
FINANCIAL ADMINISTRATION CODE

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

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

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

SHORT TITLE

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

INTERPRETATION

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



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

APPLICATION

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



ROLE OF THE CHIEF AND COUNCIL

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

BAND MANAGER

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



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

OFFICE MANAGER

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



CHIEF AND COUNCIL APPOINTMENTS

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

ANNUAL BUDGET

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

FINANCIAL MANAGEMENT: DEPOSITS

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



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

FINANCIAL MANAGEMENT: EXPENDITURES

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



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

PURCHASE OF GOODS AND SERVICES

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

TENDERS

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



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



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

DISCLOSURE OF FINANCIAL INTEREST

57. Any person, who holds office, including that of Chief or Councillor, or employment with the Kapawe'no First nation, its service areas or agencies, shall not use that office or employment for financial gain for himself or for the members of his or her family to the detriment of the interests of the Kapawe'no First Nation.
58. The provisions of sections 57 to 66 shall also apply, so far as is possible, to anyone, other than the Chief or a Councillor, who holds an office or employment with the Kapawe'no First nation in relation to decisions made in the conduct of that office or employment.
59. "Family" means a spouse, including a common law spouse, or a child, and shall also include any other relative permanently residing in the person's household.
60. (1) Where a person might otherwise be in breach of section 57, the person shall disclose his or her financial interest prior to the making of a decision and shall not participate in the discussion or the decision, unless a majority of the other persons involved in making the decision decide by vote to allow the person with the declared financial interest to participate in making the decision.

(2) Where a person has made a declaration of financial interest and the decision-making body has decided by vote to allow the person to participate in making the decision despite the declaration of interest, the decision-making body shall ensure that the reasons are recorded in writing in the minutes of the meeting.

(3) Where, pursuant to subsections (1) or (2), the chairperson is prohibited from taking part in deliberations and from voting, the person may nevertheless continue to act as chairperson. If the chairperson is the Chief and is prohibited from taking part in the deliberations and from voting, the two Councillors may agree to have one of them act as a proxy chief for the limited purposes of the deliberations and voting on the decision.



- (4) Without limiting the generality of subsection (1), the Chief or a Councillor shall be deemed to have a financial interest in a matter before the Council where he or a member of his family has an interest in an enterprise or in a partnership, company or corporation having or proposed to have a contract or dealings with the Nation.
- (5) Subject to this section, the Chief or a Councillor may be or become a member of any company in which the Kapawe'no First Nation may be interested as a vendor, purchaser, shareholder, or otherwise and no such person shall be accountable for any benefits received as shareholder or director of such company.
61. If an employee has breached the provisions of section 57 or 60, that person may:
- a. Be suspended from all privileges and benefits of office or from employment for a period of time,
 - b. Be demoted or reassigned to another position, or
 - c. Be dismissed from office or employment.
62. Where section 61 applies, the decision with respect to an employee shall be made in accordance with the employment policies of the Kapawe'no First Nation.
63. A decision made under section 62 must be fair and in accordance with the rules of natural justice, including:
- a. The person who is alleged to have violated the conflict of interest provision must have the opportunity to hear the allegations and provide an answer before a final decision is made, and
 - b. The person or persons making the decision on an alleged conflict of interest shall make their decision without any influence or bias.
64. The Chief and Council may approve policies and procedures in order to give effect to the provisions of sections 57 to 65.
65. The disclosure of financial interest rules enacted pursuant to this code are subject to any similar rules approved by the members of the Kapawe'no First Nation in any code of the Kapawe'no First Nation.

AGREEMENTS

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



FISCAL YEAR

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

AUDIT

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



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

DISCLOSURE OF INFORMATION

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

GENERAL MEETING

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

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

Chief Frank T. Halcrow

Witness

Councillor Sydney Lee Halcrow

Witness

Councillor Peter Chalifoux

Witness

