

Sipekne'katik



Governance Policy and Procedures

Chief and Council Approved March 31, 2021

SIPEKNE'KATIK

Approved by Chief and Council March 31, 2021.

Signature print name	Signature print name
Signature print name	Signature print name
Signature print name	Signature print name
Signature print name	Signature print name
Signature print name	Signature print name
Signature print name	Signature print name
Signature print name	Signature print name
Signature print name	Signature print name

Date Approved by Council: March 31, 2021 (BCR number) Motion #5 of Meeting on March 31, 2021

Contents

1. DEFINITIONS	3
2. POLICIES AND PROCEDURES.....	8
POLICY.....	8
ADMINISTRATIVE PROCEDURES	9
2.1 Creation	9
2.2 Approval and Communication	10
2.3 Maintenance	10
3. DELEGATED & ASSIGNED RESPONSIBILITIES.....	11
POLICY.....	11
ADMINISTRATIVE PROCEDURES	12
3.1 Delegation.....	12
3.2 Temporary Delegation.....	12
3.3 Monitoring and Evaluation.....	13
4. CODE OF CONDUCT AND CONFLICT OF INTEREST	22
POLICY.....	22
ADMINISTRATIVE PROCEDURES	23
4.1 Acceptance of Gifts.....	23
4.2 Code of Conduct Declaration and Conflict of Interest Disclosure Forms	24
5. COMMITTEE ESTABLISHMENT AND DISSOLUTION FOR ALL COMMITTEES EXCEPT THE FINANCE ADVISORY COMMITTEE	25
POLICY.....	25
ADMINISTRATIVE PROCEDURES	26
5.1 Establishment / Dissolution	26
5.2 Member Appointment.....	27
5.3 Performance Monitoring and Evaluation	27
5.4 Member Removal.....	27
6. FINANCE ADVISORY COMMITTEE	29
POLICY.....	29
ADMINISTRATIVE PROCEDURES	31
6.1 Member Appointment and Removal.....	31
6.2 Term Requirements	31
6.3 Eligibility Criteria	32
6.4 Administration and Reporting.....	32
7. OFFICER APPOINTMENT AND RESPONSIBILITIES	38
POLICY.....	38

ADMINISTRATIVE PROCEDURES	40
7.1 Appointment.....	40
8. EXTERNAL AUDIT	41
POLICY.....	41
ADMINISTRATIVE PROCEDURES	42
8.1 Auditor Selection, Engagement and Performance.....	42
8.2 Auditor Independence.....	43
8.3 Audit Planning.....	43
8.4 Audit Preparations	44
8.5 Audited Annual Financial Statements.....	44
8.6 Auditor Dismissal	45
9. REPORTING OF COMPENSATION, BENEFITS AND CONTRACTS.....	46
POLICY.....	46
ADMINISTRATIVE PROCEDURES	47
10. WHISTLEBLOWER POLICY.....	48
POLICY.....	48
ADMINISTRATIVE PROCEDURES	49
10.1 Fostering an Open and Ethical Working Environment	49
10.2 Reporting Wrongdoing	50
10.3 Inquiry.....	50
10.4 Response and Remedial Actions	51
APPENDIX A – AVOIDING AND MITIGATING CONFLICTS OF INTEREST.....	52
APPENDIX B: TEMPORARY DELEGATION OF DUTY / FUNCTION FORM	60
APPENDIX C: CODE OF CONDUCT DECLARATION FORM	61
APPENDIX D: CONFLICT OF INTEREST DISCLOSURE FORM.....	62
APPENDIX E: FINANCE ADVISORY COMMITTEE ELIGIBILITY DECLARATION	64

1. DEFINITIONS

“Assets”	anything of value owned by Sipekne’katik
“Assign”	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
“Authorization and Delegation Table”	a table approved by Council specifying the delegation and assignment authorities over decisions or activities related to Sipekne’katik’s financial administration
“Budget”	a plan or outline of expected money and spending over a specified period
“Capital Project”	the construction, rehabilitation or replacement of Sipekne’katik’s capital assets and any other major capital projects in which Sipekne’katik or its related entities are investors
“Chairperson”	head of a meeting, department, committee, or board. The vice-chairperson acts as the head when the chairperson is not there
“Code of Conduct Declaration”	statement that Council, committee members, employees, and contractors must sign on an annual basis that states they understand and agree to Sipekne’katik government’s code of conduct
“Committee”	group of people appointed by Council for advising Council or conducting decision-making activities assigned by Council until or unless they are suspended, resign or disbanded by Council
“Conflict of Interest”	situation of personal gain, or perceived personal gain, at the expense of others
“Contract”	legally binding agreement between two parties
“Control”	policy, procedure, or process put in place to manage a Sipekne’katik’s administration
“Cost”	amount of money to be paid or spent to obtain something
“Council”	elected or appointed official representatives of Sipekne’katik that includes Chief, Councillors and the equivalent terminology used by Sipekne’katik elected pursuant to the Indian Act

“Delegation”	transfer of specific responsibilities from one person to another or to a Committee
“Direct Supervisor”	employee responsible for managing and overseeing the work and development of other staff
“Director of Administration (DOA)”	member of Senior Management Group who leads the day to day administration of Sipekne’katik and is the direct supervisor to department managers. This position is the link between the Director of Operations and the Managers as well Sipekne’katik members
“Director of Finance (DOF)”	means the employee who manages the day to day financial transactions of all departments and supervises the employees in the Finance Department. This position is a member of the Senior Management Group, reports to the Executive Finance Officer and is the first point of contact for Program Managers/Directors regarding financial transactions.
“Director of Operations (DOO)”	means the most senior member of the Senior Management Group who directly reports to Chief and Council. This position leads the vision, mission and strategic priorities of Sipekne’katik. The Director of Operations works closely with and may delegate responsibilities to the Director of Administration.
“Eligibility Criteria”	requirements set by Council which must be met by an individual to be considered independent and eligible to be appointed to the Finance Advisory Committee
“Engagement Letter”	written document prepared by the auditor that serves as a contract to confirm the audit arrangements between the auditor and Sipekne’katik government; it is required by Canadian Generally Accepted Auditing Standards (GAAP)
“Entity”	corporation, partnership, joint venture or unincorporated association or organization whose financial transactions are consolidated in Sipekne’katik government’s financial statements in accordance with GAAP
“Executive Finance Officer (EFO)”	means the most senior Financial position for Sipekne’katik, responsible for overseeing all financial activities, including Budget and Financial Reporting. The EFO has signing authority for Sipekne’katik, as approved by Council and is responsible to report on financial matters to Chief and

	Council regularly. The EFO is a member of the Senior Management Group and works closely with and may delegate some responsibilities to the Director of Finance.
“Expenditure”	amount of money spent by Sipekne’katik government to buy goods or services
“Expenses”	amount of money spent on transportation, accommodation, meals, hospitality or incidentals, to be paid back (reimbursed)
“Finance Committee”	means the Chief, Director of Administration, Executive Financial Officer and Director of Finance
“Financial Competency”	ability to read and understand Sipekne’katik government’s financial statements
“Financial Reporting Risk”	possibility of a significant error in financial information often caused by weak internal controls or fraud
“Financial Statement”	formal record of all money and property of Sipekne’katik within a specific period
“Fiscal Year”	twelve-month period used for tax or accounting purposes from April 1 to March 31
“Fraud”	wrongful or criminal act that involves lying or holding back information; this is usually done for personal or financial gain
“GAAP”	Canadian Generally Accepted Accounting Principles, the framework of accounting guidelines, rules and procedures
“Independence”	<p>eligibility criteria for Finance Advisory Committee membership defined as an individual who does not have a direct or indirect relationship with Sipekne’katik government that could, in the opinion of Council, reasonably interfere with the individual’s judgment as a member of the Finance Advisory Committee</p> <p>an individual with a role in the financial management of Sipekne’katik involving planning, organizing, directing or controlling of its financial activities – including budgeting, financial accounting, financial reporting, procurement and use of funds, does not meet the minimum independence requirements for Finance Advisory Committee membership</p>

“Information”	knowledge received and any documented material regardless of source or format
“Investment”	an asset or item bought with the hope that it will gain value or provide income in the future
“Local Revenues”	term used to describe property taxes under the <i>First Nations Fiscal Management Act</i>
“Misconduct or Wrongdoing”	breach of Sipekne’katik’s Financial Administration Law including conflict of interest provisions, code of conduct, Council-approved policies and administrative procedures
“Officer”	means an employee of Sipekne’katik designated by Council to perform official duties as outlined in Sipekne’katik’s Financial Administration Law and is limited to such duties assigned to the Director of Operations, Director of Administration, Executive Finance Officer, Tax Administrator and any other employee of Sipekne’katik government designated by the Council to perform similar duties
“Organizational Chart”	visual representation of the different positions in a Sipekne’katik that clearly shows reporting relationships (who reports to who)
“Record”	information created, received, and maintained by Sipekne’katik for operational purposes or legal obligations. A record may be electronic, or hardcopy paper based
“Remuneration”	salaries, wages, commissions, bonuses, fees, honoraria and dividends and any other monetary and non-monetary benefits
“RFP”	Request for Proposal, competitive process followed by Sipekne’katik to enter into a major service contract. RFPs lay out Sipekne’katik government’s needs and conditions and leave it up to the potential contractors to present a proposal that shows their experience, skills and ability to carry out the contract within time and cost specifications
“Risk”	possibility of a loss or other negative event that could threaten the achievement of a Sipekne’katik’s goals and objectives
“Senior Management Group”	means the group consisting of the DOO, EFO, DOA, HR Manager and DOF.

“Special Committee”	committee formed for a specific purpose and is dissolved when that purpose has been achieved
“Special Purpose Report”	financial report on a specific activity
“Standing Committee”	committee that has an ongoing purpose
“Tax Administrator”	person responsible for managing the local revenues and local revenue account on a day-to-day basis, if Sipekne’katik is collecting local revenues
“Terms of Reference”	outline of the purpose and structure of a project, committee, meeting, or negotiation

2. POLICIES AND PROCEDURES

POLICY

Policy Statement

It is Council's policy to establish a process around creating, revising, and issuing policies and procedures that reflect Sipekne'katik's practices and meet legal and regulatory requirements that affect Sipekne'katik's financial administration.

Purpose

The purpose of this policy is to make sure that there is a standardized way of preparing, reviewing, issuing, maintaining and revising Sipekne'katik's financial management system policies and procedures.

Scope

This policy 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 Sipekne'katik.

Responsibilities

Council is responsible for:

- approving new or revised policies and procedures by Council Resolution that comply with applicable laws, regulations and standards unless procedures approval has been delegated to the Director of Operations
- approving the removal of policies and procedures by Council Resolution unless procedures approval has been delegated to the Director of Operations

The Finance Advisory Committee is responsible for:

- recommending to Council (or to the Director of Operations if procedures approval has been delegated the DOO) the issuance, revision or removal of policy and procedure document related to reimbursable expenses and perks of Council members and employees only

The Director of Operations is responsible for:

- approving new, revised or removal of procedures as delegated by Council
- maintaining a comprehensive list of all existing policies and procedures
- making sure that the current list of policy and procedures is made available to all affected persons
- making sure that existing policy and procedures are kept current by reviewing periodically
- reviewing all policy requests (new, revised, removed) and submitting a recommendation to Council for approval
- determining if the policy and/or procedure document request needs:

- to be referred to a subject matter expert for additional review
- cross functional review from other departments within Sipekne'katik
- are consistent and compliant with the respective Council approved policies
- incorporate the requirements of applicable laws, regulations and standards

The Executive Financial Officer is responsible for:

- making sure policy and procedure documents being reviewed comply with Sipekne'katik's Financial Administration Law and GAAP
- 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

All persons affected by the policies and procedures (including all persons doing business with Sipekne'katik) are responsible for:

- understanding and complying with the policies and procedures appropriate to their responsibility and interaction

ADMINISTRATIVE PROCEDURES

Procedures

2.1 Creation

Any employee may suggest a policy or procedure.

The Director of Operations will create a list of all policies and procedures required by Sipekne'katik's Financial Administration Law or required to adequately and effectively manage and control the financial management system and to safeguard Sipekne'katik's assets.

The Director of Operations will determine the appropriate content 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 titles or positions, is responsible for implementing or maintaining the policy and procedure
- references (optional) – list of applicable documents, policies, laws and regulations
- attachments (optional) – forms, reports, or records that are generated from the policy

The Director of Operations will agree on appropriate content keeping within the following format for procedures:

- procedures – describes the steps, details, or methods to be used to implement and maintain the policy and procedures
- references (optional) – list of applicable policies

2.2 Approval and Communication

Council must approve all policies and procedures by Council Resolution unless procedures' approval has been delegated to the Director of Operations. Where approval of procedures has been delegated to the Director of Operations, the Director of Operations must approve all procedures in accordance with the policies and procedures of Sipekne'katik.

The Director of Operations will communicate all approved policies and procedures and make sure they are accessible to the all affected departments and persons whether on Sipekne'katik's server, website or a location to which all those affected have access.

The Director of Operations will make sure that all employment and service contracts require employees and contractors of Sipekne'katik to comply with the policies and procedures of Sipekne'katik.

2.3 Maintenance

At least every two years, all issued policy and procedures will be reviewed for completeness, accuracy, and relevancy and revised or removed accordingly.

3. DELEGATED & ASSIGNED RESPONSIBILITIES

POLICY

Policy Statement

It is Council's policy to establish a process around giving financial administration authorizations and delegations to identified departments, committees and individuals. Overall responsibility for financial management of Sipekne'katik remains with the Council.

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 Sipekne'katik to legal obligations.

Scope

This policy applies to the Council, Committees of Council, Officers, employees of Sipekne'katik and any other persons with authority to conduct activities in connection with the financial administration of Sipekne'katik.

Responsibilities

Council is responsible for:

- authorizing the Director of Operations to delegate any Council directions related to Sipekne'katik's financial administrative system to an Officer, employee, Committee, contractor or agent except:
 - the approval of financial administration policies that fall under Council's responsibility as specified in the Financial Administration Law
 - the appointment and removal of the Finance Advisory Committee members, including the Chairperson and Vice-Chairperson
 - the approval of budgets, budget amendments, borrowings and financial statements
 - the approval of the Authorization and Delegation Table
 - any matter relating to the employment or authorities of any Officers

The Director of Administration is responsible for:

- implementing and reporting the financial management activities or functions except:
 - making sure those with delegated authority understand their responsibilities and have the skill and knowledge necessary to effectively exercise authority
 - establishing protocols for delegation and temporary assignments to deal with absences due to illness, vacation, or other extended leaves using the Temporary Delegation and Authorization form

Regardless of the delegation of any financial administration authority by Council, Council remains responsible for the financial management of Sipekne'katik.

ADMINISTRATIVE PROCEDURES

Procedures

3.1 Delegation

The Director of Operations will prepare and update the Authorization and Delegation Table in accordance with this policy.

The Director of Operations will make sure there is an appropriate level of documentation including the Authorization and Delegation Table and a signed Temporary Delegation and Authorization form. The Director of Operations will make sure that delegated authority is specified in job descriptions where appropriate.

The Director of Operations will submit the Authorization and Delegation Table to Council for approval.

The Director of Operations will make sure that the Authorization and Delegation Table is communicated to all staff to make sure delegated responsibilities can be carried out effectively.

Council, Committees, Officers, employees, contractors and agents may delegate authority only to individuals competent and capable of carrying out the delegated authority.

The Director of Operations, in consultation with the HR Committee, will make sure that any delegation of authority granted is aligned with the organizational chart structure.

Individual member(s) of Council will not have delegated authority in any area (except as a cheque signor). For clarity, all Council authority comes from Council as a whole and not individual members of Council.

3.2 Temporary Delegation

Delegation and temporary assignments for absences of Program Managers / Directors due to illness, vacation, or other extended leaves must be documented using the Temporary

Delegation of Duty/Function form (Appendix B) and approved by and filed with the Director of Administration. Temporary Delegations may not include an increase in pay, refer to the HR Policy – Section 5.12 Acting Positions.

Individual member(s) of Council will not have temporary delegated authority in any area. For clarity, any temporary delegation will be given to Council as a whole and not individual member(s) of Council.

3.3 Monitoring and Evaluation

The Director of Operations will monitor and evaluate the performance of the delegated duties and functions and if necessary, make recommendations to Council for amendments to the Authorization and Delegation Table.

Attachments

1. Authorization and Delegation Table

AUTHORIZATION AND DELEGATION TABLE*

Financial Administration Activity / Function	Responsible	Authority Level (where applicable)	Policy	Policy Section
Policy Approval	Council	No delegation	Governance	2
Procedure Approval	Council	Can delegate to Director of Operations	Governance	2
Annual Signing of Code of Conduct Declaration	Council, Finance Advisory Committee Members, Officers, Employees	No delegation	Governance	4
Annual Completion and declaring of private interests within the Conflict of Interest Disclosure Form	Council	No delegation	Governance	4
Committee Establishment, Terms of Reference and Termination	Council	No delegation	Governance	5
Appointment and Termination of Finance Advisory Committee Members	Council	No delegation	Governance	6
Finance Advisory Committee Terms of Reference Approval	Council	No delegation	Governance	6
Signing of Finance Advisory Committee Eligibility Declaration	Finance Advisory Committee Members	No delegation	Governance	6
Appointment of Officers	Council	No delegation	Governance	7
External Auditor Appointment and Termination	Council	No delegation	Governance	8
Auditor Engagement Letter Approval	Council	No delegation	Governance	8
Strategic Plan Approval	Council	No delegation	Finance	5
Multi-year Financial Plan Approval by March 31 of each year	Council	No delegation	Finance	5
Annual Budget Approval by March 31	Council	No delegation	Finance	5

Financial Administration Activity / Function	Responsible	Authority Level (where applicable)	Policy	Policy Section
Budget Amendment Approval (Materiality Threshold)	Council	Must approve amounts greater than \$50,000 or special in nature (e.g. new department)	Finance	5
Annual Report Approval by Sept 27	Council	No delegation	Finance	6
Annual Audited Financial Statements Approval by July 29	Council	No delegation	Finance	6
Annual Special Purpose Reports Approval	Council	No delegation	Finance	6
Quarterly Financial Statements Approval within 45 days of quarter end	Council	No delegation	Finance	6
Bank Accounts – Opening/Closing	Council	Can delegate to another Officer	Finance	7
Bank Accounts – Approval of Reconciliations	Executive Finance Officer	Director of Finance	Finance	7
Approval of Bank Account Transfers	Council	Two approvals from authorized signatories on Monthly Transfer Summary Report – no delegation	Finance	7
Approval of Short-term Borrowing Transactions (Line of Credit, Overdraft)	Council	No delegation	Finance	8
Approval of Long-term Borrowing Transactions	Council	No delegation	Finance	8
Approval of Repayment terms for any approved interim borrowings (eg. construction loans) converting to long-term borrowing	Council	No delegation	Finance	8
Granting security for borrowings	Council	No delegation	Finance	8

Financial Administration Activity / Function	Responsible	Authority Level (where applicable)	Policy	Policy Section
Approval of Lending, Guarantees and Indemnities (institutions, not community/band members)	Council	Must approve all lending over \$5,000. Can delegate signing of the Loan/Guarantee/ Indemnity Agreements to the Executive Finance Officer	Finance	9
	Director of Operations	Can approve lending up to \$5,000		
Loan Forgiveness Approval	Council	No delegation	Finance	9
Payroll Advance Approval	Not allowed		Finance	9
Approval of Capital/Operating Leases	Council	No delegation	Finance	9
Investment Strategy Approval	Council	No delegation	Finance	10
Investment Manager Appointment and Termination	Council	No delegation	Finance	10
Approval of Budgeted Expenditures, Capital Asset Purchases & Disposals, Expense Allowances, and Contracts to be completed within the current fiscal year	Council	Must approve amounts greater than \$15,000. Approval of insurance coverage (annual renewal and/or selection of new insurance provider) can be delegated to the Director of Administration	Finance	11
	Finance Committee	Must approve amounts between \$10,001 and \$15,000 and acknowledgement signature of sufficient budget remaining by EFO or DOF		
	Director of Finance	Must approve amounts above the Program Manager/Director amount and \$10,000		

Financial Administration Activity / Function	Responsible	Authority Level (where applicable)	Policy	Policy Section
	Program Directors/Managers of the following departmental budgets: Housing Health Education LSK School Operations & Maint. Fisheries Tobacco Gas Bar Social	Must approve amounts up to \$5,000		
	Program Directors/Managers of the following departmental budgets: Employment & Trng Recreation Gaming Ec. Dev Lands Management Membership HR Finance Administration Security Head Start Daycare Communications Consultation IT EMO	Must approve amounts up to \$1,500		
Approval of Service Contracts that extend beyond the current fiscal year	Council	Approval of recurring contracts that occur year to year and regularly extend beyond the fiscal year end can be delegated to the Director of Administration (eg. snow plow, garbage removal)	Finance	11

Financial Administration Activity / Function	Responsible	Authority Level (where applicable)	Policy	Policy Section
Approval of non-budgeted Extraordinary Expenditures	Council	Over \$10,001	Finance	12
	Director of Operations	Between \$5,001 and \$10,000		
	Director of Administration	Up to \$5,000		
Pre-approval of travel and approval of Reimbursable Expense Claims – Director of Operations and Director of Administration	Director of Finance	No delegation	Finance	12
Pre-approval of travel and approval of Reimbursable Expense Claims – Executive Financial Officer, Tax Administrator	Director of Administration	Director of Finance	Finance	12
Pre-approval of travel and approval of Reimbursable Expense Claims – Council	Director of Administration	Can delegate to Director of Finance	Finance	12
Pre-approval of travel and approval of Reimbursable Expense Claims – Director of Finance	Executive Finance Officer and Director of Administration	Can delegate to or Director of Operations	Finance	12
Pre-approval of travel and approval of Reimbursable Expense Claims – Program Managers/Directors	Director of Administration	Can delegate to Director of Finance or Director of Operations	Finance	12
Pre-approval of travel and approval of Reimbursable Expense Claims – all other staff	Direct supervisor	No delegation	Finance	12
Pre-approval of travel outside of Atlantic Canada (all employees except DOA)	Director of Administration	Director of Operations	Finance	12

Financial Administration Activity / Function	Responsible	Authority Level (where applicable)	Policy	Policy Section
Pre-approval of travel outside of Atlantic Canada – Director of Administration	Director of Operations	No delegation	Finance	12
Pre-approval for 3 or more participants from the same Department / Council to attend the same event	Director of Operations and Executive Finance Officer	Can be delegated to the Director of Administration	Finance	12
Approval of Payroll and Payroll Remittances	Executive Financial Officer and 1 Council signatory	No delegation	Finance	12
Employee Utility Program	Finance Committee (Chief, Director of Operations, Director of Administration, Executive Financial Officer and Director of Finance)	At least 3 of the 5 are required to approve all Employee Utility program requests (maximum \$1,500 one time per fiscal year)	Finance	12
Approval of write-down of inventories valued over \$25,000 (eg. tobacco, gas bar)	Finance Advisory Committee	No delegation	Finance	13
Approval of Capital Project Threshold	Council	A project is considered a “capital project” when total anticipated cumulative costs will be greater than \$50,000	Finance	13
Inform or involve First Nation members of capital projects and borrowings (if any) for capital projects	Council	No delegation	Finance	13
Capital Projects Approval	Council	No delegation	Finance	13
Capital Asset Reserve Fund Establishment (Capital GICs)	Council	No delegation	Finance	13
Capital Asset Reserve Fund Transactions (Capital GICs)	Council	No delegation	Finance	13
Review and Approval of Insurance Coverage and Premiums	Director of Administration	No delegation	Finance	14

Financial Administration Activity / Function	Responsible	Authority Level (where applicable)	Policy	Policy Section
Annual Risk Register Approval	Council	Can delegate to an Officer	Finance	15
Annual Emergency and Operations Continuity Plan Review and Approval	Director of Operations	Can delegate to another Officer	Finance	16
Annual Review of Financial Management System	Director of Operations	Can delegate to another Officer	Finance	17
Document Retention Periods Approval	Council	No delegation	Information Management	3
Organization Chart Approval	Council	No delegation	Human Resources	3
Hiring and Termination – Director of Operations	Council	No delegation	Human Resources	5, 10
Hiring and Termination – Officers (other than DOO) and Program Managers / Directors	Council and Director of Operations	No delegation	Human Resources	5, 10
Hiring and Termination – Non-Officers and Non-Managers, regular full-time, regular part-time and term employees	Director of Operations	No delegation	Human Resources	5, 10
Hiring and Termination – hourly, temporary, seasonal, casual, on-call	Director of Administration	No delegation	Human Resources	5, 10
Employee Requests to Work from Home	HR Committee	Requests of over 5 business days	Human Resources	7
	Director of Administration	Requests up to 5 business days		
Annual Performance Evaluation of Officers	Council	Can delegate to Director of Operations evaluation of all other Officer positions	Human Resources	8
Annual Performance Evaluations of Employees	Direct Supervisors	No delegation. Can request collaboration from the HR Manager and/or Director of Operations and/or Director of Administration	Human Resources	8

Financial Administration Activity / Function	Responsible	Authority Level (where applicable)	Policy	Policy Section
Fisheries Mobilization Advances	Finance Committee	No delegation	Human Resources	12
Pay Grids	Council	No delegation	Human Resources	13
Salary Adjustments – Officers	Council	No delegation	Human Resources	13
Salary Adjustments – movement of more than one step up the pay grid – Non-Officers	HR Committee	No delegation	Human Resources	13
Salary Adjustments - movement up the pay grid to the next step – Non-Officers	Director of Administration	No delegation	Human Resources	13
Special Leave (paid and unpaid leave requests)	Council	Leave requests 32+ business days	Human Resources	14
	HR Committee	Leave requests 11-31 business days		
	Director of Administration	Leave requests up to business 10 days		
Professional Development Leave greater than 5 consecutive business days	HR Committee	No delegation	Human Resources	14
Education Leave	HR Committee	No delegation	Human Resources	14

* Any long-term delegated authority approved by Council is listed in this table. If it is not listed in this table, the delegation has not been approved by Council. A listing of temporary approved delegations of authority is maintained by the Director of Operations.

4. CODE OF CONDUCT AND CONFLICT OF INTEREST

POLICY

Policy Statement

It is Council's policy to establish a process around having Council, committee members, Officers and any staff and contractors, if applicable, involved in the financial administration of Sipekne'katik, make an annual Code of Conduct Declaration and disclose as soon as possible any circumstances which could result in an actual or perceived conflict of interest.

Purpose

The purpose of this policy is to provide each Council member, committee member, employee and contractor with a clear understanding of their expected conduct, including managing conflicts of interest, in the performance of their responsibilities.

Scope

This policy applies to all individuals involved with the financial administrative system of Sipekne'katik, including Council, committee members, Officers, employees and contractors.

Responsibilities

Council is responsible for:

- at the beginning of their term of office and annually thereafter, reading and understanding the code of conduct and conflict of interest requirements and signing the Code of Conduct Declaration (Appendix C) and the Conflict of Interest Disclosure forms (Appendix D)
- in addition to annually, disclosing as they arise and as soon as possible, any circumstances which could result in an actual or potential or perceived conflict of interest
- complying with the Financial Administration Law, Appendix A – Avoiding and Mitigating Conflicts of Interest, and any other applicable First Nation law, policies, procedures and any applicable standards
- taking appropriate action, as outlined in the Financial Administration Law, to remedy Councillor misconduct
- rejecting gifts or benefits over the value of \$500 that might reasonably be seen to have been offered in order to influence the making of a decision
 - if a Councillor is unsure whether to accept a gift or benefit, they will bring the matter before Council for a decision
- taking appropriate action to remedy undisclosed conflicts of interest by Councillors
 - if a Councillor has reason to believe that another Councillor has a conflict of interest or apparent or perceived conflict of interest regarding a matter before the Council, the Councillor may request clarification of the circumstances at a Council meeting
 - if a Councillor is alleged to have a conflict of interest or an apparent or perceived conflict of interest and does not acknowledge it and take action to disclose the

conflict, Council must determine whether the Councillor has a conflict of interest or apparent or perceived conflict of interest

- the minutes of the Council meeting must record any decision made by the Council regarding an undisclosed conflict of interest by a Councillor
- If Council determines that a Councillor has a conflict of interest or an apparent or perceived conflict of interest, the Councillor must comply with the requirement to disclose the conflict of interest

The Director of Operations is responsible for:

- making sure that Council members, committee members, employees and contractors are informed of the code of conduct and conflict of interest requirements and that training/orientation is provided to Council members, Officers and employees and contractors in a timely manner upon being hired or elected
- making sure that Council members sign the Code of Conduct Declaration and the Conflict of Interest Disclosure forms annually and submit it to the Director of Operations in a timely manner
- making sure that Officers, committee members, employees and contractors sign the Code of Conduct Declaration upon appointment and annually thereafter, and the Conflict of Interest Disclosure forms as actual or potential conflicts arise, and submit it to the Director of Operations in a timely manner
- filing the Code of Conduct Declaration and Conflict of Interest Disclosure forms according to the relevant records management policy that protects the privacy of the persons making the disclosure

Officers, committee members, employees and contractors are responsible for:

- disclosing circumstances which could result in an actual or potential conflict of interest as they arise and as soon as possible

Immediate supervisors are responsible for:

- making sure their supervised employees and contractors sign the Code of Conduct Declaration annually, and Conflict of Interest Disclosure forms as actual, potential, apparent or perceived conflicts arise, and submit to the Director of Operations in a timely manner if the Director of Operations has delegated this responsibility to immediate supervisors

ADMINISTRATIVE PROCEDURES

Procedures

4.1 Acceptance of Gifts

Councillors, will not accept any gifts or benefits exceeding a value of \$500 or that might be reasonable be seen to have been offered in order to influence the making of a decision by that person in accordance with Appendix A – Avoiding and Mitigating Conflicts of Interest.

Committee members, Officers, employees and contractors will not accept any gifts or benefits that might be reasonably be seen to have been offered in order to influence the making of a decision by that person in accordance with Appendix A – Avoiding and Mitigating Conflicts of Interest. If an employee or contractor is unsure whether to accept a gift or benefit, they will discuss the matter with their immediate supervisor.

4.2 Code of Conduct Declaration and Conflict of Interest Disclosure Forms

At the end of each fiscal year, the Director of Operations will communicate, in writing, to Council members, Officers, employees and contractors to obtain the signed Code of Conduct Declaration and to obtain annual Conflict of Interest Disclosure forms from Council members.

The Director of Operations will file the Code of Conduct Declaration and Conflict of Interest Disclosure forms according to the relevant records management policy that protects the privacy of the persons making the disclosure.

Signed Council Code of Conduct Declaration and Conflict of Interest Disclosure forms will be filed with the relevant administrative personnel.

The Director of Operations will retain all Code of Conduct Declarations and Conflict of Interest Disclosure forms in the respective Officer, employee personnel or contractor file.

Council will act if the required forms are not received within **90 days** of being notified by the Director of Operations.

5. COMMITTEE ESTABLISHMENT AND DISSOLUTION FOR ALL COMMITTEES EXCEPT THE FINANCE ADVISORY COMMITTEE

POLICY

Policy Statement

It is Council's policy to establish a process around standing committees and special committees it deems necessary to fulfill its mandate or to assist in meeting its legal and regulatory obligations. Each committee will be described along with information surrounding committee membership, responsibility, mandate, meeting process and authority.

Purpose

The purpose of this policy and procedure is to establish an effective governance system that makes sure Committees are consistently and purposefully structured to carry out its specified functions assigned by Council or in Sipekne'katik laws.

Sipekne'katik Chief and Council serve as the board of directors for Sipekne'katik's administration. Sipekne'katik is a large municipality-type of organization. However, it is unique as it operates in conjunction with the Indian Act.

Sipekne'katik is a large organization and to run this political organization efficiently, a system is developed where Council are assigned portfolios and various committees handle lower level administrative issues. The Chief will be assigned as ex-officio member of each standing committee and portfolio (eg. HR Committee). Chief and Council meetings are reserved for high- level administrative issues and discussions. Reports regarding the ongoing committee level activities are provided to the Chief and Council during their duly convened meetings. The Chief and Council must approve membership of all committees during a duly convened Chief and Council meeting.

Scope

This policy applies to Council, its committees and the Director of Operations.

Responsibilities

Council is responsible for:

- establishing all committees and their mandates
- approving the terms of reference for each committee
- determining the minimum qualifications and eligibility requirements of committee members and chairpersons

- appointing a chairperson or filling a chairperson vacancy on a committee
- evaluating the effectiveness of each committee
- approving any recommendations presented by the committee
- approving any recommendations for removal of a committee member

The Director of Operations is responsible for:

- making sure that the agendas and minutes of all committee meetings are retained for a period as specified in Sipekne'katik's Information Management policy
- making sure a list of all committees is established and maintained that includes the name of the committee, date of last update of their Terms of Reference
- ensuring that the TOR for each committee is reviewed and updated at least every two years

The Chairperson is responsible for:

- facilitating committee meetings and making sure they are conducted in an efficient and effective manner
- scheduling committee meetings as necessary and planning committee activities to make sure that the committee is successful in fulfilling its mandate and addressing its functions, duties and responsibilities, including working within its approved budgetary resources
- approving committee agendas
- making sure that minutes are prepared and that they accurately reflect meeting outcomes
- identifying the necessary qualifications and eligibility criteria for committee members, subject to Sipekne'katik's laws
- recruiting qualified committee member candidates and recommending them to Council
- evaluating committee members and their contributions
- recommending member appointments and removals to Council
- reporting to Council on behalf of the committee

The Committee members are responsible for:

- preparing for applicable committee meetings by reading reports and background materials prepared for each meeting and obtaining information necessary for decision making
- becoming knowledgeable of the committee functions
- participating fully in the discussions of the committee
- attending all committee meetings
- avoiding conflicts of interests and complying with conflicts of interest policies and procedures established by Council or under Sipekne'katik's laws

ADMINISTRATIVE PROCEDURES

Procedures

5.1 Establishment / Dissolution

Subject to Sipekne'katik laws, Council may establish, change or dissolve a committee, other than the Finance Advisory Committee, by passing a Council Resolution. Council will also

establish terms of reference regarding the committee's mandate, objectives and expected outcomes.

Subject to Sipekne'katik laws, for each new committee, the Director of Operations and the chairperson will develop and recommend to Council for approval the terms of reference which will include, at a minimum, the following:

- composition of members, including minimum number of Council members and any requirements for specific experience, skills, knowledge or expertise
- quorum
- term of the committee members
- detailed role and functions
- voting rules
- meeting and reporting obligations
- principles
- eligibility / ineligibility
- appointment
- remuneration
- removal (including the process by which a committee member can be removed)
- committee appeals process
- conflict of interest

5.2 Member Appointment

Subject to Sipekne'katik laws, Council will appoint a committee chairperson.

Subject to Sipekne'katik laws, the Director of Operations and the respective committee chairperson will develop and recommend to Council for approval membership qualification and eligibility criteria for each committee, including potential conflicts of interest avoidance.

The chairperson, based on consultations with the committee, will recommend to Council the appointment of new committee members.

5.3 Performance Monitoring and Evaluation

Annually, the chairperson will evaluate the committee's progress against its terms of reference, objectives, and stated outcomes. The results of the analysis will be presented to Council and used as the basis for the following year plan for the committee.

The chairperson will continually monitor the performance of committee members against their terms of appointment.

5.4 Member Removal

Subject to Sipekne'katik laws, a committee member may be removed by Council on the recommendation of the committee chairperson as outlined in the committee's Terms of Reference, if the committee member has committed a breach of the code of conduct, confidentiality, a Sipekne'katik policy or fails to perform expected duties of a committee

member, or is no longer qualified or eligible to be a committee member, or as otherwise detailed in the committee's Terms of Reference.

A committee member recommended for removal may be allowed to submit a written statement to Council for consideration in Council's decision on the removal.

6. FINANCE ADVISORY COMMITTEE

POLICY

Policy Statement

It is Council's policy and a requirement of Sipekne'katik's Financial Administration Law to establish a process around creating and maintaining a Finance Advisory Committee ("the FAC") to assist Council in carrying out 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 creating and maintaining best practices for the Finance Advisory Committee.

Scope

This policy applies to Council, the Finance Advisory Committee, the Director of Operations, Director of Administration and the Executive Financial Officer.

Responsibilities

Council is responsible for:

- assigning to the FAC any responsibilities or functions in addition to those set out in the Law
- approving the FAC's terms of reference
- determining eligibility criteria of FAC members, chairpersons and vice-chairpersons
- confirming, before appointment, that each potential FAC member is eligible to be a member and able/capable of serving as an independent member of the FAC
- making sure that each FAC member signs a statement annually, confirming that they continue to meet the eligibility criteria and remain independent
- determining the requirements of financial competency to be met by the majority of FAC members
- appointing the FAC's chairperson and vice-chairperson and filling any vacancies in those offices
- evaluating the FAC's effectiveness
- providing the FAC with the resources it might need to carry out its functions
- considering any FAC recommendations or advice
- If the chairperson is not a Council member, sending notices and agendas of all Council meetings to the chairperson

The Finance Advisory Committee Chairperson is responsible for:

- facilitating the FAC's interaction with Officers
- chairing FAC meetings and making sure they are conducted in an efficient and effective manner

- planning the FAC's activities to make sure that it is successful in fulfilling its mandate and addressing its functions, duties and responsibilities
- preparing FAC agendas
- making sure minutes are recorded at each duly called meeting
- recruiting qualified FAC member candidates and recommending them to Council
- evaluating FAC members and their contributions
- reporting to Council on behalf of FAC

FAC 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 FAC deliberations
- attending all scheduled FAC meetings subject to reasonable exceptions acceptable to the chairperson
- becoming knowledgeable of FAC's functions and statutory responsibilities under Sipekne'katik's Financial Administration Law
- maintaining communications with management, FAC members, the auditor and other advisors as appropriate
- making sure they have the minimum level of financial competency necessary to fulfill their responsibilities
- making sure they maintain their independence as required in Sipekne'katik's Financial Administration Law
- avoiding conflicts of interests and complying with conflict of interest policies and procedures established by Council and described in the Financial Administration Law
- reviewing and making recommendations to the chairperson on the FAC terms of reference for Council consideration and approval
- if Sipekne'katik is operating under an intervention agreement, the terms and conditions of the agreement override the powers of the FAC. A representative from the external intervention administrator will also be a member of the FAC

The Director of Operations is responsible for:

- maintaining the current FAC member list
- tracking FAC member financial competency
- keeping the chairperson current on major developments and provide FAC with sufficient information on a timely basis to enable FAC to discuss potential issues, make decisions, and fulfill its mandate
- assisting the chairperson in planning and making necessary arrangements for setting agendas, giving required meeting notices and holding meetings
- attending each FAC meeting, unless excused by the chairperson for a reasonable reason or excluded from attendance by FAC vote as provided in Sipekne'katik's Financial Administration Law

The Executive Financial Officer is responsible for:

- attending each FAC meeting, unless excused by the chairperson for a reasonable reason or excluded from attendance by FAC vote as provided in Sipekne'katik's Financial Administration Law
- providing technical and professional support to the FAC as requested or as required in Sipekne'katik's Financial Administration Law

ADMINISTRATIVE PROCEDURES

Procedures

6.1 Member Appointment and Removal

Subject to Sipekne'katik's Financial Administration Law, Council will appoint the FAC chairperson and vice-chairperson.

Council must establish its FAC consistent with the number of members specified in the Financial Administration Law.

Council, upon recommendation of the chairperson, will appoint the FAC members by passing a Council Resolution, a majority of whom must have financial competency and all of whom must have independence and meet the eligibility criteria as set out in the terms of reference approved by Council.

A FAC member may be removed from office by Council in the circumstances permitted in Sipekne'katik's Financial Administration Law. In such circumstances, Council will remove a FAC member by passing a Council Resolution.

Subject to Sipekne'katik's Financial Administration Law, Council may choose to appoint an alternate FAC member by passing a Council Resolution.

6.2 Term Requirements

Subject to Sipekne'katik's Financial Administration Law, when making FAC appointments, Council will make sure that no more than half of the members' terms will expire in any one fiscal year.

The Director of Operations will maintain a register of FAC 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.

Upon any changes in FAC membership, the Director of Operations will report to Council on the term end dates for each FAC member.

The term of a FAC member will be as established in Sipekne'katik's Financial Administration Law.

The terms of office of FAC members are staggered to ensure the continuing effectiveness of the FAC and to provide for succession planning. Non-Council members shall serve three-year terms, appointed in opposite years of Council elections.

Council members must be appointed to the Finance Advisory Committee as soon as possible following their election to the Council and will serve on the Finance Advisory Committee to the end of their term on Council.

If a FAC member is removed from office, dies, or resigns before their term expires, Council must as soon as possible appoint a new FAC member to hold office for the remainder of the term.

6.3 Eligibility Criteria

Council will establish FAC member eligibility criteria as set out in the Finance Advisory Committee Declaration of Eligibility (Appendix E). Council will specify that an individual will not have a role in the financial management of Sipekne'katik involving the planning organizing, directing, or controlling of its financial activities, including budgeting, financial accounting, financial reporting, procurement and utilization of funds.

Council will document FAC member criteria for independence by specifying that the individual does not have a direct or indirect financial relationship with Sipekne'katik government that could, in the opinion of Council, reasonably interfere with the individual's exercise of independent judgment as a FAC member.

Council will establish FAC member financial competency criteria that, in the opinion of Council, will reasonably allow a FAC member to fulfill their required role and responsibilities and support the FAC effectiveness.

All FAC members will sign the Finance Advisory Committee Eligibility Declaration form and provide it to the Director of Operations for record retention.

6.4 Administration and Reporting

Subject to Sipekne'katik's Financial Administration Law, the quorum necessary for the transaction of business at FAC meetings will be a majority of FAC members.

Subject to Sipekne'katik's Financial Administration Law, the FAC will meet at least quarterly and otherwise as necessary but in any event as soon as possible following receipt of the audited annual financial statements and report of the auditor.

All Council members of Sipekne'katik may attend FAC meetings as observers only, and no Council member is entitled to vote at such meeting and is not counted as part of FAC quorum if they are not a FAC member.

The external auditor may attend and be heard at FAC meetings by invitation by the FAC Chair.

The FAC will maintain written meeting records of attendance of FAC members and of any ex-officio member such as the Director of Operations and the Executive Financial Officer.

The FAC will provide minutes of its meetings to Council and the chairperson will provide reports to Council as appropriate on the substance of meetings as soon as possible.

If the FAC has permission under provisions of the FAL to make rules for the conduct of its meetings, those rules must not contradict the FAL, the policies and procedures of Sipekne'katik, or the directions of Council.

Attachments

1. Finance Advisory Committee Terms of Reference

FINANCE ADVISORY COMMITTEE TERMS OF REFERENCE

Composition: At least 1 Council member must be a member of a Finance Advisory Committee consisting of 3 members and at least 2 Council members must be members of a Finance Advisory Committee consisting of 4 or more members. Council will appoint 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 committee members must have financial competency and all of the members must have independence as defined below.

Financial Competency:

- the ability to read, understand and analyze Sipekne'katik's annual audited 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 Sipekne'katik's accounting policies, when these are explained by Sipekne'katik's Executive Financial Officer and the auditor
- an understanding of Sipekne'katik'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 Sipekne'katik and the risks involved with any new strategies
- an ability to understand Sipekne'katik's risk environment

Independence: An individual is independent if they do not have a direct or indirect financial relationship with Sipekne'katik that could, in the opinion of Council, reasonably interfere with the individual's exercise of independent judgment as a member of the Finance Advisory Committee with the below exception:

An individual who has a role in the financial management of Sipekne'katik involving the planning, organizing, directing or controlling of its financial activities – including budgeting, financial accounting, financial reporting, procurement and utilization of funds **is not** considered independent.

Quorum: Quorum necessary for the transaction of business at committee meetings will be fifty percent (50%) of the total number of voting members of the committee, including at least 1 councillor. If quorum is established for an FAC meeting, and 1 or more of the FAC members must step out due to a conflict of interest, the remaining FAC members will cast their vote, even if the number of remaining voting FAC members is less than quorum.

Voting Rules: Unless a 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 committee decisions. In the event of a tie vote, the chairperson may cast a second tie-breaking vote.

Committee Term: The Finance Advisory Committee is a standing committee established by the Financial Administration Law.

Member Term: The members of the Finance Advisory Committee must serve staggered terms, as follows:

- non-Council members shall serve terms appointed by Council according to the terms of the Financial Administration Law
- Council members must be appointed to the Finance Advisory Committee as soon as possible following their election to the Council and will serve on the Finance Committee to the end of their term on Council

Chairperson: Appointed by Council. Either the chairperson or the vice-chairperson must be a member of Council. The Chairperson term will be determined by Council in accordance with the Financial Administration Law.

Vice-chairperson: Appointed by Council. Either the chairperson or the vice-chairperson must be a Council member. The Vice-Chairperson term will be determined by Council in accordance with the Financial Administration Law.

Mandate: The Finance Advisory Committee is responsible to review and make recommendations to Council on the financial administration matters of Sipekne'katik. The Finance Advisory Committee will assist Council in fulfilling its oversight responsibilities for the financial reporting process, the internal control system, the audit process, and the process for monitoring compliance with laws and regulations and the code of conduct.

Meetings: The Finance Advisory Committee will meet not less than quarterly and immediately following completion of the annual audit, with the chairperson having authority to convene additional meetings as circumstances require.

All committee members are expected to attend each meeting, in person or via tele/video-conference. The committee will invite members of the management, auditors, or others to attend meetings as necessary.

The Director of Operations and Executive Financial Officer must be notified of all meetings and must attend those meetings, subject to reasonable exceptions.

The auditor of Sipekne'katik must receive notices of all meetings and may attend by invitation by the FAC Chairperson 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 as soon as possible following each Finance Advisory Committee meeting or in writing if the information needs attention in a timely manner.

The Director of Operations or Executive Financial Officer may be excluded from all or any part of a committee meeting at the discretion of the committee – decided by a recorded vote.

Responsibilities:

Financial Accounting and Reporting Oversight

- subject to Sipekne'katik's Financial Administration Law, review draft annual budgets and multi-year financial plans and recommend them to Council for approval
- monitor the financial performance of Sipekne'katik against budget and report any significant variations and their reasons to Council

- review the quarterly and annual financial statements of Sipekne'katik and recommend them to Council for approval
- If Sipekne'katik collects local revenues, review the annual financial statements of Sipekne'katik's local revenue account and recommend them to Council for approval
- review the annual special purpose reports of Sipekne'katik and recommend them to Council for approval
- review the annual report of Sipekne'katik and recommend it to Council for approval
- make any other recommendations to Council on any matter respecting the financial administration of Sipekne'katik
- review management's approach for safeguarding Sipekne'katik's assets and information systems, the adequacy of staffing of key financial functions and any plans for improvement
- review with management and the external auditors emerging accounting issues and their potential impact on Sipekne'katik's financial reporting
- review with management Sipekne'katik's financial policies and compliance with such policies

Auditor Oversight

- make recommendations to Council on the selection, engagement and performance of Sipekne'katik's independent auditor
- receive assurances on the independence of a proposed or appointed auditor
- review and make recommendations to Council to approve the annual audit plan of the external auditor, including the scope of the audit to be performed and the estimated audit fees
- review and make recommendations to Council respecting the audited annual financial statements, including the audited local revenue account financial statements, if applicable, and any special purpose reports
- review any management letters containing recommendations of the external auditor and management's response
- recommend to Council pre-approval of all audit, audit-related and non-audit services to be provided to Sipekne'katik by the external auditor
- periodically review, and make recommendations to Council respecting policies, procedures and directions on reimbursable expenses and perks of Council members, officers and employees
- monitor financial reporting risks and fraud risks and the effectiveness of internal controls designed to mitigate those risks taking into consideration the cost of implementing any change to internal control
- review Sipekne'katik's Financial Administration Law and recommend amendments to Council
- review and make recommendations to Council on the terms of reference

Risk Management

- review the annual risk management plan and fraud risk assessment completed by the Director of Operations and provide input to the identification, monitoring and reviewing of the annual risk assessment process
- provide recommendations to Council on the annual risk management plan and fraud risk assessment

- provide updates to the Council on any significant changes to the assessment and adequacy of monitoring activities
- review requests for non-budgeted funding for Sipekne'katik's business enterprises and make recommendations to Council

Other

- review expenses of Council members and Officers and assess Sipekne'katik's policies with respect to expense reimbursement and allowances
- evaluate at least annually the adequacy of these terms of reference

7. OFFICER APPOINTMENT AND RESPONSIBILITIES

POLICY

Policy Statement

It is Council's policy to establish a process around outlining the duties and roles of Sipekne'katik's officers, which include the Director of Operations, Director of Administration, the Executive Financial Officer and the Tax Administrator, if applicable, and to establish a process for the appointment or removal of Officers of Sipekne'katik.

Purpose

The purpose of this policy is to provide guidance on the appointment and removal process and responsibilities of Officers of Sipekne'katik.

Scope

This policy applies to Council and Officers of Sipekne'katik.

Responsibilities

Council is responsible for:

- appointing and removing the Officers of Sipekne'katik
- hiring and termination of the Director of Operations
- hiring and termination of all other Officers in cooperation with the Director of Operations
- Ensure that Sipekne'katik members have access to all of the minutes of the Sipekne'katik Council meetings, motions, by-laws, and BCR's pertaining to the Sipekne'katik funds, budgets, quarterly reports, financial statements, audits and the Sipekne'katik Finance Policy;

The Director of Operations is responsible for:

- management of Sipekne'katik's overall strategy development, planning and implementation
- developing and recommending policies and procedures for Council approval, if procedures' approval has not been delegated by Council to the Director of Operations
- preparing and recommending for Council approval, descriptions of the powers, duties and functions of all employees of Sipekne'katik
- hiring the employees of Sipekne'katik in accordance with the Authorization and Delegation Table, as the Director of Operations considers necessary and within Council approved budget, and to set the terms and conditions of their employment;
- overseeing, supervising and directing the activities of the Director of Administration (unless delegated to the Executive Financial Officer due to conflict of interest)
- overseeing and administering the contracts of Sipekne'katik
- identifying, assessing, monitoring and reporting on financial reporting risks and fraud risks

- monitoring and reporting on the effectiveness of mitigating controls for financial reporting and fraud risks
- other duties as required by Council and/or included within the Director of Operations Job Description/Employment Contract that are not contrary to the *First Nations Fiscal Management Act* (“the *FMA*”) or inconsistent with the Director of Operations’ duties under Sipekne’katik’s Financial Administration Law
- reporting directly to Council
- Ensure all BCR’s, directives, motions and by-laws of Sipekne’katik as approved by Council and regarding the care and protection of all Sipekne’katik funds are strictly followed;

The Director of Administration is responsible for:

- the day to day management of Sipekne’katik’s operations
- overseeing, supervising and directing the activities of the Executive Financial Officer and Tax Administrator, if applicable, and all other employees of Sipekne’katik
- other duties as required by Council and/or included within the Director of Administration Job Description/Employment Contract that are not contrary to the *First Nations Fiscal Management Act* (“the *FMA*”) or inconsistent with the Director of Administration’s duties under Sipekne’katik’s Financial Administration Law

The Executive Financial Officer is responsible for:

- overseeing effectiveness of the Sipekne’katik’s financial administration system
- other duties as required by the Director of Operations and/or included in the Executive Financial Officer Job Description/Employment Contract that are not contrary to the *FMA* or inconsistent with the Executive Financial Officer’s duties under Sipekne’katik’s Financial Administration Law
- approving expenditures, leave requests of the Director of Administration
- reporting directly to the Director of Administration
- administering and supervising the maintenance of the records of all receipts and expenditures of Sipekne’katik
- preparing any documentation and financial information required by Council or the FAC to carry out their responsibilities
- any other duties as set out in the Financial Administration Law

If applicable, the Tax Administrator is responsible for:

- the day to day management of Sipekne’katik’s local revenues system
- other duties as required by the Director of Operations and/or included in the Tax Administrator Job Description/Employment Contract that are not contrary to the *FMA* or Sipekne’katik’s local revenue laws or inconsistent with the tax administrator’s duties under Sipekne’katik’s Financial Administration Law
- reporting directly to the Director of Administration

ADMINISTRATIVE PROCEDURES

Procedures

7.1 Appointment

Council will approve, prior to posting a job, the specific qualifications required for each Officer position.

Council will determine the selection process for all Officer positions identified by this policy, which may include the use of an external recruitment consultant and/or the establishment of an Officer selection committee. Council or the Officer selection committee will develop criteria for a selection process that will evaluate the qualifications, experience, and any other interview standards deemed appropriate for each candidate.

Initial screening will occur to assess each applicant's ability to meet the minimum stated standards. Applications of qualified candidates received for a posting will be forwarded to the selection committee to further screen the applications to select individuals to be interviewed for the position. This process may be completed by the external recruitment consultant. The interview process will be consistent for all applicants.

The Officer selection committee or external recruitment consultant will then evaluate each candidate against the established criteria and recommend a candidate for the position to Council.

8. EXTERNAL AUDIT

POLICY

Policy Statement

It is Council's policy to establish a process around the appointment, management and termination of a qualified and licensed external auditor to render an audit opinion on the annual financial statements (and special purpose reports, where applicable) of Sipekne'katik in accordance with GAAP.

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 Sipekne'katik.

Scope

This policy applies to Council, the Finance Advisory Committee, Officers and employees providing services within the financial administration system.

Responsibilities

Council is responsible for:

- appointing (re-appointing) an auditor meeting the specified eligibility requirements and documenting the appointment by Council Resolution
- making sure the engagement letter requires the auditor to confirm that the financial statements and the audit comply with First Nations Financial Management Board's standards, any relevant funding agreement requirements, and applicable laws
- approving and reviewing periodically the policy related to the external auditor's authority to receive the information and documents required to perform the audit function
- confirming that the auditor has carried out the audit as required by the Financial Administration Law and the engagement letter
- reviewing and approving the audited annual financial statements within 120 days after fiscal year end, and ensuring they are signed by those required in the Financial Administration Law – at minimum the Chief or Council chairperson, chairperson of the Finance Advisory Committee and the Executive Financial Officer
- making sure Sipekne'katik members have access to the audited financial statements and special purpose reports after they have been approved and signed as required in the Financial Administration Law

The Finance Advisory Committee is responsible for:

- overseeing the external audit and advising 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
- approving the terms and conditions of the auditor appointment as set out in the engagement letter and making sure that it includes the auditor's obligation to confirm that the annual financial statements and the audit of them comply with the Financial Administration Law, the *FMA* and First Nations Financial Management Board's Standards and any relevant funding agreements
- reviewing the draft annual financial statement from the Executive Financial Officer and presenting the statements to Council for approval within 115 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 local revenue account financial statements if applicable and any special purpose reports

The Director of Operations is responsible for:

- directing and facilitating any notices regarding meetings on the annual audit or audited financial statements

The Executive Financial Officer is responsible for:

- overseeing, supervising, directing and facilitating requests for any information required by the auditor to carry out its audit responsibilities
- providing the auditor with copy of Sipekne'katik's Financial Administration Law and FMB's Local Revenue Financial Reporting Standards, if Sipekne'katik is collecting property taxes and the auditor is auditing Sipekne'katik's local revenues financial report
- preparing and providing to the Finance Advisory Committee for review within 110 days of the fiscal year end the annual financial statements and special purpose reports for the fiscal year in accordance with Canadian GAAP and any funding agreements
- making sure 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
- providing feedback on the auditor's performance to the Director of Operations

ADMINISTRATIVE PROCEDURES

Procedures

8.1 Auditor Selection, Engagement and Performance

The Director of Operations and the Executive Financial Officer will establish evaluation criteria to be included in a Request for Proposal ("RFP") for the external audit which will be reviewed by the Finance Advisory Committee and approved by Council and include, at a minimum, for the auditor to be:

- independent from Sipekne'katik, its related bodies, Council and Officers and members

- in good standing with regulatory bodies (Chartered Professional Accountants of Canada) and/or their respective counterparts in the province or territory in which the firm or accountant is practicing
- licensed to practice public accounting

The Finance Advisory Committee will review the Officers' evaluation of the proposals and their recommendation. The Finance Advisory Committee may recommend or ask for additional information, including an in-camera (i.e. without management) interview with the recommended auditor.

The Finance Advisory Committee will recommend the engagement of the selected auditor and the engagement letter to Council for approval.

Council will review the engagement letter with the auditor selected to make sure it contains the content required by the Financial Administration Law including the following:

- requirement for audit to be completed in compliance with Canadian Generally Accepted Auditing Standards
- audit objective and scope
- auditor responsibilities
- Sipekne'katik's management responsibilities
- expected form and content of any reports issued by auditor including circumstances when a report may be different from these requirements
- requirement for auditor to communicate in writing to Council matters that come to auditor's attention during audit involving:
 - identified or suspected non-compliance with relevant laws (other than insignificant non-compliance matters)
 - significant internal control deficiencies

Council will proceed to sign the engagement letter in accordance with Sipekne'katik's Authorization and Delegation Table and make sure that it is delivered to the auditor.

On a periodic basis, the Finance Advisory Committee will review and make recommendations to Council on the engagement of the external auditor as a re-appointment or whether to recommend to Council on whether an RFP should be initiated for the appointment of a new auditor. The issuance of an RFP will be considered, at a minimum, every four years.

8.2 Auditor Independence

The Finance Advisory Committee will make sure that Sipekne'katik has received a letter from the auditor, before the annual audit is finalized, in which the auditor confirms their continued independence.

8.3 Audit Planning

The Executive Financial Officer 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 Executive Financial Officer will submit the finalized audit plan to the Finance Advisory Committee for review.

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

8.4 Audit Preparations

The Executive Financial Officer will keep the auditor informed and discuss in advance of the audit of any significant accounting issues, developments or changes for Sipekne'katik that could have an impact on the audit and the audit report.

Prior to fiscal year end, the Executive Financial Officer will oversee staff concerning fiscal year end procedures to make sure of the accuracy and completeness of Sipekne'katik's financial statements and disclosures.

Staff, under the direction of the Executive Financial Officer, will prepare necessary schedules and working papers. This will include preparation of accounts receivable and accounts payable confirmation letters, financial institution account confirmations, and account balance reconciliations.

The Finance Advisory 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 needed).

8.5 Audited Annual Financial Statements

The Finance Advisory Committee will receive and review the draft audited annual financial statements, including any special purpose reports and the local revenue account financial statements if applicable.

The Finance Advisory Committee will satisfy itself that:

- the audit has been completed according to the plan
- the financial statements are fairly presented according to Canadian GAAP
- the auditors have provided an opinion on the financial statements and an opinion over any special purpose reports as required by Sipekne'katik's Financial Administration Law
- there are no significant unresolved issues

The Finance Advisory Committee will meet with the auditor to review the draft audited financial statements. The committee may meet with the auditor 'in camera' (without Sipekne'katik's 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 Advisory Committee will recommend the draft audited financial statements to Council for approval.

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

- approval of Council through a Council Resolution

- approval by signature from Chief or Council chairperson, chairperson of the Finance Advisory Committee and the Executive Financial Officer

8.6 Auditor Dismissal

Council may remove the auditor before the expiration of the term on the recommendation of the Finance Advisory Committee by passing a Council Resolution or may choose not to re-appoint the auditor for a further term.

If Council removes or does not re-appoint the auditor, the auditor selection process will be initiated in accordance with this policy and procedure.

9. REPORTING OF COMPENSATION, BENEFITS AND CONTRACTS

POLICY

Policy Statement

It is Council's policy and a requirement of Sipekne'katik's Financial Administration Law to establish a process around the annual disclosure for each Council member the remuneration paid, and expenses reimbursed by Sipekne'katik, and by any entity that is consolidated by Sipekne'katik, whether such amounts are paid to the Council member while acting on Council or in any other capacity.

Purpose

The purpose of this policy is to establish accountability, transparency and full disclosure for each Council member's remuneration and expenses paid by Sipekne'katik and by its consolidated entities.

Scope

This policy applies to Council. This policy and procedure does not apply to remuneration or expenses received:

- in common by all Sipekne'katik members
- under a program or service universally accessible to Sipekne'katik members on published terms and conditions
- from a trust agreement, according to the terms of the trust

Responsibilities

Council is responsible for:

- making sure that each Council member annually reports to the Executive Financial Officer all remuneration paid and all expenses reimbursed by Sipekne'katik and by any entity consolidated into Sipekne'katik's annual audited financial statements

The Executive Financial Officer is responsible for:

- preparing an annual report separately listing the remuneration paid and expenses reimbursed by Sipekne'katik, and by any entity, to each Council member whether such amounts are paid to them while acting on Council, or in any other capacity
- including the Schedule of Remuneration and Expenses as a special purpose report in Sipekne'katik's financial statements
- making the Schedule of Remuneration and Expenses report is available on Sipekne'katik's website or location to which membership has access

ADMINISTRATIVE PROCEDURES

Procedures

The Executive Financial Officer or a designate will use amounts from the general ledger to complete the special purpose report.

The special purpose report must include any Council member that left prior to the end of the fiscal year.

If a Council member worked in another capacity for Sipekne'katik 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. To be clear, a footnote will be included in the special purpose report to explain which amounts relate to the respective roles.

Council will require the Sipekne'katik's independent auditor to issue an audit or a review engagement report on the special purpose report in accordance with the terms of the engagement.

The Executive Financial Officer will submit the special purpose report along with the draft unsigned audit or review engagement report from Sipekne'katik's auditor to the Finance Advisory Committee for review and recommendation for approval to Council.

Once the special purpose report is approved by Council, the Executive Financial Officer will arrange for it to be included as an attachment to the final annual report. The special purpose report will be formatted so it can be published electronically.

The Executive Financial Officer will retain and safeguard the records of each Councillor according to the requirements for information management set out in the policies and procedures of Sipekne'katik.

10. WHISTLEBLOWER POLICY

POLICY

Policy Statement

It is Council's policy to establish a process around the reporting and investigation of misconduct while protecting the identity of individuals who report misconduct to the extent possible.

Purpose

The purpose of this policy is to make sure there is a procedure to report, investigate, and act on 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 Sipekne'katik.

Responsibilities

Council is responsible for:

- making sure that this policy is communicated to all affected and interested persons
- investigating reported misconduct of Finance Advisory Committee members
- making sure that the identity of the person who makes a report of misconduct in good faith is kept confidential to the extent possible in all circumstances and not subject to negative actions for making the report including but not limited to discrimination, threats, harassment or loss of employment or employment opportunities
- approving policies and procedures required in the Financial Administration Law on such matters
- supporting and fostering an open and ethical environment

The Finance Advisory Committee is responsible for:

- reviewing any reports provided to it on inquiries into the circumstances of the reported misconduct; conducting any further inquiry it considers necessary; and providing a report to Council, along with any recommendations
- taking all reasonable steps to make sure that the identity of the person who makes a report of misconduct is kept confidential to the extent possible in all circumstances
- taking necessary steps to make sure that persons who have reported instances of wrongdoing remain protected against any negative actions including but not limited to discrimination, threats, harassment or loss of employment or employment opportunities
- supporting and fostering an open and ethical environment

The Chair of the Finance Advisory Committee is responsible for:

- taking all reasonable steps to make sure that the identity of the person who makes a report of misconduct is kept confidential to the extent possible in all circumstances
- taking necessary steps to make sure that persons who have reported instances of wrongdoing remain protected against any negative actions including but not limited to discrimination, threats, harassment or loss of employment or employment opportunities
- reporting to Council any potential or real breaches of policy and/or negative actions against the whistleblower

The Director of Operations is responsible for:

- communicating the Whistleblower Policy to all affected and interested persons
- providing a confidential reporting procedure(s) to report violations
- receiving reports of misconduct, making an appropriate and timely inquiry into the matter and reporting to the Finance Advisory Committee as soon as possible
- taking all reasonable steps to make sure that the identity of the person who makes a report of misconduct is kept confidential to the extent possible in all circumstances
- taking necessary steps to make sure that persons who have reported instances of wrongdoing remain protected against any negative actions including but not limited to discrimination, threats, harassment or loss of employment or employment opportunities
- reporting to Council any potential or real breaches of policy or negative actions against the whistleblower
- securing related records
- fostering and supporting an open and ethical environment

ADMINISTRATIVE PROCEDURES

Procedures

10.1 Fostering an Open and Ethical Working Environment

The identity of any person who raises a concern of wrongdoing will remain confidential to the extent possible.

A person reporting a breach in good faith will receive fair and unbiased treatment throughout the investigative process. Council will make sure 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 Advisory Committee will provide Council with a report on the effectiveness of this policy and the Code of Conduct policy.

10.2 Reporting Wrongdoing

Council has established the following procedures to receive, retain, investigate and act on complaints and concerns of Council members, Officers, employees, contractors and agents of Sipekne'katik regarding instances of misconduct or wrongdoing.

The Director of Operations will make sure that the procedures described above will be included in contracts and the appointment of agents and committee members.

The Director of Operations and the Chair of the Finance Advisory Committee will receive and inquire into reports of misconduct or wrongdoing.

The Director of Operations and the Chair of the Finance Advisory Committee will report their respective findings of an inquiry into a report of misconduct or wrongdoing that they receive.

The Finance Advisory Committee will inquire, if necessary, further into any findings reported.

Any report received by a Council member, Officer, employee, contractor or agent from any source inside or outside Sipekne'katik will be immediately forwarded to the Finance Advisory Committee chairperson.

Sipekne'katik Officers, employees, contractors and agents will forward their reports to the Director of Operations or the Finance Advisory Committee chairperson.

Instances of wrongdoing will be reported directly to the Finance Advisory Committee chairperson in the following ways:

- anonymously in writing to the attention of the Finance Advisory Committee chairperson: [Name, Street, City, Postal Code]
- via email: [financeandauditcommittee@firstnation.ca]
- via telephone to the Finance Advisory Committee chairperson at [1-888-XXX-XXXX]

Instances of wrongdoing can be reported directly to the Director of Operations in the following ways:

- anonymously in writing to the attention of the Director of Operations: 522 Church St., Indian Brook, NS B0N 2H0
- via email: directorofoperations@sipeknekatik.ca
- via telephone to the Director of Operations at 1-902-758-2049

Any individual reporting a suspected incidence of wrongdoing should ensure that they are doing so in good faith and with first-hand knowledge of the alleged wrongdoing. Any proof or evidence that the reporting individual has should be included with their report. The reporting individual must maintain confidentiality of any reports they submit to the Director of Operations or Finance Advisory Committee.

10.3 Inquiry

Promptly upon receipt of a report, the Director of Operations and the Finance Advisory Committee chairperson will:

- if not anonymous, confirm in writing to the whistleblower that the report has been received
- make sure 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 negative actions
- include the report in a confidential memo including the following:
 - 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 Advisory Committee
 - any final resolution of the reported wrongdoing
- decide on 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 deny the allegations presented
- when the alleged incident is of significant risk to the operations, reputation, etc. of Sipekne'katik, related to potential criminal acts by individuals, or of high financial value to Sipekne'katik, the Director of Operations or the Finance Advisory Committee chairperson may retain external expertise to conduct the inquiry
- within a period of 8 weeks from the moment the report has been received, inform the whistleblower, if not anonymous, of the status of the inquiry and steps that have been taken or will be taken following the results of the inquiry
- report on the progress of current inquiries at each Finance Advisory Committee meeting
- upon completion of the inquiry, report to the Finance Advisory Committee on the conduct of the inquiry and the result of the inquiry and recommended actions to Council for review and approval
 - the Finance Advisory Committee will actively monitor inquiries to make sure they are conducted in accordance with this policy
 - if the reported wrongdoing concerns a Finance Advisory Committee member, Council will inquire into the matter or retain external expertise to conduct the inquiry

10.4 Response and Remedial Actions

After considering the final report of an inquiry, the Finance Advisory Committee will make a recommendation to Council which will make a decision to resolve the issue as soon as possible.

Recommended actions will correspond with the severity of the wrongdoing and can include dismissal of the complaint if it is not substantiated, reprimands, leave without pay, termination, revocation of appointment or other actions as determined by Council and subject to the provisions of the relevant policy.

Police will be contacted if activities of a criminal nature are identified.

Recovery of Sipekne'katik funds as a result of the wrongdoing as described in the Financial Administration Law will be tracked and collected from the responsible individual(s).

APPENDIX A – AVOIDING AND MITIGATING CONFLICTS OF INTEREST

Part I - Interpretation

Interpretation

Section 1.

(1) In this Appendix:

“spouse” means, in relation to an individual, a person to whom the individual is married or with whom the individual has lived as a common law partner for at least one (1) year in a marriage-like relationship; and

“the FAL” means the Financial Administration Law.

(2) Except as otherwise expressly provided in this Appendix, words and expressions used in this Appendix have the same meanings as in the FAL and this Policy.

Definition of Conflict of Interest

Section 2.

(1) In this Appendix, an individual has a “conflict of interest” when the individual 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 individual’s private interests.

(2) In this Appendix, an individual has an “apparent or perceived conflict of interest” if a reasonably well-informed person would perceive that the individual’s ability to exercise a power or perform a duty or function of their office or position must be affected by the individual’s private interests.

(3) In this Appendix, an individual’s “private interests” means the individual’s personal and business interests and include the personal and business interests of

- (a) the individual’s spouse,
- (b) a person under the age of 18 years in respect of whom the individual or the individual’s spouse is a parent or acting in a parental capacity,
- (c) a person in respect of whom the individual or the individual’s spouse is acting as guardian,
- (d) 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
- (e) an entity in which the individual or the individual in combination with any other person described in this subsection has a controlling interest.

(4) Despite subsections (1) and 0, an individual’s private interests do not give rise to a conflict of interest if those interests

- (a) are the same as those of a broad class of members of Sipekne’katik of which the individual is a member; or

- (b) are so remote or insignificant that they could not be reasonably regarded as likely to influence the individual in the exercise of a power or performance of a duty or function.

Part II - Councillors and Committee Members

Application

Section 3.

Part II applies to all Councillors of Sipekne'katik and, where applicable, to all members of Council committees.

General Obligations

Section 4.

- (1) Councillors must avoid circumstances that could result in the Councillor having a conflict of interest or an apparent or perceived conflict of interest.
- (2) Councillors must avoid placing themselves in circumstances where their ability to exercise a power or perform a duty or function could be influenced by the interests of any person to whom they owe a private obligation or who expects to receive some benefit or preferential treatment from them.

Disclosure of Interests

Section 5.

- (1) "Real property" includes an interest in a reserve held under
 - (a) a certificate of possession under the *Indian Act*, or
 - (b) Sipekne'katik's traditional land holding system pursuant to a Council resolution.
- (2) A Councillor must file a written disclosure of the following information with the Director of Operations:
 - (c) the names of the Councillor's spouse and any persons or entities referred to in Section 2, subsection (3);
 - (d) the employer of the Councillor and the Councillor's spouse;
 - (e) real property owned by the Councillor or the Councillor's spouse; and
 - (f) business interests and material investments of the Councillor or the Councillor's spouse, including in an entity referred to Section 2, subsection (3)(e).
- (3) A Councillor must file a written disclosure under subsection 0 on the following occasions:
 - (a) within thirty (30) days of being elected to the Council;
 - (b) as soon as practicable after a material change in the information previously disclosed; and
 - (c) on April 15 of each year that the Councillor holds office.
- (4) The Director of Operations must establish and maintain a register of all information disclosed by a Councillor under this section and section 6.

- (5) On request of a member of Sipekne'katik or any person engaged in any aspect of the financial administration of Sipekne'katik, the Director of Operations must permit that member or person to view the register referred to in subsection 0.

Gifts and Benefits

Section 6.

- (1) A Councillor or a person referred to Section 2, subsection (3)(a) to (d) in relation to that Councillor must not accept a gift or benefit that might reasonably be seen to have been given to influence the Councillor in the exercise of the Councillor's powers or performance of the Councillor's duties or functions. All gifts accepted by a Councillor, regardless of value, must be reported in writing to the Director of Operations. A Councillor must not accept any gift of any value in the form of cash, cheque, gift card, or other near-cash item.
- (2) Despite subsection (1), a gift or benefit may be accepted if the gift or benefit
- (a) would be considered within
 - (i) normal protocol exchanges or social obligations associated with the Councillor's office,
 - (ii) normal exchanges common to business relationships, or
 - (iii) normal exchanges common at public cultural events of Sipekne'katik or other First Nations;
 - (b) is of nominal value (and is not cash or near-cash);
 - (c) is given by a close friend or relative as an element of that relationship; or
 - (d) is of a type which the policies or procedures of Sipekne'katik have determined would be acceptable if offered by Sipekne'katik to another person.
- (3) Where a gift with a value greater than \$500 is given to a Councillor or a person referred to in subsection (1), the Councillor must make a written disclosure of the gift to the Director of Operations under section 5, and the gift must be treated as the property of Sipekne'katik.
- (4) Subsection 0 does not apply to a gift received during a public cultural event of Sipekne'katik or other First Nation.

Confidential Information

Section 7.

- (1) Councillors must keep confidential all information that the Councillors receive while performing their duties or functions unless the information is generally available
- (a) to members of the public; or
 - (b) to members of Sipekne'katik.
- (2) Councillors must only use confidential information referred to in subsection (1) for the specific purposes for which it was provided to the Councillors.
- (3) Councillors must not make use of any information received in the course of exercising their powers or performing their duties or functions to benefit the Councillor's private interests or those of relatives, friends or associates.

Procedure for Addressing Conflict of Interest

Section 8.

- (1) As soon as a Councillor becomes aware of circumstances in which the Councillor has a conflict of interest, the Councillor must disclose the circumstances of the conflict of interest at the next Council meeting.
- (2) A Councillor must leave any part of a Council meeting where the circumstances in which the Councillor has a conflict of interest are being discussed or voted on.
- (3) The minutes of a Council meeting must record the Councillor's disclosure under subsection (1) and note the Councillor's absence from the Council meeting when the circumstances in which the Councillor has a conflict of interest were being discussed or voted on.
- (4) A Councillor must not take part in any discussions or vote on any decision respecting the circumstances in which the Councillor has a conflict of interest.
- (5) A Councillor must not influence or attempt to influence in any way before, during or after a Council meeting any discussion or vote on any decision respecting the circumstances in which the Councillor has a conflict of interest.

Procedure for Undisclosed Conflict of Interest

Section 9.

- (1) If a Councillor has reason to believe that another Councillor has a conflict of interest or an apparent or perceived conflict of interest in respect of a matter before the Council, the Councillor may request clarification of the circumstances at a Council meeting.
- (2) If, as a result of a clarification discussion under subsection (1), a Councillor is alleged to have a conflict of interest or an apparent or perceived conflict of interest and the Councillor does not acknowledge the conflict of interest or apparent or perceived conflict of interest and take the actions required under section 0, the Council must determine whether the Councillor has a conflict of interest or an apparent or perceived conflict of interest before the Council considers the matter referred to in subsection (1).
- (3) The minutes of the Council meeting must record any determination made by the Council under subsection 0.
- (4) If the Council determines under subsection 0 that a Councillor has a conflict of interest or an apparent or perceived conflict of interest, the Councillor must comply with section 0.

Obligations of Committee Members

Section 10.

- (1) This section applies to all members of Council committees.
 - (a). Sections 4 and 6 to 0 apply to a member of a Council committee and all references in those sections to:
 - i. a Councillor are considered to be references to a member of a Council committee; and
 - ii. a Council meeting are considered to be references to a committee meeting.

Part III - Officers and Employees

Application

Section 11.

Part III applies to all officers and employees of Sipekne'katik.

General Obligations

Section 12.

- (1) In the performance of their duties and functions, an officer or employee must act honestly and in good faith and in the best interests of Sipekne'katik.
- (2) An officer or employee must avoid circumstances that could result in the officer or employee having a conflict of interest or an apparent or perceived conflict of interest.
- (3) An officer or employee must avoid placing themselves in circumstances where their ability to exercise a power or perform a duty or function of their office or position could be influenced by the interests of any person to whom they owe a private obligation or who expects to receive some benefit or preferential treatment from them.
- (4) The Director of Operations must ensure that every officer and employee is informed of their obligations under this Appendix and must take steps to ensure that employees comply with these obligations.

Disclosure of Conflict of Interest

Section 13.

If an officer or employee believes he or she has a conflict of interest, the officer or employee must

- (a) disclose the circumstances in writing as soon as practicable to the Director of Operations or, in the case of the Director of Operations, to the chair of the Finance Advisory Committee; and
- (b) refrain from participating in any discussions or decision-making respecting the circumstances of the conflict of interest until advised by the Director of Operations or the chair, as the case may be, on actions to be taken to avoid or mitigate the conflict of interest.

Gifts or Benefits

Section 14.

- (1) An officer or employee or a member of their family must not accept a gift or benefit that might reasonably be seen to have been given to influence the officer or employee in the exercise of their powers or performance of their duties or functions.
- (2) Despite subsection (1), a gift or benefit may be accepted if the gift or benefit
 - (a) would be considered within
 - (i) normal exchanges common to business relationships, or
 - (ii) normal exchanges common at public cultural events of Sipekne'katik or other First Nations;

- (b) is of nominal value;
- (c) is given by a close friend or relative as an element of that relationship; or
- (d) is of a type that the policies or procedures of Sipekne'katik have determined would be acceptable if offered by Sipekne'katik to another person.

Outside Employment and Business Interests

Section 15.

- (1) If an officer or employee is permitted under their terms of employment to have outside employment or business interests, the officer or employee must disclose these employment or business interests in writing to the Director of Operations or, in the case of the Director of Operations, to the chair of the Finance Advisory Committee.
- (2) An officer or employee must ensure that any permitted outside employment or business interests do not unduly interfere with the exercise of their powers or performance of their duties and functions and that these activities are conducted on their own time and with their own resources.

Confidential Information

Section 16.

- (1) An officer or employee must keep confidential all information that the officer or employee receives while exercising their powers or performing their duties or functions unless the information is generally available
 - (a) to members of the public; or
 - (b) to members of Sipekne'katik.
- (2) An officer or employee must only use any confidential information referred to in subsection (1) for the specific purposes for which it was provided to the officer or employee.
- (3) An officer or employee must not make use of any information received in the course of exercising their powers or performing their duties or functions to benefit the officer or employee's private interests or those of relatives, friends or associates.

Sipekne'katik Property and Services

Section 17.

- (1) Officers and employees must not use any personal property or services of Sipekne'katik for any purposes unrelated to performance of their duties or functions unless that use is otherwise acceptable under the policies or procedures of Sipekne'katik.
- (2) Officers and employees must not acquire any personal property of Sipekne'katik unless it is done in accordance with policies or procedures of Sipekne'katik.

Part IV - Contractors

Application

Section 18.

- (1) Part IV applies to all contractors of Sipekne'katik, other than a person who has an employment contract with Sipekne'katik.
- (2) In this Part, a reference to a contractor includes a reference to each employee or agent of the contractor who is engaged to perform duties or functions under the contract with Sipekne'katik.

Contractor Acting as Officer or Employee

Section 19.

If a contractor is retained to exercise the powers or perform the duties or functions of an officer or employee, the contractor must comply with Part III of this Appendix as if the contractor were an officer or employee of Sipekne'katik.

General Obligations

Section 20.

- (1) A contractor must act at all times with integrity and honesty
 - (a) in its dealings with Sipekne'katik; and
 - (b) in its dealing with any third party when the contractor is representing or acting on behalf of Sipekne'katik.
- (2) A contractor must not attempt to obtain preferential treatment from Sipekne'katik by offering gifts or benefits that a Councillor, committee member, officer or employee is prohibited from accepting under this Appendix.
- (3) A contractor must ensure that every employee or agent of the contractor who is engaged to perform duties or functions under the contract with Sipekne'katik is informed of their obligations under this Part and must take steps to ensure that these employees or agents comply with these obligations.

Confidential Information

Section 21.

- (1) A contractor must keep confidential all information that the contractor receives in the course of performing their duties or functions unless the information is generally available to members of the public.
- (2) A contractor must only use any confidential information referred to in subsection (1) for the specific purposes for which it was provided to the contractor.
- (3) A contractor must not make use of any information received in the course of performing its duties or functions to benefit the contractor's interests or those of the contractor's relatives, friends or associates.

Business Opportunities

Section 22.

A contractor must not take advantage of a business or investment opportunity being considered by Sipekne'katik and which the contractor becomes aware of while performing services for Sipekne'katik unless Sipekne'katik has determined not to pursue the opportunity.

Sipekne'katik Property and Services

Section 23.

If a contractor has been provided the use of any property or services of Sipekne'katik in order to perform services for Sipekne'katik, the contractor must not use the property or services for any purposes unrelated to performance of those services.

APPENDIX B: TEMPORARY DELEGATION OF DUTY / FUNCTION FORM

TEMPORARY DELEGATION OF DUTY/FUNCTION FORM

I, [insert name and position title], hereby delegate to [insert name and position title] the duty/function, on a temporary basis, of my position effective [insert start date] to [insert end date].

Agreed to on the XX day of Month 20XX

Person delegating:

Name and Position Title

Person delegated to:

Name and Position Title

Approved by:

Director of Administration

APPENDIX C: CODE OF CONDUCT DECLARATION FORM

Code of Conduct Declaration

I hereby confirm that I have read and understand the Conduct and Conflict of Interest Expectations set out in Appendix A – Avoiding and Mitigating Conflicts of Interest, and Sipekne’katik’s Financial Administration Law (“the Law”) 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 Law, any other applicable Sipekne’katik law and any applicable standards, policies and/or procedures
- I will act with honesty, good faith and in the best interest of Sipekne’katik
- I will exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances
- I will avoid any real, potential, apparent or perceived 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 Sipekne’katik assets and resources entrusted to me
- I will be accountable for adhering to this declaration

Declaration of Understanding:

Council member, Employee or Contractor
name (print)

Council member, Employee or Contractor
name (signature)

Title

Date

APPENDIX D: CONFLICT OF INTEREST DISCLOSURE FORM

Conflict of Interest Disclosure Form

A Council member, committee member, Officer, employee or contractor (“an individual”) has a “conflict of interest” when the individual 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 individual’s private interests, otherwise known as personal gain at the expense of others.

A Chief & Council member, committee member, Officer, employee or contractor (“an individual”) has an apparent or perceived conflict of interest if a reasonably well-informed person would perceive that the individual’s ability to exercise a power or perform a duty or function of their office or position must be affected by the individual’s private interests.

Private interests are defined in Appendix A – Avoiding and Mitigating Conflicts of Interests and include the interests of closely associated persons or entities.

Conflicts of interest could arise from “personal interests” which include:

- 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 for 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
- 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 persons in a position to influence the affairs of Sipekne’katik, or otherwise engaged in the affairs of Sipekne’katik
- close relationships with persons having an interest in information, competitive, intellectual or other interests of Sipekne’katik

Declaration: I disclose the following actual, potential or apparent conflicts of interest:

(Note: this section should not be left blank – if nothing to disclose enter “None” or “N/A”)

Council member, committee member, Officer
Employee or Contractor name (print)

Council member, committee member,
Officer, Employee or Contractor name
(Signature)

Title

Date

APPENDIX E: FINANCE ADVISORY COMMITTEE ELIGIBILITY DECLARATION

FINANCE ADVISORY COMMITTEE ELIGIBILITY DECLARATION

The eligibility criteria to be a Finance Advisory Committee member is as follows:

- the ability to read, understand and analyze annual 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 accounting policies, when these are explained by Executive Financial Officer and the auditor
- an understanding of Sipekne'katik'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 Sipekne'katik and the risks involved with any new strategies
- an ability to understand Sipekne'katik's risk environment
- a knowledge of Sipekne'katik's culture and history

Valid for the _____ fiscal unless member term ends, whichever comes first.

I have read the terms of reference of the Finance Advisory Committee and will comply with these.

I am independent and am eligible to be a member of the Finance Advisory Committee.

Name (print)

Name (signature)

Date