

BEECHER BAY (SC'IANEW)
FINANCIAL ADMINISTRATION LAW,
2019

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WHEREAS:

A. Pursuant to paragraph 9 of *First Nations Fiscal Management Act*, the Council of a first nation may make laws respecting the first nation's financial administration; and

B. The Beecher Bay (Sc'ianew) Council considers it to be in Sc'ianew's best interests to make a law for such purposes; and

C. The Beecher Bay (Sc'ianew) Council wishes to repeal and replace the *Beecher Bay Financial Administration Law, 2017*.

NOW THEREFORE the Sc'ianew Council enacts as follows:

PART I - Citation

Citation

1. This Law may be cited as the *Beecher Bay Financial Administration Law, 2019*.

PART II - Interpretation and Application

2. (1) Unless the context indicates the contrary, in this Law,

"Act" means *First Nations Fiscal Management Act*;

"annual financial statements" means the annual financial statements described in paragraph 54;

"annual report" means the report described in paragraph 62;

"auditor" means the auditor appointed under paragraph 57;

"borrowing member" means a first nation that is a borrowing member under the Act;

"budget" means the annual Sc'ianew budget that has been approved by the Council;

"chief administrative officer" means the person appointed chief administrative officer under paragraph 17;

"code" means a code adopted by Sc'ianew under *First Nations Oil and Gas and Moneys Management Act* or a land code adopted by Sc'ianew under *First Nations Land Management Act*;

"Council" means the Sc'ianew Council and includes the Chief of Sc'ianew;

"Council chair" means the person appointed or elected to act as the chair of the Council;

"Councillor" means a member of the Sc'ianew Council and includes the Chief of Sc'ianew;

"FAC" means the Finance and Audit Committee established under paragraph 11;

“financial administration” means the management, supervision, control and direction of all matters relating to Sc’ianew’s financial affairs;

“financial competency” means the ability to read and understand financial statements that present accounting issues reasonably expected to be raised by Sc’ianew’s financial statements;

“financial institution” means the First Nations Finance Authority, a bank, credit union or caisse populaire;

“financial records” means all records respecting the financial administration of Sc’ianew, including the meeting minutes of the Council and the FAC;

“First Nations Finance Authority” means First Nations Finance Authority established under the Act;

“First Nations Tax Commission standards” means the standards established from time to time by the Commission under the Act;

“fiscal year” means Sc’ianew’s fiscal year, as set out in paragraph 24;

“FMB” means the First Nations Financial Management Board established under the Act;

“FMB standards” means the standards the FMB established from time to time by the FMB under the Act;

“GAAP” means generally accepted accounting principles of the Chartered Professional Accountants of Canada, as revised or replaced from time to time;

“local revenue account” means an account with a financial institution into which local revenues are deposited separately from other moneys of Sc’ianew;

“local revenue law” means a local revenue law Sc’ianew makes under the Act;

“local revenues” means money raised under a local revenue law;

“multi-year financial plan” means the plan referred to in paragraph 26;

“officer” means the chief administrative officer, senior financial officer, tax administrator and any other Sc’ianew employee the Council designates as an officer;

“other revenues” means other revenues as defined in paragraph 3 of the *Financing Secured by Other Revenues Regulations* made under the Act;

“record” means anything on which information is recorded or stored by any means whether graphic, electronic, mechanical or otherwise;

“Sc’ianew” means Beecher Bay;

“senior financial officer” means the person appointed Senior Financial Officer under paragraph 18;

“Sc’ianew financial assets” means all money and other financial assets of Sc’ianew;

“Sc’ianew law” means any law, including any by-law or code, of Sc’ianew made by the Council or the membership of Sc’ianew;

“Sc’ianew records” means all records of Sc’ianew respecting its governance, management, operations and financial administration;

“special purpose report” means a report described in paragraph 56;

“standards” means the standards established from time to time under the Act;

“strategic plan” means the plan referred to in paragraph 25; and

“tax administrator” means the person appointed tax administrator under paragraph 19 or Sc’ianew’s local revenue laws.

(2) Except as otherwise provided in, words and expressions used in this Law have the same meanings as in the Act.

(3) Unless a word or expression is defined under subparagraph 2(1) or 2(2) or another provision of this Law, the definitions in the *Interpretation Act* apply.

(4) All references to named enactments in this Law are to enactments of the Government of Canada.

Interpretation

3. (1) In this Law, the following rules of interpretation apply:

(a) words in the singular include the plural, and words in the plural include the singular;

(b) words importing female persons include male persons and corporations and words importing male persons include female persons and corporations;

(c) if a word or expression is defined, other parts of speech and grammatical forms of the same word or expressions have corresponding meanings;

(d) the expression “must” is to be construed as imperative, and the expression “may” is to be construed as permissive;

(e) “including” means “including, but not limited to”, and “includes” means “includes, but not limited to”; and

(f) a reference to an enactment includes any amendment or replacement of it and every regulation made under it.

(2) This Law must be considered as always speaking and where a matter or thing is expressed in the present tense, it must be applied to the circumstances as they arise, so that this Law is given effect according to its true spirit, intent and meaning.

- (3) Words in this Law referring to an officer, by name of office or otherwise, also apply to any person designated by the Council to act in the officer's place or to any person assigned or delegated to act in the officer's place under this Law.

Calculation of Time

4. (1) In this Law, time must be calculated in accordance with the following rules:
- (a) where the time limited for taking an action ends or falls on a holiday, the action may be taken on the next day that is not a holiday;
 - (b) where there is a reference to a number of days, not expressed as "clear days", between two events, in calculating that number of days the day on which the first event happens is excluded and the day on which the second event happens is included;
 - (c) where a time is expressed to begin or end at, on or within a specified day, or to continue to or until a specified day, the time includes that day;
 - (d) where a time is expressed to begin after or to be from a specified day, the time does not include that day; and
 - (e) where anything is to be done within a time after, from, of or before a specified day, the time does not include that day.

Conflict of Laws

5. (1) If there is a conflict between this Law and another Sc'ianew law, other than a code or a local revenue law, this Law prevails to the extent of the conflict.
- (2) If there is a conflict between this Law and the Act or regulations made under the Act, the Act prevails to the extent of the conflict.
- (3) If there is a conflict between this Law and a local revenue law, the local revenue law prevails to the extent of the conflict.
- (4) If there is a conflict between this Law and a code, the code prevails to the extent of the conflict.

Scope and Application

6. This Law applies to the financial administration of Sc'ianew.

PART III - Administration

DIVISION 1 - Council

Council Responsibilities

7. (1) The Council is responsible for all matters relating to Sc'ianew financial administration even where the matter has been assigned or delegated to an officer, employee, committee, contractor or agent under this Law.
- (2) Subject to section 5(1)(f) of the Act, this Law and any other applicable Sc'ianew law, the Council may delegate to any of its officers, employees, committees, contractors or agents any of its functions under this Law except the following:
 - (a) approving Council policies;
 - (b) appointing persons to the FAC;
 - (c) appointing the chair and vice-chair of the FAC;
 - (d) approving Sc'ianew budgets and financial statements; and
 - (e) approving Sc'ianew borrowing.

Council Policies and Procedures

8. (1) The Council may establish policies and procedures respecting any matter relating to Sc'ianew financial administration.
- (2) The Council must establish policies and procedures respecting the acquisition, management and safeguarding of Sc'ianew assets.
- (3) The Council must ensure any policies and procedures relating to the financial administration of Sc'ianew are consistent with this Law, the Act, and GAAP – except as permitted in subparagraph 56(2) of this Law.
- (4) The Council must ensure that all human resources policies and procedures are designed and implemented to facilitate effective internal financial administration controls.
- (5) The Council must ensure that all procedures made under this Law are:
 - (a) consistent with, and made under the authority of, a policy approved by the Council, and
 - (b) approved by the Council or the chief administrative officer.
- (6) The Council must document all Sc'ianew policies and procedures referred to in this Law and make them available to any person who is required to act in accordance with them or who may be directly affected by them.

Reporting of Remuneration and Expenses

9. (1) In this paragraph,

“entity” means a corporation or a partnership, a joint venture or any other unincorporated association or organization, the financial transactions of which are consolidated in the annual financial statements of Sc’ianew in accordance with GAAP;

“expenses” includes the costs of transportation, accommodation, meals, hospitality and incidental expenses; and

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

(2) The senior financial officer must prepare an annual Councillor remuneration and expense report.

(3) The annual remuneration and expenses report must:

(a) describe the amount of remuneration paid and expensed reimbursed to each Councillor separately;

(b) include amounts the Councillor received from Sc’ianew and any entity; and

(c) include amounts paid or reimbursed to the Councillor while that Councillor was acting in any capacity.

DIVISION 2 - Finance and Audit Committee

Interpretation

10. In this division, FAC means the Finance and Audit Committee established in paragraph 11.

Committee Established

11. (1) The Sc’ianew FAC is established to provide Council with advice and recommendations in order to support Council’s decision-making process respecting Sc’ianew’s financial administration.

(2) The Council must appoint three (3) members of the FAC, a majority of whom must have financial competency and all of whom must be independent.

(3) For the purposes of this paragraph, an individual is considered independent if the individual does not have a direct or indirect financial relationship with Sc’ianew government that could, in the opinion of Council, reasonably interfere with the exercise of independent judgment as a FAC member.

(4) The Council must establish policies and procedures

(a) setting criteria to determine if an individual is eligible to be a member of the FAC and is independent,

(b)requiring confirmation, before appointment, that each potential member of the FAC is eligible to be a member and is independent, and

(c)requiring each member of the Committee annually to sign a statement confirming that the member continues to meet the criteria referred to in (a).

(5)If the FAC consists of

(a)three (3) members, at least one (1) of the FAC members must be a councillor, and

(b)four (4) or more members, at least two (2) of the FAC members must be councillors.

(6)Subject to 11(7), the FAC members must be appointed to hold office for staggered terms of not less than thirty six (36) consecutive months.

(7)A FAC member may be removed from office by the Council if

(a)the member misses three (3) consecutively scheduled meetings of the FAC, or

(b)the chair of the FAC recommends removal.

(8)If a FAC member is removed from office, resigns or dies before the member's term of office expires, the Council must as soon as practicable appoint a new FAC member to hold office for the remainder of the first member's term of office.

Chair and Vice-chair

12. (1) The Council must appoint a chair and a vice-chair of the FAC, one of whom must be a Councillor.

(2) If Council appoints a non-Councillor as chair of the FAC:

(a)Council must send to the chair notices and agendas of all Council meetings,

(b)on the chair's request, Council must provide the chair any relevant materials or information Council has available respecting matters before it, and

(c)the chair may attend and speak at Council meetings.

Committee Procedures

13. (1) The FAC quorum is two (2) members, including at least one (1) Councillor.

(2) Except where a FAC member is not permitted to participate in a decision because of a conflict of interest, every FAC member has one (1) vote in all FAC decisions.

(3) In the event of a tie vote, the FAC chair may cast a second tiebreaking vote.

(4) Subject to subparagraph 13(5), the FAC must notify the chief administrative officer and the senior financial officer of all FAC meetings.

- (5) Subject to reasonable exceptions, the chief administrative officer and the senior financial officer must attend FAC meetings.
- (6) The chief administrative officer or the senior financial officer may be excluded from all or any part of a FAC meeting by a recorded vote if:
 - (a) the subject matter relates to a confidential personnel or performance issue respecting the chief administrative officer or the senior financial officer, or
 - (b) it is a meeting with the auditor.
- (7) The FAC must meet
 - (a) at least once every quarter in each fiscal year as necessary to conduct FAC business; and
 - (b) as soon as practical after it receives the audited annual financial statements and report from the auditor.
- (8) The FAC must prepare and provide to Council meeting minutes and report to the Council on the substance of each FAC meeting as soon as practical after each meeting.
- (9) Subject to this Law and any Council directions, the FAC may make rules for the conduct of its meetings.
- (10) After consultation with the chief administrative officer, the FAC may retain a consultant to assist in the FAC to perform any of its responsibilities.

Financial Planning Responsibilities

- 14. (1) The FAC must carry out the following activities in respect of Sc'ianew financial administration:
 - (a) annually review and recommend to the Council for approval a strategic plan and a multi-year financial plan;
 - (b) review draft budgets and recommend them to the Council for approval;
 - (c) monitor Sc'ianew's financial performance against the budget and report any significant variations to the Council;
 - (d) review the quarterly financial statements and recommend them to the Council for approval;
 - (e) review and advise the Council on the audited annual financial statements, including the audited annual financial statements respecting the local revenue account, and any special purpose reports;
 - (f) carry out any other activities that Council specifies that are not contrary to the Act or inconsistent with the FAC duties under this Law; and
 - (g) perform any other duties of the FAC under this Law.

- (2) The FAC may make a report or recommendations to the Council on any matter respecting the financial administration of Sc'ianew that is not otherwise specified to be its responsibility under this Law.

Audit and Oversight Responsibilities

15. (1) The FAC must carry out the following audit and oversight activities in respect of the financial administration of Sc'ianew:
- (a) advising the Council and the chief administrative officer on selecting and engaging an auditor;
 - (b) assessing the independence and performance of a proposed or appointed auditor;
 - (c) reviewing and advising the Council on the planning, conduct and results of audit activities;
 - (d) periodically reviewing and advising the Council on policies and procedures on reimbursable expenses and benefits of Sc'ianew Councillors, officers and employees;
 - (e) monitoring financial reporting risks and risk of fraud;
 - (f) monitoring the effectiveness of mitigating controls for the risks described in subparagraph 15(e), taking into consideration the cost of implementing those controls;
 - (g) conducting a review of this Law under paragraph 81 and, where appropriate, recommend amendments to the Council; and
 - (h) periodically reviewing and advising the Council on the FAC terms of reference.

Council Assigned Responsibilities

16. Subject to subparagraph 14(1)(e), the Council may assign to the FAC or another committee of the Council any other matter respecting the financial administration of Sc'ianew.

DIVISION 3 - Officers and Employees

Chief Administrative Officer

17. (1) The Council must appoint a person as Sc'ianew's chief administrative officer and may set the terms and conditions of that appointment.
- (2) Reporting to the Council, the chief administrative officer is responsible for leading the planning, organization, implementation and evaluation of the overall management of Sc'ianew's day-to-day operations, which includes the following activities:
- (a) preparing and recommending to the Council for approval, descriptions of the powers, duties and functions of all Sc'ianew employees;

- (b)overseeing, supervising and directing all Sc'ianew officer and employee activities;
 - (c)overseeing and administering Sc'ianew contracts;
 - (d)identifying, assessing, monitoring and reporting on risks related to fraud and financial reporting;
 - (e)monitoring and reporting on the effectiveness of mitigating controls for the risks referred to in subparagraph 17(2)(d), taking into consideration the cost of implementing those controls;
 - (f) performing any other chief administrative officer duties under this Law; and
 - (g)carrying out any other activities Council specifies that are not contrary to the Act or inconsistent with the chief administrative officer's duties specified in this Law.
- (3)Subject to subparagraph 17(4) the chief administrative officer may delegate any of the chief administrative officer's duties or functions:
- (a)to an officer or employee of Sc'ianew; or
 - (b)with the approval of the Council, to a contractor or agent of Sc'ianew.
- (4)The chief administrative officer may not delegate the duty or authority to approve procedures made under this Law.
- (5)If the chief administrative officer assigns any duties or functions under subparagraph 17(3) to another person, the chief administrative officer remains responsible for ensuring those duties or functions are carried out properly.

Senior Financial Officer

- 18. (1)** The Council must appoint a person as Sc'ianew's senior financial officer and may set the terms and conditions of that appointment.
- (2)Reporting to the chief administrative officer, the senior financial officer is responsible for the day-to-day management of the systems of the financial administration of Sc'ianew, including the following duties:
- (a)ensuring the financial administration systems, policies, procedures and internal controls are appropriately designed and operating effectively;
 - (b)administering and maintain all charts of accounts of Sc'ianew;
 - (c)preparing the draft budgets and, with advice and input from the tax administrator, to prepare any draft amendments to the component of the budget respecting Sc'ianew's local revenues;
 - (d)preparing the monthly financial information required in paragraph 52, the quarterly financial statements required in paragraph 53 and the draft annual financial statements required in paragraph 54 and 55;

- (e) preparing the financial components of reports to the Council and the multi-year financial plan;
 - (f) in consultation with the chief administrative officer, actively monitoring compliance with Sc'ianew agreements and funding arrangements;
 - (g) administering and supervising the preparation and maintenance of financial records and the financial administration reporting systems;
 - (h) actively monitoring compliance with the Act, this Law, any other applicable Sc'ianew law, applicable standards and any policies and procedures respecting Sc'ianew financial administration;
 - (i) evaluating Sc'ianew financial administration systems and recommending improvements to the chief administrative officer or the FAC;
 - (j) developing and recommending procedures for safeguarding assets and ensuring compliance with approved procedures;
 - (k) developing and recommending procedures for identifying and mitigating financial reporting and risk of fraud and ensuring compliance with approved procedures;
 - (l) performing any other duties of the senior financial officer under this Law; and
 - carrying out any other activities specified by the chief administrative officer that are not contrary to the Act or inconsistent with the senior financial officer's duties under this Law.
- (3) With the chief administrative officer's approval, the senior financial officer may delegate any of the senior financial officer's duties or functions any Sc'ianew officer, employee, contractor.
- (4) If the senior financial officer assigns any duties or functions under subparagraph 18(3) to another person, the senior financial officer remains responsible for ensuring those duties or functions are carried out properly.

Tax Administrator

19. (1) The Council must appoint a person as Sc'ianew's tax administrator and may set the terms and conditions of that appointment.
- (2) Reporting to the senior financial officer, the tax administrator is responsible for performing the tax administrator's duties or functions under Sc'ianew's local revenue laws, the Act and this Law.
 - (3) In addition to any duties or functions under Sc'ianew's local revenue laws and the Act, the tax administrator is responsible for:
 - (a) managing local revenues and the local revenue account on a day-to-day basis;
 - (b) recommending to the senior financial officer draft and amended budgets for the component of the budget respecting local revenues;

- (c) recommending to the senior financial officer the local revenues components of the multi-year financial plan;
 - (d) on request, advising the chief administrative officer, senior financial officer, FAC and the Council respecting local revenues matters;
 - (e) monitoring compliance with the Act, Sc'ianew's local revenue laws and this Law in administering local revenues and the local revenue account;
 - (f) evaluating Sc'ianew's local revenue system and recommending improvements to the chief administrative officer; and
 - (g) performing any other duties of the tax administrator under this Law.
- (4) With the chief administrative officer's approval, the tax administrator may delegate any of the tax administrator's duties or functions to any officer, employee, contractor or agent of Sc'ianew.
- (5) If the tax administrator assigns any duties or functions under subparagraph 19(4) to another person, the tax administrator remains responsible for ensuring those duties or functions are carried out properly.

Organizational Structure

20. (1) The Council must establish and maintain a current organization chart, which must describe:
- (a) all Sc'ianew governance, management and administrative systems;
 - (b) the organization of the systems described in subparagraph 20(1)(a), including the connection between them;
 - (c) the specific roles and responsibilities at each level of the organization of the systems described in subparagraph 20(1)(a); and
 - (d) all governance, management and administrative positions at each level of the organization of the systems described in subparagraph 20(1)(a), including
 - (i) membership on the Council, the FAC, and all other Sc'ianew committees;
 - (ii) the chief administrative officer, the senior financial officer, the tax administrator and other officers of Sc'ianew, and
 - (iii) the principal lines of authority and the responsibility between the Council, the committees referred to in subparagraph 20(1)(d)(i) and the officers referred to in subparagraph 20(1)(d)(ii).
- (2) On request, the chief administrative officer must provide a copy of the organization chart under subparagraph 20(1) to a Councillor, a member of a committee referred to in subparagraph 20(1)(d)(i), a Sc'ianew officer, employee or contractor, agent or member.

- (3) The chief administrative officer must recommend to the Council for approval and implementation human resource policies and procedures that facilitate effective internal financial administration controls.
- (4) The Council must take all reasonable steps to ensure that Sc'ianew hires or retains qualified and competent personnel to carry out Sc'ianew's financial administration activities.

DIVISION 4 - Conduct Expectations

Policy/Procedure for Conflicts of Interest

21. (1) The Council must establish policies and procedures for addressing actual or potential conflicts of interest for Sc'ianew Councillors, officers, employees, committee members, contractors and agents.
- (2) The policies and procedures referred to in subparagraph 21(1) must:
 - (a) define private interests that could result in a conflict of interest;
 - (b) establish standards for keeping records of all disclosures and declarations respecting actual or potential conflicts of interest;
 - (c) specify restrictions on accepting gifts and benefits that might reasonably be interpreted as attempting to or actually influencing a decision;
 - (d) prohibit any person who has a conflict of interest from attempting to influence a decision and from participating in making a decision respecting the matter in which the person has a conflict of interest; and
 - (e) specify procedures for addressing Councillor conflicts of interests when:
 - (i) a Councillor fails to disclose a conflict of interest; or
 - (ii) a Councillor disputes an alleged conflict of interest.

Conduct of Councillors

22. (1) When exercising a power, duty or responsibility relating to Sc'ianew's financial administration a Councillor must:
 - (a) comply with this Law, any other applicable Sc'ianew law, policies, procedures and the Act or any regulations or standards made under the Act;
 - (b) act honestly, in good faith and in Sc'ianew's best interests,
 - (c) exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances, and
 - (d) avoid conflicts of interest and comply with policies and procedure made under subparagraph 21(1).

- (2) Councillors must prepare an annual written declaration of private interests that could result in a conflict of interest and file the declaration with the chief administrative officer.
- (3) If a Councillor believes they have a conflict of interest, the Councillor must disclose the circumstances to the council in writing as soon as practical.
- (4) If it has been determined under this Law or by a court of competent jurisdiction that a Councillor has contravened subparagraphs 22(1)-(3), the Council may take any or all of the following actions:
 - (a) remove the Councillor from their assigned administrative responsibilities or portfolio;
 - (b) withhold the Councillor's compensation or honoraria for a period of time;
 - (c) record the Council's displeasure in the Council minutes;
 - (d) take any other appropriate action authorized under any other Sc'ianew law, code or policy; or
 - (e) use any legal means available to it to remedy the situation.

Conduct of Officers, Employees, Contractors and Agents

23. (1) This paragraph applies to:

- (a) a Sc'ianew officer, employee, contractor or agent;
 - (b) a person acting under authority delegated to that person by the Council; and
 - (c) a member of a Sc'ianew or Council committee who is not a Councillor.
- (2) If a person is exercising a power, duty or responsibility relating to the financial administration of Sc'ianew, that person must
- (a) comply with this Law, any other applicable Sc'ianew law, policies, procedures and the Act or any regulations or standards made under the Act; and
 - (b) avoid conflicts of interest and comply with policies and procedure made under subparagraph 21(1).
- (3) If an officer, employee, committee member, contractor or agent believes they have a conflict of interest, that person must disclose the circumstances in writing as soon as practical to the chief administrative officer or, in the case of the chief administrative officer, to the FAC chair.
- (4) The Council must incorporate the relevant provisions of Part III Division 4 into the terms of:
- (a) employment or appointment for every Sc'ianew officer or employee;
 - (b) every contract for every Sc'ianew contractor;

- (c) appointment for every member of a Sc'ianew committee who is not a Councillor; and
 - (d) appointment for every Sc'ianew agent.
- (5) If Council determines that a person has contravened subparagraphs 23(2) or 23(3) Council may use any legal means available to it to remedy the situation, including:
- (a) disciplining an officer or employee including dismissal;
 - (b) terminating a contract with a contractor; or
 - (c) revoking a committee member's or agent's appointment.

PART IV - Financial Management

DIVISION 1 - Financial Plans and Budgets

Fiscal Year

24. Sc'ianew's fiscal year begins each year on April 1 and ends March 31 of the following year.

Strategic Plan

25. (1) The Council must
- (a) approve a strategic plan that sets out the long-term vision for Sc'ianew and its members; and
 - (b) review the strategic plan on a regular, periodic basis and revise it as necessary
- (2) The Council must take the strategic plan into account when making financial decisions that will impact Sc'ianew's members or Sc'ianew financial assets.

Multi-year Financial Plan

26. (1) The Council must approve a multi-year financial plan and use it to inform its financial decisions in a manner that is consistent with and supports the vision of the strategic plan.
- (2) Each multi-year financial plan must:
- (a) set out a plan for five fiscal years comprised of the current fiscal year and the four succeeding fiscal years;
 - (b) be based on projections of revenues, expenditures and transfers between accounts;
 - (c) set out projected revenues segregated by significant category;
 - (d) set out projected expenditures segregated by significant category; and
 - (e) indicate whether for each year if a deficit or surplus is expected.

- (3) No later than January 31 of each year, the senior financial officer must prepare and submit to the FAC for review a draft multi-year financial plan for the next fiscal year.
- (4) No later than February 15 of each year, the FAC must review the draft multi-year financial plan prepared by the senior financial officer and recommend a multi-year financial plan to the Council for approval.
- (5) No later than March 31 of each year, the Council must approve a multi-year financial plan for the next fiscal year.

Annual Budget

27. (1) Each year, the budget must encompass all the operations for which Sc'ianew is responsible and must identify
 - (a) estimates of anticipated revenues, segregated by significant category;
 - (b) estimates of anticipated expenditures, segregated by significant category;
 - (c) any anticipated annual and accumulated surplus or annual and accumulated deficit;
 - (d) and the application of any year-end surplus.
- (2) The senior financial officer must prepare a draft budget and submit it to the FAC by January 31 of each year.
- (3) The FAC must review the draft budget prepared by the senior financial officer and recommend a budget to the Council by February 15 of each year.
- (4) The Council must review and approve a budget for the next fiscal year by March 31 of each year.
- (5) In the event there is a material variance in the forecasted local revenues or expenditures respecting local revenues:
 - (a) the senior financial officer must prepare a draft amendment for the budget component respecting Sc'ianew's local revenues and submit it to the FAC by June 15 of each year;
 - (b) the FAC must review the draft amendment for the budget component respecting Sc'ianew's local revenues and recommend a budget amendment to the Council by June 30 of each year; and
 - (c) the Council must approve an amendment to the budget component respecting Sc'ianew's local revenues by July 15 of each year.

Additional Requirements for Budget Deficits

28. (1) If a draft budget contains a proposed deficit, the Council must ensure that
 - (a) no portion of the proposed deficit originates in or relates to local revenues;

(b)the multi-year financial plan demonstrates how and when the deficit will be addressed and how it will be serviced; and

(c)the deficit does not have a negative impact on Sc'ianew's credit worthiness.

Amendments to Budgets

29. (1) Sc'ianew's budget must not be changed without Council's approval.

(2) Subject to subparagraph 27(5)(c) and any emergency expenditure referred to in subparagraph 35(1)(c), unless there is a substantial and unforeseen change in Sc'ianew's forecasted revenues or expenses or in Council's expenditure priorities, the Council must not approve a change to Sc'ianew's budget.

Local Revenues Budget Requirements

30. Despite any other provisions of this Law, any part of a budget relating to local revenues must be prepared, approved and amended in accordance with relevant provisions of the Act and with First Nations Tax Commission standards.

Policy for Sc'ianew Information or Involvement

31. (1) The Council must establish policies and procedures setting out whether and how Sc'ianew members will be informed about or involved in considering:

(a)the strategic plan;

(b)the multi-year financial plan;

(c)the proposed budget, including

(i) any budget deficits, and

(ii) any component of the budget respecting Sc'ianew's local revenues; and

(d)extraordinary expenditures.

DIVISION 2 - Revenues and Expenditures

Financial Institution Accounts

32. (1) Sc'ianew must establish a separate local revenue account in a financial institution for local revenues.

(2) Sc'ianew may establish any other accounts not referred to in subparagraph 32(1) as may be necessary and appropriate to manage Sc'ianew financial assets.

Local Revenue Expenditures

33. Money in a local revenue account must not be used for any purpose other than that authorized in a local revenue law or as permitted under section 13.1 of the Act.

Budget Approved Expenditures

34. Sc'ianew may only expend Sc'ianew funds if the expenditure is approved in the budget in effect at the time of the expenditure.

Required Policies and Procedures

35. (1) The Council must establish policies and procedures respecting management of:
- (a) all Sc'ianew cash, funds and revenues, including internal controls for financial institution accounts and asset management;
 - (b) all Sc'ianew expenditures, including internal controls for financial institution accounts and procuring goods and services;
 - (c) expenditures for emergency purposes not anticipated in the budget and not expressly prohibited under this Law or another Sc'ianew law;
 - (d) advances, holdbacks, deposits and refunds;
 - (e) collecting and charging interest;
 - (f) writing off and extinguishing debts; and
 - (g) fiscal year-end surpluses.

DIVISION 3 - Borrowing

Policies/Procedures for Borrowing

36. (1) The Council must establish policies and procedures respecting incurring debt, granting security, debt management and using borrowed funds.
- (2) The Council may approve Sc'ianew borrowing money in accordance policies and procedures under subparagraph 36(1) and this Law.

Borrowing Member Requirements

37. (1) This paragraph applies if Sc'ianew is a borrowing member.
- (2) If Sc'ianew has obtained long-term financing secured by property taxes from the First Nations Finance Authority, Sc'ianew must not subsequently obtain long-term financing secured by property tax revenues from any other person.
- (3) Sc'ianew may only obtain long-term financing from the First Nations Finance Authority as permitted under the Sc'ianew local revenue law and the Act.
- (4) Money borrowed under subparagraph 37(2) may only be used for the purposes permitted under the Act.

- (5) Money Sc'ianew borrows from the First Nations Finance Authority that is secured by other revenues may only be used for the purposes set out in paragraph 4 of the *Financing Secured by Other Revenues Regulations* made under the Act.

Borrowing for New Capital Projects

38. The Council must establish policies and procedures respecting the means by which members of Sc'ianew must be informed about or involved in considering borrowing for new capital projects described in PART V - Tangible Capital Assets.

Execution of Security Documents

39. (1) Subject to subparagraph 39(2), a security granted by Sc'ianew must be signed by a Councillor designated by the Council and by either the chief administrative officer or the senior financial officer.
- (2) A security granted by Sc'ianew in respect of local revenues must be signed by a Councillor designated by the Council and by the tax administrator.

DIVISION 4 - Risk Management

Management of Business Activity

40. (1) If Sc'ianew intends to carry out for-profit activities, the Council must establish policies and procedures for managing risks associated with Sc'ianew carrying on those activities.
- (2) The Council may approve Sc'ianew carrying on for-profit activities in accordance with the policies and procedures under subparagraph 40(1).

Guarantees and Indemnities

41. (1) Before Sc'ianew gives a guarantee, the senior financial officer must prepare a report identifying risks associated with the guarantee and assessing Sc'ianew's ability to honour the guarantee if required.
- (2) Sc'ianew must not give a guarantee unless the Council has considered the report under subparagraph 41(1).
- (3) Sc'ianew may only give an indemnity where it is:
- (a) authorized under subparagraph 77(2);
 - (b) necessary and incidental to and included in another agreement to which Sc'ianew is a party; or
 - (c) in relation to a security granted by Sc'ianew that is authorized under this Law or another Sc'ianew law.
- (4) Subject to a resolution described in subparagraph 77(2), the Council must make policies and procedures respecting guarantees and indemnities that:

- (a) specify circumstances under which an indemnity may be given on Sc'ianew's behalf without Council approval, including the maximum amount of any such indemnity;
- (b) designating the persons who may give an indemnity on Sc'ianew's behalf;
- (c) specifying any terms or conditions under which a guarantee or indemnity may be given; and
- (d) specifying the records to be maintained of all guarantees and indemnities Sc'ianew gives.

Investments

- 42.** (1) Sc'ianew may invest Sc'ianew financial assets under the conditions set out in Sc'ianew law.
- (2) If Sc'ianew intends to invest Sc'ianew financial assets, the Council must first approve an investment management strategy.
- (3) The Council must establish policies and procedures respecting the development, approval and periodic review of an investment management strategy for Sc'ianew financial assets.
- (4) If Sc'ianew is authorized to invest Sc'ianew financial assets, the Council may authorize the senior financial officer to invest Sc'ianew financial assets:
- (a) as specifically approved by the Council; or
 - (b) in accordance with the investment management strategy approved by the Council under subparagraph 42(2).
- (5) Despite any other provision in this Law, Sc'ianew may only invest the following funds in investments specified in sections 82(3)(a), (b), (c) or (d) of the Act and in investments in securities issued by First Nations Finance Authority or a municipal finance authority established by a province:
- (a) government transfer funds; and
 - (b) local revenues.
- (6) The Council must establish policies and procedures identifying the financial institutions or types of financial institutions in which Sc'ianew may invest its funds.

Loans

- 43.** (1) The Council must establish policies and procedures respecting Sc'ianew lending Sc'ianew financial assets including actions to ensure effective management and collection of these loans.
- (2) The Council may approve lending Sc'ianew financial assets in accordance with the policies and procedures under paragraph 43(1).

Permitted Loans to Sc'ianew Members

- 44.** (1) Sc'ianew may establish a loan program to make loans to Sc'ianew members if the loan program:
- (a) is universally accessible, transparent and has published terms and conditions;
 - (b) approved by the Council.
- (2) If Sc'ianew intends to make loans to Sc'ianew members, the Council must make policies and procedures for the effective management and operation of the loan program under subparagraph 44(1).
- (3) The Council may approve loans to members of Sc'ianew in accordance with the policies and procedures under subparagraph 44(2).

Risk Assessment and Management

- 45.** (1) Annually, and more often if necessary, the chief administrative officer must identify and assess any significant risks to Sc'ianew:
- (a) financial assets;
 - (b) tangible capital assets as defined in PART V - ; and
 - (c) operations.
- (2) Annually, and more often if necessary, the chief administrative officer must report to the FAC on risks identified in subparagraph 45(1) including:
- (a) proposed plans to mitigate the risks; or
 - (b) where appropriate, proposed plans to manage or transfer the risks through agreements with other parties or purchasing insurance.

Insurance

- 46.** (1) The FAC must recommend to Council insurance that is appropriate and commensurate with the risks identified in subparagraph 45(1) and any other risks associated with Sc'ianew's assets, property or resources.
- (2) On receipt of the FAC's recommendation in subparagraph 46(1), Council must procure and maintain insurance that is appropriate with the risks identified in subparagraph 45(1) and any other risks associated with Sc'ianew's assets, property or resources.
- (3) The Council may purchase and maintain insurance for the benefit of a Councillor or an officer against any liability arising from that person being or having been a Councillor or an officer.

Risk of Fraud

47. The Council must establish policies and procedures for identifying and assessing the risk of fraud in Sc'ianew.

Operational Controls

48. The Council must establish policies and procedures for an effective system of internal controls that ensures the orderly and efficient conduct of Sc'ianew's operations.

DIVISION 5 - Financial Reporting

GAAP

49. Sc'ianew's accounting practices must comply with GAAP.

Separate Accounting

50. (1) The senior financial officer must account for Sc'ianew's local revenues separately from Sc'ianew's other moneys.
 - (2) If Sc'ianew has a loan from First Nations Finance Authority that is secured by other revenues, the senior financial officer must:
 - (a) account for all of Sc'ianew's other revenues separately from Sc'ianew's other moneys, and
 - (b) provide the First Nations Finance Authority or the FMB, on its request, with accounting information respecting the other revenues.

Form and Content for Financial Reports

51. Subject to paragraph 49:
 - (1) The FAC must recommend to Council a guideline on the form and content for financial statements.
 - (2) Council must consider FAC's recommendation on the form and content for financial statements and approve a guideline for the form and content of financial statements.
 - (3) All financial statements must comply with the guideline Council approves under subparagraph 51(2).

Monthly Financial Information

52. (1) The senior financial officer must prepare monthly financial information respecting Sc'ianew's financial affairs in the form and with the content approved by the Council on the recommendation of the FAC.
 - (2) The senior financial officer must provide the financial information in subparagraph (1) to the chief administrative officer within a reasonable period of time following the end of the month for which the information was prepared.

Quarterly Financial Statements

53. (1) At the end of each quarter of the fiscal year, the senior financial officer must prepare financial statements for Sc'ianew for that quarter in the form and with the content approved by the Council on the recommendation of the FAC.
- (2) The director of finance must provide the quarterly financial statements in subparagraph 53(1) to the Council and the FAC not more than forty-five (45) days after the end of the quarter of the fiscal year for which they were prepared.
- (3) The quarterly financial statements in subparagraph (1) must be
 - (a) reviewed by the FAC and recommended to Council for approval, and
 - (b) reviewed and approved by the Council.

Annual Financial Statements

54. (1) This paragraph does not apply to the annual financial statements respecting local revenues referred to in paragraph 55.
- (2) At the end of each fiscal year the senior financial officer must prepare Sc'ianew's annual financial statements for that fiscal year in accordance with GAAP.
- (3) The annual financial statements must be prepared in a form approved by the Council on the recommendation of the FAC.
- (4) The annual financial statements must include all financial information for Sc'ianew for the fiscal year.
- (5) The senior financial officer must provide draft annual financial statements to the FAC for review within a reasonable period of time following the end of the fiscal year for which they were prepared.
- (6) The FAC must present draft annual financial statements to the Council for review within a reasonable period of time following the end of the fiscal year for which they were prepared.
- (7) For purposes of this paragraph, a reasonable period of time means a period of time which will allow the annual financial statements to be audited within the time required in subparagraph 59(1).

Local Revenues Annual Financial Statements

55. (1) The senior financial officer must prepare, at least once each calendar year, separate annual financial statements respecting Sc'ianew's local revenues in accordance with the FMB's *Local Revenue Financial Reporting Standards*.
- (2) The council must establish policies and procedures respecting the annual preparation, review, audit, and approval of the annual financial statements under subparagraph 55(1) including any deadlines for completing those activities.

- (3) The policies and procedures referred to in subparagraph 55(2) must be consistent with the FMB's *Local Revenue Financial Reporting Standards*.
- (4) The provisions of this Law respecting separate annual financial statements for local revenues do not apply if FMB's *Local Revenue Financial Reporting Standards* permit Sc'ianew to report on its local revenues in its audited annual financial statements as a distinct segment of the activities that appear in those statements and Sc'ianew chooses to report on its local revenues in that manner.

Special Purpose Reports

56. (1) The senior financial officer must prepare special purpose reports setting out:
 - (a) all payments made to honour guarantees and indemnities for that fiscal year;
 - (b) setting out the information required in paragraph 9;
 - (c) all debts or obligations forgiven by Sc'ianew;and any other report required under the Act or an agreement.
- (2) The senior financial officer may prepare special purpose reports on the basis of accounting other than GAAP if necessary to comply with any reporting obligations Sc'ianew has under an agreement.

Appointment of Auditor

57. (1) Sc'ianew must appoint an auditor for each fiscal year to hold office until the later of:
 - (a) the end of the Council meeting when the audited annual financial statements for that fiscal year are considered, or
 - (b) the date the auditor's successor is appointed.
- (2) The terms and conditions of the auditor's appointment must:
 - (a) include content required by Canadian generally accepted auditing standards;
 - (b) be approved by the FAC;
 - (c) and set out in an engagement letter.
- (3) To be eligible for appointment as Sc'ianew's auditor, an auditor must
 - (a) be independent of Sc'ianew, its related bodies, Councillors, officers, and members;
and
 - (b) be a public accounting firm or public accountant:
 - (i) in good standing with the Chartered Professional Accountants of Canada or its respective counterpart in the province or territory in which the public accounting firm or public accountant is practicing; and

- (ii) licensed or otherwise authorized to practice public accounting in British Columbia.
- (4) If the auditor ceases to be independent, the auditor must as soon as practical after becoming aware of the circumstances that resulted in the loss of independence:
 - (a) advise Sc'ianew in writing; and
 - (b) eliminate the circumstances that resulted in the loss of independence or resign as Sc'ianew's auditor.

Auditor's Authority

58. (1) In carrying out an annual audit, Sc'ianew's auditor must:

- (a) have access to all of Sc'ianew records for examination or inspection;
 - (b) be given copies of Sc'ianew records on request; and
 - (c) be able to ask relevant questions or request relevant information of any Sc'ianew Councillor, officer, employee, contractor or agent.
- (2) On the auditor's request, every person referred to in subparagraph 58(1)(c) must
- (a) make available all records referred to in subparagraph 58(1)(a) that are in that person's care or control; and
 - (b) provide the auditor with full information and explanation about Sc'ianew's affairs as necessary for the performance of the auditor's duties.
- (3) The senior financial officer must provide the auditor notice of:
- (a) every FAC meeting; and
 - (b) the Council meeting where the annual audit and annual financial statements will be considered and approved.
- (4) Subject to subparagraph 58(6), the auditor may attend any meeting referred to in subparagraph 58(3) and must be given the opportunity at those meetings to speak to issues relevant to Sc'ianew's audit.
- (5) The auditor may communicate with the FAC, as the auditor considers appropriate, to discuss any subject that the auditor recommends that FAC consider.
- (6) The FAC or the Council may by a recorded vote exclude the auditor from all or any part of a meeting if the subject matter relates to retaining or dismissing the auditor.

Assurance Requirements

59. (1) The auditor must provide an audit report on the annual financial statements under paragraph 54 within 120 days after the fiscal-year end.

- (2) The auditor must audit the separate annual financial statements respecting local revenues under paragraph 55 at least once every calendar year.
- (3) The auditor must conduct all audits according to Canadian generally accepted auditing standards.
- (4) The auditor must provide an audit report or a review engagement report on the special purpose reports under paragraph 56.

Review of Audited Annual Financial Statements

60. (1) This paragraph does not apply to the annual financial statements respecting local revenues under paragraph 55.
- (2) The auditor must provide the audited annual financial statements to the FAC for its review within 120 days after the fiscal year-end for which the statements were prepared.
- (3) The FAC must review the audited annual financial statements and recommend annual audited financial statements to the Council within 30 days of receiving the audited annual financial statements from the auditor.
- (4) The Council must review and approve the audited annual financial statements within 30 days of receiving the annual audited financial statements from the FAC.

Access to Annual Financial Statements

61. (1) Before the annual financial statements referred to in paragraphs 54 and 55 are published or distributed, they must:
 - (a) be approved by the Council;
 - (b) be signed by the
 - (i) Chief of Sc'ianew or the Council chair,
 - (ii) FAC chair, and
 - (iii) senior financial officer, and
 - (c) include the auditor's audit report of the annual financial statements.
- (2) The audited annual financial statements under paragraph 54 must be available for inspection by members of Sc'ianew at the principal administrative offices of Sc'ianew during normal business hours.
- (3) The following documents must be available for inspection by any person referred to in subsection 14(2) of the Act at the principal administrative offices of Sc'ianew during normal business hours:
 - (a) the audited annual financial statements respecting local revenues referred to in paragraph 55; or

- (b)the audited annual financial statements referred to in paragraph 54, if those statements include a report on local revenues as a distinct segment of the activities that appear in those statements.

Annual Report

- 62. (1) The Council must publish an annual report on Sc'ianew's operations and financial performance within 180 days after the end of each fiscal year.
- (2) The annual report must describe Sc'ianew's:
 - (a)services and operations; and
 - (b)progress toward any objectives and performance measures Sc'ianew has established.
- (3) The annual report must include or incorporate by reference:
 - (a)the audited annual financial statements referred to in paragraphs 54 and 55 for the previous year, and
 - (b)any special purpose reports referred to in paragraph 56, including the auditor's report.
- (4) The chief administrative officer must provide the annual report:
 - (a)to a member of Sc'ianew as soon as practical after a request is made by the member, and
 - (b)to the First Nations Finance Authority as soon as practical after the report's publication, if Sc'ianew is a borrowing member.
- (5) The Council must establish an accessible process and remedy for Sc'ianew members who request an annual report and do not receive access to the annual report or audited annual financial statements and special purpose reports within a reasonable time.

DIVISION 6 - Information and Information Technology

Ownership of Records

- 63. The Council must establish policies and procedures to ensure that all records that are produced by or on Sc'ianew's behalf or kept, used or received by any person on Sc'ianew's behalf are Sc'ianew's property.

Record Keeping

- 64. (1) The Council must establish policies and procedures respecting the
 - (a)preparation, maintenance, security, storage, access to and disposal of Sc'ianew records; and

- (b) confidentiality, control and release of Sc'ianew information that is in the possession of Sc'ianew, or Sc'ianew Council, Councillors, committee members, employees, or contractors.

Account Records

65. (1) The tax administrator must prepare, maintain, store and keep secure a complete set of all records respecting Sc'ianew's local revenue system, including all records referred to in paragraph 5 of the *Revenue Management Implementation Regulations*.
- (2) If Sc'ianew has a loan from First Nations Finance Authority that is secured by other revenues, the senior financial officer must prepare, maintain, store and keep secure a complete set of all records respecting Sc'ianew's other revenues, including all records referred to in paragraph 5 of the *Revenue Management Implementation Regulations* as amended by the *Financing Secured by Other Revenues Regulations*.

Information Technology

66. The Council must establish policies and procedures respecting the information technology Sc'ianew uses in its operations to ensure the integrity of Sc'ianew's financial administration system and its database.

PART V - Tangible Capital Assets

Definitions

67. (1) In this Part,

"Sc'ianew tangible capital assets" means all non-financial assets of Sc'ianew having physical substance that:

- (a) are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets,
- (b) have useful economic lives extending beyond an accounting period,
- (c) are used on a continuing basis; and
- (d) are not for sale in the ordinary course of operations.

"life-cycle management program" means the program described in paragraph 70; and

"tangible capital asset project" means the acquisition, construction, repair or replacement of a Sc'ianew tangible capital asset, but does not include routine maintenance.

Council General Duties

68. (1) The Council must take reasonable steps to ensure that Sc'ianew tangible capital assets are:

- (a) recorded in an assets register;
- (b) adequately safeguarded;
- (c) maintained in accordance with the life-cycle management program; and
- (d) planned, financed, managed and constructed to acceptable community standards.

Tangible Capital Assets Reserve Fund

69. The Council must establish and manage a tangible capital assets reserve fund for tangible capital asset projects carried out under this Part.

Life-cycle Management Program

70. (1) The Council must establish a life-cycle management program for Sc'ianew tangible capital assets which includes the following:

- (a) the development, maintenance and updating of an assets register for Sc'ianew tangible capital assets;
 - (b) the regular, periodic inspection of Sc'ianew's tangible capital assets;
 - (c) for routine maintenance of Sc'ianew's tangible capital assets, preparation of the following:
 - (i) a plan for annual scheduling of required maintenance for the next fiscal year;
 - (ii) short and long-term forecasting of estimated costs; and
 - (iii) a budget for required annual maintenance for the next fiscal year; and
 - (d) for tangible capital asset projects, preparation of the following:
 - (i) a plan for annual scheduling of projects for the next fiscal year; and
 - (ii) short and long-term forecasting of estimated costs of projects; and
- (2) the annual review by the FAC of the proposed scheduling and budgets for routine maintenance and tangible capital asset projects.
- (3) The Council must establish policies and procedures respecting
- (a) a life-cycle management program for Sc'ianew's tangible capital assets, and
 - (b) tangible capital asset projects.

Tangible Capital Asset Projects Management

71. (1) The Council must establish policies and procedures respecting procurement, contract and risk management and administration of tangible capital asset projects.

- (2) All tangible capital asset projects must be managed in accordance with the policies and procedures referred to in subparagraph (1).

Policy for Information or Involvement of Sc'ianew Members

72. The Council must establish policies and procedures respecting the means by which Sc'ianew members must be informed about or involved in the consideration of tangible capital asset projects.

PART VI - Reporting Breaches

Reports of Breaches and Financial Irregularities, etc.

73. (1) Subject to paragraphs (2) and (3), any person may report to the FAC chair if they believe that the following has occurred:
- (a) a Sc'ianew expenditure, liability or other transaction is not authorized under this Law or another Sc'ianew law;
 - (b) there has been a theft, misappropriation or other misuse or irregularity in Sc'ianew's funds, accounts, assets, liabilities and financial obligations;
 - (c) a provision of this Law has been contravened; or
 - (d) a person has failed to comply with applicable policies and procedures referred to in paragraph 22.
- (2) If a Councillor becomes aware of any circumstances described under subparagraph 73(1), the Councillor must report them to the FAC chair.
- (3) If a Sc'ianew officer, employee, contractor or agent becomes aware of any circumstances described under subparagraph 73(1), that person must report them to the chief administrative officer or the FAC chair.

Inquiry into Report

74. (1) If a report is made to the chief administrative officer under subparagraph 73(3) the chief administrative officer must inquire into the circumstances reported and report the findings to the FAC as soon as practical.
- (2) If a report is made to the FAC chair under subparagraph 73(2), the chair must inquire into the circumstances reported and report the findings to the FAC as soon as practical.
- (3) The FAC may inquire further into any findings reported to it under this paragraph and must make a report to the Council respecting any circumstances reported to the FAC under this paragraph, including the FAC recommendations, if any.

Protection of Parties

75. (1) All reasonable steps must be taken by the chief administrative officer, the members of the FAC and the councillors to ensure that the identity of the person who makes a report under paragraph 73 is kept confidential to the extent practicable in all the circumstances.
- (2) A person who makes a report in good faith under paragraph 73 must not be subjected to any form of reprisal by Sc'ianew or by a Councillor, officer, employee, contractor or agent of Sc'ianew as a result of making that report.
- (3) The chief administrative officer and the chair of the FAC must take all necessary steps to ensure that subparagraph (2) is not contravened and must report any contravention or suspected contravention to the Council.
- (4) The Council must establish policies and procedures
- (a) for the recording and safeguarding of reports made under paragraph 73 and any records prepared during the inquiry or investigation into those reports;
 - (b) for the inquiry or investigation into reports made under paragraph 73; and
 - (c) concerning the fair treatment of a person against whom a report has been made under paragraph 73.

Liability for Improper Use of Money

76. (1) A Councillor who votes for a resolution authorizing an amount to be expended, invested or used contrary to this Law or Sc'ianew's local revenue law is personally liable to Sc'ianew for that amount.
- (2) Subparagraph 76(1) does not apply if the Councillor relied on information provided by an officer or employee of Sc'ianew and the officer or employee was guilty of dishonesty, gross negligence or malicious or willful misconduct when providing the information.
- (3) An amount owed to Sc'ianew under subparagraph 76(1) may be recovered for Sc'ianew by Sc'ianew, a member of Sc'ianew or a person who holds a security under a borrowing made by Sc'ianew.
- (4) It is a good defence to any action brought against an officer or employee of Sc'ianew for an unauthorized expenditure, investment or use of Sc'ianew financial assets if it is proved that the officer or employee gave a written and signed warning to the Council that in their opinion, the expenditure, investment or use would be unlawful.

Indemnification against Proceedings

77. (1) In this paragraph:

"indemnify" means pay amounts required or incurred to:

- (a) defend an action or prosecution brought against a person in connection with the exercise or intended exercise of the person's powers or the performance or intended performance of the person's duties or functions; or

(b) satisfy a judgment, award or penalty imposed in an action or prosecution referred to in subparagraph 77(1)(a).

“Sc’ianew official” means a current or former Councillor, officer or employee of Sc’ianew.

(2) Subject to subparagraph 77(3), the Council may by resolution indemnify a named Sc’ianew official, a category of Sc’ianew official or all Sc’ianew officials in accordance with the terms specified in the resolution.

(3) The Council may not pay a fine imposed as a result of a Sc’ianew official’s conviction for an offence unless the offence is a strict or absolute liability offence.

PART VII - Miscellaneous

FMB Standards

78. (1) If Sc’ianew is a borrowing member or has a certificate issued by the FMB under subsection 50(3) of the Act, Sc’ianew must comply with all applicable FMB standards.

(2) If the Council becomes aware that Sc’ianew is not complying with a FMB standard, the Council must as soon as practical take the required actions to bring Sc’ianew into compliance with the FMB standard.

Delegated Authority for Local Revenues

79. (1) This paragraph applies to Sc’ianew only if it is:

(a) making local revenue laws under subsection 5(1) of the Act, or

(b) using its local revenues to secure a loan from First Nations Finance Authority.

(2) Without limiting section 53 of the Act, if the FMB gives notice to Sc’ianew under section 53 of the Act that third-party management of Sc’ianew’s local revenues is required, the Council of Sc’ianew delegates to the FMB:

(a) the powers and authorities described in subsection 53(2) of the Act; and

(b) any other of the Council’s powers required to give effect to third-party management of Sc’ianew’s local revenues and local revenue account under the Act.

Delegated Authority for Other Revenues

80. (1) This paragraph applies to Sc’ianew only if it is using its other revenues to secure a loan from the First Nations Finance Authority.

(2) Without limiting section 53 of the Act as adapted by the *Financing Secured by Other Revenues Regulations*, if the FMB gives notice to Sc’ianew under section 53 of the Act that third-party management of Sc’ianew’s other revenues is required, the Council of Sc’ianew delegates to the FMB:

- (a) the powers and authorities described in subsection 53(2) of the Act as adapted by the *Financing Secured by Other Revenues Regulations*; and
- (b) any other of the Council's powers required to give effect to third-party management of Sc'ianew's other revenues under the Act.

Periodic Review and Changes of Law

- 81.** (1) On a regular basis as established by a Council policy, the FAC must conduct a review of this Law to:
- (a) determine if it facilitates Sc'ianew's effective and sound financial administration; and
 - (b) identify any amendments to this Law that may improve Sc'ianew's financial administration.
- (2) The Council must establish policies and procedures respecting the means by which members of Sc'ianew must be informed about or involved in considering proposed amendments of this Law.
- (3) If Sc'ianew is a borrowing member, it may only repeal this Law if it replaces it at the same time with another financial administration law which has been reviewed by the FMB and issued a compliance approval under section 9 of the Act.
- (4) Any amendment of this Law must be reviewed by the FMB and issued a compliance approval under section 9 of the Act.

Repeal

- 82.** The *Beecher Bay Financial Administration Law, 2017* is repealed.

Coming into Force

- 83.** (1) This paragraph and the operative portions of paragraphs 1-6, 24, 27, 29, 30, 49-55, 57-61, 65, 78-80 and 82 come into force the day after this Law is approved by the Board under section 9 of the Act.
- (2) The operative portions of paragraphs 7, 10, 11(1), 17(1), 18(1), 20(1), 21, 22(1-3), 23(2),(3) and (5), 25, 26, 31, 62 and 73-76 come into force on January 1, 2021.

(3)The remaining provisions of this Law come into force:

(a)on the day that is 36 months after the date that Sc'ianew becomes a borrowing member of the First Nations Finance Authority; or

(b)on such earlier date or dates established by resolution of the Council.

THIS LAW IS HEREBY DULY ENACTED by Council on the 14th day of November, 2019, at Beecher Bay IR #1, in the Province of British Columbia at a duly called and conducted Council meeting at which the required quorum of two (2) members of Council was present throughout.

Chief Russ Chipps



Councillor Bernice Millette



Councillor Traci Pateman