved in the activity) to determine the effectiveness and sufficiency of controls related to the specific activity or process.

Responsibilities

Nipissing First Nation is a borrowing member, therefore, the Council is responsible for:

- a) ensuring that Nipissing First Nation takes measures as soon as practicable to rectify any gaps or areas of non-compliance between Nipissing First Nation's financial management systems and practices and the First Nations Financial Management Board Standards.

The Finance and Audit Committee is responsible for:

- a) Designating members of the Financial Management System Assessment Ad Hoc Team;
- b) Scheduling the dates for required meetings of the Financial Management System Assessment Ad Hoc Team;
- c) Reviewing reports from the Financial Management System Assessment Ad Hoc Team;
- d) Reporting to Council as soon as practicable any gaps or areas of non-compliance between Nipissing First Nation's financial management systems and practices and the First Nations Financial Management Board Standards and monitoring actions taken to bring Nipissing First Nation into compliance.

The Financial Management System Assessment Ad Hoc Team is responsible for:

- a) Planning, scheduling, and conducting internal assessments;
- b) Ensuring issues or concerns identified through the internal assessment process are resolved;

- c) Holding an annual meeting to review the financial management system for the previous fiscal year;
- d) If Nipissing First Nation is a borrowing member, performing self-assessments of Nipissing First Nation's financial management systems and practices against the First Nation Financial Management Board's Standards and monitoring to ensure that any gaps or areas of non-compliance are rectified as soon as possible;
- e) Reporting to council, the Finance and Audit Committee, and the internal/external auditors on the results of their reviews.

The Chief Financial Officer is responsible for:

- a) Ensuring issues and concerns regarding the financial management system are collected, tracked, managed, reported and resolved as required in this policy;
- b) Participating in the Financial Management System Assessment Ad Hoc Team.

Procedures

Financial Management System Assessment Ad Hoc Team

- The Financial Management System Assessment Ad Hoc Team ("the Assessment Ad Hoc Team") will be composed of the Chief Executive Officer, the Chief Financial Officer, and other finance and operations staff designated by the Finance and Audit Committee including at least one (1) of the Council members who are appointed to the Finance and Audit Committee.
- The Assessment Ad Hoc Team will meet at least once annually.
- Annually on a date scheduled by the Finance and Audit Committee, the Assessment Ad Hoc Team will review the financial management system for the period of the previous four quarters and up to the date of the meeting.

The Assessment Ad Hoc Team 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 Nipissing First Nation's corporate and personnel organization charts.

The Assessment Ad Hoc Team must prepare a report for distribution to the Finance and Audit Committee and internal/external auditors that includes the following:

- a) 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, in the opinion of the Committee, would be beneficial to the financial management system.

Internal Assessments

At the beginning of each fiscal year, the Assessment Ad Hoc Team will prepare an assessment plan which identifies critical or significant activities which should undergo an internal assessment in the current year. The criteria for identifying these issues are as follows:

- a) Risk – likelihood and potential impact if the process/controls in a specific area are not functioning properly;
- b) Activities with previously identified problems – Any areas that have been identified in past internal assessments with recurring issues will be considered for review in the current year.

The assessment plan will contain a schedule and timeframe for completion of each internal assessment identified.

The assessment plan proposed by the Assessment Ad Hoc Team will be approved by the Finance and Audit Committee. Approval will be documented in the Finance and Audit Committee minutes.

The individual performing the internal assessment (“the Assessor”) will be independent of the operations or activities being assessed. This individual will be assigned by the Assessment Ad Hoc Team and can be a Nipissing First Nation staff member so long as the individual is independent of the operation or activity under review.

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

Reports will be issued to the Chief Financial Officer, to individuals responsible for the area/activities assessed, the Assessment Ad Hoc Team and the Finance and Audit Committee.

Continual improvement process

The Chief Financial Officer will be responsible for ensuring that any concerns or issues regarding the financial management system of the First Nation and brought to his/her attention are tracked, managed, and resolved on an ongoing basis.

Based on the Chief Financial Officer’s analysis of the concern or issue, the following steps will be taken:

- a) For items that relate to improvements in efficiency and/or effectiveness, the Chief Financial Officer will consider the cost versus benefit of implementing the changes and act accordingly;
- b) For any other issues, such as minor instances of non-compliance with policy, the Chief Financial Officer will take the necessary steps to remediate and will report the findings and actions taken to the Chief Executive Officer;
- c) All items will be tracked and records maintained of all actions taken.

On a yearly basis, a report of the concerns or issues raised, actions taken, and any remaining potential process improvement opportunities will be submitted to the Assessment Ad Hoc Team.

Review of Financial Administration Law

Annually, the Finance and Audit Committee will review Nipissing First Nation's Financial Administration Law:

- To determine if it facilitates effective and sound financial administration of the First Nation, and
- To identify any amendments to this Law that may better serve this objective.
- The Finance and Audit Committee will report to the Council on the results of its review including any recommendations it makes for amendments to Nipissing First Nation's Financial Administration Law.

Membership information or involvement

In the event that recommendations from the Finance and Audit Committee require amendments to Nipissing First Nation's Financial Administration Law, Council will ensure that Nipissing First Nation members are provided the information or involved in consideration of any proposed amendments to the Law as required in Nipissing First Nation's Financial Administration Law.

Requirements Specific to Borrowing Members

The Assessment Ad Hoc Team will determine whether Nipissing First Nation is in compliance with the First Nations Financial Management Board Standards. This will be performed through a self-assessment that compares Nipissing First Nation's financial management systems and practices to the First Nations Financial Management Board's Standards.

The self-assessment should include the following:

- a) Identification of all significant activities and a schedule of critical dates for completion of these activities;
- b) Assignment of the responsibilities and authority for all significant activities;
- c) A description of all records to be maintained including records of response to any non-compliance.

Any gaps or areas of non-compliance between Nipissing First Nation's financial management systems and practices and the First Nations Financial Management Board Standards will be corrected as soon as possible.

The results of the self-assessment exercise and actions being taken to remediate the gaps or areas of non-compliance identified will be reported to the Finance and Audit Committee by the Chief Financial Officer.

In addition to the self-assessment process to be conducted by the Assessment Ad Hoc Team as set out in this policy, if the Chief Financial Officer becomes aware at any time of any circumstances that could be considered a gap or area of non-compliance between Nipissing First

Nation's financial management systems and practices and the First Nations Financial Management Board Standards, the Chief Financial Officer will report these circumstances to the Finance and Audit Committee as soon as practicable along with the actions to be taken to remedy those circumstances.

Human Resources Management Policy

PART 1. PURPOSE AND APPLICATION

- a) The purpose of this policy is to maintain a harmonious and mutually beneficial relationship between the Nipissing First Nation represented by Chief and Council and its employees, by clearly defining the conditions of employment and outlining its human resources management regimes.
- b) The terms and conditions may change subject to a periodic review process or as dictated by decisions derived from legal process. All changes shall require the approval Council by resolution.
- c) The application of this policy shall extend to all delegated commissions or boards that may be established by Council unless such commissions or boards also receive delegated authorization to create their own policies in human resources management.
- d) Where a written individual employment contract exists and where conflicts between that contract and this policy may occur, the terms of the individual employment contract shall prevail.
- e) Where this policy is silent, the minimum standards of the Canada Labour Code shall apply.

PART 2. DEFINITIONS

Chief and Council are members of the Nipissing First Nation elected in accordance with the Nipissing First Nation Custom Election Regulations and who have the political and legal mandate from its electorate to establish a public service organization by enacting appropriate and binding human resources management policies.

Chief Executive Officer shall be the senior First Nation employee and supervisor of all other First Nation employees who has the authority to delegate supervision responsibilities of employee's to other program managers.

Employer indicates the Nipissing First Nation represented by the elected Council of the Nipissing First Nation and may also be referred to as the First Nation or as the employer in this and other policy documents.

Employee means an individual who is hired for employment at Nipissing First Nation through a formal recruitment process.

Confidentiality means all matters or materials identified as restricted, or for limited access, which places controls on certain types of information and is intended for use by designated personnel only.

Full-Time Employees are employed for an indeterminate period and regularly work the standard number of hours fixed by the employer. They may also be referred to as permanent full-time employees. Nipissing First Nation full-time employees work a minimum of 30 hours per week.

Part-Time Employees are employed for an indeterminate period and regularly work less than the standard number of hours fixed by the employer. They may also be referred to as permanent part-time employees. Nipissing First Nation part-time employees work less than 30 hours a week.

Casual/Relief Employees are employed for an indeterminate period where hours of work on a daily, weekly or monthly basis are not established or guaranteed. Hours are typically assigned on a casual and/or call-in basis.

Leave means authorized absence from duty of an employee during his/her regular normal hours of work.

Year means the fiscal year commencing on April 1 and ending March 31 of the following year.

Selection or Appointment means the employing of a person by the Nipissing First Nation.

Work Week is defined as five (5) consecutive work days with two (2) days of rest, usually Saturday or Sunday unless otherwise specified by Nipissing First Nation Chief and Council.

Insubordination means the deliberate failure to follow direction or delivery of services as directed by an immediate supervisor or senior management.

Matter for Closed or Committee of the Whole meetings include only those matters in legal process, matters under contract negotiations or, matters that involve human resources management.

Compensatory Leave means leave with pay in lieu of cash payment or time off, and such leave will be compensated as outlined in this policy.

PART 3. PROTOCOLS

- a) All First Nation employees shall be responsible for specific duties outlined in their respective job description.
- b) All First Nation employees shall report to their immediate supervisor in accordance with the policies of the administration.
- c) Report to the Chief Executive Officer.

Chief Executive Officer shall be the senior First Nation employee and supervisor of all other First Nation employees who has the authority to delegate supervision responsibilities of employee's to other program managers.

PART 4. ROLE OF THE HUMAN RESOURCES MANAGER

The role of the Human Resources Manager for the Nipissing First Nation is one of support and guidance.

Additionally, the Human Resources Manager is responsible for the maintenance of the Human Resources Management Policy by ensuring both the employer (manager) and the Employee are knowledgeable and aware of the policy and its provisions.

- a) Provides advice and guidance in all human resource management matters;
- b) Providing guidance and employee assistance programs;
- c) Development and implementation of training plans;
- d) Development of career plans;
- e) Assisting employees with retirement or career changes;

PART 5. HUMAN RESOURCES MANAGEMENT AND PRINCIPLES

The Nipissing First Nation has always maintained the belief in developing its own human resources capacity and in the principle of helping its members gain personal growth and well-being through employment opportunities and more specifically, by adhering to the following principles:

- a) The Nipissing First Nation believes in the principle of mutual employer/employee responsibilities in maintaining the positive and professional image of the First Nation by our values statement guided by our seven grandfather teachings; Respect – Minaadendamowin; Wisdom – Nibwaakaawin; Love – Zaagi'idiwin; Humility – Dabaadendiziwin; Bravery – Aakode'ewin; Honesty – Gwayakwaadiziwin; Truth – Debwewin.
- b) The Nipissing First Nation believes in providing training resources (time and financial) to support the annual training plan identified during the annual employee performance review.
- c) To give first priority to Nipissing First Nation registered members in job placements within the First Nation public service.

- d) To provide staff development and career enhancement measures to its employees.
- e) To allow permanent employees opportunities and the rights to compete for new, or altered, or vacant positions within the public service organization of the Nipissing First Nation in which may contribute to their personal employment growth and well-being.
- f) Nipissing First Nation shall practice fair and equitable human resources searches to fill and appoint individuals to vacant or planned employment positions.

PART 6. Recruitment, Screening and Selection

Recruitment is the process of inviting, evaluating and hiring employees to fill an identified role for the First Nation.

Recruitment begins with sourcing or searching for candidates. In keeping with the Human Resources Management principle of member priority for job placements vacancies will be posted in stages as follows:

- a) The first search shall be by a closed or restricted competition to all registered Nipissing First Nation members only.
- b) If no suitable candidate is found, the second search shall include registered First Nation members and non-member spouses of Nipissing First Nation members.
- c) If no suitable candidate is found during the first and second search, the third search shall be open with no restrictions.
- d) For each level of search registered Nipissing First Nation members are eligible to apply.
- e) The human resource searches shall be based on relevant qualifications assessed against job requirements.
- f) The questions posted to candidates must always be based only on the qualifications requested in the employment opportunity or posed in such a manner as to properly assess attitudinal factors desired for the position to be filled.
- g) The Nipissing First Nation members will be given a preference for appointment if, as a result of the interview score process, his/her score is within 10% of the scoring results of a non-Nipissing Nation candidate. This provision is contingent upon the Nipissing First Nation member achieving at least the minimum score to pass the interview.
- h) In this event, the Nipissing First Nation candidate may be appointed to the position on a six (6) month probationary period, subject to an agreed upon development and training plans, to bring him or her to expected standards.

6.1 Employment Procedures and Administrative Practices

The duration of an advertisement will be at least two (2) weeks and at the most one (1) month, unless otherwise specified.

Notices of employment shall consist of:

- a) Mandatory requirements and/or restrictions.
- b) Lines of authority, who the employee will report to.
- c) A summary of duties to be performed.
- d) The essential qualifications in relation to the position.
- e) Deadline date for the acceptance of applications.
- f) Contact person to access related information.
- g) Search scope, whether competition is restricted by geography or other considerations.
- h) Notification that written references will be required prior to appointment.

All permanent employment opportunities shall be advertised by ways of Nipissing First Nation's website, newsletter, or mail out, but not limited too.

6.2 Screening and Selection Process

A review of applications and materials submitted by candidates will be carried out by the Human Resources Manager who shall select a committee of Nipissing First Nation employee(s) to conduct a screening and interview process as follows:

- a) Members of the selection committee who are in conflict as defined in the Conflict of Interest Code must be removed from the screening/selection process.
- b) Qualifying candidates will be interviewed by a selection committee and the responsible manager.
- c) All applicants that participate in the interview process must have a minimum passing score of 65% to be considered for the position posted.
- d) All interviews will be conducted using a pre-determined scoring point system for each question based on the degree of knowledge skills, abilities and other characteristics being assessed. Tests may be performed.
- e) The Human Resources Manager shall ensure references will be checked for all qualifying applicants prior to authorizing employment offers, including any and all criminal checks that may be required.

6.3 Eligible List

- a) The selection committee shall establish a list of successful candidates through the merit system, rating the highest score first and so on.
- b) If the candidate who rates the highest cannot accept the employment, the selection committee may offer to the next highest scoring candidate or direct the responsible manager to re-post (re-advertise) the employment opportunity.
- c) If the position becomes vacant within 6 months, consideration to make an offer of employment to the second candidate. The applicant must have successfully scored and passed the interview and have positive reference checks.
- d) The results of the hiring process shall be provided to Council through the office of the Chief Executive Officer at a duly convened Council meeting.
- e) Where an applicant feels he/she has not been treated fairly in the selection process, they may appeal to the Chief Executive Officer.
- f) Unsuccessful candidates will be notified in writing as soon as possible after the successful candidate has accepted the employment position.

6.4 Recruitment and Selection Documentation

- a) Human Resources recruitment and selection documentation shall be treated as confidential and shall be held in security for a minimum of one (1) year in order to protect the rights of appeal for employees and for the protection of the Nipissing First Nation.
- b) Documented screening results are to be held in confidentiality and held in security for a minimum of one (1) year. Applicants who participated in the screening phase may request a review of their individual results.

PART 7. TERM PROMOTIONS, ACTING ASSIGNMENTS & SECONDMENTS

- a) The Chief Executive Officer may on a term basis offer promotions, acting assignments or secondment to existing qualified employees.
- b) It shall be the responsibility of the employee to apply for the advertised vacant position either on a promotional, assignment or secondment basis with the understanding that the position can only be filled by an open competitive process.
- c) The applicant's manager must demonstrate the ability to manage workloads during the term of this assignment.
- d) Where appointment to an acting assignment or secondment results in a vacancy, the normal process of recruitment and selection will apply.
- e) The Human Resources Manager shall ensure the appointment is described by contract with appropriate terms of reference.

- f) A copy of the contract with all relevant documents shall be placed in the employee's personnel file.
- g) In the event that the Chief Executive Officer is absent for reasons other than illness, he/she shall delegate an employee to act in his/her capacity during the period of his/her absence. For longer periods of absence (i.e. sick leave), Council may appoint an employee to act in the capacity of the Chief Executive Officer. The employee appointed by Council will be compensated for taking on this responsibility during the Chief Executive Officer's absence.
- h) The First Nation staff in support positions may be compensated by way of salary for performing duties of another co-worker who is away from his/her position for a period of more than six (6) weeks in a same department and who is expected to assume the role of the said higher paid position. Approval for change in salary must be approved by the Chief Executive Officer on the recommendation(s) of the program manager.
- i) Upon completion of the term promotion, acting assignment or secondment, the employee shall return to his/her substantive position, unless that employee is the successful candidate in the open competition.

PART 8. RIGHTS AND OBLIGATIONS OF EMPLOYEES

- a) Each employee shall have a written job description. The job descriptions shall be reviewed annually by the employee in conjunction with the immediate supervisor to ensure relevance and appropriateness.
- b) Should the job description require changes, the immediate manager shall approve necessary changes with the approval of the Chief Executive Officer.

PART 9. CONFLICT OF INTEREST Policy

- a) All employees of the Nipissing First Nation will follow the Conflict of Interest Policy.
- b) Any actual or perceived conflicts of interest must be reported to the Chief Executive Officer of the First Nation who shall determine whether the perceived conflict warrants a report to Chief and Council.

PART 10. EMPLOYEE CODE OF ETHICS

All employees of Nipissing First Nation are required to abide by the Code of Ethics and accept the terms as a condition of employment. Employees are required to review and sign off on the code annually, which will normally occur as part of the employee's performance review.

PART 11. PUBLIC OFFICE RIGHTS AND RESPONSIBILITIES

- a) Employees who wish to seek public office within the Nipissing First Nation organization shall first notify their immediate supervisor or manager of their intentions to do so in writing.
- b) An employee who is nominated and accepted the nomination must submit a request for leave within the same work week as the nomination date and be off work for the duration of the election campaign using leave credits. If the employee has no available leave credits, leave will be taken without pay.
- c) The supervisor or manager of the employee requesting leave to seek public office may only be denied his/her request based on the position and responsibilities they hold with Nipissing First Nation where they are considered to be an emergency contact within the organization.
- d) The employee must decide to take a leave of absence from his/her position upon being nominated or decline the nomination to seek office.
- e) An employee elected to public office will be required to resign his/her employment position with Nipissing First Nation and cease to be an employee of the First Nation effective the beginning of her/his official term.
- f) The Human Resources Manager must inform the employee who wishes to seek office the implications that will affect severance rights, benefits and treatment of leave credits.

PART 12. PROBATION

- a) All new employees shall have a three (3) or six (6) month probationary period and be required to undergo a mandatory performance evaluation prior to the end of the probationary period.
- b) The Chief Executive Officer may waive or extend the probationary period based on the documented performance evaluation and the written recommendation of the immediate manager.
- c) The Chief Executive Officer or the delegated immediate manager must notify the employee in writing giving reasons for the waiver or for the extension prior to the end of the current probationary period.

PART 13. GRIEVANCE PROCESS

- a) When an employee has a grievance, such grievance must be submitted in written form and presented to the Chief Executive Officer
- b) Where the Chief Executive Officer reviews an employee's grievance, the decision is final and binding on all parties and his/her decision is recorded and placed in a secure and confidential file.

PART 14. Progressive Discipline Process

- a) The purpose of this progressive disciplinary process is to provide a means for the enforcement of the First Nation's internal policies, ethics and procedures and to protect the rights of employees of the First Nation. The levels and responsibilities of the disciplinary action listed below shall be:
- First Occurrence – verbal reprimand with note to file signed by the supervisor and employee.
 - Second Occurrence – written reprimand signed by the supervisor and employees and placed on personnel file. A copy is given to the employee.
 - Third Occurrence – suspension for a period of three (3) days without pay signed by the supervisor and employee in conjunction with the Chief Executive Officer.
 - Fourth Occurrence – termination by the Chief Executive Officer.
- b) Employees shall be required to sign all reprimands. If an employee refuses to sign, the Manager/Supervisor will sign and date noting this refusal.
- c) The employee shall have appeal rights as provided under the Grievance Investigation.
- d) All reprimands remain active in the employee's personnel file for a period of one (1) year, from the last occurrence. Where action or repeat occurrences extend the reprimand process, the related reprimands will remain on the employees' files.

PART 15. ABANDONMENT

Where an employee is absent from duty without proper notification, or without authorization or proof of absence, and without just cause, the Human Resource Manager will make reasonable effort to make contact with the employee. After a period of five (5) working days the employee will be deemed to have abandoned their position and will cease to be an employee of the Nipissing First Nation. No notice of termination is issued and the employee is not entitled to severance pay.

PART 16. TERMINATION OF EMPLOYMENT

- a) When the services of an employee are no longer required, due but not limited to lack of work, lack of funds or discontinuance of a function, the Chief Executive Officer shall inform the employee of termination of his/her employment.
- b) An employee may be terminated if the employee is incapable of fulfilling the duties and responsibilities of the specified position; political mischief; breach of trust and confidentiality; or misconduct while on the job or insubordination.
- c) The responsible manager in consultation with the Chief Executive Officer may suspend an employee immediately for theft, misconduct while on the job and/or for subordination.

- d) If an employee cannot fulfill the required duties and responsibilities as outlined in the job description, the manager shall discuss the necessary training required with the employee to assist or improve his/her skills.
- e) Length of training session and the degree of improvement related to specific positions shall be jointly discussed and documented between the employee and responsible manager
- f) If the employee refuses the training sessions or if the employee after the training, still cannot fulfill the required duties, the employee will be notified of the termination date of his/her employment.
- g) If upon completion of the evaluation, the employee is deemed to be incapable of carrying out the specific duties of the job description, the program manager shall notify the Chief Executive Officer and Human Resources Manager of his/her recommendation to terminate employment of the employee by providing written substantiation.
- h) If an employee is suspected to have breached the trust or confidentiality of the affairs of the Nipissing First Nation Council, the said employee will be suspended with remuneration while a complete investigation takes place. Dismissal, leave without pay, or other penalty, will result, should an employee by the use of his/her position, causes extra consideration or any remuneration to be paid to him/her.
- i) The Chief Executive Officer shall provide a report to the Nipissing First Nation Council.

16.1 Notice of Termination

- a) The Nipissing First Nation Council provides the following period of due notice for termination of employment.
- b) The following period of due notice of termination of employment except where the termination is by way of dismissal with cause:

Length of Employment	Period of Notice
0 to less than 3 months	No notice
3 months to 5 years	2 weeks
5 years to less than 10 years	4 weeks
10 years or more	8 weeks

16.2 Severance Pay

- a) The amount of entitlement is the equivalent of one (1) week at the employee's regular rate of wages for regular hours of work for each completed year of employment.
- b) Employees who quit, abandon or voluntarily terminate their employment with the Nipissing First Nation shall not be entitled to severance pay.
- c) Severance pay will not be paid to employees terminated "with cause".

PART 17. RESIGNATION

Employees who resign from their current position with Nipissing First Nation must submit a signed letter of resignation addressed to the Chief Executive Officer who will acknowledge in writing. Notice will be brought to the attention of the Nipissing First Nation Council and a copy of the written acknowledgement shall be placed on the employee's employment file.

Resignation letters must include the following:

- a) Employee name
- b) Date
- c) Last day of work indicated
- d) Employees signature (in ink)

Other communication methods of resigning from employment with Nipissing First Nation may be accepted and acknowledged from the date received.

PART 18. HOURS OF WORK

- a) Normal hours of work for employees shall be Monday to Friday from 8:30 am to 4:30 pm, however, due to the diverse operations of some departments within Nipissing First Nation, hours of work may differ.
- b) Hours of work governing most employees, as per work week definition, consists of thirty-five (35) hours per week.
- c) The employer will provide two (2) rest periods of fifteen (15) minutes each day based on a 7 hour work day. These rest periods shall not be considered or calculated as overtime.

PART 19. SECONDARY EMPLOYMENT

- a) Employees may engage in additional employment outside of regular work hours with other organizations that are not affiliated with Nipissing First Nation, provided the additional employment does not in any way negatively affect their work performance with Nipissing First Nation.
- b) Employees shall inform their immediate supervisor of secondary employment including any potential conflict of interest.
- c) The supervisor shall report this finding to the Chief Executive Officer.

PART 20. DRESS CODE

Employees of the Nipissing First Nation's public service or employees of authorized management entities of Nipissing First Nation shall be required while carrying out their duties to dress in a manner that reflects the principles of this policy and portrays a professional image of this organization.

PART 21. DISCLOSURE OF INFORMATION

- a) All information acquired relating to First Nation business and considered confidential shall not be released to the general public, news media or social media unless previously authorized by the Chief Executive Officer and/or Chief and Council.
- b) Any employee acting contrary to the disclosure of information section will be dealt with under the Reprimand System and depending on the severity of the release may be suspended for a fixed term, or terminated.
- c) The foregoing sections do not restrict Nipissing First Nation membership from access rights to information maintained by the Nipissing First Nation.

Part 22. PAY, ALLOWANCES AND BENEFITS

For the purpose of calculating pay or remuneration as annual, weekly, daily or hourly rates, the following shall apply:

- Annual rate means the rate of twelve pay for twelve (12) months.
- Weekly rate means an employee's annual rate divided by 52.
- Daily rate means an employee's weekly rate divided by the number of days worked per week.
- Hourly rate means an employee's weekly rate divided by the number of hours worked per work week.

22.1 Official Pay Days

- a) The official pay days for salaried employees shall be every two (2) weeks. Hourly paid employees are on a one week hold back for the first week and will be paid bi-weekly thereafter. The only exception is for hourly casual employees hired for one or two days work. These employees may be paid as soon as the hours worked are submitted to the Payroll Department.
- b) The employer is prohibited from making any deductions from wages or other amounts due to employees, except:
 - those deductions that are required by law
 - authorized by Court Order
 - authorized in writing by the employee
 - amount prescribed by other policies of the Nipissing First Nation (example, overpayments, debt collections, etc)

- c) Salary for employees who are about to be terminated are not to be released if any overpayment may be created.

22.2 Rates of Pay

- a) Rates of pay for First Nation employees shall be signed off by the Chief Executive Officer.

22.3 Salary Increases

- a) Salary increases shall be at the discretion of the Chief Executive Officer and where applicable be given at the beginning of each fiscal year.
- b) Nipissing First Nation Council will be informed of salary increases.
- c) Normal, fully satisfactory performance is expected of every employee, and does not necessarily warrant a salary increase.

22.4 Benefits

- a) It is mandatory that full-time and part-time employees who work a minimum of twenty-one (21) hours per week be enrolled in the Registered Pension Plan. Each employee will contribute by means of payroll deduction an amount equal of four percent (4%) to six percent (6%). A copy of the Nipissing First Nation's Employee's Pension Plan will be provided to each employee upon registration to the plan. The employee's contribution will be matched by the employer subject to obtaining the employee's signed authorization form.
- b) Voluntary contributions are available up to an additional 6% but this contribution will not be matched by the employer.
- c) An employee enrolled into the Group Insurance Plan presently in place with the Nipissing First Nation contributes fifty percent (50%) of the Group Insurance Plan costs; the remaining 50% of the Group Insurance Plan costs will be covered by the employer. A copy of the Group Insurance Plan shall be provided to employees.

Part 23. EMPLOYEE EVALUATION

The evaluation is intended as a means of conducting a formal review of an employee's performance and employee's job description. The evaluation report is useful in the career development of the employee and it provides an opportunity to discuss job performance with the employee.

There are two (2) types of employee evaluations, or sometimes referred to as performance reviews, as follows:

- a) Probationary employees as required under section 12 of this policy.
- b) Permanent Employees are required to be evaluated on performance of duties normally conducted by the formal process between the supervisor and the employee.

23.1 Procedures for Probationary Performance Evaluation

- a) An evaluation report will be complete two (2) weeks prior to the end of the probation period.
- b) The supervisor shall discuss the evaluation with the employee and outlines necessary remedial action(s).
- c) Both the manager and Chief Executive Officer will sign the evaluation.
- d) In the event that the performance of an employee is judged to be unsatisfactory, the manager will immediately develop a remedial plan with the employee and notify the employee that a re-assessment will be carried out in six (6) months. The employee will also be notified that termination may result should the performance assessment continue to be unsatisfactory.
- e) If the employee's second evaluation remains unsatisfactory, the manager shall inform the employee of the employment termination.

23.2 Purpose of an Annual Evaluation

To review the goals and objectives achieved over the past year, to prepare agreed upon goals and work plans for the upcoming new-year. It also provides a format to frame and agree on training and development plans based on the needs of both the employee and the organization.

23.3 Procedures for the Annual Performance Review/Evaluation

- a) An annual evaluation report will be completed on each employee.
- b) At the time of the evaluation, the manager shall discuss the performance assessment with the employee and outline any remedial action necessary. Both the employee and supervisor will sign the assessment.
- c) In the event an employee's performance is judged to be unsatisfactory, the supervisor will immediately develop, with the employee a remedial action plan and will re-appraise within a specified time period of no more than six (6) months.
- d) If the employee's second evaluation is unsatisfactory, the responsible manager may dismiss or develop further remedial plans to assist the employee in maintaining employment within the Nipissing First Nation public service.
- e) If however, the employee continues to not satisfactorily meet the performance expectations, the manager in consultation with the Chief Executive Officer, shall notify the employee of the decision to terminate his/her employment by giving due notice.

Part 24. DESIGNATED PAID HOLIDAYS

- a) Statutory holidays are observed by Nipissing First Nation are as follows:
- New Years Day
 - Good Friday
 - Easter Monday
 - Victoria Day
 - Canada Day
 - Family Day
 - Civic Holiday
 - Labour Day
 - Thanksgiving Day
 - Remembrance Day
 - Christmas Day
 - Boxing Day
- Nipissing Day (in recognition of Aboriginal Day -> first Monday of the March Break)
 - CHRISTMAS BREAK – The Chief Executive Officer will determine Christmas Break by November 1st each year. Christmas Break will not exceed ten (10) working days or be less than seven (7) working days. (Note: when Christmas Break is determined, statutory holidays are taken into account and are not in addition to.
- b) To be entitled to statutory holiday pay, the employee would have to work 15 days prior to the holiday and their scheduled shift prior to the public holiday and their scheduled shift after the public holiday or have reasonable cause for failing to do so.
- c) All permanent and contract employees are entitled to any designated holidays.

Part 25. MATERNITY / CHILD CARE / PARENTAL LEAVE

All regulations for maternity leave, parental or child care are in accordance with the Canada Labour Code.

Any employee who has completed six (6) consecutive months of continuous employment with Nipissing First Nation must notify their supervisor of their intended maternity, parental, child care leave in writing from a qualified medical professional.

- a) An employee must give the employer written notice at least four (4) weeks before beginning of the maternity, parental, child care leave. The notice must advise the employer of the intended length of leave.
- b) The employee shall confirm with their immediate supervisor their return to work a minimum of four (4) weeks prior to the scheduled date of return.

Part 26. EMERGENCY RESPONSE AND STANDBY DUTIES

In support of Nipissing First Nation vision to provide a safe and healthy living environment for its community members, employees of Nipissing First Nation and employees of

organizations under contract with Nipissing First Nation may be required to report for Emergency Response duties as stated in the Nipissing First Nation Emergency Preparedness Plan.

- a) This means employees shall perform the tasks assigned to them by the duly appointed Emergency Services Manager or other official who has authority.
- b) It is acknowledged that certain types of emergencies require special skills and equipment therefore employees shall not be required to perform these tasks, however the intent of this policy is to ensure employees avail themselves as “helpers” in various ways.
- c) Possible types of emergencies:
 - Floods
 - Fires/Forest Fires
 - Electrical blackouts
 - Environmental spills
 - Train derailments
 - Aircraft crashes
 - Tornadoes / wind storms
 - Critical Instances
 - Pandemic Outbreaks
- d) Upon approval by the Chief Executive Officer, employees shall be compensated at a rate of double time and one-half for emergency response duties.

Part 27. HARASSMENT

Nipissing First Nation is committed to provide and maintain a working environment where employees are treated with respect and dignity. Harassment will not be tolerated. All regulations for harassment are in accordance with Bill 168.

- a) An employee who is found to be engaged in harassment is subject to progressive form of discipline for workplace infractions, this may include: a reprimand, suspension, or termination of employment. All investigations will be carried out by the Human Resources Department and in some cases the Chief Executive Officer.
- b) The investigator will interview the complainant, the person the complaint was made against and any persons who have been identified as a witness or may have relevant knowledge. All persons who are interviewed will have the right to review their statement, as recorded by the investigator, to ensure its accuracy.
- c) The investigator will prepare a report that will include:
 - A description of the allegation as review by the complainant.
 - The response of the person the complaint was made against.

- The summary of the information learned from witnesses will not contain identifiable information (if applicable).
 - A decision about whether, on a balance of probabilities, harassment did occur.
- d) Both Parties to the complaint will be advised of the decision in writing.
- e) All parties to a harassment complaint are expected to respect the privacy and confidentiality of all other parties involved.

Part 28. EMPLOYEE FAMILY & ASSISTANCE SUPPORT

The Nipissing First Nation strongly believes in providing for the well-being of its human resources and finding ways and means of helping employees retain gainful employment. To do this, the First Nation makes available the opportunity for the employee to seek assistance for personal issues related to the employee's well-being and which affects their job performance.

The Nipissing First Nation provides this opportunity through the Employee Family & Assistance Program. This program's objective is to re-establish satisfactory job performance within a stated period of time and attempts to maintain job security.

28.1 Accessing Employee Family & Assistance Program (EFAP)

There are two ways to activate the EFAP.

- Self-referral by contacting the carrier - The employee requests permission for time away from work for the purpose of receiving consultation, treatment and or follow-up appointments from his/her immediate supervisor/manager.
 - The supervisor/manager may refer the employee to the Nipissing First Nation Employee Family & Assistance Program.
- a) Any absence from work required by the employee shall be conveyed to the immediate supervisor/manager immediately or as soon as possible by written confirmation from a physician or assessor, qualified to perform the assessment.
- b) Any employee choosing to seek assistance when referred by the supervisor/manager under this policy shall make an appointment with the appropriate treatment agency. The Chief Executive Officer shall advise the employee's immediate supervisor/manager in regards to the absence(s) from work required by the employee in order for the employee to receive assistance and treatment.
- c) Should the diagnosed problem be considered to affect an employee's capacity to perform job duties competently, the Chief Executive Officer will inform the employee's immediate supervisor/manager. In this instance, the Chief Executive

Officer shall attempt to relocate the employee in a suitable position and environment at the same rate of pay.

- d) Employees will not be paid for time off as a result of the above noted health problem except to the extent of unused sick leave credits and or vacation credits, if requested. Where applicable and in accordance with the terms of an employee's contract the First Nation provides a benefit package which the employee may qualify to access for short term or long term disability.

Part 29. EMPLOYEE TRAINING AND CAREER PLANNING

The Nipissing First Nation believes in the training and development of its employees and attempts to assist all employees by ensuring each responsible manager assigns two percent (2%) of gross salaries of the annual operating budget for training and development purposes.

More specifically, each responsible manager shall:

- a) Provide training support resources such as time and funding to take improvement courses identified in the performance evaluation exercises.
- b) Provide career planning expertise via a qualified human resource manager.
- c) Stress with each employee and supervisor the duty and responsibility for continuous attention to human resources enhancement.
- d) Allow rotational assignments within the organization that may contribute to the experience, growth and development of its employees.
- e) To provide opportunities to attend Cultural or Language Events during a fiscal year that equates to 4 days or 28 hours. This allowance is for formal training during working hours only, no additional overtime or travel cost will be approved. All requests to attend must be approved prior to attending and enter in attendance management. If all Cultural days/hours have been exhausted then the employee may access other available leaves.
- f) Consider secondment for a period of no more than one (1) year for employees with more than ten (10) years of service.
- g) Public service that may be to the career advantage of an employee.
- h) Remind the employee of his/her primary responsibility for the planning and implementation of training and its success.

Part 30. PENALTY FOR VIOLATIONS OF THE POLICY

- a) An employee or an official of the Nipissing First Nation found to violate the provisions of the Nipissing First Nation Human Resources Policy could face suspension(s) from duties or dismissal from employment.

- b) Additionally, the party(ies) found in violation(s) may be held liable to repay the Nipissing First Nation partial or the total financial lost(s) incurred as a result of the violations.

Accepted this 5th day of October, 2004

Amended this 7th day of May, 2013.

Amendments approved this 6th day of January, 2015.

Amended and approved by Council on the 6th day of September, 2016

Human Resources – Attendance Management Policy

Nipissing First Nation is dedicated to providing services to the public in a prompt and cost effective manner. Employees make a significant contribution to this objective and their regular attendance is essential in maintaining these service levels.

1. It is the responsibility of each employee to take all steps necessary to ensure that they:

- i. Attend work regularly as scheduled.
- ii. Comply with the reporting procedures when they will be absent from work and provide all relevant information in reporting absences.
- iii. Make every effort to attend to personal affairs and obligations outside working hours.
- iv. Follow all process and procedures on leave.
- v. While on short or long term leave maintain contact with their supervisor.

2. It is the responsibility of each Manager to manage their employee's attendance with the assistance of the Human Resource Manager. Managers will identify issues, initiate appropriate actions and follow up with employees as follows:

- i. Ensure that all employees are aware of the Attendance Management policy and their responsibility within the terms of this policy.
- ii. Ensure employees have been advised of their responsibilities to attend work regularly, to maintain contact with the Manager if absent for longer periods of time.
- iii. When the employee is off on short or long term leave, actively communicate with employees on a regular basis.

3. When an employee reports absence, the manager will confirm:

- i. Will indicate type of leave (ie: sick leave, bereavement leave, late or doctors).
- ii. Expected duration.
- iii. Where appropriate, what the employee is doing to assist their situation.
- iv. Where appropriate, what the First Nation can do to assist in a return to work process.
- v. Managers should try to speak to each employee periodically to promote awareness, to praise good attendance or to express concern about poor attendance. Attendance shall be included for discussion as part of the annual performance appraisal.



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I. HUMAN RESOURCE MANAGER

The Human Resources Manager will coordinate the attendance management policy and provide the following support services to Managers:

- a. Maintain a current employee attendance record; balances and usage of each employee.
- b. Prepare and distribute quarterly attendance statistics and identify those individuals who have exceeded available leave credits for that period and recommend actions.
- c. Provide training to Managers on the implementation of this attendance management policy.
- d. Maintain attendance calendar.

II. LEAVE

1. An employee is entitled to be informed upon request of the balance of his/her vacation and sick leave credits.
2. An employee shall not be entitled to “leave with pay” during the period he/she is on “leave without pay”.

III. ANNUAL LEAVE

1. The vacation year shall be from April 1st to March 31st of the following calendar year. The following Annual Leave rates are based on 35 hours per week.
2. An employee shall earn annual leave at a rate of fifteen (15) days per year for the first five (5) years of continuous employment. Calculated at a rate of 1.25 days per month, or three (3) weeks at a rate of six (6%) percent of gross wages.
3. Twenty point zero four (20.04) days per year after five (5) years of continuous employment ADD: calculated at a rate of 1.667 days per month, or four (4) weeks at a rate of 8% of gross wages.
4. Twenty-four point nine six (24.96) days per year after ten (10) years of continuous employment. Calculated at a rate of 2.083 days per month, or five (5) weeks at a rate ten (10%) percent of gross wages.



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5. Thirty (30) days per year after twenty (20) years of continuous employment. Calculated at a rate of 2.5 days per month, or six (6) weeks at a rate of twelve (12%) of gross wages.
6. One (1) day vacation for every year thereafter to a maximum of thirty-five (35) days per year.
7. Part Time Salaried Employees will earn leave at a pro-rated rate that is determined by the amount of hours the part time employee works during a one week period, i.e. If a part time employee works 17.5 hours per week, that employee will earn 7.5 days of annual leave per year. These rates will be outlined to the employee for clarification.
8. If an employee is off on leave (ie. maternity, parental, short or long term disability) their period of continuous employment will not be broken for the purpose of annual leave and seniority will be maintained.
9. If an employee is off on leave (ie: maternity, parental, short or long term disability), leave credits will be calculated based on their gross wages for the period they are on leave. If one does not earn any gross wages while on leave, then their leave credits that are earned are unpaid. Should an employee that is on leave and receives any gross wages, then paid leave credits will be applied. Any unpaid and paid leave credits will be applied based on the employees years of service.
10. Any outstanding annual leave credits must be paid to the employee when that employee ceases his/her employment with Nipissing First Nation. Any annual leave credits advanced must be paid back.

IV. GRANTING OF ANNUAL LEAVE:

1. Every effort should be made to take annual leave during the fiscal year in which it is earned. In the event that annual leave cannot be taken in the fiscal year in which it is earned, an employee can then carry over any leave, however, cannot carry over leave that is in excess of what the employee can earn in the new fiscal year, (i.e. If you are earning 15 days per year, you can only carry over 15 days). It is the responsibility of each Manager to ensure that leave is taken by the employees they supervise.
2. An employee earns but is not eligible to take annual leave with pay during the first six (6) months of employment.
3. Employees are to submit a written request to their Manager for annual leave at least ten (10) days in advance. However, a Manager may approve annual leave on a shorter notice at his/her discretion.



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4. Subject to operational requirements, the department Manager shall make every reasonable effort to ensure that an employee's written request for annual leave is approved.
5. The department Manager shall give an employee as much notice as is practicable and reasonable for approval or disapproval of a request for annual leave. In the case of disapproval, changing or cancellation of such leave, the employer shall provide the employee with a written notice outlining the reason(s) for disapproval.
6. The Manager, in consultation with the employee reserves the right to schedule annual leave.
7. Employee seniority or length of service may be considered for the purposes of scheduling annual time, always subject to work requirements, and the responsible manager's approval.
8. Employees are requested to use accumulated time for leave that is not for full day or half day leave. Should an employee not have any accumulated time, then the leave will be adjusted and annual leave credits will be reduced accordingly.

V. OVERTIME:

1. Overtime shall be at a rate of time and one half (1 ½) after normal working hours.
2. There shall be no creditable overtime unless authorized in advance in writing by the responsible manager.
3. Where overtime is authorized, the person having worked the overtime may be absent from work an equivalent amount of time provided he/she has informed their immediate manager with due notice when he/she intends to be absent.
4. There shall be creditable overtime on an hourly basis at a rate of time and one half or two (2) hours, whichever is greater, outside of normal working hours for attendance at First Nation Council meetings when requested by his/her immediate manager or by the Chief Executive Officer or by Chief and Council.
5. There shall be creditable overtime at a rate of time and one half or two (2) hours, whichever is greater, for attendance at Committee meetings if such committee is within the employee's job function, outside of normal working hours.
6. There shall be creditable overtime at a rate of time and one half or four (4) hours, whichever is greater, for emergency call in's. Emergency call in's a situation that is determined by the Manager citing the emergency.



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7. Overtime will only apply, when an employee works more than thirty-five (35) hours per week or more than seven (7) hours per day.
8. NOTE: It is expected that staff shall travel during the workday whenever possible, unless otherwise authorized by his/her manager prior to travel.
9. Employees will be allowed to bank a maximum of fifty (50) hours at any given time. If the banked hours exceed the maximum number of hours, the employee must advise his/her manager of his/her plan to use these hours as soon as practicable. This plan shall be signed by the manager responsible and filed with the Human Resources Manager.
10. From time to time, an employee may be requested to work on a statutory holiday. Employees will be compensated in addition to the regular hours worked, overtime at a rate for the hours worked.
11. Staff will be compensated, after regular work hours, for travelling time when attending workshops and meetings out of town at a rate of time and one half (1 ½).
12. When travelling on Saturday or Sunday, First Nation employees are entitled to overtime.
13. When travelling during regular week days, staff are entitled to the equivalent time off for those hours, if over normal working hours, overtime is to be accumulated after regular work hours per day at time and one-half.

VI. Flex Time

1. Employees who are required to work outside working normal hours to provide department programming; with a scheduled start and finish time will be required to work a flex schedule, modifying regular daily schedule or taking allotted time the following day of the program.
2. The flex time scheduled will be reviewed and signed off by the responsible manager and filed with the Human Resource Manager and Director of Administration.

VII. SICK LEAVE

1. First Nation employees will earn sick leave credits at a rate of one and one quarter (1 ¼) days per month. Sick leave credits are not earned while the employee is off on leave (ie: maternity, parental, short or long term disability) sick leave credits will be



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adjusted accordingly, except for a work related illness or injury. Sick leave credits will not be paid out at the end of employment.

2. If an employee exceeds the balance of sick days earned, the Manager will use that as a trigger point for identifying potential attendance problems and initiate a formal review to address excessive absenteeism.

VIII. ABSENCE REPORTING PROCEDURE

1. All employees are expected to properly notify the manager regarding impending absences and expected return date. In the absence of the manager, employees must notify the Nipissing First Nation office or designated person in charge.
2. The call in should be made by the employee, and not someone on his/her behalf.
3. Employees must call in to the office by 9:00 am; to their manager, or in the absence of the manager, to their reception area or supervisor in charge. The individual receiving the call will immediately notify the Main Reception and Human Resources Manager. Failure to call in by the appointed time will result in the employee being deducted for that leave from his/her regular salary ½ day or 1 full day if the call is not made before 1:00 pm, that same day.

IX. DOCTOR'S CERTIFICATE

A doctor's certificate may be required when:

1. For all injuries and illnesses, whether work related or not, where there is a concern regarding the employee's ability to return to work.
2. The employee must provide the employer with a medical certificate for any sick leave taken beyond three (3) consecutive days. (ie: if the employee called in sick Monday, Tuesday and Wednesday, a doctor's note would be required if the sick leave was extended to the Thursday).
3. The doctor's certificate will include the following information:
 - The physician's name;
 - The date of the visit;
 - A declaration that the employee is fit or unfit for work (regular work or modified work);
 - The dates the employee is being advised to remain off work;
 - A return to work date if possible; and
 - The physician's signature.



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4. Failure to follow the above procedure may result in a denial of sick leave benefits. In that case, the employee may be required to use other leave. If the employee has exhausted other leave credits, the time missed will be unpaid.
5. Exception, a Doctor's Certificate can be waived for such situations that arise from Pandemic outbreak; in this case, the Chief Executive Officer shall waive Doctor's Certificates for the period of time necessary.

X. DEFINING SICK LEAVE CREDITS

1. Sick leave credits are for the use of employees that are ill, or instances of employees, guardians or primary care givers, caring for their minor child that is ill.
2. Sick leave credits will not be carried over to the next year, but will be recorded as banked days. Banked days can only be accessed by staff when on short term disability, long term disability, maternity leave, or parental leave to top up salary to 100%. Banked days can also be used for the waiting period for claims in the above cases.
3. If the employee resigns, retires, or is terminated, he/she is not entitled to be paid any balances of sick leave credits or banked days.

XI. DOCTORS APPOINTMENTS

1. Employee's will be approved time off to attend their own personal doctor appointments, appointments for their child(ren), and for their immediate family members residing in their home.
2. If an employee has a doctor's appointment which requires a half or full day away from the office, this will be considered and deducted from their sick leave credits.
3. Employees will not be deducted sick leave credits for doctor appointments less than half day in duration to a maximum of five (5) doctor appointments per year. Any doctor appointments attended by the employee after the allowable five (5) appointments will be deducted from the employee's sick leave credits.



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XI. IDENTIFYING POTENTIAL ATTENDANCE PROBLEMS

1. The Manager will review their employee's attendance record balances provided by the Human Resources Manager. The Human Resources Manager will advise the manager if an employee's absence exceeds earned amounts.
2. Where an employee's absence exceeds earned leave amounts, the Manager may determine if corrective action is warranted, considering the number, length, pattern, and reasons for the absence. If corrective action is warranted, the steps set out in this policy will be implemented. The Human Resources Manager will be advised of the decision taken by the manager.

XIII. CORRECTIVE ACTION

If an employee's absenteeism is excessive, the manager must make the employee aware of the situation and try to impart some understanding of the importance of correction. This is done through an initial information interview or counseling session, wherein, the supervisor will:

- a) Advise the employee of the number of occasions and days absent to date;
- b) Review NFN's expectation of regular attendance at work;
- c) Inform the employee of the problems caused by absenteeism;
- d) Ask for the employee's input;
- e) Discuss reasons for absenteeism and, if appropriate, make the employee aware of the Employee and Family Assistance Program (EFAP);
- f) Set goals and time frames with the employee concerning improved attendance;
- g) Schedule follow up interviews;
- h) Document all discussions; copies of these documents are to be provided to the Human Resources Manager for inclusion in the employees personnel file. The Manager and employee involved shall sign all discussion documents.

XIV. FORMAL STAGE TO ADDRESS EXCESSIVE ABSENTEEISM

Following the initial interview, if the employee does not show any improvement and continued to exceed earned amounts of leave, the formal administrative/corrective procedures will begin. The process consists of four (4) steps involving interviews and letters documenting the process. Should an employee's attendance not improve by Stage 4, the end result would be termination by the Nipissing First Nation.



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NOTE: It is expected that improved attendance will be maintained over the long term employment relationship. Where it appears that such improvement is not sustainable within one (1) year, the administrative action will be resumed at the stage where such action was previously suspended.

Where an improvement is maintained for a period of one (1) year, then any future attendance issues will be commenced at Stage 1.

Stage 1

- a) Manager meets with the employee and reviews the employee's attendance record. The employee is advised that their attendance is not satisfactory and he/she is encouraged to take steps to correct the situation.
- b) This meeting is followed with a note to file signed by the Manager advising of the review the attendance record and expectations for improvement. A copy of this letter and all subsequent attendance-related correspondence is to be forwarded to the Human Resources Manager for inclusion in the employee's personnel file.
- c) The employee's attendance is then monitored to ascertain if there is any improvement.
- d) If no improvement is evident, another interview will take place within the next three (3) months with the employee.
- e) If no improvement is evident in the next review period, the matter proceeds to Stage 2.

Stage 2

- a) If no improvement is noted during the three (3) month period following issuance of the initial letter, the manager should meet with the employee and the Human Resources Manager to review the employee's attendance, to encourage the employee to seek assistance to attend work regularly, and to explore other avenues to achieve improved attendance.
- b) A written reprimand documenting the discussion and the action plan agreed upon is to be signed by both the employee and the supervisor. A copy will be forwarded to the employee and to the Human Resources Manager for the personnel file.
- c) The manager will closely monitor the employee's attendance during the next three (3) month period.
- d) If no improvement is evident, the matter proceeds to Stage 3.



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Stage 3

- a) If attendance has not improved, the manager meets with the employee and advises if there is no significant improvement in attendance during the next three (3) month review period, further action including a suspension for a period of three (3) days without pay will occur.
- b) This meeting is followed up with a letter to the employee confirming this discussion and copied to the employee's personnel file.
- c) Documentation of the meeting should be completed by the manager and signed by the employee.

Stage 4

- a) If no improvement is evident during the Stage 3 review period, the manager will send a letter to the employee advising that termination of the employee's employment is being considered. The employee is directed to attend a meeting with the manager and the Human Resources Manager to show cause why such action should not be taken.
- b) Documentation of the meeting should be completed by the Manager and signed by the employee and Manager.
- c) If the employee shows cause why his/her employment should not be terminated, and/or is willing to abide by conditions of continued employment, the employee will be given one last opportunity to improve attendance.
- d) If it is considered appropriate to offer conditions of continued employment to the employee, a letter documenting the conditions agreed to will be prepared.
- e) If the employee fails to show cause, and/or is unwilling to abide by the conditions of continuing employment, the meeting will be concluded and the employee advised, that the manager will review the matter further and that termination is being considered.
- f) The Supervisor and Human Resources Manager shall jointly prepare a recommendation for the consideration of the Chief Executive Officer.
- g) The Human Resources Manager will forward a letter to the employee advising of the decision.

XV. WORK RELATED ILLNESS OR INJURY

The employer, if reasonably practicable, must return the employee back to work after the employee's absence due to work related illness or injury. Pension, health and disability benefits, and seniority as well as all applicable leave credits of an employee who is absent from work due to work related injury, accumulates during the absence.



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XVI. RETURN TO WORK PROCEDURE

1. The employee is responsible for contacting the supervisor to notify of their return whether to regular or modified duties.
2. If requested and where appropriate, the employee will provide a doctors certificate (above) prior to his returning to work.
3. The NFN may request further medical certification from the employee's physician regarding the employee's ability to return to regular or modified duties, if the doctor indicates that some restrictions will apply, further treatment is needed, or some accommodation is required.
4. Where NFN has reasonable grounds for concern regarding an employee's fitness to return to regular work, it may require the employee to undergo an independent medical assessment.
5. Where circumstances warrant, appropriate releases of medical information will be obtained to allow NFN and the employee's physician to communicate easily regarding the employee's ability to return to regular duties or modified work.

XVII. MATERNITY/CHILD CARE/PARENTAL LEAVE

All regulations for maternity leave, parental or child care are to be in accordance with the Canada Labour Code.

XVIII. BEREAVEMENT LEAVE

1. Five (5) days bereavement leave are allowed for:
 - the employee's spouse or common-law partner;
 - the employee's father and mother and the spouse or common-law partner of the father or mother (or alternately stepfather, stepmother or foster parent);
 - the father and mother of the employee's spouse or common-law partner;
 - the employee's children and the children of the employee's spouse or common-law partner;
 - the employee's brothers and sisters;
2. Three (3) days bereavement leave are allowed for:
 - the grandfather and grandmother of the employee;
 - the grandchild of the employee;



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- the sister-in-law and brother-in-law of the employee;
- first generation cousin of the employee;
- uncles, aunts, nieces, nephews of the employee and;
- any relative of the employee who resides permanently with the employee or with whom the employee permanently resides.

(NOTE: Does not include spouse's grandparents, aunts, uncles and cousins).

3. In the above instances, Band Custom Adoption relationships will be recognized in consultation with the Supervisor and/or the Director of Administration.
4. Any other circumstances that require special considerations or exceptions will be in consultation with the Director of Administration.
5. Bereavement leave covers scheduled working days. For example, if the death occurred on a Thursday, bereavement leave would apply to Friday, Monday, Tuesday, Wednesday and Thursday.
6. If the death occurred during an employee's annual vacation, the employee will be permitted to take the time off as bereavement, not vacation time. Vacation time will be rescheduled.
7. One day leave shall be granted without loss of salary to attend as a pallbearer where no bereavement leave is payable.

XIX. COMPASSIONATE LEAVE

1. An employee shall be entitled to compassionate leave up to a maximum of three (3) working days with pay for unexpected serious illness or accident of an immediate relative as follows: spouse, parent, brother, sister, brother-in-law, sister-in-law, son, daughter, father-in-law, mother-in-law, grandparent or grandchild.
2. Where there are extenuating circumstances or travel outside the Province is necessary, an additional leave of absence may be granted per recommendation of the immediate supervisor and approval of the Chief Executive Officer.
3. Additional compassion leave time may be allowed if the employee has sufficient balances of either accumulated time or vacation.
4. Should the employee not have sufficient leave, the Chief Executive Officer may use discretion and allow the employee an advance against future vacation leave.



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XX. COURT DUTY LEAVE

The employer shall grant leave with pay, to an employee for the period of time he/she is required:

1. To be available for jury selection,
2. To serve on a jury,
3. Respond to a subpoena or summons to attend, as a witness, in any legal proceeding held.

XXI. VOTING DAY LEAVE

Regulations for voting leave in accordance with the applicable Federal and Provincial legislation.

XXII. INCLEMENT WEATHER

1. The decision to travel during or impending inclement weather remains the sole responsibility of the employee, except for those employees responsible for duties associated with essential services (such as snow removal, sanding operations, medical travel).
2. The employer shall during inclement weather approve the use of the nearest commercial lodging and required meals in order to protect the safety of its employees, during work related travel.
3. Where the road or highway that the employee usually travels to and from work is “passable” and the employee is still unable to reach his/her place of work or is late, the employee will be given the choice of using annual leave or accumulated time.
4. Making up the time within the same pay period and outside normal hours of work and lunch hours. Arrangements must be made with the employee’s supervisor prior to making up time.
5. If an employee is out of town on business during inclement weather or remains on travel status due to impending inclement weather conditions, the employee’s salary will continue with no deductions of time, and regular travel expenses will be paid by the Nipissing First Nation.

Addendum to NFN Human Resource Policy Manual accepted this 1st day of April, 2008.

Amended and approved by Council this 21st day of June, 2011.

Amended this 7th day of May, 2013.

Amended and approved this 6th day of January, 2015.

Amended and approved by Council on the 6th day of September, 2016

Amended and approved by Council on the 4th day of July, 2017



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Human Resources - Organization Chart Policy

Policy

It is Council's policy to establish an organizational structure that specifies the hierarchy and reporting relationship between various functions and levels of the Nipissing First Nation to facilitate effective management of the governance, administrative and financial management systems.

Purpose

The purpose of this policy is to depict the prevalent hierarchy of the Nipissing First Nation departments and their various working relationships between one another.

Scope

This policy and procedure applies to Council and all persons having a role and responsibilities in the organizational structure of the Nipissing First Nation.

Definitions

“Chief Executive Officer” means the person who is responsible for leading the day to day administration or management of the Nipissing First Nation and who reports directly to Council.

Responsibilities

Council is responsible for:

- authorizing the creation and update of the organization chart;
- approving the organization chart with a recorded vote in the Council minutes;
- ensuring that adequate delegated resources are available to implement and maintain the organizational structure;
- ensuring that the organizational chart accurately depicts the Nipissing First Nation's governance, administrative and financial management systems, and identifies the specific roles and responsibilities assigned to each level of governance and administration and to each participant in the systems including committees.

The Chief Executive Officer is responsible for:

- ensuring that the organizational chart is prepared, recommended to Council for approval, and kept current;



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- ensuring that the roles and responsibilities and reporting relationships are effectively communicated to all those affected by the organizational chart and as required by the Financial Administration Law.

Procedures

The Chief Executive Officer or a designate, as authorized and instructed by Council, will prepare an organizational chart that accurately depicts the Nipissing First Nation's governance, administrative and financial management systems, and identifies the specific roles and responsibilities assigned to each level of governance and administration and to each participant in the systems including committees, and submit to Council for approval.

The Chief Executive Officer will ensure that the chart includes definitions of the persons, or classes of persons, who are affected by the organization chart. The Chief Executive Officer will ensure each role identified in the organizational chart is clearly defined as evidenced by a job description in accordance with applicable Human Resource policies or other such policy that requires job descriptions to be prepared and approved.

The Chief Executive Officer is responsible for centrally filing the organizational chart, so that it can be located and retrieved, as soon as practicable, by all persons affected by it, and will disseminate the approved organizational chart to all those affected and/or make it readily available by other means normally used by the Nipissing First Nation.

The Chief Executive Officer will make the organization chart available on NFN's website, and on request, will provide a copy of the chart to a group of listed employees.

Periodically, but at least annually, the Chief Executive Officer will update, as necessary, the organizational chart for changes in personnel and will submit recommendations, as necessary, to Council for approval, to revise roles, responsibilities, or reporting relationships.



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Human Resources Records Management Policy

Policy

It is Council's policy to formally create, manage, and protect human resource records in accordance with applicable laws and Nipissing First Nation policy requirements.

Purpose

The purpose of this policy is to provide guidance to effectively manage the creation, maintenance, and confidentiality of HR records of the Nipissing First Nation.

Scope

This policy applies to Council, the Chief Executive Officer and the Chief Financial Officer of the Nipissing First Nation.

Definitions

"HR Records" are records that contain information which is directly related to an individual's hiring, job duties, compensation, performance, and general employment history. Below are examples of documents which would be considered HR Records:

- Attendance and absence records
- Automatic bank deposit form
- Offer and/ or confirmation of employment letters
- Disability insurance adjustment forms
- Disciplinary memos issued to employee
- Job application and any attachments
- Job descriptions
- Layoff notice issued to employee
- Performance evaluations issued to employee
- Resignation letter
- Termination notice issued to employee
- Time sheets
- Training plans
- Signed code of conduct statement
- Benefit coverage information



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Responsibilities

Council is responsible for ensuring a HR Records management system is established and implemented.

Subject to the Nipissing First Nation's Financial Administration Law, the Chief Executive Officer is responsible for the leadership, planning, overall policy and the general oversight of the HR Records management, storage and retention system, and for ensuring the security and integrity of that system.

The HR employees are responsible for the implementation and the operational management of the HR Records management, storage and retention system.

Procedures

Management of HR Records will follow the general record management procedures of Nipissing First Nation.

Job competition files will clearly and transparently document the evaluation and selection process and will include, at a minimum, the following:

- a. approved Recruitment and Selection Plan;
- b. job advertisement;
- c. external recruitment firm agreement (if applicable);
- d. job description and required qualifications and skills;
- e. interview notes; and
- f. selection results.

A confidential employee file will be created for each new employee and will include the following HR Records:

- a. resume with experience and qualifications;
- b. results of all background checks (i.e. reference checks, criminal background check, credit check, education check);
- c. offer letter of employment or contract;



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- d. performance plans and results of performance evaluations;
- e. current job description;
- f. leave and attendance records;
- g. salary adjustments; and
- h. enrolment information for benefits plans.

Access to HR Records will be restricted to HR personnel in performance of their job function and the Chief Executive Officer; however, employees can access their personal employee file upon request and in the presence of an HR person.

Upon employee termination, HR Records for that employee will be retained for three (3) years following the date of termination. In the event of litigation, the destruction of HR Records should be suspended until the investigation, audit, or litigation is complete.

EMPLOYEE CODE OF ETHICS

All employees of the Nipissing First Nation will be expected to:

- i. Carry out the duties of their position professionally, fairly, conscientiously, loyally and honestly, remembering that the primary task is to serve the First Nation's membership.
- ii. The integrity and dignity of the First Nation and its programs, government and staff are to be maintained at all times.
- iii. Be prompt, courteous and temperate in the performance of their duties.
- iv. Use initiative to find ways of doing their work more efficiently, effectively and economically.
- v. Have a positive attitude in dealing with fellow employees, other First Nation members, and the Chief and Council.
- vi. Follow their supervisor's instructions attentively, be co-operative, and work as a team member with other First Nation employees.



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- vii. During working hours, devote themselves to their duties of employment, and adhere to First Nation policies and procedures.
- viii. Recommend changes of policy to senior staff, when employees feel these are advisable.
- ix. Conduct themselves while on duty and in public in a manner that will bring credit to themselves, their department, and the First Nation.
- x. Show respect for the authority and jurisdictional structures of the First Nation Chief and Council.
- xi. Be on the job punctually each day, unless there is a valid reason for absence or lateness, in which case the employee will contact his/her immediate supervisor at the start of the working day, and give an indication of when he/she expects to return to work.
- xii. Not using profanity in dealing with staff or the public should be courteous and polite towards each other and the public.
- xiii. Not give out official or confidential information acquired on the job, only when the release of such information has been authorized.
- xiv. Use information obtained on the job for the intended purpose only, not for personal use or interest.
- xv. Use equipment, property, or supplies which are owned or rented by the First Nation for authorized purposes only.
- xvi. Protect and care for all First Nation property entrusted to them, and report to the relevant senior employee any faulty equipment which requires repair.
- xvii. Disclosure of any fees, gifts, or other tangibles offered in reward for duties performed through their employment positions as defined in the Conflict of Policy”.
- xviii. Do not publicly criticize other employees or the policies of the First Nation Council or individual department while retaining the privilege of providing constructive criticism and suggestions through proper channels and seek to make the workplace as harmonious as possible.
- xix. Refrain from the use of alcohol or illegal drugs while on First Nation business or during working hours.
- xx. Employees will be required to sign a document acknowledging their understanding and acceptance of the Code of Ethics.



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Information Privacy Policy

Policy

Ensuring the privacy of personal information provided to the Nipissing First Nation by individuals is essential to not only ensure compliance with legislative requirements such as those outlined in the Personal Information Protection and Electronic Documents Act or substantially similar provincial legislation, but also to ensure continued stakeholder confidence in the Nipissing First Nation and that accountability is maintained.

Purpose

The purpose of this policy is to provide guidance on the implementation and maintenance of appropriate information privacy practices within the Nipissing First Nation related to the collection, use, disclosure, retention, and safeguarding of personal information.

Scope

This policy applies to all Council members, members of the Finance and Audit Committee, officers and employees of the Nipissing First Nation and any contractors or volunteers performing services on behalf of the Council. The direction provided in this policy applies to all personal information created and acquired by the Nipissing First Nation regardless of format (i.e., both electronic and hardcopy paper records).

Definitions

“Personal information” refers to all information that reveals factual or subjective elements of knowledge about an identifiable individual. In addition to the basic elements that are commonly used to identify and interact with an individual - such as the individual’s name, gender, physical characteristics, address, contact information and identification and file numbers - it also includes criminal, medical, financial, family and educational history as well as evaluative information and other details of the individual’s life.

“Privacy Protection” refers to the decisions made by a Nipissing First Nation in regards to the acceptable ways to collect, create, use, share/disclose, retain, protect and dispose of the personal information that it needs for its administrative and operational needs.

Responsibilities

Council is responsible for:



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- Establishing and implementing documented procedures for privacy and the management of personal information within the Nipissing First Nation;
- Appointing a Privacy Officer to manage and oversee the Nipissing First Nation's compliance with privacy requirements; and this policy.

The Chief Executive Officer is responsible for:

- Ensuring compliance with the established information privacy policy.

The Privacy Officer is responsible for:

- Developing and maintaining standards, policies and procedures that support the objectives of the Nipissing First Nation's privacy program;
- Ensuring that all the activities of Nipissing First Nation are conducted in compliance with the established privacy standards, policies and procedures and in accordance with the generally accepted privacy principles. For this, the Privacy Officer will:
 - i. Provide training and awareness on privacy protection.
 - ii. Ensure that community members are aware of their rights as they relate to privacy, including their right of access to, and the right to request the correction of, all the personal information which is kept about them by the Nipissing First Nation.
 - iii. Act as an expert resource on privacy matters within the Nipissing First Nation.
 - iv. Conduct periodic reviews of the Nipissing First Nation's activities that involve the collection, use, disclosure, retention, and safeguarding of personal information.
 - v. Investigating all complaints regarding the collection/creation, accuracy, use, sharing/disclosure, protection, retention and destruction of personal information and reporting the results to the appropriate managers and, where warranted, to Council;
 - vi. Recommending changes to policies, procedures and practices in response to the issues raised in the complaints;
 - vii. Responding in writing to the requests for access to, and correction of personal information submitted by employees and community members within thirty calendar days from the date of the receipt.

Employees, contractors and volunteers are responsible for:

- Complying with the established information privacy policy.



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- Immediately reporting to their supervisor privacy breaches of which they become aware.

Procedures

Accountability

The Nipissing First Nation must appoint a Privacy Officer to ensure the principles outlined in this policy are appropriately implemented.

The Nipissing First Nation is responsible for personal information in its possession or custody, including information that has been transferred to a third party for processing. The organization should use contractual or other means to provide a comparable level of protection while the information is being processed by a third party.

Identifying Purpose

The purposes for the collection of personal information should be communicated to individuals at or before the time of collection. Depending upon the way in which the information is collected, this can be done orally or in writing. An application form, for example, may give notice of the purposes.

Personal information should be collected directly from the individual whenever possible.

Persons collecting personal information must be able to explain to individuals the purposes for which the information is being collected.

Consent

With limited exceptions, the Nipissing First Nation must obtain consent from an individual before collecting their personal information. Consent requires that the individual is advised of the purposes for which the information is being collected and how it will be subsequently used and disclosed.

Consent must be stated in such a manner that the individual within reason will understand how the information will be used or disclosed. Consent must not be obtained through deception.

Personal information can be collected, used, or disclosed without the knowledge and consent of the individual in only limited circumstances. For example, legal or security reasons may make it impossible or impractical to seek consent. When information is being collected for the detection and prevention of fraud or for law enforcement, seeking the consent of the individual might defeat the purpose of collecting the information. Consent may be sought from an individual's



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authorized representative in certain cases, for example, when an individual is seriously ill, mentally incapacitated, a minor, or has died.

If personal information is intended to be used or disclosed for a new purpose not identified during the original collection, and not related to the original purpose of the collection, the consent of the individual must be obtained.

Individuals can give consent in many ways. For example:

- a form may be used to seek consent, collect information, and inform the individual of the use that will be made of the information. By completing and signing the form, the individual is giving consent to the collection and the specified uses;
- consent may be given orally; or,
- consent may be given through electronic means.

An individual may withdraw consent at any time, subject to legal or contractual restrictions and reasonable notice. The Nipissing First Nation must stop using the individual's personal information within a reasonable time period and inform the individual of this time period and the implications of such withdrawal.

Limiting Collection

The Nipissing First Nation cannot collect personal information indiscriminately. Both the amount and the type of information collected must be limited to that which is necessary to fulfill the purposes identified.

Limiting Use, Disclosure and Retention

The Nipissing First Nation may only use or disclose personal information for the purpose for which it was collected, unless:

- The use or disclosure of the personal information is consistent with the original collection of the personal information;
- The consent of the individual is obtained; or,
- It is for the purpose of complying with a subpoena or warrant issued or order made by a court, person or body with jurisdiction to compel the production of information or for the purpose of complying with rules of court relating to the production of information.

Personal information that has been used to make a decision about an individual must be retained long enough to allow the individual access to the information after the decision has been made.



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Identifiable personal information must only be used and disclosed if required. For instance, consider if reports, research, or audits/assessments can be done through de-identified or anonymous data.

Personal information that is no longer required to fulfill the identified purposes will be destroyed, erased, or made anonymous in accordance with the Nipissing First Nation's retention and disposition schedule.

Accuracy

The Nipissing First Nation shall take all reasonable steps to ensure that personal information that is used to make a decision on an individual is as accurate, up-to-date and complete as possible to minimize the possibility that inappropriate information may be used to make a decision about the individual.

Safeguards

Personal information should be protected with appropriate safeguards to ensure only those with a need to know will have access to the records:

For electronic records containing personal information, the records should be protected with controls on the document itself (such as password protection) and other administrative controls, such as restricting access to the electronic repositories in which the record is stored. Personal information should not be emailed 'in the clear' without appropriate protection.

For hardcopy paper-based records, containing personal information, the records should be stored in secure filing cabinets at all times unless being used, and transported in a secure manner if required to be taken offsite.

The Nipissing First Nation must make its employees, contractors, and volunteers aware of the importance of maintaining the confidentiality of personal information.

Care must be used in the disposal or destruction of personal information, to prevent unauthorized parties from gaining access to the information.

Openness

The Nipissing First Nation must be open about its policies and practices with respect to the management of personal information. Individuals will be able to acquire information about its policies and practices without unreasonable effort. This information must be made available in a form that is generally understandable.

The information made available should include:



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- the name or title, and the address, of the Privacy Officer, who is accountable for the Nipissing First Nation's policies and practices, and to whom complaints or inquiries can be forwarded;
- the means of gaining access to personal information held by the Nipissing First Nation; and,
- a description of the type of personal information held by Nipissing First Nation, including a general account of its use.

Individual Access

When requested, an individual must be informed if Nipissing First Nation holds personal information about the individual and provide an account of the use that has been made or is being made of this information and an account of the third parties to which it has been disclosed.

The identity of an individual must be authenticated before discussing their personal information with them.

When requested, Nipissing First Nation must provide an individual with access to their personal information within a reasonable time and at minimal or no cost to the individual. The requested information will be provided or made available in a form that is generally understandable.

Individuals who are given access to their personal information may:

- request correction of the personal information where the individual believes there is an error or omission therein;
- require that a notation be attached to the information reflecting any correction requested but not made; and,
- require that any person or body to whom that information has been disclosed for use for a decision-making process within two years prior to the time a correction is requested or a notation be notified of the correction or notation.

In certain situations, the Nipissing First Nation may not be able to provide access to all the personal information it holds about an individual. Exceptions to the access requirement will be limited and specific. The reasons for denying access will be provided to the individual upon request. Exceptions may include information that:

- is prohibitively costly to provide;
- contains references to other individuals;
- cannot be disclosed for legal, security, or commercial proprietary reasons; or,
- is subject to solicitor-client or litigation privilege.



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Challenging Compliance

Nipissing First Nation must ensure that a process exists to receive and respond to complaints or inquiries about its policies and practices relating to the handling of personal information. The complaint procedures will be easily accessible and simple to use.

Nipissing First Nation must investigate all complaints. If a complaint is found to be justified, the Nipissing First Nation will take appropriate measures, including, if necessary, amending its policies and practices.



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Information Technology Policy

Policy

Nipissing First Nation's information systems will support its operational requirements and have appropriate safeguards and monitoring processes in place to adequately protect Nipissing First Nation's information.

Purpose

The purpose of this policy is to ensure that information system integrity, specifically as it relates to the financial administration system, is maintained and supports the strategic and operational requirements of Nipissing First Nation.

Scope

This policy applies to all staff involved in the selection, implementation, operations, or ongoing maintenance of Nipissing First Nation's information systems. This includes the Chief Operating Officer, and information technology staff.

Definitions

“Rollback procedure” means the ability to restore system to previous configuration prior to change, with documented procedures and steps to complete the process.

“Virtual Private Network” means a virtual private network (“VPN”) which is a way to use a public telecommunication infrastructure, such as the Internet, to provide remote offices or individual users with secure access to their organization's network.

Responsibilities

Council is responsible for:

- Establishing and implementing documented procedures for information technology used by Nipissing First Nation in its operations.

The Chief Executive Officer is responsible for:

- Ensuring that controls are in place regarding information technology, whether performed by an internal staff member or outsourced to an external organization;
- Monitoring the performance of internal and/or external information technology professionals.



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The information technology technician(s) are responsible for:

- Maintaining the integrity of information systems within Nipissing First Nation.

Procedures

Planning and evaluation

The Council, with the assistance of the Chief Executive Officer and input from information technology staff, will ensure that information systems are developed that support Nipissing First Nation's strategic plan and operations.

When there are no individuals internally with the requisite technical skills to identify information technology requirements or evaluate options, the Chief Executive Officer will seek advice from a qualified external individual or organization.

Outsourcing

Subject to the Procurement Policy, the Chief Executive Officer is responsible for the selection of contractors providing information technology services, the definition of services in their contracts and the administration of the contracts.

Specific items which should be included in the procurement of information technology services and final contract with the chosen provider include:

- A requirement that the service provider submits regular reports of all work performed on Nipissing First Nation's information systems;
- A requirement that outsourced parties are responsible to comply with legal and regulatory requirements, including the protection of confidential and private information;
- Access by outsourced parties to Nipissing First Nation information is provided on a 'need to know basis' only.

Data management

Data retention allows access to appropriate data to specified personnel where required, depending on the type of data retained.

All sensitive, valuable, or critical information / data residing on Nipissing First Nation's information technology systems must be periodically backed-up. Backups will occur incrementally on a daily basis, with full backups on a weekly and monthly basis.

USB drives must be stored in a secure location with access limited to the Chief Executive Officer and limited other staff as appropriate. Ideally, USB drives tapes will be securely stored at an offsite location that is easily accessible to individuals with authorized access.



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USB Drives will be retained for a period of one (1) year, according to applicable legal requirements.

Access management

All individuals requiring access to Nipissing First Nation information systems will have unique user identification. Shared user IDs or passwords will not be permitted.

Requests for access to Nipissing First Nation's network, accounting system, or other access-restricted information system must include a description of an employee's role and rationale for the level of access required. Signed approval must be obtained from the Chief Executive Officer (or designate).

A user ID and password are required for access to the network and other critical programs/areas such as the accounting system. Automatic authentication using scripts or macros inserting user IDs and/or passwords are prohibited.

Individuals will be given access privileges to the extent necessary to fulfill their individual job function and no more. Systems and applications should not be configured with unrestricted access to all data.

When an individual or contractor is terminated or ends employment with Nipissing First Nation, their user IDs must be disabled immediately.

Support personnel must notify the user when attempting to take control of a workstation. All instances where specific software is loaded to remotely control a workstation must be removed when the support function is completed. The use of the remote control software must be in accordance to applicable agreements.

Information system security

Security tools and techniques are implemented to enable restrictions on access to programs and data.

Security tools and techniques are administered to restrict access to programs and data.

Each computer resource must have an approved antivirus ("AV") program installed. The following standards must be met:

- A. The AV program must not be disabled and must be configured to scan all programs and files upon execution and must have real time protection enabled. If encrypted and password protected files cannot be virus checked, it is the responsibility of the user to ensure that virus checking takes place whenever this protection is removed;



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- B. Antivirus files must be updated on the network every two weeks or whenever a new threat is identified.
- C. Network firewalls must be configured to support a 'least-privilege' approach to security, allowing only specific systems, services and protocols to communicate through the network perimeter. Logical and physical access to these systems must be limited strictly to those personnel with specific training and authorization to manage the device.

Additionally, the following Firewall standards must be addressed:

- i. Firewall and proxy servers must be securely installed;
- ii. Detailed firewall logs will be reviewed as needed and stored for a period of two(2) weeks;
- iii. Alerts must be raised if important services or processes crash.

Change management

All new data structure and modifications to data structure will be tested before implementation.

All computers, hardware, software and communication systems used for a production environment must employ a documented change control process. The change management process should include the following activities:

1. The data structure is consistent with the needs of Nipissing First Nation;
2. Description and rationale for the new network, hardware, communication and systems software change and how it is consistent the needs of Nipissing First Nation;
3. An assessment of any risks involved with the change;
4. Roll-back considerations;
5. Implementation considerations;
6. A description of the testing required;
7. Approval from the Chief Executive Officer;
8. Communication of changes to Nipissing First Nation staff as appropriate.

Monitoring

Only approved and authorized programs will be implemented onto Nipissing First Nation information management systems. Periodic reviews of the workstations and the system will take place to monitor compliance with this requirement.



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A log of staff, their user IDs, and their access levels within First Nation information systems will be maintained. On a quarterly basis, the Chief Executive Officer, or his designate, will review the log to ensure users and the associated access rights are appropriate. Access rights that will be monitored include the following:

- a) User access management (i.e. the accounting system);
- b) Third party access (i.e. outsourced information technology professionals);
- c) Network access and file sharing;
- d) Remote and VPN access.

Network system performance is monitored on a regular basis.

The firewalls must be monitored daily and their functionality audited semi-annually.



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Insurance Policy

Policy

Nipissing First Nation will obtain sufficient insurance coverage for its operations, staff and council 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 ensure material risks are addressed for Nipissing First Nation and its council, officers, and staff.

Scope

This policy and procedure applies to Council, the Finance and Audit Committee, the Chief Executive Officer, the Chief Financial Officer, and all other employees involved in insurance matters at Nipissing First Nation.

Definitions

“**Risk**” in insurance terms is the possibility of a loss or other adverse event that has the potential to interfere with an organization’s ability to fulfill its mandate, and for which an insurance claim may be submitted.

Responsibilities

Council is responsible for:

- Procuring and maintaining in force all insurance coverage that is appropriate and commensurate with the risks under the care or control of Nipissing First Nation based on the recommendation of the Finance and Audit Committee;
- If Council chooses, procuring and maintaining insurance for the benefit of a councillor or a First Nation officer or their personal representatives against any liability arising from that person being or having been a councillor or an officer.

The Finance and Audit Committee is responsible for:

- Providing its insurance coverage recommendation to Council (The Finance and Audit Committee may retain external expertise to assist in its deliberations given the technical nature of insurance decisions).

The Chief Executive Officer is responsible for:



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- Leading and managing the risk identification and assessment process;
- Selecting an insurance broker;
- Evaluating options from insurance providers, as provided by the insurance broker, to address the risks that require insurance coverage;
- Recommending a preferred option to the Finance and Audit Committee and council that meets the needs of Nipissing First Nation;
- Monitoring insurance coverage expiration and payment dates to ensure coverage does not lapse;
- On an annual basis reviewing insurance coverage to ensure that it continues to meet the needs of Nipissing First Nation.
- At minimum, every three (3) years, a procurement process will take place allowing qualified potential insurance companies that ensures Nipissing First Nation will obtain the best value of coverage.

Procedures

Identify significant material risks

The Chief Executive Officer, with input from members of the management team, the Finance and Audit Committee and Council, will develop a list of potential significant material risks to Nipissing First Nation's financial assets, tangible capital assets and the operations of Nipissing First Nation. This will include an examination of:

- Potential sources of liability of Nipissing First Nation arising from its operations;
- Values and use of Property and equipment;
- Values and use of Assets under control of Nipissing First Nation;
- Potential sources of Liability for individuals such as councillors, officers and staff members of Nipissing First Nation;
- Other risk areas that could result in a loss to Nipissing First Nation and could be insured.

Identify and procure insurance products

Based on the risk analysis performed, the Chief Executive Officer will identify the risks where insurance coverage is appropriate.

In accordance with the Procurement Policy, the Chief Executive Officer will review options from several different insurance providers, as provided by Nipissing First Nation's insurance broker, and will make a recommendation to the Finance and Audit Committee on which to accept. The Chief Executive Officer's determination of a recommended option will take into consideration the following:



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- Cost of the coverage;
- Attributes and features of the proposed coverage including what is and is not covered and any gaps or exclusions;
- Independent advice on the reputation and strength of proposed insurance providers.

Where appropriate, legal advice will be sought as required to ensure that the terms and conditions of coverage sought are appropriate for Nipissing First Nation.



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Approval for insurance coverage

Council will review the proposed option presented by the Finance and Audit Committee and the Chief Executive Officer and document their approval.

Once approved by Council, procurement of the insurance coverage will follow Nipissing First Nation's Procurement and Expenditure Policies.

Maintenance of insurance coverage

The Chief Financial Officer will maintain a schedule of insurance policy expiration dates and payment dates and monitor on a regular basis to ensure that coverage does not lapse.

The Chief Executive Officer will review insurance coverage on an annual basis to ensure that it continues to adequately address the risks and meet the needs of Nipissing First Nation.



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Investment Policy

Policy

It is Council's policy that Nipissing First Nation investments will be managed and administered in a manner to preserve capital and generate sufficient income and growth to meet Nipissing First Nation's operational or strategic objects.

Purpose

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

Scope

This policy and procedure applies to Council, the Finance and Audit Committee, the Chief Executive Officer and the Chief Financial Officer.

Definitions

"Restricted Investments" are investments made with funds the source of which is either government transfers, self generating revenues, or other revenues with restrictions on use.

"Unrestricted Investments" are investments made with funds the source of which is not government transfers or self generating revenues.

"Portfolio rebalancing" refers to the realigning of the weightings of Nipissing First Nation's portfolio of assets and involves periodically buying or selling assets in the portfolio to maintain the original desired level of asset allocation.

Responsibilities

Council is responsible for:

- determining Nipissing First Nation's short and long term investment objectives;
- determining allowable uses of available funds;
- approving preliminary risk assessment of funds;
- selecting / de-selecting investment manager(s) and custodian(s);
- approving the creation of an investment account;
- approving funds to be invested; and
- approving the redemption of invested funds.



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The Finance and Audit Committee is responsible for:

- providing Council with recommendations in relation to the funds to be invested;
- monitoring performance; and
- the redemption of invested funds.

The Chief Executive Officer is responsible for:

- monitoring the performance of all parties to whom duties have been delegated;
- reporting any significant changes to the investment portfolio to Council;
- liaising with the Finance and Audit Committee, Chief Financial Officer, and Investment Consultants as required; and
- providing the Finance and Audit Committee with recommendations in relation to preliminary risk assessment of funds, selection / de-selection of the investment manager(s) and custodian, funds to be invested, monitoring performance, rebalancing portfolios, and the redemption of invested funds.

The Chief Financial Officer is responsible for:

- analysis of proposals received from Investment Managers and Custodians;
- performing a preliminary risk assessment analysis against criteria to be met prior to investing decisions are made by Council;
- overseeing rebalancing of the investment portfolios asset mix according to Council instructions;
- executing transfers of funds to / from the investment account(s) according to Council instructions;
- preparing an accounting for additions, withdrawals and balances in the investment account;
- maintaining a record of the amount of, and market value of, the asset classes and units held within the investment portfolio; and
- preparation of a quarterly investment monitoring report including investment performance and a summary of professional advisory fees attributed to the management of the portfolio;
- recommending transfers, rebalancing, monitoring actions, Investment Manager changes, and any other recommendations relevant to the successful management of the investments.

Procedures

Selection of Investment Manager(s) and Custodian



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Council will select the Investment Manager(s) and Custodian. The Chief Financial Officer may review and analyze the proposals, or Council may engage an independent consultant to facilitate the selection process of Investment Manager(s) and Custodian.

Investment Manager(s) proposals will be analyzed using a number of criteria including:

- experience, qualifications, investment management style, costs, past performance, volatility of returns, and any other criteria identified by Council.
- Custodian proposals will be analyzed based on experience, security, service and fees.

A Custodian agreement and Investment Management agreement(s) will be entered into by Nipissing First Nation. Agreements must be consistent with this policy and procedure, and must facilitate execution of the short and long term investment strategies. The agreements must be entered into before any funds are transferred into the investment account(s).

Termination of Investment Manager(s)

Council may terminate an Investment Management agreement for:

- performance results;
- changes in Nipissing First Nation or its investment strategy which would no longer require the services of an Investment Manager;
- changes in Investment Manager personnel, firm or ownership structure, investment philosophy, style or approach which might adversely affect the potential return and / or risk level; and
- failure to adhere to this policy and procedure.

Designation and transfers of investment funds

The Chief Financial Officer will notify Council in writing when there is Nipissing First Nation funds available for transfer to the investment account(s). The written notification must identify the source(s) of the available funds (i.e. government transfer, self generating revenues, or unrestricted) and whether they are to be invested according to the short-term or long-term strategy.

Council must approve the transfer of funds to and from the investment account(s) and authorize the creation of a new investment account if required.

The Chief Financial Officer will transfer the approved funds into the designated investment account(s) and communicate to the Custodian and Investment Manager whether the funds are restricted or unrestricted, and whether they are to be invested over the short term or long term.



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The Chief Financial Officer will communicate and oversee approved requests to redeem investments and transfer the proceeds to Nipissing First Nation.

Investment Criteria - Permitted Investments

Restricted funds may only be invested in:

- securities issued or guaranteed by Canada or a province;
- securities of a local, municipal, or regional government in Canada;
- investments guaranteed by a bank, trust company or credit union;
- deposits in a bank or trust company in Canada or non-equity or membership shares in a credit union; or
- securities issued by the First Nations Finance Authority.

Unrestricted funds may be invested in:

- securities issued or guaranteed by Canada, a province or the United States of America;
- fixed deposits, notes, certificates and other short term paper of, or guaranteed by a financial institution including swaps in United States of America currency;
- securities issued by the First Nations Finance Authority or by a local, municipal or regional government in Canada;
- commercial paper issued by a Canadian company that is rated in the highest category by at least two (2) recognized security-rating institutions;
- any class of investments permitted under an Act of any province relating to trustees;
- any other investments or class of investments prescribed by a regulation under the Act;
- a company that is incorporated under the laws of Canada or of a province or territory and in which Nipissing First Nation is a shareholder;
- a trust in which Nipissing First Nation is a beneficiary;
- a limited partnership in which Nipissing First Nation is a partner; and
- subject to Nipissing First Nation's Financial Administration Law, a member investment program as described in section 64 of the Law.

Monitoring of Investments

The Chief Financial Officer will reconcile the investment and custodian accounts to the general ledger and financial statements in a timely manner (either monthly or quarterly).

The Chief Financial Officer will recalculate the investment management and custodian fees charged to ensure they are consistent with the underlying contracts.



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The Chief Financial Officer will prepare a quarterly monitoring report and provide that report to the Chief Executive Officer. The report will summarize:

- the performance of the investments under management to relevant benchmark(s);
- the weighting of the investment portfolio and comparison to the target portfolio asset allocation;
- any relevant media or news articles about the Investment Manager and / or Custodian;
- any ownership and / or staffing changes within the Investment Manager organization;
- any instances of non-compliance with the FSMA, Nipissing First Nation's Financial Administration Law, or this policy and procedure;
- recommendations in relation to rebalancing of the portfolio and / or de-selection of the Investment Manager, or any other recommendation(s).

The Chief Executive Officer will review the report, add his / her recommendation(s), and provide the report to the Finance and Audit Committee.

The Finance and Audit Committee will review the quarterly monitoring report, add their recommendation(s), and provide the report to Council.

The Council will review the quarterly monitoring report and accompanying recommendations and make any necessary decisions.

The Investment Manager will be required to attend a Council meeting and discuss investment performance, and changes in strategy, approach or personnel.

Re-balancing of the Investment Portfolio

The Chief Executive Officer and the Chief Financial Officer will transmit any rebalancing instructions to the Custodian and Investment Manager only if first approved by the Council.



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Loan Guarantees and Indemnities Policy

Policy

Nipissing First Nation will ensure that any loans, loan guarantees and indemnities given will be made in accordance with written agreements which include standard clauses, are appropriately approved, are monitored for compliance with agreement terms regularly, and are reported to the Finance and Audit Committee on a regular basis. Any loan granted to a member or to an entity in which a member of Nipissing First Nation has an interest must be part of a lending program approved by Council which is universally available to all members in a fair and transparent manner and in accordance with published terms and conditions which are accessible to all members.

Purpose

The purpose of this policy is to provide Nipissing First Nation with an effective and transparent process for the approval, collection and documentation of loans, loan guarantees and indemnities given by Nipissing First Nation as authorized in Nipissing First Nation's Financial Administration Law.

Scope

This policy and procedure applies to loans, loan guarantees and/or indemnities entered into between Nipissing First Nation and Councillors, the Finance and Audit Committee, Chief Executive Officer, the Chief Financial Officer and any other Nipissing First Nation employee or member or entity in which a member of Nipissing First Nation has an interest.

Definitions

"Arrears" refers to an unpaid, overdue debt, or an unfulfilled obligation.

"Loan guarantee" is a promise to pay all or a part of the principal and/or interest on a debt obligation in the event of default by the borrower.

"Indemnity" refers to the right of a person to recover the amount of a financial loss or a liability to a third party.

"Loan receivable" is a financial asset of Nipissing First Nation (the lender) represented by a promise by a borrower to repay a specific amount, at a specified time or times, or on demand, usually with interest.



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Responsibilities

Subject to Nipissing First Nation's Financial Administration Law, Council is responsible for:

- Approving and signing Loan Receivable agreements for amounts exceeding \$300,000;
- Approving and signing Loan Guarantee agreements for amounts exceeding \$300,000;
- Approving and signing Indemnity agreements for amounts exceeding \$25,000;
- Approving debt forgiveness for amounts exceeding \$25,000;
- Approving the standard template, clauses, and interest rates (if applicable) to be applied to all First Nation members, any entity in which a member of Nipissing First Nation has an interest or any other party with respect to loans receivable, loan guarantees and indemnities;
- Reviewing the report of the Chief Financial Officer and the Finance and Audit Committee for a lending program to members where such program is authorized in Nipissing First Nation's Financial Administration Law and, where appropriate, approving such program.

The Finance and Audit Committee is responsible for:

- Reviewing a report made by the Chief Financial Officer respecting a lending program to members and making any recommendations to Council;
- Monitoring the status of Nipissing First Nation's loans receivable, loan guarantees and indemnities and reporting to the Council;
- Monitoring the administration of any Council approved program of lending to members and any amendments thereof.

The Chief Executive Officer is responsible for:

- Approving employee payroll and employee expense advances. Under no circumstances are payroll advances allowed;
- Ensuring the lending, loan guarantee and indemnity process is transparent by providing Nipissing First Nation members access to the requirements, standard terms and conditions;
- Ensuring the publication of the terms and conditions of any Council approved program of lending to members, providing access to the published program by all members and administering the program;



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- Approving the loan forgiveness report.

The Chief Financial Officer is responsible for:

- Reporting to the Council, any risks associated with entering into a new program of loans to be made to members or entities in which members have an interest and the costs of administering such a program;
- Preparing loan, loan guarantee and indemnity agreements using the standard clauses approved by Council;
- On a monthly basis, monitoring the status of loan repayments, overseeing the loan receivable collection procedures, evaluating the likelihood of collectability and risk of loss, approving any necessary loan valuation allowances to reflect loans receivable at the lower of cost and net recoverable value and reporting the results of this monitoring to the Finance and Audit Committee;
- On a monthly basis, preparing the loan valuation allowance, write-off and forgiveness report;
- Ensuring that loan receivable allowances and loan receivable write-offs and loan forgiveness are reported to the Finance and Audit Committee and accurately recorded and disclosed in the financial records and statements;
- Ensuring adequate supporting documentation is retained for all loans receivable, loan guarantees and indemnities;
- On an annual basis, preparing a report for the Finance and Audit Committee setting out all payments made to honour Nipissing First Nation loan guarantees and indemnities;
- On an annual basis, preparing a report for the Finance and Audit Committee setting out all loans or obligations forgiven by Nipissing First Nation.

Procedures

Requirements

A. Loans

Subject to Nipissing First Nation's Financial Administration Law, any authorized loans made by the First Nation are subject to the following conditions:

- Loans available to members must be set out in a program approved by the Council which has published terms and conditions and is universally available to all members;



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- Loans and all payments received from those loans must be set out in an annual report that includes:
 - details about the amounts loaned,
 - the purposes of the loans,
 - subject to applicable privacy laws, the names of those receiving a loan and
 - re-payments of principal and interest on the loans.

Loans up to \$5,000 will be prepared and approved by a Program Manager. Loans up to and equal to \$50,000 will be prepared by a Program Manager and approved by the Chief Executive Officer. With exception to Nipissing First Nation Housing Mortgages, loans over \$50,000 will be prepared by the Program Manager and will be review by the Chief Financial Officer, and approved by the Chief Executive Officer.

Regarding Nipissing First Nation mortgages loan program, any two of the following: the Chief Executive Officer, the Chief Financial Officer, the Director of Administration and/or the Housing Manager, have been delegated authority to sign off housing mortgage loans not exceeding \$300,000. Approval will be enacted by signing the agreement with the individual requesting the loan and will only be granted if the risk of non-payment is at an acceptable level for Nipissing First Nation.

Instances where there is a high risk or likelihood that the individual will be unable to pay (i.e. previous instances of debt non-payment, poor credit history, unemployment or bankruptcy, etc.) require Council approval.

Interest, if charged, will be applied consistently to all loans at a risk adjusted rate of at least one percent (1%) less the posted bank rate.

A binding legal written agreement will be made between the First Nation and individual requesting the loan. The agreement will contain standard clauses that are consistently applied to every individual that applies for and secures a loan from the First Nation. The following items, at a minimum, will be present in the agreement:

- The name of the individual;
- Amount of the loan;
- Nature and amount of any security over the loan pledged in favor of Nipissing First Nation or provided as loan collateral;
- Interest (if applicable);
- Repayment schedule.

Approval will be enacted by signing the agreement with the individual requesting the loan.



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B. Loan Guarantees

Loan guarantees will only be granted in the following circumstances:

- a) The amount of the loan guarantee must not exceed \$300,000. With exception to Royal Bank of Canada mortgage program, loan guarantees will be approved by Council upon consideration of the report of the Chief Executive Officer and the Chief Financial Officer.
- b) Regarding Royal Bank of Canada mortgage program, in accordance with BCR #1437 dated June 17, 2014, any two of the following: the Chief Executive Officer, the Chief Financial Officer, the Director of Administration and/or the Housing Manager, have authority to sign off loan guarantees for Royal Bank of Canada program. Approval will be enacted by signing the agreement with the individual requesting the loan guarantee and will only be granted if the risk of non-payment or non-fulfillment of an obligation is at an acceptable level for Nipissing First Nation.
- c) The report from the Chief Financial Officer must identify any risks associated with giving the loan guarantee, evaluate the likelihood of having to honour and make payments under the guarantee, describe information collected and any judgments or estimates used to make this evaluation and assess the financial ability of Nipissing First Nation to honour the loan guarantee should it be required to do so.
- d) A binding legal agreement will be made between Nipissing First Nation and the individual requesting the loan guarantee. The agreement will contain standard clauses that are consistently applied to every individual who applies for and secures a loan guarantee from Nipissing First Nation. The following items, at a minimum, will be present in the agreement:
 - i. Name of the individual;
 - ii. Amount of the loan guarantee;
 - iii. Duration of the loan guarantee agreement;
 - iv. Amount, maturity and repayment terms of the underlying loan or obligation; and
 - v. Purpose and use of the underlying loan (e.g. details of the asset being acquired or leased or investment being made).
- e) Approval will be enacted by signing the agreement with the individual requesting the loan guarantee.



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- f) Nipissing First Nation will obtain a copy of the legal agreement [ie: asset purchase / lease / investment] requiring the issuance of a loan guarantee and retain it on file with the loan guarantee agreement.

C. Indemnities

In exceptional circumstances only, indemnities will be granted in the following circumstances:

Nipissing First Nation must not give an indemnity unless it is:

- i. Authorized to do so under section [106] of the Nipissing First Nation Financial Administration Law (“FAL”);
- ii. Necessary and incidental to and included in another agreement to which Nipissing First Nation is a party; or
- iii. In relation to a security granted by Nipissing First Nation that is authorized under the Nipissing First Nation Financial Administration Law.

Nipissing First Nation will obtain a copy of the [asset agreement] under loan guarantee and retain on file with the loan guarantee agreement.

Employees may request an advance for valid out-of-pocket expenses that will be incurred within the current fiscal year and that will ultimately be reimbursed by Nipissing First Nation in accordance with the Travel policy.

Land lease arrangements given or made by Nipissing First Nation are subject to approval at a meeting of Council with quorum.

D. Leases

Nipissing First Nation must comply with the terms and conditions of any lease agreements it enters into.

The Council [or the person with delegated authority] should ensure that Nipissing First Nation enters into a lease agreement, provided that the amounts payable under the lease are within the budget for the related program or department.

Lease agreements respecting Nipissing First Nation must be made in accordance with the land code or applicable land management laws and policies.

Accessibility

Subject to Nipissing First Nation’s Financial Administration Law, all members must be able obtain a loan from Nipissing First Nation subject to any conditions outlined in this policy.



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The Chief Executive Officer will ensure that the requirements to obtain a loan, loan guarantee or indemnity, as well as the standard terms and conditions of these agreements are accessible to all Nipissing First Nation members. This information will be available to all members who request a copy from the local office either in person, by phone or by email.

Monitoring and Reporting

All loans, loan guarantees, and indemnities will be reported annually to the Finance and Audit Committee. The annual report will contain the following information for each loan, loan guarantee, and indemnity:

- Name of the individual;
- Purpose of the loan, loan guarantee or indemnity;
- Amount of the original loan, loan guarantee or indemnity;
- Repayments of principal on loans;
- Interest earned and collected on loans;
- Actual payments made, if any, against loan guarantees;
- Actual payments made to compensate for damages, if any, against indemnities;
- List of payments in arrears by individual;
- Any expected payments required as a result of Nipissing First Nation having to fulfill or honour a guarantee or indemnity agreement based on the Chief Financial Officer's knowledge of the contracts in place and changes in their underlying financial condition.

Record Keeping

All agreements and payment records associated with loans, loan guarantees and indemnities will be stored in Nipissing First Nation's financial records.

Records of debt forgiveness will be retained in the event that in the future, through changed circumstances, some or all of the debt may be repaid.

Collection

On a monthly basis, the Chief Financial Officer (or delegate) will review the list of outstanding loans receivable and corresponding loan payments. The following actions will be taken to resolve overdue payments and delinquent accounts:

- For loan payments that are between 30 and 60 days overdue, the individual holding the loan will be contacted in writing requesting that all overdue payments be made as soon as possible and no later than a specified date;
- For loan payments that are more than 60 days overdue, late payment interest will be charged on the outstanding loan balance in accordance with the loan agreement between the individual with payments in arrears and Nipissing First Nation. The individual will be



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- contacted in writing and by phone and informed that interest will accumulate until all overdue payment have been received. Contact by writing and by phone will be made on a monthly basis thereafter if payment has still not been received;
- For loan payments that are more than 120 days overdue, the Chief Financial Officer will determine whether the loan should be considered impaired and written of, or sent to an external collections agency. The Chief Financial Officer (or delegate) will inform the individual in writing and by phone that the payments in arrears have been transferred to an external agency for collection;
 - Any additional financing arrangements or amendments to existing loan agreements to improve the likelihood of repayment between Nipissing First Nation and an individual with payments in arrears will be determined by the Chief Financial Officer and approved by the Chief Executive Officer.

Debt Forgiveness

All reasonable steps should be taken to attempt to collect the outstanding balance. However, when it becomes evident that Nipissing First Nation will be unable to collect the outstanding balance, a report should be compiled by the Chief Financial Officer and approved by the Chief Executive Officer detailing the following:

- Individual and amount in arrears;
- Principal and interest outstanding on the loan;
- Length of time in arrears and measures taken to collect on payments in arrears;
- Rationale for debt forgiveness.

All debt forgiveness amounts based on the Chief Financial Officer's report require review and recommendation by the Finance and Audit Committee and approval by Council.

Write-offs

When all reasonable steps to collect have been taken and debt has not been collected or forgiven, the Chief Financial Officer will ensure that the loan and its outstanding principal and interest payments are reclassified in the financial statements as bad debt.



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Policies, Procedures and Directions Policy

Policy

It is Council's policy to create, revise, and issue policies and procedures that reflect Nipissing First Nation accepted practices as well as meet law and regulatory requirements that affect the Nipissing's Financial processes.

Purpose

The purpose of this policy Systems Manual is to ensure that there is a standardized method of preparation, review, issuance, maintenance and revision of all policies and procedures in relation to the Nipissing's financial management system.

Scope

This policy and procedure applies to the Council, committees of Council and all employees and any other persons with authority to conduct activities in connection with the financial administration of the Nipissing.

Definitions

"PSAS" means Public Sector Accounting Standards in accordance with accounting standards for the public sector as established by the Public Sector Accounting Board ("PSAB").

Responsibilities

All persons affected by this policy are required to understand and comply with the policies and procedures appropriate to their responsibility and interaction.

Any employee or department (document initiator) can recommend a policy and procedure.

The Finance and Audit Committee is responsible for:

- Making recommendations to Council for issuance, revision or rescission of any policy and procedure document;
- Ensuring policy and procedure documents being reviewed are neither contradictory to Nipissing First Nation's Financial Administration Law with PSAS;
- Conducting an assessment for each significant function or activity of Nipissing First Nation's financial administration to determine if a policy and procedure document is required (e.g.: policies and procedures that ensure the control and safeguarding of all the assets of Nipissing First Nation);



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- Conducting an assessment of Nipissing First Nation's Financial Administration Law to determine the policies or procedures required by the Law.

The Chief Executive Officer is responsible for:

- Reviewing all policy and procedure document requests and to submit the document to the Finance and Audit Committee for review and a recommendation to Council for approval where the Chief Executive Officer supports the request;
- Determine if the policy and procedure document request needs to be referred to a subject matter expert for additional review;
- Determining if the policy and procedure document needs cross functional review(s) from other departments within Nipissing First Nation;
- Ensuring that the current list of policy and procedures are made available to all affected persons.

The Chief Financial Officer is responsible for:

- Maintaining a comprehensive list and repository of all existing policies and procedure documents;
- Ensuring proposed or review policy and procedure document are in the standardized format;
- Ensuring proposed or revising policy and procedure documents incorporate the requirement of Nipissing First Nation's laws and regulatory requirements;
- Monitoring the policy and procedure document through the draft, approval, and issuance process;
- Serving as the policy and procedure document sponsor and providing the initial approval to the document initiator to proceed with creating a proposed document, revising an existing document or rescinding an existing policy; and
- Ensuring that existing policy and procedures are kept current by reviewing periodically.

The document initiator is responsible for:

- Preparing a draft policy and procedure document (for new policies) in accordance with the standardized format established by this policy;
- Revising an issued policy and procedure document in accordance with the standardized format;
- Preparing a written request to rescind an outdated or inaccurate policy and procedure document;



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- Submitting all policy and procedure document requests to the Chief Financial Officer or delegated authority for review and recommendation of approval.

Procedures

1.0 Policy Creation

- a) The document initiator creating the policy and procedure should be the process owner or a subject area expert.
- b) Any employee or department may recommend a policy but in the first instance, the Chief Executive Officer and the Chief Financial Officer will create a list of all policies and procedures required by Nipissing First Nation's financial administration law or required to adequately and effectively manage and control the financial management system and to safeguard Nipissing First Nation's assets. The Chief Financial Officer will then assign the responsibility of document initiator to a process owner or subject area expert for policies and procedures that do not exist or require revision.
- c) The Chief Financial Officer and the document initiator will agree on appropriate content (iterative reviews if necessary) keeping within the following format for the policy:
 - Policy – clear statement that indicates the protocol or rule affecting the specific area
 - Purpose – The reason or rationale underlying the policy and procedure
 - Scope – The areas, functions, individuals, or departments affected by the policy
 - Definitions – Any specialized terms that are not otherwise defined
 - Responsibilities – Describes who, using generic titles or positions, is responsible for implementing or maintaining the policy and procedure
 - Procedures – Describes the steps, details, or methods to be used to implement and maintain the policy and procedures
 - References (optional) – List of applicable documents, policies, laws and regulations
 - Attachments (optional) - forms, reports, or records that are generated from the policy.
- d) The Chief Financial Officer will submit final draft policy and procedure documents to the Chief Executive Officer for review and recommendation for submission to the Finance and Audit Committee.



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- e) The Finance and Audit Committee including a group consisting of Council, Chief Executive Officer and Program Director's or Program Managers, will review the draft policy and procedure documents and may recommend them, with or without amendments, to Council the final approval.
- f) Each policy and procedure document presented to Council for approval will include a list of the persons affected by the policy and a documented record of the Finance and Audit Committee's review and recommendation. Council is responsible for the final approval of new, revised or rescinded policies and procedures.

2.0 Policy Revision

The document initiator may recommend the revision of an issued policy and procedure following steps under "Policy Creation".

Periodically, but at least every two years, or as needed, the Chief Financial Officer will review issued policies and procedures or will request process owners to validate existing policy and procedures for accuracy.

3.0 Policy Rescission

A process owner may request the rescission of an issued policy and procedure, if the policy is outdated or inaccurate and approval is obtained from the Chief Executive Officer and the Chief Financial Officer.

The request to formally rescind an issued policy should be documented and provide the details of why the policy should be rescinded.

4. Policy Approval

Once approved by Council, a new or revised policy must be communicated and accessible to the all departments and employee and members of Nipissing First Nation for reference and guidance.

5.0 Policy Maintenance

At least every two years, or as needed, all issued policy and procedures documents will be reviewed for completeness, accuracy, and relevancy and revised or rescinded accordingly.



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Procurement Policy

Policy

The procurement of goods, services and assets will be conducted with sufficient due diligence to demonstrate transparency, fairness, quality, and value for money in meeting Nipissing First Nation's requirements.

Purpose

The purpose of this policy is to provide guidance to Nipissing First Nation on how purchases will be planned, managed, approved and paid.

Scope

This policy applies to the Council, Chief Executive Officer and any other First Nation employees involved in purchasing goods, services and assets on behalf of Nipissing First Nation.

Definitions

"Assets" include tangible capital assets such as equipment, buildings and land that have been purchased or constructed by Nipissing First Nation.

"Best Value" refers to the optimal combinations of experience, knowledge, expertise, geographic location, performance, quality, time, initial costs, operation and maintenance, cost, life cycle costs, service, performance characteristics, spare parts availability, warranties and guarantees etc.

"Fairness" refers to giving qualified firms and individuals an equal opportunity to compete for the contract work; and to evaluating tenders and proposals in accordance with accepted practices.

"Encumbrance accounting" refers to the process of setting money aside (to hold it) for a specific purpose. Money then, is essentially earmarked for certain future purposes and cannot be re-allocated for any other purpose than stated.

"Invited tender" refers to a tender that is distributed to a certain number of contractors who are invited to bid on a specific project. Industry standards indicate that at least three contractors should be invited to ensure that the process is fair and there is sufficient competition.

"Open or public tender" is the process by which tenders are advertised publicly. Open tenders should allow any qualified potential bidders the opportunity to bid on a project.



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“**Requisition**” refers to a purchase order used by Nipissing First Nation when documenting expenditures.

“**RFP**” stands for Request for Proposal, which is the process generally followed before awarding a major service contract. RFPs identify the need and leave it up to the prospective contractors to make a proposal that is appropriate.

“**Sole Source**” means a person or company from whom Nipissing First Nation may purchase goods and/or services.

“**Tender process**” refers to the process where documents outlining the requirements and specifications of a project are put in the hands of prospective contractors or suppliers interested in submitting bids.

Responsibilities

The Council is responsible for:

- Ensuring effective control of procurement of goods, services and assets through documented policies and procedures.

The Chief Executive Officer is responsible for:

- Ensuring the procurement process is fair, open, and demonstrates accountability to obtain the best value for time and money;
- Communicating the policies and procedures to all parties who are affected.

The Chief Financial Officer is responsible for:

- Developing, documenting and maintaining policies and procedures relating to the procurement process for goods, services, and assets;
- Assisting in the selection, evaluation, and monitoring of contractors and suppliers;
- Managing and monitoring expenditures and identifying and reporting on budget variances;
- Ensuring that procurement staff receives appropriate guidance and assistance in the performance of their duties.

Procedures

Procurement of low value items goods and services



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Goods and services under the 'low' value threshold can be procured by the individuals noted in the Purchasing Approval Limits (see attached Appendix "G") for each threshold of value.

The responsible employee noted in the Purchasing Approval Limits (see attached Appendix "G") will ensure that the goods or service selected is the best value for Nipissing First Nation.

The responsible employee noted in Purchasing Approval Limits (see attached Appendix "G") will sign the invoice indicating that the goods or services have been received under the terms in the agreement between Nipissing First Nation and the vendor.

Procurement of moderate value goods and services

The responsible employee noted in the Purchasing Approval Limits (see attached Appendix "G") will perform a documented analysis of the costs and benefits of at least three options to procure the good or service. A contractor / Supplier Evaluation Template will be used to complete the cost and benefits analysis (see attached Appendix "H").

Where practical, informal quotes will be obtained through advertisements, direct solicitations to contractors/suppliers and other methods in an effort to compare prices and select the best option for Nipissing First Nation.

When appropriate, Nipissing First Nation will promote the use of local content in the procurement of goods and services in accordance with Local Content Appendix "I".

Procurement of high value goods and services

Goods and services classified as high value according to the Purchasing Approval Limits (see attached Appendix "G") will be procured using a competitive tendering process. A contractor / Supplier Evaluation Template will be used to complete the cost and benefits analysis (see attached Appendix "H").

When appropriate, Nipissing First Nation will promote the use of local content in the procurement of goods and services in accordance with Local Content Appendix "I".

Under a competitive tendering process, Nipissing First Nation must use either an invited tender or an open tender to award a contract.

For each tendering process a RFP will be issued and will include the following components:

- i. Date by which proposals are due;



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- ii. Background to the requirement (e.g., context, challenges);
- iii. Specific requirements of the proposal including any requirements set out in Council policy for the management of capital projects (e.g. course of construction insurance, performance guarantees and bonding);
- iv. Qualifications of the ideal supplier (e.g. track record, experience, integrated services);
- v. Criteria and weighting (if applicable) by which proposals will be assessed;
- vi. Planned contract award date;
- vii. Process for entertaining questions regarding the RFP and sharing responses with other potential suppliers;
- viii. Caveat providing Nipissing First Nation with the right to pick any proposal or none;
- ix. A checklist of other special terms and conditions (e.g., maximum price expected, delivery dates or constraints) that would be critical for an organization to build into their response to meet the needs of Nipissing First Nation.

The Chief Executive Officer, [#] representatives from Council, and any required staff possessing relevant expertise will form a review panel and review the proposals received against the pre-determined selection criteria for the RFP. The review panel will provide Council with a recommended course of action.

To maintain consistency in the procurement process, a standard methodology will be used to evaluate each contractor/supplier (Appendix “I”). The methodology will include, at a minimum, an evaluation of:

- i. How the contractor/supplier meets the RFP or tender requirements and specifications;
- ii. The contractor/supplier’s qualifications;
- iii. The price quoted;
- iv. Results and quality of all work the contractor/supplier has previously done for Nipissing First Nation.

Other requirements will be added to the methodology as deemed necessary by the Chief Executive Officer.

Normally an RFP process as described above will be followed to procure goods and services. Exceptions to this process (i.e. granting a sole source contract, non-competitive contract award) will be rare and limited to the following situations:

- i. If there were no bids received during the tender call or RFP process;



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- ii. When the good or service is available only through a Sole Source;
- iii. In an emergency situation where a delay in procuring the good or service would result in severe loss or damage to Nipissing First Nation.

Any exceptions to the procurement process will be documented to demonstrate the rationale and approval of a non-standard procurement process as noted in the exceptions to the standard methodology of the procurement process.

Approval, initiation and monitoring

Approval of procurement decisions should be documented on the relevant purchasing document (i.e. requisition, purchase order, or contract, depending on the nature of the procurement activity).

Once approved, the Chief Financial Officer will ensure that an encumbrance accounting system is in place for each contracted procurement activity so that money is set aside and used specifically for those goods or services.

On a monthly basis, the Chief Financial Officer will review the status of procurement encumbrances, noting and investigating any over budget commitments. Procurement activities over budget will be reported to the Chief Executive Officer.

At each Finance and Audit Committee, the Chief Executive Officer will report on the status of a capital project including a comparison of expenditures to date with the project budget and a detailed description of any identified legal, financial, technical, scheduling or other problems and the manner in which it has been or will be addressed.

Documentation requirements

All procurement documents (including but not limited to requisitions, invoices, purchase orders, request for proposals or tender calls) will clearly indicate the details of the goods and services requested.

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

A file will be created for each RFP/Tendering process that contains the results of each supplier evaluation.

Monitoring of Contractors/Suppliers



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On an ongoing basis, the Chief Executive Officer will monitor the quality of the work and the working relationship with the contractor/supplier. Any issues noted will be documented in the contractor/supplier file and resolved by the Chief Executive Officer.

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. Any adjustments to the criteria weighting should not be made without the contractor/supplier's concurrence.

Encouraging new contractors/suppliers

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



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Records Management Policy

Policy

Records are a special form of information that is created, received, and maintained by Nipissing First Nation for business purposes or legal obligations, which enable and document decision-making, and support Nipissing First Nation reporting, performance and accountability requirements. Records must be created and collected, organized, retained, and safeguarded in a manner that enables their long term availability, understandability and usability.

Purpose

The purpose of the policy is to provide guidance on effective recordkeeping practices that enable Nipissing First Nation to create and acquire; manage; and, protect the integrity of its records that support its decision-making, and support Nipissing First Nation reporting, performance and accountability requirements.

Scope

This policy applies to all Council members, members of the Finance and Audit Committee, officers and employees of the Nipissing First Nation and any contractors or volunteers performing services on behalf of the Council. The direction provided in this policy applies to all records created and acquired by the Nipissing First Nation regardless of format (i.e., both electronic and hardcopy paper records).

Definitions

“Classification” is the process of categorizing records according to a predetermined hierarchy or scheme. Functional-based classification is the arrangement of records based on the business functions and activities of the Nipissing First Nation. This allows the Council to understand the records collected and created related to each business process / activity and how that record is used.

“Information” is knowledge communicated or received and may be any documentary material regardless of communications source, information format, production mode or recording medium.

“Information Security” refers to the physical, electronic and policy instruments that are used to protect information from unauthorized access (protecting confidentiality), unauthorized use (protecting integrity), unauthorized modification (also protecting integrity) and unauthorized destruction (protecting availability).



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“Record” is a special form of information, and for the purposes of this policy refers to information created, received, and maintained by Nipissing First Nation for business purposes or legal obligations, which enable and document decision-making, and support Nipissing First Nation reporting, performance and accountability requirements. A record may be electronic or hardcopy paper based.

“Recordkeeping” is a framework of accountability and stewardship in which records are created or acquired, captured, and managed as a vital business asset and knowledge resource to support effective decision-making and achievement of results for the Nipissing First Nation.

“Repository” refers to a preservation environment for a record. It includes specified physical or electronic storage space and the associated infrastructure required for its maintenance. Business rules for the management of records in a repository need to be established, and there must be sufficient control for the resources to be authentic, reliable, accessible and usable on a continuing basis.

Responsibilities

Council is responsible for:

- Establishing and implementing documented procedures for records management within the Nipissing First Nation.

The Chief Executive Officer is responsible for:

- Implementing appropriate recordkeeping practices,
- Ensure appropriate safeguards of the Nipissing First Nation’s records;
- Ensuring compliance with the established records retention and disposition schedule and overseeing the disposition process;
- Ensuring that employees and any contractors or volunteers performing services on behalf of the Council are fully knowledgeable of their responsibilities as they relate to recordkeeping practices.

Employees, contractors and volunteers are responsible for:

- Complying with the established records management policy.
- Immediately reporting to their supervisor any potential breach related to compliance with the record keeping policy, including the incidents in which the safeguarding of records may have been compromised.



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Procedures

Accountability

Each record shall have a designated steward that ensures the recordkeeping framework outlined in this policy is applied to the record. All employees, contractors, or volunteer that are in custody of a record must ensure it is managed in accordance with this policy.

Permanent records such as operations manuals, policies, and procedures will be reviewed and updated by the steward periodically, but at least every two years, or more frequently as required.

Records under the stewardship of an employee or any contractor or volunteers that is departing must be formally transferred to another employee through a knowledge transfer process. This process should include information on the types of records to be transferred, how the records are organized, in which repository the records are kept, and required safeguards.

Creation and Collection

- A. All important activities and decision making processes of the Nipissing First Nation should be identified, including the records required to support those processes, to ensure accountability, preserve an audit trail, and protect the Nipissing First Nation from liability.
- B. All information at its time of creation or collection should be assessed to determine if it supports Council's business purposes or legal obligations, and enables decision-making. If determined to be a record its management should comply with the procedures outlined within this policy.
- C. The Nipissing First Nation's records shall be created using the most appropriate application so as to ensure that they adequately support the objectives for which they are created and can easily be used by those who need them to perform their duties – i.e., using MS Excel instead of MS Word to develop spreadsheets with financial figures, etc.
- D. The Nipissing First Nation's records shall contain all the information which is necessary to achieve the objectives for which each of them is created; yet their contents shall be limited to only what is necessary to achieve those objectives. This should include limiting the information collected through forms to only that which is required.
- E. Whenever possible, the record shall contain information about one single function or activity so as to facilitate information classification, organization, retention and retrieval.
- F. The Nipissing First Nation's records shall be legible, written in plain language and adapted to their specific audience.



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- G. Only one copy of each record should be created or collected. When creating or collecting a record, individuals should first check to see if the record is already in existence. In instances of multiple copies of the same record, copies should be securely disposed in accordance with the requirements of this policy.

Organization and Classification

- A. A classification plan structure shall be implemented based on the Nipissing First Nations functions and activities, with records stored in accordance with the activity and/or function that it supports. This classification plan should be used to support the filing system for both electronic records and hardcopy paper-based records.
- B. Records should be subject to a consistent naming convention, with the name of the record including the title, version (v. XX) and date (DD/MM/YYYY).
- C. The title of the document should be short but meaningful.
- D. The title may contain multiple words, and should be ordered from most specific to less specific related to the business activity or function.
- E. Common words such as 'draft' or 'letter' should not be at the start of the title.
- F. An official repository shall be identified and designated for each record, in which the record must be stored. The number of record repositories should be limited and be consistent to support the format and type of record.
- G. Records should be made accessible, shared and re-used to the greatest extent possible, subject to technological, legal policy and security restrictions.

Maintenance, Protection and Preservation

- A. Records must be protected and stored in the appropriate repositories in a way that preserves their long-term availability, understandability and usability.
- B. Backups should be taken of all electronic records on a regular basis and stored in a physical location separate from the location of the original records.
- C. Any records that are only in hardcopy paper-based format should be assessed to determine if they need to be scanned or if other physical security measures need to be taken (e.g. use of fire/water proof cabinets) to ensure their long term availability.
- D. Records that contain personal information or information of a confidential nature related to the Council, or a third party, such as the confidential financial information related to a business, should be labelled as CONFIDENTIAL.



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- E. Confidential records should be protected with appropriate safeguards to ensure only those with a need to know will have access to the records:
- F. For electronic records, confidential records should be protected with controls on the document itself (such as password protection) and other administrative controls, such as restricting access to the electronic repositories in which the record is stored.
Confidential records should not be emailed 'in the clear' without appropriate protection.
- G. For hardcopy paper-based records, confidential records should be stored in secure filing cabinets at all times unless being used, and transported in a secure manner if required to be offsite.

Retention and Disposition

Nipissing First Nation records shall be retained for the period specified in the records and information retention and disposition schedule, as outlined in Appendix "J". They shall be disposed of in a manner that prevents their reconstruction (for paper based records) or recovery (for electronic records).



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Reporting of Breaches and Financial Irregularities Policy

(formerly known as “Whistleblower” Policy)

Policy

All Councillors, officers and employees of Nipissing First Nation and all contractors and agents engaged in financial administration activities have the responsibility to report instances misconduct to the Director of Administration, the Chair of the Finance & Audit Committee or to the external source at Anishinabek Police Services. The identity of individuals who report misconduct will be protected from disclosure to the extent practicable in the circumstances, individuals who report in good faith will be protected from reprisals, persons against whom an allegation of misconduct is made will be treated fairly and allegations of misconduct will be fully investigated as efficiently as possible and resolved as appropriate.

Purpose

The purpose of this policy is to ensure there is a procedure to report, investigate, and act upon allegations of wrongdoing within the financial management system and to provide protection to persons who come forward with these reports in good faith.

Scope

This policy applies to Council, officers, employees, contractors, agents and members of Nipissing First Nation.

Definitions

“**Misconduct or Wrongdoing**” includes any breach of Nipissing First Nation’s Financial Administration Law and its conflict of interest provisions, Council policies or procedures made under Nipissing First Nation’s Financial Administration Law and includes, but is not limited to the following:

- Questionable accounting practices and inadequate internal accounting controls;
- Misleading or coercion of auditors;
- Preparation of fraudulent or misleading financial information;
- Fraud – intentional deception for personal gain;
- Material misrepresentation in disclosures made by or on behalf of Nipissing First Nation;
- Theft – theft of Nipissing First Nation physical or intellectual property;
- Misappropriation of funds – use of Nipissing First Nation’s funds for personal gain or unauthorized uses;



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- Unethical behaviour including breach of conflict of interest or code of conduct policies;
- Illegal activities;
- Gross mismanagement – A deliberate act or an omission demonstrating wilful disregard for the efficient and effective management of Nipissing First Nation's resources;
- An expenditure, liability or other transaction of Nipissing First Nation that is not authorized by or under Nipissing First Nation's Financial Administration Law.

Responsibilities

Council is responsible for:

- a) Ensuring that this policy is communicated to all affected and interested persons;
- b) Investigating reported misconduct concerning members of the Finance and Audit Committee;
- c) Ensuring that the identity of the person who makes a report of misconduct in good faith is kept confidential to the extent practical in all circumstances and not subject to reprisals for making the report;
- d) Approving policies and procedures required in Nipissing First Nation's Financial Administration Law in respect of such matters; and
- e) Supporting and fostering an ethical environment.

The Finance and Audit Committee is responsible for:

- a) Reviewing any reports provided to it respecting inquiries into the circumstances of the reported misconduct, conducting any further inquiry it considers necessary and providing a report to the Council, along with any recommendations;
- b) Taking all reasonable steps to ensure that the identity of the person who makes a report of misconduct is kept confidential to the extent practical in all circumstances;
- c) Taking necessary steps to ensure that persons who have reported instances of wrongdoing remain protected against any reprisals including but not limited to discrimination, retaliation, threats, harassment or loss of employment or employment opportunities;
- d) Making recommendations to the Council on how to address and remediate reported instances of wrongdoing; and
- e) Supporting and fostering an ethical environment.

The Chair of the Finance and Audit Committee is responsible for:

- a) Receiving reports of misconduct, making an appropriate and expeditious inquiry into the matter and reporting to the Finance and Audit Committee as soon as practicable;



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- b) Taking all reasonable steps to ensure that the identity of the person who makes a report of misconduct is kept confidential to the extent practical in all circumstances;
- c) Taking necessary steps to ensure that persons who have reported instances of wrongdoing remain protected against any reprisals including but not limited to discrimination, retaliation, threats, harassment or loss of employment or employment opportunities;
- d) Reporting to Council any contravention or suspected contravention of the prohibition against reprisals.

The Director of Administration is responsible for:

- a) Communicating the Reporting of Breaches & Financial Irregularities Policy to all affected and interested persons;
- b) Ensuring all employees, consultants and contractors have signed the Acknowledgement and Agreement of the Reporting of Breaches & Financial Irregularities Policy to acknowledge that they have read, understood, and will abide by the policy;
- c) Providing a confidential reporting procedure(s) to report violations;
- d) Receiving reports of misconduct, making an appropriate and expeditious inquiry into the matter and reporting to the Finance and Audit Committee as soon as practicable;
- e) Taking all reasonable steps to ensure that the identity of the person who makes a report of misconduct is kept confidential to the extent practical in all circumstances;
- f) Taking necessary steps to ensure that persons who have reported instances of wrongdoing remain protected against any reprisals including but not limited to discrimination, retaliation, threats, harassment or loss of employment or employment opportunities;
- g) Reporting to Council any contravention or suspected contravention of the prohibition against reprisals;
- h) Securing related records;
- i) Fostering an open and supportive ethical environment.

Procedures

1. Fostering an open and ethical working environment

The Director of Administration will communicate this policy to all employees.

Each individual employed or contracted with, or acting as an agent for Nipissing First Nation in respect of the financial administration of Nipissing First Nation will be required to sign the agreement in Appendix “S” to indicate that they have read, understood and accepted its contents before employment or appointment begins.



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On an annual basis, all employees and consultants will sign and date their acknowledgement of the Reporting of Breaches & Financial Irregularities Policy agreement.

The identity of any person who raises a concern of wrongdoing will remain confidential to the extent practically possible.

A person reporting a breach in good faith will receive fair and unbiased treatment throughout the investigative process and will be protected from reprisals. Council will ensure that the person is protected from any discrimination, threats, retaliation or harassment.

A person against whom a report has been made will receive fair and unbiased treatment. Where a preliminary inquiry into a report indicates a possible finding of misconduct, the person against whom the report has been made will be given an appropriate opportunity to answer the allegation in a manner consistent with the other provisions of this policy.

On an annual basis, the Finance and Audit Committee will provide Council with a report on the effectiveness of this policy and the Code of Conduct policy. Statistics regarding the number of cases reported, investigated, resolved and outstanding will be included in the report, as well as any lessons learned or proposed changes to the policies.

2. Methods to report suspected wrongdoing

Council has established the following procedures to receive, retain, investigate and act on complaints and concerns of councillors, officers, employees, contractors and agents of Nipissing First Nation regarding instances of misconduct or wrongdoing.

The Director of Administration will ensure that the procedures noted above will be included in the contracts of contractors and the appointment of agents and committee members.

The Director of Administration, the Chair of the Finance and Audit Committee and the external source at Anishinabek Police Services are authorized to receive and inquire into reports of misconduct or wrongdoing.

The Director of Administration, the Chair of the Finance and Audit Committee and the external source at Anishinabek Police Services will report their respecting findings of an inquiry into a report of misconduct or wrongdoing that they receive.

The Finance and Audit Committee is authorized to inquire further into any findings reported to it by the Director of Administration, the Chair of the Finance and Audit Committee and the external source at Anishinabek Police Services.

Any report received by Nipissing First Nation's officers, employees, contractors or agents from any source inside or outside Nipissing First Nation should be immediately forwarded to



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the Chair of the Finance and Audit Committee Chairperson. Councillors should report directly to the Chair of the Finance and Audit Committee.

Nipissing First Nation officers, employees, contractors or agents should forward their reports to the Director of Administration, the Chair of the Finance and Audit Committee and the external source at Anishinabek Police Services.

Instances of wrongdoing can be reported directly to the Director of Administration in the following ways:

- In writing to the attention of the Director of Administration: Freda Martel, 36 Semo Road, Garden Village, ON P2B 3K2;
- Via telephone to the Director of Administration at (705) 753-2050, extension 1223.
- Anonymously in writing to the Director of Administration.

Instances of wrongdoing can be reported directly to the Chair of the Finance and Audit Committee in the following ways:

- In writing to the attention of the Chair of the Finance and Audit Committee: Muriel Sawyer, 36 Semo Road, Garden Village, ON. P2B 3K2.
- Via telephone to the Chairperson of the Finance and Audit Committee at (705) 477-1198.
- Anonymously in writing to the Chairperson of the Finance and Audit Committee.

Instances of wrongdoing can be reported directly to an external source, the Inspector of the Anishinabek Police Services (APS) in the following ways:

- In writing to the attention of the external source Inspector, Anishinabek Police Services (APS): Marc LeSage, 16 Megezee Street, Garden River, ON P6A 6Z1;
- Via telephone to the external source Inspector of Anishinabek Police Services (APS) at (705) 946-4196;
- Anonymously in writing to the external source Inspector of Anishinabek Police Services (APS).

3. Inquiring into reported wrongdoing

Promptly upon receipt of a report, the Director of Administration, the Chair of the Finance and Audit Committee and the external source at Anishinabek Police Services, as the case may be, will:



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- Confirm in writing to the party who has reported an alleged misconduct that the report has been received;
- Ensure that the identity of the person(s) making the report is kept confidential to the extent possible and that individuals who report in good faith are protected from reprisals;
- Include the report on a confidential written docket, summarizing in reasonable detail:
 - The nature of the report (including specific allegations made and the names of the persons involved);
 - The date of receipt of the report;
 - The current status of any inquiry;
 - The report made to the Finance and Audit Committee;
 - Any final resolution of the reported wrongdoing.

Decide upon the appropriate action to be taken when conducting the inquiry and start the inquiry as soon as possible. The inquiry should seek to confirm or refute the facts presented;

When the alleged incident is of significant risk (to the operations, reputation, etc. of Nipissing First Nation), related to potential criminal acts by individuals, or of high financial value to Nipissing First Nation, the Director of Administration, the Chair of the Finance and Audit Committee and the external source at Anishinabek Police Services may retain external expertise to conduct the inquiry;

Within a period of eight weeks from the moment the report has been received, inform the party who reported the alleged irregularity of the status of the inquiry and steps that have been taken or will be taken following the results of the inquiry;

If the inquiry cannot be completed with the eight week time frame, inform in writing the person who reported the alleged irregularity and indicate a new time frame for the conclusion of the inquiry;

Report on the progress of current inquiries at each Finance and Audit Committee meeting;

Upon completion of the inquiry, report to the Finance and Audit Committee on the conduct of the inquiry and the result of the inquiry and recommend actions to be taken.

Upon receipt of the report from the Director of Administration, the Chair of the Finance and Audit Committee and the external source at Anishinabek Police Services, the Finance and Audit Committee will determine if it will conduct any further inquiry into the matter but in any event will make a report to the Council of the circumstances reporting to the Committee including the Committee's recommendations if any.



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The Finance and Audit Committee will actively monitor inquiries to ensure they are conducted in accordance with this policy.

If the reported wrongdoing concerns a member of the Finance and Audit Committee, the Council will inquire into the matter or retain external expertise to conduct the inquiry.

4. Responding to wrongdoing and initiating remedial actions

After considering the final report of the results of an inquiry, the Finance and Audit Committee will recommend a course of action to Council which will make a decision to resolve the issue as soon as practical.

Resolution actions will be commensurate with the severity of the wrongdoing incurred, and can include reprimands, leave without pay, termination, revocation of appointment or other remediation as determined by the Council and subject to the provisions of the Disciplinary and Dismissal Policy.

Police will be contacted if activities of a criminal nature are identified.

Recovery of Nipissing First Nation funds, either expended or forfeited, as a result of the wrongdoing as described in Nipissing First Nation's Financial Administration Law will be tracked and collected from the responsible individual(s).



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Reporting of Remuneration and Expenses Policy

Policy

It is Council's policy and a requirement of the First Nation's Financial Administration Law to annually disclose for each Councillor the remuneration paid and expenses reimbursed by the First Nation, and by any entity that is consolidated by the First Nation, whether such amounts are paid to the Councillor while acting as Councillor or in any other capacity.

Purpose

The purpose of this policy is to establish accountability, transparency and full disclosure for each Councillor's remuneration and expenses paid by Nipissing First Nation and by its consolidated entities. It is intended that this policy meets the disclosure and reporting requirements under both Nipissing First Nation's Financial Administration Law and the *First Nations Financial Transparency Act*. It is expected that a single special purpose report be prepared on an annual basis that meets the requirements under both laws.

Scope

This policy and procedure applies to each member of Council.

This policy and procedure does not apply to remuneration or expenses received:

- in common by all First Nation members;
- under a program or service universally accessible to First Nation members on published terms and conditions; or
- from a trust agreement, according to the terms of the trust.

Definitions

"entity" means a corporation or a partnership, a joint venture or any other unincorporated association or organization, the financial transactions of which are consolidated in the financial statements of the first nation in accordance with Public Sector Accounting Standards;

"expenses" includes the costs of transportation, accommodation, meals, hospitality and incidental expenses, and

"remuneration" means any salaries, wages, commissions, bonuses, fees, honoraria and dividends and any other monetary and non-monetary benefits.



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“special purpose report” means the report described in subsection 10(2) of the Financial Administration Law. For the purpose of this policy it refers to the annual report on remuneration, and expenses.

Responsibilities

Council is responsible for:

- ensuring that each Councillor annually report to the Chief Financial Officer all remuneration paid and all expenses reimbursed by the Nipissing First Nation and by any entity.

The Chief Financial Officer is responsible for:

- preparing an annual report separately listing the remuneration paid and expenses reimbursed by the Nipissing First Nation, and by any entity, to each Councillor whether such amounts are paid to them while acting as Councillor, or in any other capacity;
- including the annual report as a Special Purpose Report in the Nipissing First Nation’s annual report; and
- making the Special Purpose Report available on the Nipissing First Nation website or other repository for official documents to which membership has access.

PROCEDURES

1. Within ninety (90) days after each fiscal year end, each Councilor will declare to Nipissing First Nation in writing a listing of each of their remuneration and expenses paid by Nipissing First Nation and by any entity in the most recent completed fiscal year. Councillors will make this declaration by completing a ‘Disclosure Statement’ as attached in Appendix “L”.
2. The Chief Financial Officer will collect all Disclosure Statements no later than the commencement of the annual audit of Nipissing First Nation for the most recent completed fiscal year.
3. Based on the information in the Disclosure Statements, the Chief Financial Officer, or a designate will extract amounts from the general ledger to complete the Special Disclosure Report (see Appendix “M”). Tables and columns should be used to present full aspects of the disclosures and at minimum must include remuneration



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paid and expense claims reimbursed by the Nipissing First Nation for each Councillor.

4. Commentary or footnotes can be used to provide explanations of remuneration paid and expenses reimbursed to allow a reader to understand the disclosure.
5. The Special Purpose Report must include any Councillor that left prior to the end of the fiscal year.
6. If a Councillor worked in another capacity for Nipissing First Nation during part of a fiscal year that is being disclosed, the remuneration earned and any other expenses paid in the other position must be included. For greater clarity a footnote will be included to explain which amounts relate to the respective roles.
7. The Chief Financial Officer will engage the Nipissing First Nation's independent auditor to review the Special Purpose Report and to issue a report in accordance with the terms of the engagement.
8. The Chief Financial Officer will submit the Special Purpose Report along with the draft unsigned report from the Nipissing First Nation's auditor to the Finance and Audit Committee for review and recommendation for approval to Council.
9. Once the Special Purpose Report is approved by Council the Chief Financial Officer will obtain the auditor's signed report and arrange for it to be attached to the final Special Purpose Report. The Special Purpose Report will be formatted in a manner suitable for electronic publication.
10. The Chief Financial Officer, or a designate, will publish on Nipissing First Nation's website the Special Purpose Report together with the signed report from the Nipissing First Nation's auditor.



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Revenue Recognition Policy

Policy

Financial reporting obligations will be recorded, monitored, reconciled and reported to Council quarterly through the Finance and Audit Committee and any exceptions or issues shall be identified for resolution by the Committee.

Purpose

The purpose of this policy is to establish an effective and accountable framework for Nipissing First Nation safeguarding revenue received for the administration and delivery of programs.

Scope

This policy applies to the Chief Executive Officer, Chief Financial Officer, Finance and Audit Committee, Council, and those persons with the authority to recommend or approve the receiving of funding under agreements with government agencies and other funding bodies.

Definitions

“PSAS” means Public Sector Accounting Standards in accordance with accounting standards for the public sector as established by the Public Sector Accounting Board (“PSAB”).

Responsibilities

Council is responsible for:

- Approving funding agreement and/or the specified course of action recommended by the Finance and Audit Committee.

The Finance and Audit Committee is responsible for:

- Reviewing funding agreement reports presented by the Chief Executive Officer and Chief Financial Officer and recommending a course of action to Council.

The Chief Executive Officer is responsible for:

- Participates in the negotiations with government agencies and other funding bodies to ensure that program funding meets the needs of Nipissing First Nation,
- Review funding agreement reports prepared by the Chief Financial Officer and recommending a course of action to the Finance and Audit Committee.



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The Chief Financial Officer is responsible for:

- Preparing any funding agreement reports presenting it to the Chief Executive Officer for review and comment, and
- Reporting and disclosing the funding revenues in the financial statements in accordance with PSAS, Nipissing First Nation's Financial Administration Law and any agreements under which the debt obligations were incurred.

The individuals listed in the Authorization and Delegation Table from the Delegated and Assignment of Responsibilities Policy are responsible for:

- Participating in the negotiations with government agencies and other funding bodies to ensure that program funding meets the needs of Nipissing First Nation, and
- Ongoing monitoring and management of all funding agreement obligations.

Procedures

Funding Revenue

Once the funding agreement is signed, the original copy of the agreement is sent to finance for safekeeping. A copy of the agreement is provided to the Program Manager responsible monitoring and management of the project / program.

Rental Revenue

Prior to the finalization of the rental contract, the Program Manager will review the agreement with the Chief Executive Officer.

The Chief Executive Officer reviews it to ensure that it is consistent with the policies established for Nipissing First Nation.

Two (2) copies of the rental agreement are provided to the tenant for signature. The copies are then provided to the individuals listed in the Authorization and Delegation Table from the Delegated and Assignment of Responsibilities Policy to sign on behalf of Nipissing First Nation.

Once the agreements are signed, one copy is sent to finance for safekeeping. The second copy is provided to the tenant by the Program Manager.

Land Lease Revenue

Land lease arrangements given or made by Nipissing First Nation are subject to approval at a meeting of Council with quorum.



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Risk Management Policy

Policy

Nipissing First Nation will identify, manage, and monitor risks related to the financial management system and the achievement of its 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 Nipissing First Nation, including risk assessments, mitigation plans, and specific business activities that are separately evaluated, managed and monitored.

Scope

This policy and procedure applies to Council, the Finance and Audit Committee, the Chief Executive Officer, the Chief Financial Officer, and all other employees involved in risk management at Nipissing First Nation.

Definitions

“risk” is defined as anything of variable uncertainty and significance that interferes with the achievement of Nipissing First Nation’s strategies and objectives.

“risk tolerance” means the degree of uncertainty Nipissing First Nation is willing to accept in the achievement of its goals.

“fraudulent financial reporting” means an intentional act in financial reporting that is designed to deceive users of financial reports and that may result in a material omission from or misstatement of financial reports.

“fraudulent non-financial reporting” means the intentional act in non-financial reporting that is designed to deceive users of non-financial reports.

“misappropriation of assets” means the theft of Nipissing First Nation assets in circumstances where the theft may result in a material omission or misstatement in financial reports.

Responsibilities

Council is responsible for:

- a) Providing input to the annual risk assessment, including consideration of fraud risks;



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- b) Reviewing and approving the annual Nipissing First Nation Risk Management Plan (Appendix “”) and fraud risk assessment;
- c) Subject to the Financial Administration Law, approving:
 - i. For-profit business activities and ventures;
 - ii. The investment strategy and investment risk assessment;
 - iii. Loans, guarantees or indemnities;
 - iv. Insurance coverage; and
 - v. Emergency plan.

The Finance and Audit Committee is responsible for:

- a) Providing input to the annual risk assessment including consideration of fraud risks;
- b) Reviewing the risks management plan and risk assessment on a regular basis to ensure risks are adequate identified and monitored.

The Chief Executive Officer is responsible for:

- a) Managing the annual risk assessment process and preparing the Risk Management Plan;
- b) Managing the annual fraud risk assessment process and preparing the fraud risk assessment;
- c) Identifying and assessing risks associated with specific material business activities, loans, guarantees, indemnities, investments, general operations, financial reporting and fraud risks;
- d) Preparing 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) Immediately reporting any significant changes to the Risk Management Plan and fraud risk assessment to the Finance and Audit Committee;



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- g) Preparing a documentation that assesses qualification of individuals engaged in control activities in the Nipissing First Nation's financial management systems that they understand their responsibilities.

The Chief Financial Officer is responsible for:

- a) Ensuring all for-profit business activities are separately reported in the monthly, quarterly and annual financial statements and management reports;
- b) Developing and recommending procedures for identifying and mitigating risks for the annual Risk Management Plan;
- c) Developing and recommending procedures for identifying and mitigating financial reporting risks and fraud risks;
- d) Reviewing and recommending approval for loan, guarantee or indemnity requests;
- e) Preparation of the Nipissing First Nation investment strategy, insurance coverage and emergency plans; and
- f) Monitoring the control activities and its impact on the Nipissing First Nation and the Risk Management Plan.

PROCEDURES

Annual Risk Management Plan

- 11. On an annual basis as part of the integrated planning process, a risk assessment will be performed by the Chief Executive Officer. Risks identified will include any risks that could impact the Nipissing First Nation's achievement of its strategic goals or its operations in general.
- 12. Risks will be recorded in the Nipissing First Nation's Risk Management Plan (see Risk Management Plan template in Appendix "R"). The management team will analyze the potential impact and likelihood of each risk identified and develop an appropriate risk mitigation plan.
- 13. The risk management plan must ensure that risks related to specific business activities, loans, guarantees, indemnities, investments, general operations and financial reporting risks are separately addressed, managed and monitored.



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14. Responsibility for each risk and corresponding risk mitigation plan will be assigned to a Nipissing First Nation staff member.
 - a) The Risk Management Plan will be presented to the Finance and Audit Committee for review and recommendation to council for approval on an annual basis (during the integrated planning review).
 - b) On a quarterly basis, the Chief Executive Officer will review the Risk Management Plan with the risk owners to update or adjust as required the risks or mitigation plans. Any significant changes will be reported to and reviewed by the Finance and Audit Committee and reported to the Council.

Fraud Risk Assessment

1. On an annual basis as part of the integrated planning process, a fraud risk assessment will be performed by the Chief Executive Officer. (Refer to guideline document in Appendix “P” and the Fraud Risk Assessment template example in Appendix Q)

Fraud risk assessment will include identification and assessment of following types of fraud in Nipissing First Nation:

- i. Fraudulent financial reporting;
- ii. Fraudulent non-financial reporting;
- iii. Misappropriation of assets; and
- iv. Corruption and illegal acts.

Fraud risk assessment will include identification of risks arising from the following:

- i. Incentives and rewards associated with achievement of objectives; and
- ii. Pressures associated with achievement of objectives.

Fraud risk assessment will also include identification of opportunities for fraud created by the following:

Ineffective design and monitoring control activities as it relates to the following:

- i. Unauthorized acquisition, use of disposal of Nipissing First Nation assets;
- ii. Poor management oversight;
- iii. Management override of internal control; and
- iv. Ineffective technology systems.



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Willful violation of laws that could have a material direct or indirect impact on financial reporting.

Fraud risk assessment will also identify the risk of fraud resulting from attitudes of and rationalizations by individuals justifying inappropriate actions.

Fraud risks assessment will include various ways that fraudulent reporting can occur taking into account the following:

- i. Management bias;
 - ii. The degree of estimates and judgements used in financial reporting;
 - iii. Possible fraud schemes and scenarios in first nation communities;
 - iv. The geographic region where first nation lands are located;
 - v. The nature of technology and management's ability to manipulate information using that technology;
 - vi. Any unusual or complex transactions which are subject to significant management influence; and
 - vii. The vulnerability of internal controls to management override and potential schemes to circumvent existing control activities.
2. On an annual basis, the Chief Executive Officer will prepare a documentation that assesses the qualification of individuals engaged in fraud risk control activities in the first nation's financial management system.
3. On a periodic basis, the individuals involved in the fraud risk controls must confirm in writing that they understand their responsibilities.

For-profit business activity risk management considerations

Prior to beginning any for-profit business activity, the Chief Executive Officer 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 Nipissing First Nations financial assets, property or resources to significant risk).

The risk assessment should address all risks related to the project and the resulting overall impacts on Nipissing First Nation.

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



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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.

The Chief Executive Officer, or designate, 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.

The Chief Executive Officer, or designate must report on the for-profit business activity separately reported in the monthly reports and quarterly, and annual financial statements.

Loans, guarantees and indemnities

For any loans, guarantees or indemnities, the Chief Financial Officer must annually document his or her evaluation of the risks to Nipissing First Nation of extending credit to the requesting individual/group. Risks which should be considered include, but are not limited to, the following:

- Ability of individuals or groups to repay Nipissing First Nation;
- Potential for negative impact on Nipissing First Nation's reputation;
- Extent of other similar situations / agreements Nipissing First Nation has entered into;
- Ability of Nipissing First Nation to honour the guarantee or indemnity should it be required to do so;
- In the case of a program for lending to members of Nipissing First Nation, the risks associated with the program and the costs of administering the program;
- Approval and management of loans, guarantees and indemnities is detailed in the Loans, Guarantees and Indemnities Policy.

Investment Risk Assessment

Monitoring, reporting and approval of investments strategy and performance is detailed in the Investment Policy.

Financial Reporting Risks

Nipissing First Nation will follow the documented procedures in the Financial and Operational Reporting Policy to identify and mitigate the risk of a material misstatement in the quarterly and annual financial statements.

Insurance and Emergency Plans



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Separate policies have been developed to provide guidance on risk assessment and management of investments, insurance and emergency planning. Refer to Investments Policy, Insurance Policy and Emergencies Policy.



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Tangible Capital Assets Policy

Policy

The Nipissing First Nation will follow a prescribed policy to record and manage the tangible capital assets owned by Nipissing First Nation. The treatment of tangible capital assets for accounting purposes is intended to be in accordance with Generally Accepted Accounting Principles (G.A.A.P.), pronouncements of the Public Sector Accounting Board (P.S.A.B).

Purpose

This policy will provide departments with information for assessing Nipissing First Nation's stewardship of physical resources by providing a framework for:

- Establishing guidelines for activities relating to program planning, financing and the administration of resources for the acquisition, development or construction of tangible capital assets.
- Ensuring that tangible capital assets are recorded appropriately and accurately due to their role in the delivery of Nipissing First Nation programs and services.
- Providing accountability over tangible capital assets; and gathering and maintaining information needed to prepare financial statements.

Scope

This policy applies to the Council, Finance and Audit Committees, Chief Executive Officer, Chief Financial Officer, and senior management of Nipissing First Nation, as well as any employees directly involved in capital asset management.

A. TANGIBLE CAPITAL ASSETS

A.1. Tangible Capital Assets:

Tangible capital assets are non-financial assets with physical substance that are acquired, constructed or developed and:

- Held for use in the production or supply of goods and services;



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- Have useful lives extending beyond a fiscal year;
- Are intended to be used on a continuing basis; and
- Are not intended for sale in the ordinary course of operations (PSAB 3150-05).

Tangible capital assets are a significant economic resource and a key component in the delivery of Nipissing First Nation programs and services. The benefits that are expected through the exercise of capitalizing tangible capital assets include:

- Maintain appropriate accountability for Nipissing First Nation-owned tangible capital assets;
- Ensure accounting consistency across the organization;
- Ensure efficient and effective use of assets; and
- Provide information that will support measuring the cost of the programs and services.

A.2. Elements of Cost

The cost of a tangible capital asset (*PSAB 3150.10*) is the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset and includes direct construction or development costs (such as materials and labour) and overhead costs directly attributable to the acquisition, construction or development of the asset. These costs may include but are not limited to:

- Amounts paid to vendors
- Transportation/freight charges
- Handling and storage charges
- Direct design/production costs such as labour, equipment rentals, materials and supplies
- Engineering, architectural and other outside services for designs, plans, specifications and surveys
- Acquisition and preparation costs of buildings and other facilities
- Fixed equipment and related installation costs required for activities in a building or facility
- Direct costs of inspection, supervision and administration of construction contracts and work
- Fair values of land, facilities and equipment donated;
- Appraisal costs
- Advertising costs
- Application fees
- Supervisory fees



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- Utility costs
- Site preparation costs

OTHER DEFINITIONS

“Asset recognition criteria” means the criteria to be used to set the threshold for determining whether a tangible capital asset must be included in the tangible capital asset register and in the life-cycle management program.

“Amortization” is the accounting process of allocating the costs less the residual value of a tangible capital asset to operating periods as an expense over the useful life in a rational and systematic manner appropriate to its nature and use. Depreciation accounting is another commonly used term used to describe the amortization of tangible capital assets.

“Betterment” is a material cost incurred to enhance the service potential of an asset and will:

- increase the previously assessed physical output or service capacity;
- significantly lower associated operating costs;
- extend the life of the property; or
- improve the quality of output.

“Capital project” means the construction, rehabilitation or replacement of Nipissing First Nation’s tangible capital assets and any other major capital projects in which Nipissing First Nation or its related bodies are investors.

“Capital project plan” means a plan to carry out a capital project and an annual capital plan means all of the capital projects to be budgeted for undertaken in a fiscal year.

“Cost” is the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset, and includes all costs directly attributable to acquisition, construction, development or betterment of the tangible capital asset, including installing the asset at the location and in the condition necessary for its intended use. The cost of a contributed capital asset, including a tangible capital asset in lieu of a developer charge, is considered to be equal to its fair value at the date of contribution. Capital grants would not be netted against the cost of the related tangible capital asset.

“Carrying Costs” are costs directly attributable to an asset’s acquisition, construction or development activity where, due to the nature of the asset, it takes a long period of time to get it ready for its intended use. Typically carrying costs could include:



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- technical and administrative work prior to commencement of and during construction; and
- overhead charges directly attributable to construction or development.

“Component” is a part of an asset with a cost that is significant in relation to the total cost of that asset. Component accounting recognizes that each part might have a different useful life and requires separate accounting for each component that has different useful life that the whole asset does.

“Contributed Assets” are capital assets acquired without cash outlay and will be valued at fair market value when the asset is placed into productive use/service (i.e. upon initial acceptance).

“Deferred Maintenance” is maintenance that was not performed when it was scheduled, or that was delayed for a future period and may result in a decrease in service levels and can affect the life expectancy of the asset. It is noted in the asset register.

“Disposal” refers to the removal of a capital asset from service as a result of a sale, destruction, loss or abandonment.

“Fair Value” is the amount of the consideration that would be agreed upon in an arm’s length transaction between knowledgeable and willing parties (buyer and seller).

“Functional Asset Category” is the service area in which the asset is used (i.e. health, education, etc.).

“Gains” can arise from transactions and events including the disposition of assets purchased for use and not resale.

“Group Assets” are homogenous in terms of their physical characteristics, use and expected useful life. Group assets are amortized using a composite amortization rate based on the average useful life of the different assets in a group.

“Historical cost” of an asset is the amount of consideration given up to acquire, construct, develop or better an asset and includes all costs directly attributable to acquisition, construction, development or betterment of the asset including installing the asset at the location and in the condition necessary for its intended use.

“Impairment” occurs when conditions indicate that a tangible capital asset no longer contributes to the ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value.



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“Infrastructure” is composed of linear assets and their associated specific components generally constructed or arranged in a continuous and connected network and may include transportation components like roads, bridges, tunnels, storm sewers, culverts and signage.

“Land” is the surface that is used to support structures and purchased or acquired for value, for building sites, infrastructure (roadways, bridges, water mains, etc.) and other program use but not land held for resale.

“Leased Capital Assets” are non-financial assets leased by the Nipissing First Nation for use in the delivery of goods and provision of services. Substantially all of the benefits and risks of ownership are transferred to the Nipissing First Nation without requiring the transfer of legal ownership.

“Life-cycle management program” means the program of inspection, review and planning for the management of Nipissing First Nation’s tangible capital assets as described in Nipissing First Nation’s Financial Administration Law and this policy.

“Life cycle planning” is a key component of a life-cycle management program as it provides information for understanding the condition and assessing the performance of capital assets, anticipates the needs for replacements in the short and long term, and assesses the cost and sustainability of existing programs.

“Losses” can arise from transactions and events affecting the Nipissing First Nation. Such transactions and events include the disposition of assets purchased for use and not for resale.

“Market Value” is defined as the estimated amount for which a property would be exchanged on the sale of valuation between a willing buyer and willing seller in an arm’s length transaction wherein the parties had each acted knowledgeably.

“Net Book Value” of a tangible capital asset is its cost, less accumulated amortization and the amount of any write-downs.

“Non-financial Assets” include tangible capital assets and other assets such as prepaid expenses and inventories of supplies. Non-financial assets are acquired, constructed or developed assets that are normally employed to deliver Nipissing First Nation programs and services, may be consumed in the normal course of operations and are not for sale in the normal course of operations.



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“Pooling of assets” refers to assets of value below the materiality threshold when considered on an individual basis but collectively make up a significant group of assets that exceeds the threshold level (i.e. computers on network, office furniture).

“PSAS” refers to Public Sector Accounting Standards of the Canadian Public Sector Accounting Board, as amended or replaced from time to time.

“Rehabilitation” includes alteration, extension and renovation but does not include routine maintenance.

“Replacement” includes substitution, in whole or in part, with another of Nipissing First Nation’s tangible capital assets.

“Residual Value” is the estimated net realizable value of a capital asset at the end of its estimated useful life. A related term, salvage value, refers to the realizable value at the end of an asset’s life. If the Nipissing First Nation expects to use a capital asset for its full life, residual and salvage value are the same.

“Straight-line method” is amortization that allocates the costs less estimated residual value of a capital asset over each year of its estimated useful life.

“Threshold” is generally the minimum cost that an individual asset (specific to asset class) must have before it is to be treated as a tangible capital asset. The threshold amount is to be used as a guide in addition to the exercise of judgment.

“Useful Life” is the estimate of the period over which a tangible capital asset is expected to be used by Nipissing First Nation, or the number of production or similar units that can be obtained from the tangible capital asset by Nipissing First Nation. The life of the tangible asset may extend beyond its useful life of a tangible capital asset to Nipissing First Nation. The life of a tangible capital asset, other than land, is finite, and is normally the shortest of the physical, technological, commercial and legal life.

“Work-in-Progress” is the accumulation of capital costs for partially constructed or developed projects.

“Works of Art and Historical Treasures” are property that has cultural, aesthetic, or historical value that is worth preserving perpetually. These assets are not capitalized as their service potential and expected future benefits are difficult to quantify.



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“Write-down” – is a reduction in the cost of a capital asset as a result of a decrease in the quality or quantity of its service potential. A write-down should be recorded and expensed in the period the decrease can be measured and is expected to be permanent.



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ACCOUNTABILITY

Council is responsible for:

- Approving capital project plans and tangible capital asset reserve fund transactions.
- Establishing a tangible capital asset reserve fund;
- Establishing asset recognition criteria;
- Approving the tangible capital assets register;
- Ensuring capital project budgeting requirements are implemented.
- Approving policies and procedures for capital projects to address the issues identified in the Financial Administration Law for the proper management of capital projects;
- Approving procedures for the safeguarding of tangible capital assets.

The Finance and Audit Committee is responsible for:

- Reviewing on or before January 31st the financial information provided on the life-cycle management program by the Chief Executive Officer;
- Reviewing and recommending to Council the annual budget for tangible capital assets;
- Reviewing status reports on the capital asset reserve fund(s) and if necessary, make a recommendation to Council relative to the funding contribution;
- Monitoring at each meeting the status of all capital projects including borrowings, loans and payments for each project, comparison of expenditures to date with the project budget, details of identified problems with the project and how they will be addressed and steps taken for each capital project to comply with Council policies for management of capital projects;
- Reviewing the Chief Executive Officer's recommendations on asset recognition criteria and making recommendations to Council for approval;
- Reviewing any scheduled capital project plans including supplemental information and their budgets and developing recommendations for Council.

Chief Executive Officer is responsible for:

- Development of 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 and Council on matters concerning the management of Nipissing First Nation's tangible capital assets;
- Maintaining the tangible capital assets 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);



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- Developing and recommending to the Finance and Audit Committee the asset recognition criteria and reviewing the criteria annually for possible recommended changes;
- Ensuring Nipissing First Nation members are informed and involved in tangible capital asset projects and borrowings for construction as required in Nipissing First Nation's Financial Administration Law;
- Serving as a point of contact to retain capital project consultants to the Finance and Audit Committee and Council.

Chief Financial Officer is responsible for:

- The accurate and timely recording and reporting of tangible capital assets in the financial statements in accordance with PSAS;
- Monitoring the application of this policy and updating the policy on a regular basis;
- Preparing on or before December 31st of each the financial information related to routine maintenance, rehabilitation or replacement of tangible capital assets as required in Nipissing First Nation's Financial Administration Law and this policy.
- ;Monitoring the tangible capital asset protection insurance program and making recommendations to the Chief Executive Officer in adequate time before each annual renewal, or sooner if circumstances warrant;
- Preparing the maintenance and quarterly reporting to the Finance and Audit Committee, or more frequently if necessary on the status of the capital assets reserve fund;
- Developing and recommending procedures for the safeguarding of assets and ensuring approved procedures are followed;
- Developing the budget for capital project plans and annual capital plan.

Employees involved in the life-cycle management program are responsible for:

- Maintaining tangible capital asset information and implementing asset security and safeguarding measures as provided through the application of these policies and safeguarding procedures approved by Council;
- Recording and reporting periodic changes in tangible capital assets to the Chief Executive Officer;
- Ensuring tangible capital assets are accurately tracked and inventoried using the pre-numbers asset control tagging system.

Procedures

Tangible Capital Asset Register



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1. A detailed tangible capital asset register is to be established, maintained and kept current by the Chief Executive Officer (or assigned employee). The asset register will facilitate the life-cycle management program with maintenance, rehabilitation, and replacement activities as well as providing an accurate inventory of tangible capital assets.
 - (a) The register will include the information required in the Financial Administration Law and, at a minimum, the following information:
 - i. Location and intended purpose of the asset;
 - ii. Ownership and restrictions over ownership (e.g. pledges or collateral agreements);
 - iii. Date of acquisition;
 - iv. Previous inspection date;
 - v. Original expected life of the asset at the time of acquisition;
 - vi. Most recent assessment of the condition of the asset and its expected remaining useful life¹;
 - vii. Original cost to acquire or develop the asset;
 - viii. Any costs capitalised subsequent to the initial acquisition or development of the asset (e.g. additions, betterments);
 - ix. Any amounts de-recognised as a result of the sale or disposal of the asset;
 - x. Any proceeds received as a result of the sale of the asset;
 - xi. The amount of depreciation expense calculated for the current period;
 - xii. The total accumulated depreciation expense as at the end of the current period;
 - xiii. Any increase to accumulated depreciation made during the current period to reflect an impairment in the carrying value of the asset;
 - xiv. The total cost, accumulated depreciation and carrying value (i.e. net book value) of the asset as at the end of the current period;
 - xv. Estimated residual value of the asset (i.e. the estimated net realizable value of the tangible capital asset at the end of its useful life to Nipissing First Nation);
 - xvi. Insurance coverage details for the asset;
 - xvii. Any other information required by the Council.
2. An electronic 'asset notification' record will be prepared by the Finance Department from the accounting records when an asset is acquired that captures the key information required for the tangible capital asset register as described above.

¹ The expected remaining useful life of each asset must be re-assessed at a minimum annually. Any changes to this estimate must be accounted for prospectively as a change in estimate.



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3. An asset tracking (i.e. serial) number will be assigned and an activity center code (for the purposes of accounting for depreciation) to each of Nipissing First Nations tangible capital assets which is to be recorded in the tangible capital asset register and communicated to the department manager for which the management of the asset is assigned.
4. Department managers will be provided with an annual copy of the tangible capital asset register listing the assets assigned to their respective departments. It is the responsibility of the department manager to regularly report any changes (e.g. additions, disposals, indicators of impairment, changes to estimated useful life, etc.) that are to be made to the register to the Finance Department.
5. The Finance Department will regularly reconcile the general ledger to the tangible capital asset register. Please refer to Appendix “N” for additional guidance on the Tangible Capital Asset Register.

Amortization / Depreciation

1. A suitable method for amortizing (or depreciating) each category of tangible capital assets should be selected to form part of Nipissing First Nation’s accounting policies.
 - a) Different methods of amortizing a tangible capital asset result in different patterns of cost recognition. The objective is to provide a systematic and rational basis for allocating the cost of a tangible capital asset, less any residual value, over its useful life. A straight-line method reflects a constant charge for the service as a function of time. A variable charge method reflects service as a function of usage. Other methods may be appropriate in certain situations.
2. The cost, less any residual value, of a tangible capital asset with a limited life should be amortized over its useful life in a rational and systematic manner appropriate to its nature and use by Nipissing First Nation. Amortization (or depreciation) expense should be calculated and recorded on a monthly basis.
 - a) The amortization of the costs of tangible capital assets should be accounted for as expenses in the statement of operations.
 - b) Land normally has an unlimited life and would not be amortized.
 - c) Where Nipissing First Nation expects the residual value of a tangible capital asset to be significant, it would be factored into the calculation of amortization.



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- d) The useful life of a tangible capital asset depends on its expected use by Nipissing First Nation. Factors to be considered in estimating the useful life of a tangible capital asset include:
 - i. expected future usage;
 - ii. effects of technological obsolescence;
 - iii. expected wear and tear from use or the passage of time;
 - iv. the maintenance program;
 - v. studies of similar items retired; and
 - vi. the condition of existing comparable items.
3. The amortization method and estimate of the useful life of the remaining unamortized portion of a tangible capital asset should be reviewed on a regular basis and revised when the appropriateness of a change can be clearly demonstrated.

Annual inspection and review

1. On or before [November 30], the Chief Executive Officer will initiate an annual inspection of Nipissing First Nation's capital asset inventory. Employees in the Facilities and Infrastructure (property management) department will be assigned by the Chief Executive Officer to complete the inspection under his/her supervision. Where appropriate or necessary the Chief Executive Officer may choose to engage the services of an external specialist to assist in the valuation of certain specialized assets (e.g. land, buildings, etc.).
2. Any changes necessary to the tangible capital asset register will be documented by the employee noting the changes, and communicated to the Chief Executive Officer for review and approval. Once reviewed and approved by the Chief Executive Officer, the changes will be input in the tangible capital asset register by the employee responsible for the register.
3. The Chief Executive Officer 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.
4. In the event that 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 Chief Executive Officer will investigate the matter and initiate the insurance claim process if applicable. The tangible capital asset register will be updated based on this new information.
5. When conditions indicate that a tangible capital asset no longer contributes to Nipissing First Nation's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset should be reduced to reflect the decline in the asset's value.



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- a) The net write-downs of tangible capital assets should be accounted for as expenses in the statement of operations.
- b) A write-down should not be reversed.

Safeguarding Assets

1. The Chief Financial Officer will ensure that there is a tagging or marking identification system in place for all tangible capital assets subject to the risk of theft (e.g. equipment, vehicles, furniture, etc.). Markers should include the date of purchase and an asset identification (reference) number that identifies the asset to be property of Nipissing First Nation.
2. Physical security arrangements over capital assets will be reviewed annually² by the Chief Financial Officer and the results of this review will be reported to and reviewed by the Finance and Audit Committee with any recommendations to Council.
3. Insurance coverage for tangible 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 Insurance Policy.

Maintenance of Assets

1. Employees in the Facilities and Infrastructure (property management) department will provide the Chief Executive Officer with a quarterly update on the condition of tangible capital assets over \$[x] and preventative maintenance reports (including machine and vehicle logs) showing maintenance completed compared to scheduled maintenance. Explanations for deficiencies noted will be obtained and, where appropriate, shared with the Finance and Audit committee.
2. A list of any tangible capital assets identified as no longer in use will be prepared and reported to the Chief Executive Officer. Steps will be taken to decommission and appropriately dispose of the assets in accordance with any applicable laws or regulations.
3. All warranty and related work including inspections will be undertaken in a timely manner.
4. The Chief Executive Officer will recommend that any critical tangible capital assets of an unsafe nature, based on the annual review, are given a priority for replacement (or rehabilitation) in future planning.

² This may occur at the same time as the physical inspection of asset condition is performed



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5. The Chief Executive Officer, with the assistance of staff in the Facilities and Infrastructure (property management) department, will ensure that appropriate staff training on the use of the particular tangible capital asset will be provided to ensure safety.
6. For tangible capital assets over \$[●], periodic maintenance assessments will be performed. Assessments should include:
 - a) Any deferred maintenance;
 - b) A description of the performance and condition of the asset;
 - c) An overall rating based on the following scale: Excellent, Good, Fair, Poor, or Failing;
 - d) A forecast of the maintenance, repairs, betterment, and replacement costs over the course of the remaining useful life of the asset.
7. The Department managers will retain a copy of the condition assessment(s) and will provide an electronic copy to the Finance Department.
8. The Chief Executive Officer will ensure the tangible capital asset register and accounting records are updated, and, in conjunction with the Chief Financial Officer, will make recommendations to the Finance and Audit Committee for changes to the annual capital plan based on the results of the condition assessments performed for the year.

Life Cycle Management Program

1. Based on the information in the tangible capital asset register and consultations with the Chief Executive Officer and property management employees, the Chief Financial Officer will prepare the annual capital plan by [December 31] of each year.
2. The annual capital plan will include short and long term forecasts for asset rehabilitation and/or replacement. The plan will include the information that the Chief Financial Officer is required to prepare in the Financial Administration Law and, at a minimum, the following details:
 - a) A description of each asset to be replaced or refurbished;
 - b) The rationale for the replacement or refurbishment;
 - c) Estimated cost, including contingencies, of each proposed acquisition or refurbishment project;
 - d) Estimated timeframe and schedule for completion of each asset acquisition or proposed refurbishment project;
 - e) Ongoing maintenance requirements and costs and the impact on Nipissing First Nation's budget.



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3. The Finance and Audit Committee will review the annual capital plan, in conjunction with the tangible capital assets register. The objective of this review is to:
 - a) Identify any means to reduce costs of each capital project;
 - b) Understand the effect that each proposed capital project (rehabilitation, replacement) on the annual operating costs and routine maintenance costs in future years;
 - c) Determine whether any significant savings might be affected by coordinating the scheduling of capital projects, deferring any projects, or carrying out rehabilitation projects rather than replacement projects.
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.

Capital Projects

1. The Chief Executive Officer, with input from the Chief Financial Officer, will develop an annual capital plan for all capital project that exceed \$[●] in cumulative value. The plan will include a business case for the capital project that 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) Evaluation of all other options considered;
 - d) A project risk assessment.
2. The annual capital plan will be integrated with Nipissing First Nation's strategic plan (see [Integrated Planning Policy] for further details).
3. The Chief Executive Officer will coordinate project planning, design, engineering, tendering, bid selection, and environmental requirements for each capital project in accordance with Council policies and procedures for management of capital projects. Capital project consultants, including engineers, may be engaged to carry out these obligations at the discretion of the Chief Executive Officer.



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4. The Chief Financial Officer will coordinate project costing, budgeting, financing and approval for each capital project in accordance with Council policies and procedures for management of capital projects.
5. To coordinate project management of each capital project, an ad hoc working committee - project planning and implementation - may be established as necessary with the Chief Executive Officer and Chief Financial Officer as members.
6. The annual capital plan and recommendations from the working committee will be provided to the Finance and Audit Committee. Scope adjustments, modifications and other significant adjustments made to the projects will be identified and a rationale provided.
7. The Finance and Audit committee will review the annual capital plan on or before [January 15] and forward their recommendation to Council for approval/
8. The Council must take reasonable steps to ensure that capital projects for construction of buildings or other improvements are financed, planned and constructed in accordance with procedures and to standards that generally apply to the financing, planning and construction of public builds and other improvements of organized communities in the region in which the majority of Nipissing First Nation's lands are located. The Chief Executive Officer will report to the Finance and Audit Committee on steps taken to ensure these results are met for every capital project.

Construction management

1. The Chief Executive Officer will procure appropriate course of construction insurance for each capital project in accordance with the Insurance Policy and will require contractors to have project performance guarantees or bonding for each project or as otherwise permitted or required in the Council policies and procedures for management of capital projects.
2. Depending upon the size of the project, an independent project manager may be retained to provide contract management and control.
3. The Chief Financial Officer will process contractor progress payments, manage construction holdbacks and payment as required in the Council policy and procedure on management of capital projects and will organize audit procedures in conjunction with the annual audit.
4. The Chief Financial Officer will report to every meeting of the Finance and Audit Committee on each capital project respecting:



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- 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, and
 - iii. The manner in which a problem identified has been or will be addressed, and
 - c) Steps taken to ensure compliance with Council policies and procedures for management of capital projects.
5. Work approvals, including change orders, will be signed off by the project manager or designate and forwarded to the finance office for retention and clearance against the contractor's invoice.

Life Cycle Policy Directives

1. All assets that meet the definition of a tangible capital asset, meet the Council approved asset recognition criteria, fall within the categories outlined in Appendix "N" based on their nature, characteristics and useful life, shall be recorded in the accounts of Nipissing First Nation in accordance with this policy.

Acquisition of Tangible Capital Assets

1. Department managers will identify to the Chief Executive Officer the asset to be acquired as part of the annual budget and annual capital plan. It is recognized however that unforeseen asset acquisitions will occasionally be necessary.
2. The acquisitions of tangible capital assets are subject to the Delegated and Assigned Responsibilities Policy and the Procurement.
3. Subject to the Delegated Authorities Policy, all purchases or leases of capital assets are to be made in accordance with the annual budget, annual capital plan, and Council resolution.
4. Any significant variance between budgeted and actual cost of the tangible capital asset is to be reported to the Chief Executive Officer and the Finance and Audit Committee.
5. Following acquisition and delivery of a tangible capital asset, the Finance Department will ensure the asset is reflected in the accounting records and the financial statements of Nipissing First Nation. An asset tracking number will be assigned and the asset added to the Tangible Capital Asset Register of Nipissing First Nation.

Tangible Capital Asset Reserve Fund



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1. The Council will establish a Tangible Capital Asset Reserve Fund to be applied for the purposes of construction, acquisition, maintenance, rehabilitation and replacement of Nipissing First Nation's tangible capital assets.
2. The Chief Financial Officer and the Finance Department will manage the Tangible Capital Asset Reserve Fund.
3. All withdrawals from the tangible capital asset reserve fund must be approved via a Band Council Resolution at a duly convened Council meeting and in accordance with the annual budget and approved annual capital plan.
4. Council must ensure, with advice from the Finance and Audit Committee, that the tangible capital asset reserve fund maintains a minimum balance of the total book value of Nipissing First Nation's tangible capital assets.
5. Contributions are to be budgeted and made to the tangible capital asset reserve fund on an annual basis based on the above minimum balance requirement and those amounts required in the annual budget and annual capital plan.

Disposal of Tangible Capital Assets

1. Department managers will identify to the Chief Executive Officer the asset to be disposed of, and the method of disposal, as part of the annual budget and capital plan. It is recognized however that unforeseen asset disposals will occasionally be necessary.
2. The fair market value must be determined for all disposals as a prior condition of approval. The Chief Executive Officer shall have the authority to determine the fair market value for all disposals. The Chief Executive Officer will consult with external specialists in establishing the fair market value, where appropriate.
3. All disposals of Nipissing First Nation's tangible capital assets with a fair market value in excess of \$10,000 must be approved via a Band Council Resolution at a duly convened Council meeting prior to disposal of said assets, on the recommendation of the Chief Executive Officer and the Finance and Audit Committee.
4. All proceeds from the sale or disposal of Nipissing First Nation's tangible capital assets are to be deposited in the Tangible Capital Asset Reserve Fund.



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5. The difference between the net proceeds on disposal of a tangible capital asset and the net book value of the asset should be accounted for as a revenue or expense in the statement of operations.
6. Any item determined to be of no value or unsafe must be disposed of as waste in an appropriate manner that meets all regulatory or statutory requirements.
7. Members of Nipissing First Nation shall have an equal opportunity to purchase surplus assets through a competitive disposal process.
8. All items to be sold are on an “as is, where is” basis with no warranties or guarantees expressed or implied.



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Travel Policy (Chief and Council)

1. **POLICY**

Travel can be a necessary requirement for the Chief and Councillors of Nipissing First Nation. This policy is intended to provide clear guidelines related to Chief and Council business travel and reimbursement of acceptable business expenses.

2. **PURPOSE:**

Nipissing First Nation strives to ensure that travel is safe, cost effective due to limited budgets, and does not overburden Council members in the course of their duties.

3. **SCOPE:**

The following policy, rules and conditions apply to all elected Councillors, and the Chief incurring expenses on behalf of Nipissing First Nation.

4. **ADMINISTRATIVE MANAGEMENT:**

a. Budgets:

- (i) Council approves annual budget allocations within the operations budget. This budget will establish reasonable expenditure limit for Chief and Council, program and budget departments.
- (ii) Every reasonable effort shall be made to stay within the amounts budgeted and approved by the Council with the understanding that on occasion, unanticipated events may result in budgets being exceeded. In the event that a budget is exceeded, rationale shall be provided to the Council.

b. Approved Forms:

- (i) All expenditures shall be itemized on current approved forms.
- (ii) Sufficient information shall be provided to demonstrate that the expense was business related and necessary.



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- (iii) Forms shall be co-signed by the person incurring the expense and the Chief Executive Officer and in his/her absence the designate having direct authority and responsibility for that area. In those instances where there is no reporting relationship, forms shall be co-signed by the person incurring the expense and an individual having the appropriate level of approval authority.

5. APPROVAL AUTHORITY:

Travel must be approved at Council meetings. Unplanned travel must be approved by the Chief or Chief Executive Officer.

a. Chief

- (i) An annual budget allocation shall be made for travel undertaken by the Chief. A travel and expensed account shall be budgeted annually.
- (ii) The Chief is to obtain approval from Council prior to any out of country travel. Approval will not be unreasonably withheld provided sufficient funding is available and it can be demonstrated that the travel is business related and necessary.
- (iii) The Chief will engage in domestic travel when it can be demonstrated that the travel is required for community purposes and is necessary.
- (iv) Expenses submitted for reimbursement shall be in accordance with the NFN approved policies and shall be verified by the Chief Executive Officer or the Director of Administration.
- (v) In the event the Chief's travel budget is exhausted prior to year end, a report shall be provided to NFN Council.

b. Councillors:

- (i) An annual budget allocation shall be made for travel undertaken by each of the members of Council. A travel and expense account for each member of Council shall be budgeted annually.
- (ii) Councillors must obtain approval from Council prior to any out of country travel. Approval will not be unreasonably withheld provided sufficient funding is available and it can be demonstrated that the travel is business related and necessary.



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- (iii) Councillors who engage in domestic travel must demonstrate that the travel is required for community purposes and is necessary.
- (iv) Expenses submitted for reimbursement shall be in accordance with NFN approved policies and shall be verified by the Chief Executive Officer or the Director of Administration.
- (v) In the event that a Councilor's travel budget is exhausted prior to year end, a report shall be provided to the NFN Council and further travel shall be limited unless approved by the NFN Council. The NFN Council may recommend a reallocation of funds from other Councillors unused travel budget.
- (vi) In order to review and keep budgets current, the Finance Department will provide each Councilor with a record of their travel budget on a monthly basis. Council may be required to submit their expenses on a monthly basis.

6. TRAVEL:

a. **Transportation:**

- (i) Generally, travelers should use the mode of transportation that offers the best reasonable value to NFN, with some consideration for the safety and convenience of the traveler.
- (ii) In instances where the travel destination is 400 kms one way or less, the default mode of transportation should be by automobile. Where one day travel to Toronto or Ottawa is required, air travel may be considered.

b. **Road Travel:**

- (i) Councillors shall use the most cost efficient method of travel to out of town meetings.
- (ii) Councillors **may** use fleet vehicles for out of town travel provided that a vehicle is available and the traveler is appropriately licensed.

c. **Vehicle Rentals:**

- (i) Councillors **may** rent vehicles for travel more than 400 kms round trip and will be required to obtain insurance with the vehicle rental office.
- (ii) Councillors may request a travel advance to cover travel expenses.



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- (iii) All travel advances will be paid at 85% of the eligible expense for the estimated claim. The unpaid balance of 15% will be paid to the Council once the travel form is reconciled.

d. External Re-Imbursements and Compensations:

- (i) Should travel be reimbursed by another organization, the Councilor must report this to the Finance Department to prevent duplicate costs being paid for the same travel. Should travel rates paid by the other organization be higher than the rates of Nipissing First Nation, the travel will be reimbursed at the higher rate. All reimbursements from other organizations must be made payable to Nipissing First Nation.
- (ii) If organizations pay is reimbursed at a lower rate, the NFN rate will apply.

e. Mileage Rates & Allowable Expenses:

- (i) Mileage is paid to Council for use of their personal vehicle for travel on behalf of Nipissing First Nation when fleet vehicles are not available. For local travel, mileage will be paid based on centre to centre rates or in community rates as follows: (the mileage below are list for round trip)

City Centre to Centre mileage:

Garden Village to Sturgeon Falls	17 kms
Garden Village to North Bay	88 kms
Garden Village to Sudbury	196 kms
Duchesnay to North Bay	18 kms
Duchesnay to Sturgeon Falls	72 kms
Duchesnay to Sudbury	252 kms

Note: For additional travel that is required an additional 20 kms per day may be added to the travel claim to take into consideration travel to training, meeting and workshop sites and other intercity travel.

In Community mileage:

Garden Village to VLA	16 kms
Garden Village to Meadowside/Jocko Point	38 kms
Garden Village to Beaucage (upper and lower)	52 kms



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Garden Village to Yellek	64 kms
Garden Village to Duchesnay	80 kms
Duchesnay to Upper/Lower Beaucage	29 kms/47 kms
Duchesnay to VLA	65 kms
Duchesnay to Meadowside/Jocko Point	48 kms
Duchesnay to Garden Village	80 kms

- (ii) Mileage rates will not be paid for travel to regular scheduled council meetings that are less than 10 kms per trip.
- (iii) Mileage rates and meal allowances are based on Treasury Board rates and will only be amended once per year at April 1st. Travel rates shall be circulated to Council annually and area available from the Finance Department.
- (iv) When attending approved business meetings, workshops and conferences which is at least 16 kms away from the usual place of work, Councillors traveling on business will be entitled to meal allowances.
Breakfast: Travel before 8:00 am
Dinner: Travel after 5:00 pm
- (v) When accommodations are required, the Councillors must ensure rates are reasonable. Receipts are required to be attached with travel claims. Councillors will be approved additional accommodations in cases of inclement weather.
- (vi) Incidental allowances are paid for overnight travel.
- (vii) In room and/or store purchased bottled water within reason will be reimbursed based on receipts submitted.
- (viii) Honourariums are paid for meetings and travel days.

Approved this 18th day of January, 2011.

Amended this 21st day of June, 2011.

Amended this 18th day of December, 2012.

Amended this 4th day of November, 2014.

Amended and approved this 26th day of January, 2016.

Amended and approved this 7th day of March, 2017.



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Travel Policy (Staff)

1. POLICY

Travel can be a necessary requirement for many of the employees of Nipissing First Nation. This policy is intended to provide clear guidelines related to staff business travel and reimbursement of acceptable business expenses.

2. PURPOSE

Nipissing First Nation strives to ensure that travel is safe, cost effective due to limited budgets, and does not overburden staff members in the course of their regular duties.

3. SCOPE

The following policy, rules and conditions apply to all full-time, part-time and casual staff and volunteers incurring expenses on behalf of Nipissing First Nation.

4. ADMINISTRATIVE MANAGEMENT

a. Budgets

- (i) Council approves annual budget allocations within the operations budget. This budget will establish reasonable expenditure limited for Chief and Council, program and budget departments.
- (ii) Every reasonable effort shall be made to stay within the amounts budgeted and approved by the Council with the understanding that on occasion, unanticipated events may result in budgets being exceeded. In the event that a budget is exceeded, rationale shall be provided to the Finance Committee.

b. Approved Forms

- (i) All expenditures shall be itemized on current approved forms.
- (ii) Sufficient information shall be provided to demonstrate that the expense was business related and necessary.



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- (iii) Forms shall be co-signed by the person incurring the expense and the manager/supervisor having direct authority and responsibility for that area. In those instances where there is no reporting relationship, forms shall be co-signed by the person incurring the expense and an individual having the appropriate level of approval authority.

5. APPROVAL AUTHORITY

a. Senior Management

- (i) An annual budget allocation shall be made for travel undertaken by the Chief Executive Officer. A travel and expense account shall be budgeted annually.
- (ii) The Chief Executive Officer is to obtain approval from Council prior to any out of country travel. Approval will not be unreasonable withheld provided sufficient funding is available and it can be demonstrated that the travel is business related and necessary.
- (iii) The Chief Executive Officer will engage in domestic travel when it can be demonstrated that the travel is required for community purposes and is necessary.
- (iv) Expenses submitted for reimbursement shall be in accordance with NFN approved policies and shall be verified by the Chief, the Director of Administration, the Chief Financial Officer.
- (v) In the event the Chief Executive Officer's travel budget is exhausted prior to year end, a report shall be provided to the Council and further travel shall be limited unless approved by Council.

b. Staff Travel

- (i) Expenditures incurred by NFN staff shall be within approved annual departmental budgets and aligned with work plan priorities. Travel and extraordinary expenses shall be approved by the manager or supervisor having appropriate signing authority. Managers shall submit their travel requests to the Chief Executive Officer for approval.



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- (ii) All expenses must be documented on approved forms and signed by the manager having approval authority.

6. TRAVEL

a. Transportation

- (i) Employees are required to travel during working hours when possible to maximize daytime travel, limit overtime accrual and reduce the possibility of employee fatigue due to travel. Therefore, travel outside normal working hours must be approved prior to that travel taking place.
- (ii) Generally, travelers should use the mode of transportation that offered the best reasonable value to NFN, with some consideration for the safety and convenience of the traveler.
- (iii) In instances where the travel destination is 400 kms one-way or less, the default mode of transportation should be by automobile. Where one day travel to Toronto or Ottawa is required, air travel may be considered.

b. Road Travel

- (i) Employees shall use the most cost efficient method of travel to out of town meetings.
- (ii) Employees may use personal vehicles to travel in accordance with NFN mileage rates provided that the use of a personal vehicle is not more costly than renting a vehicle or using an available vehicle from NFN's fleet.
- (iii) Employees may use fleet vehicles for out of town travel provided that a vehicle is available and the traveler is appropriately licensed. If employees choose not to use the fleet vehicle when it is available for their travel, the private vehicle rate will be paid.

c. Vehicle Rentals

- (i) Employees may be allowed to rent vehicles for travel more than 400 kms round trip and will also be required to obtain insurance with the vehicle rental office.
- (ii) Employee may request a travel advance to cover travel expenses.



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- (iii) All travel advances will be paid at 85% of the eligible expense for the estimated claim. The unpaid balance of 15% will be paid to the employee once the travel form is reconciled.

d. External Reimbursements and Compensations

- (i) Should travel be reimbursed by another organization, the employee must report this to the Finance Department to prevent duplicate costs being paid for the same travel. Should travel rates paid by the other organization be higher than the rates of Nipissing First Nation, the travel will be reimbursed at the higher rate. All reimbursements from other organizations must be made payable to Nipissing First Nation.
- (ii) If organizations pay is reimbursed at a lower rate, the NFN rate will apply.

e. Mileage Rates & Allowable Expenses

- (i) Mileage is paid to employees for use of their personal vehicle for travel on behalf of Nipissing First Nation when fleet vehicles are not available. For local travel, mileage will be paid based on centre to centre rates or in community rates as follows:

City Centre to Centre mileage:

Garden Village to Sturgeon Falls	17 kms
Garden Village to North Bay	88 kms
Garden Village to Sudbury	196 kms
Duchesnay to North Bay	18 kms
Duchesnay to Sturgeon Falls	72 kms
Duchesnay to Sudbury	252 kms

Note: For additional travel that is required, an additional 20 kms may be added per day.

In Community mileage:

Garden Village to VLA	16 kms
Garden Village to Meadowside/Jocko Point	38 kms



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Garden Village to Beaucage (upper and lower)	52 kms
Garden Village to Yellek	64 kms
Garden Village to Duchesnay	80 kms
Duchesnay to Upper/Lower Beaucage	29 kms / 47 kms
Duchesnay to VLA	65 kms
Duchesnay to Meadowside/Jocko Point	48 kms
Duchesnay to Garden Village	80 kms

- (ii) Mileage rates will not be paid for travel less than 10 kms per trip.
- (iii) Mileage rates and meal allowances are based on Treasury Board rates and will only be amended once per year at April 1st. Travel rates shall be circulated to staff annually and area available from the Finance Department.
- (iv) When attending approved business meetings, workshops and conferences which is at least 16 kms away from the usual place of work, employees travelling on business will be entitled to meal allowances. Employees are encouraged to take their lunch breaks and plan travel around that time.

Breakfast: Travel before 8:00 am

Dinner: Travel after 5:00 pm

- (v) Employees who travel away from the office on daily business which is en-route to their home base are not eligible to claim mileage unless they return to the office before the end of the day.
- (vi) When accommodations are required, the employee must ensure rates are reasonable. Receipts are required to be attached with travel claims. Employees will be approved additional accommodations in cases of inclement weather.
- (vii) Incidental allowances are paid for overnight travel.

*Approved this 19th day of January, 2011.
Amendment(s) approved this 21st day of June, 2011.
Amended this 18th day of December, 2012.
Amended this 4th day of November, 2014,
Amended and approved this 26th day of January, 2016.*



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Appendices

Appendix “A” – Declaration of Conflict of Interest Form (Council)

Name:	Position:
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I, _____, realize the necessity of avoiding relationships which would impair, or which in the view of a reasonable observer, would have the appearance of impairing my professional judgement or objectivity in carrying out my responsibilities for the Nipissing First Nation.

Accordingly, while I carry out my responsibilities for the Nipissing First Nation, I will arrange my private affairs and conduct myself in a manner to avoid a conflict of interest (as defined in the Nipissing First Nation Policies and Procedures). I further agree that I will not at any time exploit insider information (ie: confidential information that comes to my attention) relating to the Nipissing First Nation.

While carrying out my responsibilities for the Nipissing First Nation, if a conflict of interest should arise, I will declare the Conflict of Interest without delay and I will:

- (a) Not take part in the discussion of, or vote, on any question in respect of the matter;
- (b) Immediately leave the meeting or the part of the meeting during which the matter is under consideration;
- (c) Not sign a Band Council Resolution or letter in respect of the matter;
- (d) Not attempt in any way, whether before, during or after the meeting, to influence the opinion or vote of the Council on any questions in respect of the matter; and,
- (e) Not attempt in any way to influence employees or committee members in carrying out their duties.

In compliance with the Nipissing First Nation’s Conflict of Interest Policy, I hereby disclose the following outside employment and activities that may give rise to a real or potential conflict of interest in respect of the duties and responsibilities of the position offered to or occupied by me:

Description of Outside Employment and Activities:

Signature

Dated

Privacy statement: The information you provide on this document is collected for the purpose of maintaining information about potential and actual conflict of interest situations for employees, Council members and committee members of the Nipissing First Nation. Personal information that you provide is protected as personal employee information.



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Appendix “B” – Conflict of Interest Declaration Form (Employees)

CONFLICT OF INTEREST DISCLOSURE FORM
<p>An employee has a “conflict of interest” when the employee exercises a power or performs a duty or function and at the same time knows or ought reasonably to have known that in the exercise of the power or performance of the duty or function there is an opportunity to benefit the employee’s private interests.</p> <p>Private interests are defined in the FAL Schedule – Avoiding and Mitigating Conflicts of Interests and include the interests of closely associated persons or entities.</p> <p>An employee has an apparent conflict of interest if a reasonably well-informed person would perceive that the employee’s ability to exercise a power or perform a duty or function of their office or position must be affected by the employee’s private interests.</p> <p>All employees are required to declare any actual, potential or apparent conflicts of interest to Nipissing First Nation. Conflicts of interest could arise from “personal interests” which include:</p> <ul style="list-style-type: none">• The individual’s spouse;• A person under the age of eighteen (18) years in respect of whom the individual or the individual’s spouse is a parent or acting in a parental capacity;• A person in respect of whom the individual or the individual’s spouse is acting as guardian;• A person, other than an employee, who is financially dependent upon the individual or the individual’s spouse or on whom the individual is financially dependent; and• An entity in which the individual or the individual in combination with any other person described in this section has a controlling interest.• Close family or personal relationships with employees in a position to influence the affairs of Nipissing First Nation, or otherwise engaged in the affairs of the First Nation• Close relationships with individuals having an interest in information, competitive, intellectual or other interests of Nipissing First Nation
Declaration: I disclose the following actual, potential or apparent conflicts of interest:
Employee name (print):
Employee signature:
Title:
Date:



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Appendix “C” – Code of Conduct Declaration Form

I hereby confirm that I have read and understand the Conduct and Conflict of Interest Expectations set out in the Nipissing First Nation’s Financial Administration Law (“the Law”) and the Schedule – Avoiding and Mitigating Conflicts of Interest and agree to comply fully with them.

I agree that I will adhere to the following principles and responsibilities governing my professional and ethical conduct.

To the best of my knowledge and ability:

- I will comply with the Financial Administration Law, any other applicable Nipissing First Nation laws, standards, relevant funding agreement requirements and any other legal requirements;
- I will act with honesty, good faith and in the best interest of the Nipissing First Nation;
- I will exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances;
- I will avoid any real, potential, or apparent conflicts of interests.
- I will act with due care, competence, and diligence, without misrepresenting material facts or allowing my independent judgement to be subordinated.
- I will respect the confidentiality of information acquired in the course of my work or service except when authorized to do so in the performance of my duties or am otherwise legally obligated to disclose.
- I will ensure responsible use of and control over all Nipissing First Nation assets and resources entrusted to me.
- I will be accountable for adhering to this declaration.

Declaration of Understanding

Print Name

Signature:

Date:



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Appendix “D” - Authorization and Delegation Table



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Appendix “E” – NFN Finance and Audit Committee Terms of Reference

Purpose

The Finance and Audit Committee is responsible to review, report and make recommendations to Chief & Council on the financial administration matters of NFN. The Committee will assist the Council in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the process for monitoring compliance with laws and regulations and the code of conduct, including risk management. The Committee is the liaison between the Chief & Council and management, and other resources including the external auditors.

Responsibilities

1. Subject to the NFN’s Financial Administration Law, the Council is responsible for:
 - a) assigning to the Committee any responsibilities or functions in addition to those set out in the Law;
 - b) approval of the Terms of Reference for the Committee;
 - c) determining the minimum qualifications and eligibility requirements of the Committee members, chairpersons and vice-chairpersons;
 - d) confirming, before appointment, that each potential member of the Committee is eligible to be a member and is independent;
 - e) ensuring that each member of the Committee signs a statement annually, confirming that they continue to meet the eligibility criteria;
 - f) the appointment of the Chairperson and the Vice-Chairperson of the Committee and the filling of any vacancies in those offices;
 - g) evaluating the effectiveness of the Committee;
 - h) providing the Committee with the resources it might need to carry out its functions;
 - i) requiring the Council to consider any recommendations or advice provided by the Committee;
 - j) Providing a non-councillor chairperson with the agendas of the Council meetings, any documents and information requested by the non-councillor chairperson respecting agenda items and permitting a non-councillor to attend and speak at Council meetings.



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2. The Finance and Audit Committee Chairperson is responsible for:
 - a) facilitating the Committee's interaction with Senior Management;
 - b) chairing the Committee meetings and ensuring they are conducted in an efficient and effective manner;
 - c) planning the Committee's activities to ensure that the Committee is successful in fulfilling its mandate and addressing its functions, duties and responsibilities;
 - d) preparing the Committee's agendas;
 - e) ensuring and that minutes are recorded at each duly called meeting;
 - f) recruiting qualified Committee member candidates and recommending them to Council;
 - g) evaluating Committee members and their contributions in consultation with Chief & Council;
 - h) reporting to Council on behalf of the Committee.
3. The Chief Executive Officer is responsible for:
 - a) maintaining the current Committee member list;
 - b) keeping the Chair of the Committee current in a timely fashion on major developments and provide the Committee with sufficient information on a timely basis to enable the Committee to discuss potential issues, make decisions, and fulfill its mandate;
 - c) assisting the chair of the Committee in planning and making necessary arrangements for setting agendas, giving required meeting notices and holding meetings;
 - d) attending each Committee meeting, unless excused by the chair for a reasonable reason or excluded from attendance by vote of the Committee as provided in the Nipissing First Nation's Financial Administration Law.
4. The Chief Financial Officer is responsible for:
 - a) attending each Committee meeting, unless excused by the chair for a reasonable reason or excluded for in-camera purposes only from attendance by vote of the Committee as provided in the Nipissing First Nation's Financial Administration Law;
 - b) providing technical and professional support to the Committee as requested or as required in the Nipissing First Nation's Financial Administration Law.



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5. The Finance and Audit Committee Chairperson is responsible for:
 - a) facilitating the Committee's interaction with Senior Management;
 - b) chairing the Committee meetings and ensuring they are conducted in an efficient and effective manner;
 - c) planning the Committee's activities to ensure that the Committee is successful in fulfilling its mandate and addressing its functions, duties and responsibilities;
 - d) preparing the Committee's agendas;
 - e) ensuring and that minutes are recorded at each duly called meeting;
 - f) recruiting qualified Committee member candidates and recommending them to Council;
 - g) evaluating committee members and their contributions in consultation with Chief & Council;
 - h) reporting to Council on behalf of the Committee.
6. Finance and Audit Committee Members are responsible for:
 - a) preparing for meetings by reading reports and background materials prepared for each meeting and acquiring adequate information necessary for decision making;
 - b) actively participating in the Committee's deliberations;
 - c) attending all scheduled Committee meetings subject to reasonable exceptions acceptable to the Chairperson;
 - d) becoming knowledgeable of the Committee functions and statutory responsibilities under the NFN's Financial Administration Law;
 - e) maintaining direct, open and frank communications with the Chairperson;
 - f) ensuring that they have financial competency;
 - g) ensuring that they maintain their independence as required in NFN's Financial Administration Law;
 - h) avoiding conflicts of interests and complying with conflict of interest policies and procedures established by Council or under NFN laws;



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- i) reviewing and making recommendations to the Council on the terms of reference of the Committee.

CORE ACTIVITIES

1. Financial and Accounting

- a) Review quarterly financial information of NFN;
- b) Subject to NFN's Financial Administration Law, draft or review draft annual budgets and multi-year financial plans and recommend them to Council for approval;
- c) Monitor the financial performance of NFN against the budget and report any significant variations to Council;
- d) Review the quarterly and annual financial statements and recommend them to Council for approval;
- e) Make any other recommendations to Council on any matter respecting the financial administration of NFN;
- f) Review managements approach for safeguarding NFN's assets and information systems, the adequacy of staffing of key financial functions and their plan for improvements;
- g) Review with management and the external auditors emerging accounting issues and their potential impact on NFN's financial reporting;
- h) Review with management NFN's financial policies and compliance with such policies.

2. Audit

- a) Make recommendations to Council on the selection, engagement and performance of an auditor;
- b) Receive assurances on the independence of a proposed or appointed auditor;
- c) Review and make recommendations to Council to approve the annual audit plan of the external auditors, including the scope of the audit to be performed and the estimated audit fees to Council;



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- d) Review, and make recommendations to Council respecting the audited annual financial statements, including the audited local revenue account financial statements and any special purpose reports;
- e) Review post audit or management letters containing recommendations of the external auditors and management's response;
- f) Recommend to Council pre-approval of all audit, audit-related and non-audit services to be provided to the Nation by the external auditor;
- g) Periodically review, and make recommendations to Council respecting policies, procedures and directions on reimbursable expenses and benefits of Councillors, officers and employees;
- h) Monitor financial reporting risks and fraud risks and the effectiveness of internal control designed to mitigate those risks taking into consideration the cost of implementing any change to internal control;
- i) Review NFN's Financial Administration Law and recommend amendments to Council;
- j) Review, and make recommendations to Council on, the terms of reference of the Committee.

3. Risk Management

- a) To review systems of risk management and the internal controls established by management and Chief & Council to:
 - i. Ensure NFN's sound financial performance;
 - ii. Ensure NFN's internal controls have integrity and will lead to the production of accurate financial statements and performance reports;
 - iii. Ensure that management has appropriate systems in place to identify and manage risk;
 - iv. Review reports on the insurance coverage of NFN and make recommendations respecting appropriate coverage;



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- v. Review requests for non-budgeted funding requests to the NFN's business enterprises and make recommendations to Council;
- vi. Prevent financial mismanagement;
- vii. Bring to the Chief & Council's attention all financial matters and potential risks of which is has knowledge that may affect the current or future position of NFN.

4. Other

- a) Review expenses of Councillors and Senior Management and assess NFN's policies with respect to expense reimbursement, honorariums, or allowances;
- b) Review and recommend the approval of any compensation disclosures to be included in NFN's annual reporting;
- c) Evaluate at least annually, the adequacy of the Committee's terms of reference.

5. Authority

The Committee is empowered to make such inquiry and investigation and require such information and explanation from management as it considers reasonably necessary and to require management to promptly inform the Committee of any material misstatement in the financial statements following discovery of such situation;

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

PROCEDURES

Appointment and Removal of Members

- a) Subject to the NFN's Financial Administration Law, the Council will appoint the Chairperson and Vice-Chairperson of the Committee by a majority vote.
- b) Subject to the NFN's Financial Administration Law, the Committee will consist of five (5) members as follows:



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- three (3) persons who are members of Council of NFN. Council will appoint a chairperson or a vice-chairperson from the members of Council;
 - One (1) on reserve band member; and
 - One (1) off reserve band member.
- c) The Council, upon recommendation of the Chairperson, will appoint the members of the Committee, a majority of whom must have financial competency and all of whom must have independence meet eligibility criteria established by Council.
- d) A Committee member may be removed from office by majority vote of Council in the circumstances permitted in the NFN's Financial Administration Law.

Term Requirements

- a) Subject to the NFN's Financial Administration Law, when making appointments to the Committee, Council will endeavor to ensure that no more than half of the members' terms will expire in any one fiscal year.
- b) The Chief Executive Officer will maintain a register of Finance and Audit Committee members which will, for each member, include the date of appointment or re-appointment, the term of the membership, and the term end date and which will track independence and financial competency issues for each member.
- c) Upon any changes in the Finance and Audit Committee membership, the Chief Executive Officer will report to Council on the term end dates for each member of the Committee.
- d) The term of a Committee member will be as established in the NFN's Financial Administration Law.

Finance and Audit Committee Administration and Reporting

- a) Subject to the NFN's Financial Administration Law, the quorum necessary for the transaction of business at Committee meetings will be a majority of the members of the Committee.
- b) Subject to the NFN's Financial Administration Law, the Committee will meet at least once each month in the same fiscal year and otherwise as necessary but in any event as soon as practical following receipt of the audited annual financial statements and report of the auditor.



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- c) Any member of the Finance and Audit Committee in consultation with the Committee Chair may call meetings of the Committee.
- d) All Councillors of NFN may attend meetings of the Finance and Audit Committee provided, however, that no Councillor is entitled to vote at such meeting and is not counted as part of quorum for the Committee if he or she is not a member of the Finance and Audit Committee.
- e) The external auditor may attend and be heard at meetings of the Finance and Audit Committee.
- f) The Finance and Audit Committee will maintain written records of attendance at its meetings of Committee members and of any ex-officio member such as the Chief Executive Officer, the Chief Financial Officer and the Finance Manager.
- g) The Finance and Audit Committee will provide minutes of its meetings to the Council and the Chairperson will provide reports to Council as appropriate on the substance of meetings at the next Council meeting following a Committee meeting.

TERMS OF REFERENCE

Composition

The Finance and Audit Committee quorum is comprised of no fewer than three (3) members, and at least two (2) of the members must be Councillors. Council will appoint Finance and Audit Committee members, including a chairperson and a vice-chairperson one of whom must also be a member of Council. Each Committee member will perform their role in an objective, fair, and impartial manner. The majority of the Finance and Committee members must have financial competency and all of the members must have independence.

Quorum

Quorum necessary for the transaction of business at Finance and Audit Committee meetings will be majority of the voting members of the Finance and Audit Committee.

Voting Rules

Unless a Finance and Audit Committee member is not permitted to participate in and vote on a motion because of a conflict of interest, every member has one vote in all Finance and



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Audit Committee decisions. In the event of a tie vote, the chairperson may cast a second tie-breaking vote.

Committee Term

The Finance and Audit Committee is a Standing committee established by Financial Administration Law.

Member Term

The members of the Finance and Audit Committee must serve staggered terms, as follows:

- a) non-Councillor members shall serve three-year terms, appointed in opposing years of Council elections; and
- b) Councillor members must be appointed to the Finance and Audit Committee as soon as practicable following their election to the Council, and shall serve on the Finance Committee to the end of their term on Council.

If a Finance and Audit Committee member is removed from office, dies, or resigns before their term expires, the Council must as soon as practicable appoint a new Finance and Audit Committee member to hold office for the remainder of the term.

Chairperson and Vice-chairperson:

- Appointed by Council.
- Either the Chairperson or the Vice-Chairperson must be a Councillor.

Eligibility Criteria

- d) The Council will establish eligibility criteria of a Finance and Audit Committee member by specifying that an individual must not have a role in the financial management of Nipissing First Nation involving the planning, organizing, directing, or controlling of its financial activities, including budgeting, financial accounting, financial reporting, procurement and utilization of funds.
- e) The Council will document the criteria for independence of a Finance and Audit Committee member by specifying that the individual does not have a direct or indirect financial relationship with Nipissing First Nation government that could, in the opinion of Council, reasonably interfere with the individual's exercise of independent judgement as a member of the Finance and Audit Committee.
- f) The Council will establish the criteria for financial competency of a Finance and Audit Committee member and the effectiveness of the Committee.



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Mandate

The Finance and Audit Committee is responsible to review and make recommendations to Council on the financial administration matters of NFN. The Finance and Audit Committee will assist the Council in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the process for monitoring compliance with laws and regulations and the code of conduct.

Meetings

The Finance and Committee will meet not less than monthly and immediately following completion of the annual audit, with the chairperson having authority to convene additional meetings as circumstances require.

All Finance and Committee members are expected to attend each meeting, in person or via tele-conference. The Finance and Committee will invite members of the management, auditors, or others to attend meetings as necessary.

The Chief Executive Officer, the Chief Financial Officer and the Finance Manager must be notified of all meetings and must attend those meetings, subject to reasonable exceptions.

The auditor of NFN must receive notices of all meetings and may attend and be heard at such meetings.

Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared. The Chairperson will report key decisions and areas of discussion or concern to Council at the next Council meeting immediately following each Committee meeting or in writing if the information needs attention in a timely manner.

The Chief Executive Officer, the Chief Financial Officer and the Finance Manager may be excluded from all or any part of a Committee meeting at the discretion of the Finance and Audit Committee - decided by a recorded vote.

Definitions

“*Committee*” refers to the Finance and Audit Committee only.

“*financial competency*” is the ability to read and understand financial statements that present accounting issues reasonably expected to be raised by the NFN’s financial statements. Some criteria for Council and the Finance and Audit Committee Chairperson



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to consider in determining whether or not a Finance and Audit Committee member is financially competent include:

- The ability to read, understand and analyze the financial statements and the notes to the financial statements;
- The ability to understand accounting policies, including any estimates used or judgments applied by management in the application of NFN's accounting policies, when these are explained by NFN's Chief Financial Officer &/or Finance Manager and the auditor;
- An understanding of NFN's objectives and operations that may impact the selection or application of accounting policies;
- A knowledge and understanding of the strategies that have been adopted by NFN and the risks inherent in any new strategies; and
- An ability to understand NFN's risk environment.

“terms of reference” is a documented statement of the mandate, objectives, purpose, scope, functions and rules under which the Committee is expected to operate.

“financial reporting risk” is the possibility of an undetected material misstatement in financial information due to the existence of ineffective internal control or fraud resulting from manipulation or alteration of accounting records, misrepresentation or intentional omissions of transactions, or intentional misapplication of accounting principles.

“fraud risk” is the potential for an employee, agent or other person connected to the financial administration of the NFN to use deception to dishonestly make a personal gain for oneself or a loss for another. This commonly includes activities such as theft, corruption, embezzlement, or bribery etc.

“independence” – an individual has independence if the individual does not have a direct or indirect relationship with the NFN government that could, in the opinion of council, reasonably interfere with the individual's exercise of independent judgment as a member of the finance and audit committee. Staff and other resource persons to this Committee have ex-officio status only.

“internal control” is a process, effected by the NFN's Council, Finance and Audit Committee, management and other personnel designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- effectiveness and efficiency of operations;
- reliability of reporting; and
- compliance with applicable laws and regulations.



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Appendix “F” – Financial Competency Guidelines

Some criteria for Council and the Finance and Audit Committee Chairperson to consider in determining whether or not a Finance and Audit Committee member is financially competent include:

- Individual is independent as he/she does not have a direct or indirect financial relationship with Nipissing First Nation government that could, in the opinion of Council, reasonably interfere with the individual’s exercise of independent judgement;
- The ability to read, understand and analyze the financial statements and the notes to the financial statements;
- The ability to understand accounting policies, including any estimates used or judgments applied by management in the application of the First Nation’s accounting policies, when these are explained by the First Nation’s Chief Financial Officer and the auditor;
- An understanding of the First Nation’s objectives and operations that may impact the selection or application of accounting policies;
- A knowledge and understanding of the strategies that have been adopted by the First Nation and the risks inherent in any new strategies; and
- An ability to understand the First Nation’s risk environment.



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Appendix “G” – Purchasing Approval Limits

Purchase Values (amounts may vary depending on Nipissing First Nation’s situation)		Process to be followed:	Who is responsible:
Less than \$100		Petty Cash	Administrative Assistants
Greater than \$100	Less than or equal to \$500	Low Value ²	Department Supervisors
Greater than \$500	Less than or equal to \$5,000	Low Value ²	Department Managers / Director
Greater than \$5,000	Less than or equal to \$50,000	Moderate value: Informal or Quotation ³	Chief Executive Officer, Chief Financial Officer, Director of Administration
Greater than \$50,000		High value: Possible Tender Call/Request for Proposal	Chief Executive Officer

Department Manager or equivalent.

Low Value = Contractual arrangement for low value procurement process: in this, employees with appropriate authority as set out in this policy may sign an invoice indicating that the goods or services have been received and the contractor/supplier may be paid.

Informal Quotation = obtaining informal quotes where practicable through advertisements, direct solicitations to contractors/suppliers and other methods in effort to compare prices.



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Appendix “H” – Sample Contract / Supplier Evaluation Template

Supplier Evaluation				
Organization name:				
Service / goods to be provided:				
RFP / Tender reference #:				
Value of contract:				
Criteria	Details / Comments	Value	Score	
1. RFP or other requirements (list here) xxx	Describe any areas of concern or where requirements were not met....	##	##	
2. Qualifications and experience	Do they have the appropriate qualifications and experience to perform the work?	##	##	
3. Terms and conditions	Are their terms and conditions acceptable to Nipissing First Nation?	##	##	
4. Has the organization worked previously with Nipissing First Nation? Provide details and an evaluation of the work.	Evaluate Nipissing First Nation’s previous experience with this supplier			
5. xxxx				
11. Price	Evaluation of the price, results of previous criteria.			
12. Other considerations?	Anything not covered above that should be included in evaluation the supplier i.e. inclusion of local content			



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Evaluation	Score: ##/##
Overall comments / recommendation:	%

Attachments:

Contractor/Supplier response to RFP/Tendering

Results of any previous contractor/supplier evaluations

Other supporting information as required



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Appendix “I” – Local Content

Nipissing First Nation should promote the use of local content when appropriate in the procurement of goods and services. For construction contracts on reserve lands, Nipissing First Nation may include a clause that requires the contractor to employ local labour and resources. Another option is to add a training component to the contract that requires the contractor to train local labourers. Where applicable, the tender 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-tender Considerations for Local Content

Before developing the tender documents, Nipissing First Nation should establish:

- The extent of labour and trades available locally;
- Quantities and firm prices of locally available materials;
- Local equipment available and firm rental rates; and
- 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.



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Appendix “J” – Document Retention Periods

Record or information	Duration
General First Nation governance records	
All First Nation bylaws, amendments to the bylaws, the First Nation constitution, and membership resolutions	Permanent
Appointments and terms of appointments	Permanent
Applicable legislation, agreements, funding arrangements, council commitments, land codes in force, financial administration codes for oil & gas monies management	Permanent
The First Nation’s Financial Administration Law	Permanent
The First Nation’s Property Taxation Law or By-law	Permanent
The First Nation’s Borrowing Law	Permanent
Minutes from the meetings of the Council and all council committees, annual reports, debenture records and council, committee and membership records, public notices, records of incorporation, corporate seal	Permanent
Legal files and papers	
Customer and supplier contracts and correspondence related to the terms of the contracts	7 years beyond life of contract
Contractual or other agreements (e.g., contribution, impact benefit, trust) between the First Nation and others and correspondence related to the terms of the contracts	7 years beyond life of the contract
Papers relating to major litigation including those documents relating to internal financial misconduct	5 years after expiration of the legal appeal period or as specified by legal counsel



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Papers relating to minor litigation including those documents relating to internal financial misconduct	2 years after the expiration of the legal appeal period
Insurance policies including product or service liability, council and officers liability, general liability, and third-party liability, property and crime coverage	7 years after the policy has been superseded
Documents pertaining to the purchase, sale or lease of property	Permanent
Documents pertaining to equity investments or joint ventures	Permanent
Human Resources	
Personnel manuals and procedures	Permanent
Organization charts	Permanent
Where there is a pension plan (excluding RRSP plans): Original plan documents; records of pensionable employee service and eligibility; associated personal information including name, address, social insurance number, pay history, pension rate	7 years after the death of the employee or employee's spouse in the case of spousal eligibility
Letters of offer and individual contracts of employment	2 years after termination of the employee
Signed Code of Conduct obligations and signed Conflict of Interest declarations	2 years after termination of the employee
Attendance records	2 years after termination of the employee
Financial information such as payroll history including RRSP contributions, commission and bonus history	2 years after termination of the employee
Medical information	2 years after termination of the employee



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Job descriptions	2 years beyond the period to which it applies
Performance assessments	2 years beyond the period to which it applies
Applications, resumes, and correspondence related to individuals not hired	2 years beyond the period to which it applies
Financial records	
Operations manuals, procedures, and internal control guidelines	Permanent
Signed annual financial statements and corresponding signed independent auditor reports	Permanent
Internal reports, including but not limited to: Reviews Annual operations report Special purpose reports Internal audit reports	10 years
Accounting documentation, including but not limited to: General ledgers, general journals, financial records and supporting documentation Monthly and quarterly financial statements Monthly and quarterly management reports Month / Quarter / Year-end Financial Closing and Reporting work papers Financial institution account statements and reconciliations Cancelled cheques and cash register tapes	7 years



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Invoices	
Annual budgets	
Multi-year financial plans	
Asset management documentation, including but not limited to:	7 years beyond completion of the project or asset utilization
Tangible capital asset register	
Reserve fund reports	
Life cycle planning	
Capital project budgeting	
Contract and tendering provisions	
Operational records	
Operations manuals, policies and procedures	Permanent
Original patents, trademarks, and copyrights	7 years after the expiration of the right
Customs documents	7 years
Annual physical inventories	Permanent
Safety committee minutes, inspection reports and related action reports	10 years



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Appendix “K” – Statutory Declaration Form

Statutory Declaration

I, _____, SOLEMNLY DECLARE, that the following expenses relate to Nipissing First Nation business activities. This statutory declaration will support the missing receipt and/or support documentation(s) for the following:

<insert explanation ... for example, on April 10, 2013, expenses in the amount of \$17.00 were directly related to taxi expenses while attending the AANDC electoral training session in Sudbury, ON.>

I make this solemn Declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

Signed By:

Dated this _____ day of _____, 20____

Witnessed by: _____

(print name)

Dated this _____ day of _____, 20____



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Appendix “L” – Disclosure Statement

Definitions:

“**entity**” means a corporation or a partnership, a joint venture or any other unincorporated association or organization, the financial transactions of which are consolidated in the financial statements of the first nation in accordance with Public Sector Accounting Standards;

“**expenses**” includes the costs of transportation, accommodation, meals, hospitality and incidental expenses, and

“**remuneration**” means any salaries, wages, commissions, bonuses, fees, honoraria and dividends and any other monetary and non-monetary benefits.

Disclosures:

Based on the above definitions, I am disclosing the following remuneration paid and expenses reimbursed by Nipissing First Nation or by any entity during the fiscal year ending March 31, 20(●●):

#	Name of Entity	Remuneration Received	Expenses Reimbursed	Comments
1.	Nipissing First Nation	\$	\$	Council honoraria and reimbursement of eligible expenses
2.	Nipissing FN Venture	\$	\$	Council honoraria and reimbursement of eligible expenses

I certify that I have disclosed all “remuneration” paid and “expenses” reimbursed as defined above during the fiscal year ending March 31, 20(●●).

Signature _____ Date _____

Printed Name _____



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Appendix “M” – Reporting of Remuneration and Expenses (Special Purpose Report)

Name of Individual	Position Title	Number of Months [Note 1]	Salaries [Note 2]	Honoraria [Note 2]	Other Remuneration [Note 2]	Total Remuneration [Note 2]	Expenses [Note 3]
		xx	\$xx,xxx	\$x,xxx	\$x,xxx	\$xx,xxx	\$x,xxx

Notes:

1. The number of months during the fiscal year that the individual was a chief or councillor.
2. "Remuneration" means any salaries, wages, commissions, bonuses, fees, honoraria and dividends and any other monetary and non-monetary benefits.
3. "Expenses" includes the costs of transportation, accommodation, meals, hospitality and incidental expenses.



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Appendix “N” – Tangible Capital Asset Categories & Thresholds

Primary Category	Sub-Category	Examples	Threshold	Pooled	Useful Life (Years)
Land	Land	Land purchased –on and off reserve Land donated – on and off reserve	All		Infinite
	Land Improvements	Fencing and gates, parking lots, paths and trails, landscaping, sports fields, site preparation and playgrounds.	\$10,000		10 – 50
Buildings	Buildings	Community buildings, Band Office, Health Centre, CMHC housing, Rental Housing, Band Owned Housing, storage buildings, residential and office trailers, sheds, etc.	\$20,000	X	20 – 50
Machinery and Equipment	Light	Ride on mowers, boats, ATV's, snowmobiles and generators.	\$5,000		6 – 10
	Heavy	Loaders/backhoes, tractors, graders, etc.	\$10,000		8 – 15
Furniture and Equipment	Furniture	Desks, chairs, furniture and appliances.	\$2,500	X	5 – 20
	Equipment	Photocopiers, telephone systems, etc.	\$2,500	X	3 – 10
Computer Equipment	Hardware	Desktops, laptops, servers, scanners, printers, hard drives,	\$2,500	X	3 – 7



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		modems, tape drives and plotters.			
	Software	Off the shelf software and related upgrades, software licenses after removing any maintenance or similar charges	\$2,500	X	1 - 10
Vehicles	Light	Cars, ½ tonne trucks, and vans.	\$10,000		3 – 10
	Heavy	1 tonne trucks, garbage packer, dump truck, plow truck, fire truck	\$20,000		8 – 15
	Trailers	Utility trailers	\$2,500	X	3 – 10
Roads	Surface	Asphalt , surface treated, gravel	\$10,000		10 – 25
	Subsurface	Subsurface of road	\$25,000		25 – 75
Bridges	Superstructure	Bridge	\$10,000		30 – 80
	Decks	Bridge	\$10,000		15 – 30
Culverts	Culverts	Concrete culverts	\$10,000		50 – 80
Streetlights and Signs	Streetlights and Signs	Streetlights, road signs.	\$2,500	X	8 – 20
Water and Wastewater Systems	Structures	Plant, intakes, filtration, reservoir, buildings, dam, Bio Solids, Outfall, etc.	\$25,000		40 – 50
	Infrastructure	Water/Wastewater mains, hydrants, valves, meters, service lats, pump stations, manholes, sewer lats, lagoons, etc.	\$25,000		20 – 50
	Equipment	Electrical, mechanical, instrumentation, etc.	\$10,000		10 – 20



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Appendix “O” – Tangible Capital Assets Presentation and Disclosure Requirements

The following requirements relate to the preparation of Nipissing First Nation’s annual financial statements in accordance with GAAP and are based on PS 3150, Tangible capital assets. Readers are advised to consult with the current version of this accounting standard for the most recent accounting and disclosure requirements.

The financial statements should disclose, for each major category of tangible capital assets and in total:

- cost at the beginning and end of the period;
- additions in the period;
- disposals in the period;
- the amount of any write-downs in the period;
- the amount of amortization of the costs of tangible capital assets for the period;
- accumulated amortization at the beginning and end of the period; and
- net carrying amount at the beginning and end of the period.

Major categories of tangible capital assets would be determined by type of asset, such as land, buildings, equipment, roads, water and other utility systems, and bridges.

Financial statements should also disclose the following information about tangible capital assets:

- the amortization method used, including the amortization period or rate for each major category of tangible capital asset;
- the net book value of tangible capital assets not being amortized because they are under construction or development or have been removed from service;
- the nature and amount of contributed tangible capital assets received in the period and recognized in the financial statements;
- the nature and use of tangible capital assets recognized at nominal value;
- the nature of the works of art and historical treasures held by the government; and
- the amount of interest capitalized in the period.



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Appendix “P” – Risk Assessment Guidelines

This document provides examples and considerations for Nipissing First Nation with respect to the risk of fraud and antifraud programs and controls and is written in the context of the Committee of Sponsoring Organizations (“COSO”) of the Treadway Commission’s Internal Control – Integrated Framework.

Below are the five components derived from COSO’s 2013 Internal Control – Integrated Framework that Nipissing First Nation may consider with respect to their responsibilities for designing and evaluating antifraud programs and controls.

1. Performing Fraud Risk Assessments
2. Creating Control Environment
3. Designing and Implementing Antifraud Control Activities
4. Sharing Information and Communication
5. Monitoring Activities

4. Performing Fraud Risk Assessments

Fraud risk assessments are designed to identify and evaluate fraud risk factors that could enable fraud to occur within Nipissing First Nation. Every organization has inherent fraud risks that arise from internal and external conditions relative to Nipissing First Nation’s operations, geographical location, size, organizational structure and general economic conditions.

Fraud risk assessments are more than a process to identify risks of theft and should also address other frauds, including fraudulent financial reporting, misappropriation of assets and corruption and illegal acts. The fraud risk assessment involves an expanded focus on considerations of where fraud risk factors may exist within the entity and the potential fraud schemes that could be perpetrated.

Risk Assessment Team

A good risk assessment requires input from various sources. The Chief Executive Officer has the primary responsibility for performing fraud risk assessments. Ideally, the Chief Executive Officer should identify a risk assessment team to conduct the risk assessment. Individuals from throughout the First Nation’s financial management systems with different



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knowledge, skills, and perspectives should be involved in the risk assessment. Such members of the risk assessment teams should include personnel such as:

- Chief Executive Officer and Chief Financial Officer;
- Finance Staff who are familiar with the financial reporting process and internal controls;
- Non-financial information technology personnel, to leverage their knowledge of day-to-day operations; and
- External legal or accounting advisors.

The Finance and Audit Committee should have an active role in the oversight of process, understand identified fraud risks, and evaluate Nipissing First Nation's implementation of antifraud measures. The Finance and Audit Committee, together with Chief Executive Officer and the risk assessment team, should also consider the potential risk of management's override of controls or other inappropriate influence over the financial reporting process.

Questions to Consider

There is no one standard method by which the First Nation may evaluate and implement its fraud risk assessment. The following is a list of some of the questions management to consider when completing Fraud Risk Assessment template.

- Are there events or conditions that indicate an incentive or pressure to commit fraud? These incentives, rewards and pressures are associated with achievement of objectives.
- Are there circumstances that allow employees and councillors to commit fraud? These opportunities are greatest in areas with weak internal controls and a lack of segregation of duties.
- Are there opportunities for unauthorized acquisition, use or disposal of assets, altering Nipissing First Nation's reporting records or committing other inappropriate acts?
- Are there indications of an attitude, character or set of ethical values that allow employees or councillors to commit fraud?
- Has there been past allegations of fraud or fraud within the associated membership, partnership or in Nipissing First Nation?



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- Are there unusual financial trends or relationships identified in the past and potential role of weak information technology controls that could play in enabling fraudulent activity to occur?
- Are there controls that mitigate the risk of management and council's override of controls? Does the fraud risk assessment include the vulnerability of internal controls to management override and potential schemes to circumvent existing control activities?
- What is the degree of estimates and judgement used in financial reporting that may result in fraudulent reporting?
- What is the nature of technology and management's ability to manipulate information?
- Are there unusual or complex transactions subject to significant management influence?
- Do the Finance and Audit Committee members have sufficient oversight of management's antifraud programs and controls?
- Does Nipissing First Nation have a code of conduct with provisions related to conflicts of interests, related-party transactions, illegal acts and fraud, made available to all personnel? Do personnel have to confirm their individual compliance with this code of conduct on an annual basis?
- Does the chief and council have a proper tone at the top? Does the management assess the tone of the leadership of Nipissing First Nation to determine if the culture encourages ethical behaviour, consultation and open communication? This assessment can be made through anonymous surveys (ie: Third-party whistleblower service providers), inquiries, interviews or by external auditors during their annual financial statement audit engagements.
- Does Nipissing First Nation have a whistleblower policy with adequate procedures to handle anonymous complaints and accept confidential submission of concerns about questionable accounting, control and financial and non-financial matters?



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- Does the management design and implement preventative and detective controls? Preventative controls are designed to stop fraud from occurring and detective controls are designed to identify the fraud if it occurs.
- Are fraud risk assessments updated periodically to include considerations of changes in operations, new information systems, changes in roles and responsibilities and revisions to identified fraud risks within Nipissing First Nation?
- Is information on ethics and management and council's commitment to antifraud programs and controls effectively communicated throughout Nipissing First Nation to all employees?
- Has management linked identified existing fraud risks to existing internal control and documented mitigating existing or new antifraud control activities related to the fraud risks?

5. Creating a Strong Control Environment

Emphasis should be placed on the Nipissing First Nation's control environment as it influences the tone of the entire organization. Control environment factors include the integrity, ethical values, and competence of Nipissing First Nation's management and employees and have a pervasive effect on Nipissing First Nation's operations and governance structure.

The control environment should set the proper "tone at the top" which includes a culture and work environment that promotes open communication, consultation and ethical behaviour. It should:

- Create and maintain a culture of honesty, high ethical standards, and behaviour;
- Provide discipline for violations of the code of conduct / ethics;
- Set an appropriate tone for Nipissing First Nation's attitude towards fraud and fraud prevention; and
- Promote effective controls to prevent, deter and detect fraud.

All employees of Nipissing First Nation have a role in the control environment. Management, Councillors and Finance and Audit Committee members have the primary responsibility of creating the tone at the top. The Finance and Audit committee should take an active role in the oversight of management's efforts to design and implement internal controls, including antifraud programs and controls and should challenge management to



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ensure that fraud risks are identified and that appropriate control activities are implemented and monitored.

Designing and Implementing Antifraud Control Activities

After fraud risk assessments are performed, the Chief Executive Officer should address each identified fraud risk by determining whether control activities exist and mitigate the risks. Control activities are policies and procedures designed to address risks and help ensure the achievement of Nipissing First Nation's objectives.

Where control activities are not already present, the Chief Executive Officer should design and implement additional controls to specifically address the identified fraud risks.

Special consideration should be given to the risk of override of controls by management and council. Some antifraud programs and controls will include active oversight from the Finance and Audit Committee; whistleblower programs and system to receive and investigate anonymous complaints; reviewing financial reporting risks for evidence of possible material misstatements due to fraud.

Sharing Information and Communication

Effective communication is an important element to all phases of the implementation of antifraud programs and controls.

Nipissing First Nation's code of conduct or ethics is often the first line of communication concerning its philosophy on fraud prevention. Other communication methods should be used to create awareness of antifraud programs and controls. Examples would include Nipissing First Nation's newsletters, intranet sites, training and through presentations led by Council or management.

Monitoring Activities

The Chief Executive Officer and the Finance and Audit Committee should monitor the quality and effectiveness of antifraud programs and controls. Ongoing monitoring procedures should be built into operating activities. Examples include:

- Reconciliations of operating and financial reports;
- Regular communications with employees as well as external auditors; and
- Periodic planning and training sessions to identify fraud risks and assess implementation effectiveness of preventative and detective control activities.

Some monitoring activities can be automated in nature and as such may involve information technology systems. Effective anti-fraud programs are dynamic, where the



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information obtained through the monitoring process is fed back into the risk assessment and the entire process begins anew.



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Appendix “Q” – Risk Assessment (Fraud)

The following Fraud Risk Assessment chart below does NOT list all possible fraud risks that Nipissing First Nation may have. Management and Council are encouraged to brainstorm and come up our own identification of risks by considering questions in Appendix “P”.

See note ¹	See note ²	See note ³	See note ⁴	See note ⁵	See note ⁶	See note ⁷
Identified Fraud Risks and Schemes	Likelihood	Significance	People / Department	Existing Anti-Fraud Controls	Assessment of Anti-Fraud controls	Fraud Risk Response
Conflict of Interest – Contracts improperly awarded	Remote	Material	Accounting	Chief Executive Officer reviews and approves awarded contracts prior to payment.	Evidenced by council meeting minutes.	Risk of council override exists.
Recording of rent receipts in incorrect periods	Remote	Insignificant	Accounting	Monthly and Year-end reconciliation of the rent revenue and receivables	Risk of override still exists	No further action, receipts are minimal.
Unauthorized payroll adjustments	Reasonably Possible	Material	Payroll	Chief Financial Officer approves payroll batches and reviews one-time payment queries	Adequately mitigated by control	N/A
Cash Management	Reasonably Possible	Material	Accounting	Segregation of responsibilities with Finance staff (ie: EFT payment batches)	Adequately mitigated by control	N/A



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1. **Identified Fraud Risks and Schemes:** This column should include a full list of the potential fraud risks and schemes that may face Nipissing First Nation. This should be formed by discussions with employees, officers and councilors and brainstorming sessions.
2. **Likelihood of Occurrence:** To design an efficient fraud risk management program, it is important to assess the likelihood of the identified fraud risks so that Nipissing First Nation establishes proper anti-fraud controls for the risks that are deemed most likely. For purposes of the assessment, it should be adequate to evaluate the likelihood of risks as remote, reasonably possible, and probable.
3. **Significance to Nipissing First Nation:** Quantitative and qualitative factors should be considered when assessing the significance of fraud risks to Nipissing First Nation. For example, certain fraud risks may only pose an immaterial direct financial risk to Nipissing First Nation, but could greatly impact its reputation, and therefore, would be deemed to be a more significant risk. For purposes of the assessment, it should be adequate to evaluate the significance of risks as immaterial, significant, and material.
4. **People and/or Department Subject to the Risk:** As fraud risks are identified and assessed, it is important to evaluate which people inside and outside Nipissing First Nation are subject to the risk. This knowledge will assist in tailoring its fraud risk response, including establishing appropriate segregation of duties, proper review and approval chains of authority, and proactive anti-fraud procedures.
5. **Existing Anti-fraud Internal Controls:** Map pre-existing controls to the relevant fraud risks identified. Note that this occurs after fraud risks are identified and assessed for likelihood and significance. By progressing in this order, this framework intends for Nipissing First Nation to assess identified fraud risks on an inherent basis, without consideration of internal controls.
6. **Assessment of Mitigating Controls:** Nipissing First Nation should evaluate whether the identified controls are operating and mitigating fraud risks as intended.
7. **Fraud Risk Response:** Residual risks should be evaluated by Nipissing First Nation and fraud risk responses should to address such remaining risk. The fraud risk response could be implementing additional controls.



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Appendix “R” – Risk Management Plan

#	Identified Risks	Potential Impact	Likelihood	Significance	Mitigation / action plan	Individual responsible
	<i>Risk category (i.e. For-profit business, loans, indemnities, investments, insurance and emergency)</i>					
1	<i>Provide a description of the risk and date identified</i>	<i>Provide estimates of the impact of the risk – quantitative/ qualitative as appropriate</i>	<i>An estimation of the likelihood, from remote, reasonably possible, and probable.</i>	<i>Significance of the potential impact identified as immaterial, significant, and material.</i>	<i>Specific steps to either reduce or eliminate the impact/likelihood of the risk</i>	<i>Name of who will implement and monitor the action plan</i>
2						
3						
	<i>Risk Category (i.e. For-profit business, loans, indemnities, investments, insurance and emergency)</i>					
1						
2						
3						



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Appendix “S” – Reporting of Breaches & Financial Irregularities Policy - Acknowledgement and Agreement

This is to acknowledge that I have received and read a copy of Nipissing First Nation’s Whistleblower Policy. I understand that the integrity of the financial information and other information of Nipissing First Nation is vital.

I further understand that Nipissing First Nation is committed to a work environment free of discrimination, retaliation, threats or harassment for employees and contractors who has raised concerns regarding financial misconduct or wrongdoing and that Nipissing First Nation specifically prohibits reprisals against any person who makes a good faith report regarding such concerns. Accordingly, I specifically agree that to the extent I have concerns of financial misconduct or wrongdoing that I reasonably believe to be in violation of Nipissing First Nation’s laws or policies, I will immediately report such conduct in accordance with Nipissing First Nation’s Whistleblower Policy.

I confirm that I have read this policy and understand the expectations of me contained herein.

_____ Employee’s/Contractor’s Signature

_____ Employee’s/Contractor’s Name [printed]

Date



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Appendix “T” – Auditor Performance Evaluation Report

Purpose

The Finance & Audit Committee’s evaluation of an external auditor begins with the examination of the quality of services provided by the engagement team during the audit and throughout the financial reporting year.

Scope

This performance evaluation report applies to NFN’s External Audit Policy in accordance with the Nipissing First Nation’s Financial Administration Law (FAL).

Evaluation Questions:

Q#	Assessment Determinants	Yes	No	Uncertain
1	Did the Lead Engagement Partner & the Engagement team have the necessary knowledge & skills to meet NFN’s audit requirements?			
2	Was the Lead Engagement Partner accessible to NFN management and the Finance & Audit Committee?			
3	Was the audit plan discussed with the Finance & Audit Committee?			
4	Did the Auditor adjust the audit plan to respond to changing risks?			
5	Did the Auditor discuss how NFN’s accounting policies and internal controls compare with trends and leading practices of other known NFN clients?			
6	Did the Auditing Firm demonstrate integrity, objectivity and professional skepticism (frankness of findings, quality of NFN’s management & finance team, etc)?			
7	Were the audited financial statements and audit schedule(s) sent to NFN in a timely fashion?			
Comments:				

We confirm that the above information is complete, true and correct to the best of our knowledge and beliefs:

(employee name), Chief Executive Officer

(employee name), Chief Financial Officer

Dated:

Dated: