

TSLEIL-WAUTUTH NATION
FINANCIAL ADMINISTRATION LAW, 2012

TABLE OF CONTENTS

PART I - Citation..... 3

PART II - Interpretation and Application 3

PART III - Administration 8

DIVISION 1 - Council..... 8

DIVISION 2 - Finance Committee 10

DIVISION 3 - Officers and Employees 14

DIVISION 4 - Conduct Expectations 17

PART IV - Financial Management 18

DIVISION 1 - Financial Plans and Annual Budgets..... 18

DIVISION 2 - Financial Institution Accounts 20

DIVISION 3 - Expenditures..... 21

DIVISION 4 - General Matters 23

DIVISION 5 - Borrowing 24

DIVISION 6 - Risk Management..... 26

DIVISION 7 - Financial Reporting..... 28

DIVISION 8 - Information and Information Technology..... 33

PART V - Capital Projects..... 34

PART VI - Borrowing Member Requirements..... 37

PART VII - Land Management..... 37

PART VIII - Miscellaneous..... 38

**TSLEIL-WAUTUTH NATION
FINANCIAL ADMINISTRATION LAW, 2012**

WHEREAS:

A. Pursuant to section 9 of the *First Nations Fiscal and Statistical Management Act*, the council of a First Nation may make laws respecting the financial administration of the First Nation; and

B. The Council of the Tsleil-Waututh Nation considers it to be in the best interests of the Tsleil-Waututh Nation to make a law for such purposes,

NOW THEREFORE the Council of the Tsleil-Waututh Nation enacts as follows:

**PART I
CITATION**

Citation

1. This Law may be cited as the *TWN Financial Administration Law*.

**PART II
INTERPRETATION AND APPLICATION**

Definitions

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

"Act" means the *First Nations Fiscal and Statistical Management Act*;

"annual financial statements" means the annual financial statements of the Tsleil-Waututh Nation referred to in Division 7 of Part IV;

"appropriation" means an allocation of money under a budget to the purposes for which it may be used;

"auditor" means the auditor of the Tsleil-Waututh Nation appointed under section 68;

"authorized signatory" means a Councillor, and any person that the Council has, by Council direction, authorized to sign documents on behalf of the Tsleil-Waututh Nation;

"budget" means the annual budget of the Tsleil-Waututh Nation that has been approved by the Council;

"capital project" means the construction, rehabilitation or replacement of the Tsleil-Waututh Nation's tangible capital assets and any other major capital projects in which the Tsleil-Waututh Nation is an investor;

"Chair" means the Chair of the Finance Committee appointed under section 13;

"chief administrative officer" means the person responsible for leading the planning, organization, implementation and evaluation of the overall management of all the day-to-day operations of the Tsleil-Waututh Nation, appointed under section 18;

“chief financial officer” means the person responsible for the day-to-day management of the Tsleil-Waututh Nation’s financial administration system, appointed under section 19;

“Council” means the Council of the Tsleil-Waututh Nation;

“Council direction” or “direction of the Council” means a motion passed by the Council and recorded in the minutes of a duly convened Council meeting;

“Councillor” means a member of the Council of the Tsleil-Waututh Nation;

“dependent child” means, in relation to an individual, a child who

- (a) has not reached the age of 18 years, or
- (b) has reached the age of 18 years, but is primarily dependent for financial support on the individual or the spouse of the individual;

“director” means a person, other than an officer, who is employed as the head of a specific group of programs or area of the Tsleil-Waututh Nation administration, and who reports to the chief administrative officer;

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

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

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

“FNTC” means the First Nations Tax Commission established under the Act;

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

“family member” means, in relation to an individual, that person’s spouse, dependent children, or dependent children of the spouse;

“Finance Committee” means the Finance Committee established under section 11;

“financial administration” means the management, supervision, control and direction of all matters relating to the financial affairs of the Tsleil-Waututh Nation;

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

“financial institution” means the FNFA, a bank, or a credit union;

“financial records” means all records respecting the financial administration of the Tsleil-Waututh Nation, including the minutes of meetings of the Council and the Finance Committee;

“fiscal year” means the period beginning on April 1st of one year and ending on March 31st in the next year, as set out in section 24;

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

“indemnify” means to pay amounts required or incurred

(a) to 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) to satisfy a judgment, award or penalty imposed in an action or prosecution referred to in paragraph (a);

“independence” or “independent” means, in relation to a member of the Finance Committee or the auditor, that the individual does not have a direct or indirect relationship with the Tsleil-Waututh Nation that could, in the opinion of the Council, reasonably interfere with the individual’s exercise of independent judgment as a member of the Finance Committee or as the auditor;

“Land Code” means the *Tsleil-Waututh Nation Land Code*;

“life-cycle management program” means the program of inspection, review and planning for management of the Tsleil-Waututh Nation’s tangible capital assets as described in section 83;

“local revenue account” means the local revenue account referred to in section 13 of the Act;

“local revenue law” means a local revenue law made by the Tsleil-Waututh Nation under the Act;

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

“multi-year financial plan” means the plan referred to in section 25;

“natural resource” means any material on or under the Tsleil-Waututh Nation’s lands in their natural state which when extracted has economic value;

“officer” means the chief administrative officer, chief financial officer, tax administrator and any other employee of the Tsleil-Waututh Nation designated by the Council as an officer;

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

“rehabilitation” includes alteration, extension and renovation but does not include routine maintenance;

“related body” means

(a) any agency of Tsleil-Waututh,

(b) any corporation in which the Tsleil-Waututh Nation has a material interest or that is controlled by the Tsleil-Waututh Nation,

(c) any formal written partnership in which the Tsleil-Waututh Nation or another related body of the Tsleil-Waututh Nation is a partner, or

(d) a trust of the Tsleil-Waututh Nation;

“replacement” includes substitution, in whole or in part, with another of the Tsleil-Waututh Nation’s tangible capital assets;

“special purpose report” means a report described in subsection 67(3);

“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;

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

“tax administrator” means the tax administrator appointed under the Tsleil-Waututh Nation’s local revenue laws;

“Tsleil-Waututh Nation” means the Tsleil-Waututh Nation, (formerly known as the Burrard Indian Band), being a band named in the schedule to the Act;

“Tsleil-Waututh Nation’s financial assets” means all money and other financial assets of the Tsleil-Waututh Nation;

“Tsleil-Waututh Nation’s lands” means all of the Tsleil-Waututh Nation’s reserves, within the meaning of subsection 2(1) of the *Indian Act*, and includes all lands that are or become subject to the Land Code;

“Tsleil-Waututh Nation Law” means any Law, including any bylaw or code, of the Tsleil-Waututh Nation made by the Council or the membership of the Tsleil-Waututh Nation;

“Tsleil-Waututh Nation official” means a current or former Councillor, officer, director or employee of the Tsleil-Waututh Nation;

“Tsleil-Waututh Nation’s records” means all records of the Tsleil-Waututh Nation respecting its governance, management, operations and financial administration;

“Tsleil-Waututh Nation’s tangible capital assets” means all non-financial assets of the Tsleil-Waututh Nation 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 to be used on a continuing basis,
- (d) are not for sale in the ordinary course of operations, and
- (e) have a replacement value of at least \$20 000; and

“Vice-chair” means the vice-chair of the Finance Committee appointed under section 13.

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

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

(4) Unless otherwise specified, 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) if a word or expression is defined, other parts of speech and grammatical forms of the same word or expressions have corresponding meanings;
- (c) the expression “shall” is to be construed as imperative, and the expression “may” is to be construed as permissive;
- (d) unless the context indicates otherwise, “including” means “including, but not limited to”, and “includes” means “includes, but not limited to”; and
- (e) a reference to an enactment includes any amendment or replacement of it and every regulation made under it.

(2) This Law shall be considered as always speaking and where a matter or thing is expressed in the present tense, it shall be applied to the circumstances as they arise, so that effect may be given to this Law 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.

Posting of Public Notice

4.(1) If a public notice is required to be posted under this Law, the public notice is properly posted if a written notice is placed in a conspicuous and accessible place for public viewing in the principal administrative offices of the Tsleil-Waututh Nation.

(2) Unless expressly provided otherwise, if a public notice of a meeting is required to be posted under this Law the notice shall be posted at least fifteen (15) days before the date of the meeting.

Calculation of Time

5. In this Law, time shall 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

- 6.(1) If there is a conflict between this Law and another Tsleil-Waututh Nation Law, other than the Land Code or a local revenue law, this Law prevails.
- (2) If there is a conflict between this Law and the Act, the Act prevails.
- (3) If there is a conflict between this Law and a local revenue law, the local revenue law prevails.

Scope and Application

- 7. This Law applies to the financial administration of the Tsleil-Waututh Nation.

PART III – ADMINISTRATION

DIVISION 1 - Council

Responsibilities of Council

- 8.(1) The Council is responsible for all matters relating to the financial administration of the Tsleil-Waututh Nation whether or not they have been assigned or delegated to an officer, director, employee, committee, contractor or agent by or under this Law.
- (2) Subject to paragraph 5(1)(f) of the Act, this Law and any other applicable Tsleil-Waututh Nation Law, the Council may delegate to any of its officers, directors, employees, committees, contractors or agents any of its functions under this Law except the following:
 - (a) the approval of Council policies, procedures or directions;
 - (b) the appointment of the Chair, Vice-chair and members of the Finance Committee;
 - (c) the approval of budgets and financial statements of the Tsleil-Waututh Nation; and
 - (d) the approval of borrowing of the Tsleil-Waututh Nation.

Council Policies, Procedures and Directions

- 9.(1) The Council
 - (a) shall establish policies or procedures or give directions respecting the acquisition, management and safeguarding of Tsleil-Waututh Nation assets; and

- (b) may establish policies and procedures and give directions respecting any matter relating to the financial administration of the Tsleil-Waututh Nation.
- (2) The Council shall establish policies and procedures respecting the avoidance and mitigation of conflicts of interest, including the following:
 - (a) defining the private interests of Councillors, officers, directors, employees, committee members, contractors and agents that could result in a conflict of interest;
 - (b) requiring Councillors to annually disclose relevant information respecting their private interests which could result in a conflict of interest;
 - (c) requiring the disclosure, by the persons referred to in paragraph (a), of actual or potential conflicts of interests as they arise, and keeping records of such disclosures;
 - (d) specifying restrictions on the acceptance of gifts and benefits by any person referred to in paragraph (a) that might reasonably be seen to have been offered in order to influence the making of a decision by that person;
 - (e) prohibiting any person referred to in paragraph (a) who has a conflict of interest from attempting to influence a decision or from participating in the making of a decision respecting the matter in which the person has a conflict of interest; and
 - (f) specifying how any undisclosed or any alleged but not admitted conflicts of interest of Councillors are to be addressed.
- (3) The Council shall not establish any policies or procedures or give any directions that are permitted or required to be made under this Law if such policies, procedures or directions would be in conflict with this Law, the Act or GAAP.
- (4) The Council shall ensure that all human resources policies and procedures are designed and implemented to facilitate effective internal financial administration controls.
- (5) The Council shall ensure that all of its policies, procedures and directions are documented and made available to any person who is required to act in accordance with them or who may be directly affected by them.

Reporting of Remuneration, Expenses and Contracts

- 10.(1) Annually the chief financial officer shall prepare, and include with the annual financial statements, a special purpose report separately listing:
- (a) the total amount of remuneration, expenses and benefits paid or provided from the Tsleil-Waututh Nation to a Councillor and to each of the family members of the Councillor;
 - (b) any contracts between the Tsleil-Waututh Nation and a Councillor and between the Tsleil-Waututh Nation and a family member of the Councillor for the supply of goods or services, including a general description of the nature of the contracts;
 - (c) the total amount of remuneration, expenses and benefits paid or provided from the Tsleil-Waututh Nation to the chief administrative officer and to each of the family members of the chief administrative officer; and

- (d) any contracts between the between the Tsleil-Waututh Nation and the chief administrative officer and between the First Nation and a family member of the chief administrative officer for the supply of goods or services, including a general description of the nature of the contracts.
- (2) Subsection (1) does not require the reporting of remuneration, expenses or benefits received
 - (a) in common by all members of the Tsleil-Waututh Nation;
 - (b) under a program or service universally accessible to all members of the Tsleil-Waututh Nation on published terms and conditions; or
 - (c) from a trust arrangement according to the terms of the trust.

DIVISION 2 – Finance Committee

Finance Committee Established

- 11. The Finance Committee of the Tsleil-Waututh Nation is established.

Finance Committee Membership

12.(1) The Council shall appoint not less than three (3) members to the Finance Committee, a majority of whom shall have financial competency, and, subject to subsection (3), all of whom shall be independent of the Tsleil-Waututh Nation.

- (2) The Council shall establish policies or procedures or give directions
 - (a) requiring the independence of each member of the Finance Committee to be tracked, including the annual documented confirmation by each member of their independence; and
 - (b) ensuring that all members of the Finance Committee have independence including specifying that the following individuals do not have independence:
 - (i) an employee of the Tsleil-Waututh Nation,
 - (ii) the chief administrative officer,
 - (iii) the chief financial officer,
 - (iv) an individual whose spouse or dependent child is an officer of the Tsleil-Waututh Nation, and
 - (v) an individual who has a direct or indirect relationship with the Tsleil-Waututh Nation by which the individual may accept any consulting, advisory, or other compensatory fee paid by the Tsleil-Waututh Nation to the individual (other than remuneration paid for acting in their capacity as a Councillor or as a member of any committee or as fixed retirement compensation), to a spouse or dependent child of the individual or to an entity in which the individual is a partner, owner, member or officer and which provides any services to the Tsleil-Waututh Nation or to a related body or agency including accounting, consulting, legal or any financial services.
- (3) The Council may establish a policy that permits the Council to exempt an individual from the application of the policy referred to in paragraph (2)(b) but only under the following circumstances:

- (a) an exemption may be given on one occasion only for a particular individual and the term of appointment of the individual must not be more than three consecutive years; and
- (b) the Council, in temporary and exceptional circumstances, determines in its reasonable opinion that
 - (i) the individual is able to exercise the independent judgment necessary for the individual to fulfill their responsibilities as a member of the Finance Committee regardless of the individual's relationship with the Tsleil-Waututh Nation, and
 - (ii) the appointment of the individual to the Finance Committee is considered to be in the best interests of the Tsleil-Waututh Nation and its members.
- (4) At least two (2) of the Finance Committee members shall be Councillors.
- (5) Subject to subsection (6), the Finance Committee members shall be appointed to hold office for staggered terms of not less than three (3) complete fiscal years.
- (6) A Finance Committee member may be removed from office by the Council if
 - (a) the member misses three (3) consecutively scheduled meetings of the Finance Committee; or
 - (b) the Chair recommends removal.

Chair and Vice-chair

13. The Council shall appoint a Chair and a Vice-chair of the Finance Committee, both of whom shall be Councillors.

Finance Committee Procedures

14.(1) The quorum of the Committee is fifty percent (50%) of the total number of Finance Committee members, including at least one (1) Councillor.

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

(3) In the event of a tie vote of the Finance Committee, the Chair shall cast a second tiebreaking vote.

(4) Subject to subsection (5), the chief administrative officer and the chief financial officer shall be notified of all Finance Committee meetings and, subject to reasonable exceptions, shall attend those meetings.

(5) The chief administrative officer or the chief financial officer may be excluded from all or any part of a Finance Committee 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 chief financial officer; or
- (b) it is a meeting with the auditor.

(6) The Finance Committee shall meet

(a) at least once every three (3) months in each fiscal year as necessary to conduct the business of the Finance Committee; and

(b) as soon as practicable after it receives the audited annual financial statements and report from the auditor.

(7) The Finance Committee shall provide minutes of its meetings to the Council and report to the Council on the substance of each Finance Committee meeting as soon as practicable after each meeting.

(8) Subject to this Law and any directions given by the Council, the Finance Committee may make rules for the conduct of its meetings.

(9) After consultation with the chief administrative officer, the Finance Committee may retain a consultant to assist in the performance of any of its responsibilities.

Financial Planning Responsibilities

15.(1) The Finance Committee shall carry out the following activities in respect of the financial administration of the Tsleil-Waututh Nation:

(a) annually develop, and recommend to the Council for approval, financial plans, strategic plans, projections and priorities;

(b) review draft annual budgets and recommend them to the Council for approval;

(c) on an ongoing basis, monitor the financial performance of the Tsleil-Waututh Nation against the budget and report any significant variations to the Council; and

(d) review the quarterly financial statements and recommend them to the Council for approval.

(2) The Finance Committee may make a report or recommendations to the Council on any matter respecting the financial administration of the Tsleil-Waututh Nation that is not otherwise specified to be its responsibility under this Law.

(3) The Finance Committee may seek advice from an independent professional in relation to any of its duties under this Law.

Audit Responsibilities

16. The Finance Committee shall carry out the following audit activities in respect of the financial administration of the Tsleil-Waututh Nation:

(a) make recommendations to the Council on the selection, engagement and performance of an auditor;

(b) receive assurances on the independence of a proposed or appointed auditor;

(c) review and make recommendations to the Council on the planning, conduct and results of audit activities;

- (d) review and make recommendations to the Council on the audited annual financial statements, including the audited local revenue account financial statements and any special purpose reports;
- (e) periodically review, and make recommendations to the Council on, policies procedures and directions on reimbursable expenses and benefits of the Councillors, officers, directors and employees of the Tsleil-Waututh Nation;
- (f) monitor financial reporting risks and fraud risks and the effectiveness of mitigating controls for those risks taking into consideration the cost of implementing those controls;
- (g) conduct a review of this Law under section 94 and, where appropriate, recommend amendments to the Council; and
- (h) periodically review, and make recommendations to the Council on, the terms of reference of the Finance Committee.

Council Assigned Responsibilities

17. By Council direction, the Council may assign the following activities in respect of the financial administration of the Tsleil-Waututh Nation to the Finance Committee, working with the chief administrative officer:

- (a) reviewing, and recommending to the Council for approval, financial administration-related performance measurements and goals designed by the chief financial officer, to confirm that management activities, including financial management, occur as planned;
- (b) reviewing, and recommending to the Council for approval, cash management plans;
- (c) reviewing, and reporting to the Council on, the content of any Tsleil-Waututh Nation financial reports;
- (d) reviewing, monitoring and reporting to the Council on, the appropriateness of the Tsleil-Waututh Nation's accounting and financial reporting systems, policies and practices;
- (e) reviewing, and recommending to the Council for approval, any proposed significant changes to the Tsleil-Waututh Nation's accounting or financial reporting systems, policies, procedures or directions;
- (f) monitoring the collection and receipt of the Tsleil-Waututh Nation's financial assets, including debts owed to the Tsleil-Waututh Nation;
- (g) reviewing, and reporting to the Council on, the Tsleil-Waututh Nation's risk management policies and control and information systems and, where appropriate, recommending improvements to the Council;
- (h) reviewing the adequacy of security of information, information systems and recovery plans and, where appropriate, recommending improvements to the Council;
- (i) monitoring, and reporting to the Council on, compliance with the legal obligations of the Tsleil-Waututh Nation, including legislative, regulatory and contractual obligations;

- (j) reviewing, and reporting to the Council on, the adequacy of financial administration personnel and resources;
- (k) reviewing, monitoring, and reporting to the Council on, the adequacy and appropriateness of Tsleil-Waututh Nation's insurance coverage respecting significant Tsleil-Waututh Nation risks; and
- (l) reviewing, monitoring, and reporting to the Council on, material litigation and its impact on financial administration and reporting.

DIVISION 3 - Officers and Employees

Chief Administrative Officer

18.(1) The Council shall appoint a person as chief administrative officer of the Tsleil-Waututh Nation 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 all the day-to-day operations of the Tsleil-Waututh Nation, including the following duties:

- (a) developing and recommending to the Council for approval, human resources policies and procedures for the hiring, management and dismissal of officers, directors and employees of the Tsleil-Waututh Nation;
- (b) preparing in writing, and recommending to the Council for approval, the powers, duties and functions of all officers, directors and employees of the Tsleil-Waututh Nation;
- (c) hiring the officers, directors and employees of the Tsleil-Waututh Nation, as the chief administrative officer considers necessary, and setting the terms and conditions of their employment;
- (d) overseeing, supervising and directing the activities of all officers, directors and employees of the Tsleil-Waututh Nation;
- (e) overseeing and administering the contracts of the Tsleil-Waututh Nation;
- (f) preparing, recommending to the Council and maintaining and revising as necessary the organization chart referred to in section 21;
- (g) performing any other duties of the chief administrative officer under this Law; and
- (h) carrying out any other activities specified by the Council that are not contrary to the Act or inconsistent with the chief administrative officer's duties specified in this Law.

(3) The chief administrative officer may assign the performance of any of the chief administrative officer's duties or functions

- (a) to an officer, director or employee of the Tsleil-Waututh Nation; and
- (b) with the approval of the Council, to a contractor or agent of the Tsleil-Waututh Nation.

(4) Any assignment of duties or functions under subsection (3) does not relieve the chief administrative officer of the responsibility to ensure that these duties or functions are carried out properly.

Chief Financial Officer

19.(1) The Council shall appoint a person as chief financial officer of the Tsleil-Waututh Nation and may set the terms and conditions of that appointment.

(2) Reporting to the chief administrative officer and the Council, the chief financial officer is responsible for the day-to-day management of the systems of the financial administration of the Tsleil-Waututh Nation, including the following duties:

- (a) ensuring the financial administration systems, policies, procedures, directions and internal controls are appropriately designed and operating effectively;
- (b) administering and maintaining the accounts of the Tsleil-Waututh Nation other than the local revenue account;
- (c) preparing the draft annual budgets;
- (d) consulting with the tax administrator on any draft amendments to the component of the annual budget respecting the Tsleil-Waututh Nation's local revenue account;
- (e) preparing the monthly financial information required in section 65, the quarterly financial statements required in section 66 and the draft annual financial statements required in section 67;
- (f) preparing the financial components of reports to the Council and of any plans, projections and priorities referred to in subsection 15(1);
- (g) identifying, assessing, monitoring and reporting on financial reporting risks and fraud risks;
- (h) monitoring and reporting on the effectiveness of mitigating controls for the risks referred to in paragraph (g), taking into consideration the cost of implementing those controls;
- (i) actively monitoring compliance with any agreements and funding arrangements entered into by the Tsleil-Waututh Nation;
- (j) administering and supervising the preparation and maintenance of financial records and the financial administration reporting systems;
- (k) administering and supervising the maintenance of the records of all receipts and expenditures of the Tsleil-Waututh Nation to facilitate the annual audit;
- (l) actively monitoring compliance with the Act, this Law, any other applicable Tsleil-Waututh Nation Law, applicable standards and any policies, procedures and directions of the Council respecting the financial administration of the Tsleil-Waututh Nation, other than those matters that are the responsibility of the tax administrator under this Law, another Tsleil-Waututh Nation Law or the Act;
- (m) preparing and providing any documentation and financial information required by the Council or the Finance Committee;
- (n) evaluating the financial administration systems of the Tsleil-Waututh Nation and recommending improvements;

- (o) developing and recommending procedures for the safeguarding of assets and ensuring approved procedures are followed;
- (p) developing and recommending procedures for identifying and mitigating financial reporting and fraud risks and ensuring approved procedures are followed;
- (q) performing any other duties of the chief financial officer under this Law; and
- (r) carrying out any other activities specified by the chief administrative officer that are not inconsistent with the chief financial officer's duties under this Law.

(3) With the approval of the chief administrative officer, the chief financial officer may assign the performance of any of the duties or functions of the chief financial officer to any officer, director, employee, contractor or agent of the Tsleil-Waututh Nation, but this assignment does not relieve the chief financial officer of the responsibility to ensure that these duties or functions are carried out properly.

Tax Administrator

20.(1) The tax administrator reports to the chief financial officer in respect of the performance of any of the tax administrator's duties or functions under this Law, and is responsible for the day-to-day management of the Tsleil-Waututh Nation's property taxation department including the following duties:

- (a) administering and maintaining the Tsleil-Waututh Nation's local revenue account; and
- (b) preparing, in consultation with the chief financial officer, any draft amendments to the component of the annual budget respecting the Tsleil-Waututh Nation's local revenue account.

(2) With the approval of the chief financial officer, the tax administrator may assign the performance of any of the duties or functions of the tax administrator under this Law to any officer, director, employee, contractor or agent of the Tsleil-Waututh Nation, but this assignment does not relieve the tax administrator of the responsibility to ensure that these duties or functions are carried out properly.

Organizational Structure

21.(1) The Council shall establish and maintain a current organization chart for the governance, management and administrative systems of the Tsleil-Waututh Nation.

(2) On request, the chief administrative officer shall provide a copy of the organization chart under subsection (1) to a Councillor, a member of the Finance Committee, a member of any other committee of the Council and of the Tsleil-Waututh Nation, an officer, director, employee or contractor or agent of the Tsleil-Waututh Nation and a member of the Tsleil-Waututh Nation.

(3) In the course of discharging their responsibilities under this Law, the chief administrative officer shall recommend to the Council, for approval and implementation, human resource policies and procedures that facilitate effective internal financial administration controls.

(4) The Council shall take all reasonable steps to ensure that the Tsleil-Waututh Nation hires or retains qualified and competent personnel to carry out the financial administration activities of the Tsleil-Waututh Nation.

DIVISION 4 - Conduct Expectations

Conduct of Councillors

22.(1) When exercising a power, duty or responsibility relating to the financial administration of the Tsleil-Waututh Nation, a Councillor shall

- (a) comply with this Law, the Act, any other applicable Tsleil-Waututh Nation Law and any applicable standards;
- (b) act honestly, in good faith and in the best interests of the Tsleil-Waututh Nation;
- (c) exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances;
- (d) avoid conflicts of interest and comply with the requirements of policies, procedures or Council directions regarding the avoidance and mitigation of conflicts of interest, including required disclosures of private interests; and
- (e) annually disclose relevant information respecting their private interests which could result in a conflict of interest.

(2) If a court of competent jurisdiction has determined, or the Tsleil-Waututh Nation, after a thorough and diligent investigation has determined under this Law, that a Councillor has contravened this section,

- (a) the Councillor shall be removed from the Finance Committee, in accordance with paragraph 12(6)(b), if applicable;
- (b) the Tsleil-Waututh Nation may use any legal means available to it to remedy the situation; and
- (c) the Council shall communicate the determination to the membership as soon as practicable after the contravention was determined.

Conduct of Officers, Employees, Contractors, etc.

23.(1) This section applies to

- (a) an officer, employee, contractor and agent of the Tsleil-Waututh Nation;
- (b) a person acting under the delegated authority of the Council or the Tsleil-Waututh Nation; or
- (c) a member of a committee of the Council or the Tsleil-Waututh Nation who is not a Councillor.

(2) When a person is exercising a power, duty or responsibility relating to the financial administration of the Tsleil-Waututh Nation, that person shall

- (a) comply with this Law, the Act, any other applicable Tsleil-Waututh Nation Law and any applicable standards;
- (b) comply with all policies, procedures and directions of the Council; and

(c) avoid conflicts of interest and comply with all requirements of policies, procedures or Council directions regarding the avoidance and mitigation of conflicts of interest, including required disclosures of private interests.

(3) All officers, directors, employees, committee members, contractors and agents shall disclose as soon as possible any circumstances which could result in a conflict of interest.

(4) The Council shall incorporate the relevant provisions of this section into

(a) the terms of employment or appointment of every officer, director or employee of the Tsleil-Waututh Nation;

(b) the terms of every contract of a contractor of the Tsleil-Waututh Nation;

(c) the terms of appointment of every member of a committee who is not a Councillor; and

(d) the terms of appointment of every agent of the Tsleil-Waututh Nation.

(5) If a person contravenes subsection (2), the following actions may be taken:

(a) an officer, director or employee may be disciplined, including dismissal;

(b) a contractor's contract may be terminated;

(c) the appointment of a member of a committee may be revoked; and

(d) the appointment of an agent may be revoked.

PART IV - Financial Management

DIVISION 1 - Financial Plans and Annual Budgets

Fiscal Year

24. The fiscal year of the Tsleil-Waututh Nation is April 1 to March 31 of the following year.

Multi-year Financial Plan

25. No later than March 31 of each year, the Council shall approve a multi-year financial plan that

(a) has a planning period of five (5) years comprised of the current fiscal year and the four (4) succeeding fiscal years;

(b) is based on the projections of all revenues, expenditures and transfers between accounts;

(c) in respect of projected revenues, sets out separate amounts for income from local revenues;

(d) in respect of projected expenditures, sets out separate amounts for payments, including payments of principal and interest on debt, payments required for capital projects as defined in Part V, payments required to address any deficits and payments for all other purposes;

- (e) in respect of transfers between accounts, sets out the amounts from the tangible capital asset reserve account;
- (f) shows all categories of restricted cash; and
- (g) indicates whether in any of the five (5) years of the plan a deficit or surplus is expected from the projection of revenues and expenditures for that year.

Content of Annual Budget

26.(1) The annual budget shall encompass all the operations for which the Tsleil-Waututh Nation is responsible and shall identify

- (a) each anticipated source of revenue and estimate the amount of revenue from each of these sources;
- (b) each anticipated category of expenditure and estimate the amount of expenditure for each category, including those for payments of principal and interest on debt, payments required for capital projects as defined in Part V, payments required to address any deficits and payments for all other purposes; and
- (c) any anticipated annual and accumulated surplus or annual and accumulated deficit and the application of year-end surplus.

(2) The revenue category of moneys derived from the Tsleil-Waututh Nation's lands shall be shown separately in the annual budget from other revenues and shall include a sub-category for revenues from natural resources obtained from the Tsleil-Waututh Nation's lands.

Budget and Planning Process Schedule

27.(1) On or before February 28 of each year, the chief financial officer shall prepare and submit to the Finance Committee for review a draft annual budget and a draft multi-year financial plan for the next fiscal year.

- (2) On or before March 15 of each year, the Finance Committee shall
 - (a) review the draft annual budget and recommend an annual budget to the Council for approval; and
 - (b) review the draft multi-year financial plan and recommend a multi-year financial plan to the Council.

(3) On or before March 31 of each year, the Council shall review and approve the annual budget for the Tsleil-Waututh Nation for the next fiscal year.

(4) On or before June 15 of each year, the tax administrator, in consultation with the chief financial officer, shall prepare and submit to the Finance Committee for review a draft amendment of the component of the annual budget respecting the Tsleil-Waututh Nation's local revenue account.

(5) On or before June 30 of each year, the Finance Committee shall review the draft amendment of the component of the annual budget respecting the Tsleil-Waututh Nation's local revenue account and recommend an amendment to the annual budget to the Council for approval.

(6) No later than July 15 of each year, the Council shall approve the amendment of the component of the annual budget respecting the Tsleil-Waututh Nation's local revenue account.

Additional Requirements for Budget Deficits

28. If a draft annual budget contains a proposed deficit, the Council shall ensure that the multi-year financial plan of the Tsleil-Waututh Nation demonstrates how and when this deficit will be addressed and how it will be serviced.

Amendments to Annual Budgets

29. The annual budget of the Tsleil-Waututh Nation shall not be changed without the approval of the Council.

Local Revenue Account Budget Requirements

30. Despite any other provisions of this Law, any part of a budget relating to the local revenue account shall be prepared, approved and amended in accordance with applicable provisions of the Act and of the FNTC standards.

Policy for Tsleil-Waututh Nation Information or Involvement

31.(1) The Council shall post a public notice of each Council meeting when each of the following is presented for Council approval:

- (a) the multi-year financial plan;
- (b) the annual budget, including any component of the annual budget respecting the Tsleil-Waututh Nation's local revenue account;
- (c) an amendment to the annual budget;
- (d) budget deficits or extraordinary expenditures;
- (e) capital projects;
- (f) borrowing for new capital projects; and
- (g) proposed amendments to this Law.

(2) A notice provided under subsection (1) shall state whether and how members may be involved in the decision under consideration.

DIVISION 2 - Financial Institution Accounts

Financial Institution Accounts

32.(1) No account may be opened for the receipt and deposit of money of the Tsleil-Waututh Nation unless the account is

- (a) in the name of the Tsleil-Waututh Nation;

- (b) opened in a financial institution; and
- (c) authorized by the Council.
- (2) The Tsleil-Waututh Nation shall establish the following accounts in a financial institution:
 - (a) a general account for money from any sources other than as described in paragraphs (b) to (d);
 - (b) a local revenue account for money from local revenues;
 - (c) a trust account if the Tsleil-Waututh Nation has money held in trust;
 - (d) a tangible capital asset reserve account for money set aside for purposes of section 81.

(3) The Tsleil-Waututh Nation may establish any other accounts not referred to in subsection (2) as may be necessary and appropriate to manage the Tsleil-Waututh Nation's financial assets.

Accounts Management

33.(1) The chief financial officer shall ensure the safekeeping of all money received by the Tsleil-Waututh Nation.

- (2) The chief financial officer
 - (a) shall take all reasonable steps to ensure that all money received by the Tsleil-Waututh Nation is deposited as soon as practicable into the appropriate accounts described in section 32; and
 - (b) shall not authorize payment of money from an account described in section 32 unless the payment relates to the subject matter for which the account was established and is otherwise authorized or permitted under this Law.

DIVISION 3 - Expenditures

Prohibited Expenditures

34.(1) Money or financial assets in a trust account shall not be used for a purpose other than that permitted under the terms of the trust.

(2) Money in a local revenue account shall not be used for any purpose other than that permitted under a local revenue law.

(3) Money in a tangible capital asset reserve account shall not be used for any purpose other than that described in Part V.

Prohibited Agreements

35. The Tsleil-Waututh Nation shall not enter into an agreement or undertaking that requires the Tsleil-Waututh Nation to expend money that is not authorized by or that contravenes this Law.

No Expenditure Without Appropriation

36.(1) Subject to subsection 37, money shall not be paid out of any account unless the expenditure is authorized under an appropriation.

(2) Subsection (1) does not apply to expenditures from a trust account where the expenditure is authorized under the terms of the trust.

Emergency Expenditures

37. The Council may approve an expenditure for an emergency purpose that was not anticipated in the budget if the expenditure is not expressly prohibited by or under this Law or another Tsleil-Waututh Nation Law.

Appropriations

38.(1) An amount that is appropriated in a budget shall not be expended for any purpose other than that described in the appropriation.

(2) The total amount expended by the Tsleil-Waututh Nation in relation to an appropriation shall not exceed the amount specified in the budget for the Tsleil-Waututh Nation for that appropriation.

(3) Every person who is responsible for managing an appropriation shall establish and maintain a current record of commitments chargeable to that appropriation.

Payments after Fiscal Year-end

39.(1) Money appropriated in a budget for a fiscal year shall not be expended after the end of the fiscal year except to discharge a liability incurred in that fiscal year.

(2) If the liabilities for an appropriation under subsection (1) exceed the unexpended balance of the appropriation at the end of the fiscal year, the excess shall be

(a) charged against a suitable appropriation for the following fiscal year; and

(b) reported in the financial statements for the fiscal year in which the liability was incurred.

Requisitions for Payment

40.(1) No money may be paid out of any account without a requisition for payment as required under this section.

(2) No requisition may be made or given for a payment of money unless it is a lawful charge against an appropriation or an authorized use of money in a trust.

(3) No requisition may be made or given for payment of money that results in expenditures from a trust account in excess of the unexpended balance of the trust account.

(4) No requisition may be made or given for payment of money that reduces the balance available in an appropriation or trust account so that it is not sufficient to meet the commitments chargeable against it.

(5) A requisition shall identify the appropriation or trust account out of which payment is to be made and shall include a statement certifying that the expenditure is not prohibited under this section and that it is

- (a) in accordance with the appropriation identified in the certified statement; or
- (b) allowed without the authority of an appropriation under this Law.

(6) If a requisition is for the payment of performance of work or services or the supply of goods, the requisition shall include a statement certifying that

- (a) the work or services have been performed or the goods supplied, any conditions in an agreement respecting the work, services or goods have been met and the price charged or amount to be paid is in accordance with an agreement or, if not specified by agreement, is reasonable; or
- (b) if payment is to be made before completion of the work or services, delivery of the goods or satisfaction of any conditions in an agreement, the payment is in accordance with the agreement.

(7) The tax administrator shall authorize payment out of a local revenue account.

Form of Payment

41. Payments by the Tsleil-Waututh Nation may be made by cheque, draft, electronic transfer or other similar instrument, signed or authorized by any two (2) authorized signatories.

DIVISION 4 - General Matters

Holdbacks

42. If the Tsleil-Waututh Nation withholds an amount payable under an agreement, the payment of the amount withheld shall be charged to the appropriation from which the agreement shall be paid even if the fiscal year for which it was appropriated has ended.

Deposit Money

43.(1) Money received by the Tsleil-Waututh Nation as a deposit to ensure the doing of any act or thing shall be held and disposed of in accordance with

- (a) the agreement under which the deposit has been paid; and
- (b) in the absence of any provisions respecting that matter, any policy or directions of the Council.

(2) The Council shall make policies or procedures or give directions in respect of the disposition of deposit money referred to in subsection (1).

Refunds

44. Money received by the Tsleil-Waututh Nation that is paid or collected in error or for a purpose that is not fulfilled may be refunded in full or in part as circumstances require.

Write Off of Debts

45. All or part of a debt or obligation owed to the Tsleil-Waututh Nation may be written off
- (a) if approved by the Council; or
 - (b) if done under the authority of a policy or direction of the Council.

Year-end Surplus

46.(1) Subject to subsections (2) and (3), an operating surplus at the end of the fiscal year shall be paid into the general account described in section 32.

(2) An operating surplus in the local revenue account at the end of the fiscal year shall be retained in that account.

(3) An operating surplus in the tangible capital asset reserve account at the end of the fiscal year shall be retained in that account.

DIVISION 5 - Borrowing

Limitations on Borrowing

47.(1) Except as specifically authorized in this Law or in a local revenue law, the Tsleil-Waututh Nation shall not borrow money or grant security.

(2) Subject to this Law, if the Tsleil-Waututh Nation is authorized in this Law to borrow money or grant security, the Council may authorize the chief financial officer to borrow money or grant security in the name of the Tsleil-Waututh Nation

- (a) as specifically approved by the Council; or
- (b) in accordance with the policies, procedures or directions made by the Council.

Execution of Security Documents

48. A security granted by the Tsleil-Waututh Nation shall be signed by a quorum of the Council.

Borrowing for Ordinary Operations

49.(1) The Tsleil-Waututh Nation may incur trade accounts or other current liabilities payable within normal terms of trade for expenditures provided for in the budget for the fiscal year if the debt will be repaid from money appropriated under an appropriation for the fiscal year or is in respect of an expenditure that may be made without the authority of an appropriation under this Law.

(2) The Tsleil-Waututh Nation may enter into agreements with financial institutions for overdrafts or lines of credit and, for the purpose of securing any overdrafts or lines of credit, may grant security to the financial institution in a form, amount and on terms and conditions that the Council approves.

(3) The Tsleil-Waututh Nation may enter into a general security agreement or a lease for the use or acquisition of lands, materials or equipment required for the operation, management or administration of the Tsleil-Waututh Nation.

Financial Agreements

50. The Tsleil-Waututh Nation may enter into agreements in the name of the Tsleil-Waututh Nation for the purpose of:

- (a) efficient management of the Tsleil-Waututh Nation's financial assets, agreements with financial institutions and related services agreements; and
- (b) reducing risks or maximizing benefits in relation to the borrowing, lending or investing of the Tsleil-Waututh Nation's financial assets, agreements with financial institutions respecting currency exchange, spot and future currency, interest rate exchange and future interest rates.

Borrowing for Authorized Expenditures

51.(1) If the general account described in section 32 is not sufficient to meet the expenditures authorized to be made from it and the chief financial officer recommends that money be borrowed to ensure that the general account is sufficient for these purposes, the Tsleil-Waututh Nation may borrow an amount not exceeding a maximum amount specified by the Council and to be repaid within a specified period of time.

(2) Despite the repayment terms specified in subsection (1), if the money borrowed under subsection (1) is no longer required for the purpose for which it was borrowed, the money shall be repaid as soon as possible.

Borrowing Member Requirements

52.(1) If the Tsleil-Waututh Nation becomes a borrowing member, then it may only secure long-term financing secured by property tax revenues from the FNFA as permitted under its local revenue law and the Act.

(2) Money borrowed under subsection (1) may only be used for the purposes permitted under the Act.

Borrowing for Repayment of Debts

53. Subject to this Law and a local revenue law, the Tsleil-Waututh Nation may borrow money that is required for the repayment or refinancing of any debt of the Tsleil-Waututh Nation, other than a debt in relation to money borrowed under subsection 51(1) or a debt owed to the FNFA.

Use of Borrowed Money

54.(1) Subject to this section and any local revenue law, money borrowed by the Tsleil-Waututh Nation for a specific purpose shall not be used for any other purpose.

(2) All or some of the money borrowed for a specific purpose by the Tsleil-Waututh Nation and not required to be used immediately for that purpose may be temporarily invested under subsection 59(1) until required for that purpose.

(3) If some of the money borrowed for a specific purpose is no longer required for that purpose, that money shall be applied to repay the debt from the borrowing.

Operational Controls

55. The Council shall establish policies or procedures or give directions respecting the establishment and implementation of an effective system of internal controls that ensures the orderly and efficient conduct of the Tsleil-Waututh Nation's operations.

DIVISION 6 - Risk Management

Limitation on Business Activity

56. The Council shall establish policies or procedures or give Council directions that limit or manage the risks associated with the Tsleil-Waututh Nation carrying on for-profit activities.

Guarantees and Indemnities

57.(1) The Tsleil-Waututh Nation shall not give a guarantee unless the Council has considered the report of the chief financial officer under subsection (2).

(2) Before the Council authorizes a guarantee under subsection (1), the chief financial officer shall prepare a report for the Council identifying any risks associated with giving the guarantee and assessing the ability of the Tsleil-Waututh Nation to honour the guarantee should it be required to do so.

(2) The Tsleil-Waututh Nation shall not give an indemnity unless it is

(a) authorized under section 93;

(b) necessary and incidental to and included in another agreement to which the Tsleil-Waututh Nation is a party; or

(c) in relation to a security granted by the Tsleil-Waututh Nation that is authorized under this Law or another Tsleil-Waututh Nation Law.

(3) Subject to a resolution described in section 93, the Council shall make policies and directions respecting guarantees and indemnities as follows:

(a) specifying circumstances under which an indemnity may be given without Council approval;

(b) designating the persons who may give an indemnity on behalf of the Tsleil-Waututh Nation and specifying the maximum amount of any indemnity which may be given by them;

(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 given by Tsleil-Waututh Nation.

Authority to Invest

58.(1) Except as specifically authorized in this Law or another Tsleil-Waututh Nation Law, the Tsleil-Waututh Nation shall not invest the Tsleil-Waututh Nation's financial assets.

(2) If the Tsleil-Waututh Nation is authorized in this Law to invest the Tsleil-Waututh Nation's financial assets, the Council may authorize the chief financial officer to invest the Tsleil-Waututh Nation's financial assets

- (a) as specifically approved by the Council; or
- (b) in accordance with the policies, procedures or directions made by the Council.

Approved Investments

59.(1) Money in an account described in section 32 that is not immediately required for expenditures may be invested by the Tsleil-Waututh Nation in

- (a) securities issued or guaranteed by Canada, a province or the United States of America;
- (b) fixed deposits, notes, certificates and other short-term paper of, or guaranteed by, a financial institution, including swaps in United States of America currency;
- (c) securities issued by the FNFA or by a local, municipal or regional government in Canada;
- (d) commercial paper issued by a Canadian company that is rated in the highest category by at least two (2) recognized security-rating institutions;
- (e) any class of investments permitted under an Act of a province relating to trustees; or
- (f) any other investments or class of investments prescribed by a regulation under the Act.

(2) Subject to the terms of the trust, money held in trust that is not immediately required for expenditures may be invested by the Tsleil-Waututh Nation as permitted under the terms of the trust or under the laws of the jurisdiction in which the majority of the Tsleil-Waututh Nation's lands are located.

(3) If the Tsleil-Waututh Nation has established an investment account under section 32, the Tsleil-Waututh Nation may invest money in that account in a

- (a) company that is incorporated under the laws of Canada or of a province or territory and in which the Tsleil-Waututh Nation is a shareholder;
- (b) trust in which the Tsleil-Waututh Nation is a beneficiary; or
- (c) limited partnership in which the Tsleil-Waututh Nation is a partner.

(4) Despite any other provision in this section, government transfer funds and local revenue funds may only be invested in

- (a) securities issued or guaranteed by Canada or a province;
- (b) securities of a local, municipal or regional government in Canada;
- (c) investments guaranteed by a bank, trust company or credit union;
- (d) deposits in a bank or trust company in Canada or non-equity or membership shares in a credit union; or

- (e) securities issued by the FNFA.

No Loans to Members

60. The Tsleil-Waututh Nation shall not make a loan to a member of the Tsleil-Waututh Nation or to an entity in which a member of the Tsleil-Waututh Nation has an interest.

Administration of Investments and Loans

61.(1) The Tsleil-Waututh Nation shall not make a loan under this Law unless the Council has established, and the loan is in compliance with, policies, procedures or Council directions respecting the terms and conditions under which loans may be made, including a requirement that all loans be recorded in a written agreement that provides for proper security for repayment and sets out the terms for repayment of principal and interest.

(2) If the Tsleil-Waututh Nation is authorized to make an investment or loan under this Law, the chief financial officer may do all things necessary or advisable for the purpose of making, continuing, exchanging or disposing of the investment or loan.

Risk Assessment and Management

62.(1) Annually, and more often if necessary, the chief administrative officer shall identify and assess any significant risks to the Tsleil-Waututh Nation's financial assets, the Tsleil-Waututh Nation's tangible capital assets as defined in Part V and the operations of the Tsleil-Waututh Nation.

(2) Annually, and more often if necessary, the chief administrative officer shall report to the Finance Committee on proposed plans to mitigate the risks identified in subsection (1).

Insurance

63.(1) On recommendation of the Finance Committee, the Council shall procure and maintain in force all insurance coverage that is appropriate and commensurate with the risks identified in section 62 and any other risks associated with any assets, property or resources under the care or control of the Tsleil-Waututh Nation.

(2) The Council may purchase and maintain insurance for the benefit of a Councillor, officer director or employee or their personal representatives against any liability arising from that person being or having been a Councillor, officer, director or employee.

DIVISION 7 - Financial Reporting

GAAP

64. All accounting practices of the Tsleil-Waututh Nation shall comply with GAAP.

Monthly Financial Information

65. No more than forty-five (45) days following the end of each month, the chief financial officer shall prepare, and provide to the Council and the Finance Committee, financial information respecting the financial affairs of the Tsleil-Waututh Nation in the form and with the content approved by the Council on the recommendation of the Finance Committee.

Quarterly Financial Statements

66.(1) No more than forty-five (45) days following the end of each quarter of the fiscal year, the chief financial officer shall prepare and provide to the Council and the Finance Committee, financial statements for the Tsleil-Waututh Nation for that quarter in the form and with the content approved by the Council on the recommendation of the Finance Committee.

- (2) The quarterly financial statements in subsection (1) shall be
 - (a) reviewed by the Finance Committee; and
 - (b) reviewed and approved by the Council.

Annual Financial Statements

67.(1) At the end of each fiscal year the chief financial officer shall prepare the annual financial statements of the Tsleil-Waututh Nation for that fiscal year in accordance with GAAP.

- (2) The annual financial statements shall include the
 - (a) financial information of the Tsleil-Waututh Nation for the fiscal year;
 - (b) financial information for the local revenue account that is required to meet the FMB standards respecting audit of the local revenue account; and
 - (c) revenue categories for the Tsleil-Waututh Nation's lands referred to in subsection 26(2).
- (3) The annual financial statements shall include as special purpose reports
 - (a) a report setting out all payments made to honour guarantees and indemnities for that fiscal year;
 - (b) a report setting out the information required in section 10;
 - (c) a report setting out all debts or obligations written off by the Tsleil-Waututh Nation;
 - (d) a report setting out moneys of the Tsleil-Waututh Nation derived from Tsleil-Waututh Nation lands, categorized and shown separately from other revenues and that includes a sub-category respecting revenues from natural resources obtained from Tsleil-Waututh Nation lands; and
 - (e) any other report required under the Act or an agreement.

(4) The chief financial officer shall provide draft annual financial statements to the Finance Committee for review within forty-five (45) days following the end of the fiscal year for which they were prepared.

(5) The Finance Committee shall present draft annual financial statements to the Council for review within sixty (60) days following the end of the fiscal year for which they were prepared.

Appointment of Auditor

68.(1) The Tsleil-Waututh Nation shall 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 being considered; or
 - (b) the date the auditor's successor is appointed.
- (2) The terms and conditions of the appointment of the auditor shall be set out in an engagement letter approved by the Finance Committee and shall include the auditor's obligation to confirm that the annual financial statements and the audit of them comply with this Law, the Act, and FMB standards.
- (3) To be eligible for appointment as the auditor of the Tsleil-Waututh Nation, an auditor shall
- (a) be independent of the Tsleil-Waututh Nation, its related bodies, Councillors, officers and members; and
 - (b) be a public accounting firm or public accountant
 - (i) in good standing with the Canadian Institute of Chartered Accountants, the Certified General Accountants Association of Canada or the Society of Management Accountants of Canada and their respective counterparts in the province or territory in which the public accounting firm or public accountant is practicing; and
 - (ii) licensed or otherwise authorized to practice public accounting in the province or territory in which the majority of the reserve lands of the Tsleil-Waututh Nation are located.
- (4) If the auditor ceases to be independent, the auditor shall as soon as practicable after becoming aware of the circumstances
- (a) advise the Tsleil-Waututh Nation in writing of the circumstances; and
 - (b) eliminate the circumstances that resulted in loss of independence or resign as the auditor.

Audit Requirements

- 69.(1) The annual financial statements of the Tsleil-Waututh Nation shall be audited by the auditor.
- (2) The auditor shall conduct the audit of the annual financial statements in accordance with generally accepted auditing standards established by the Canadian Institute of Chartered Accountants.
- (3) The auditor shall conduct that part of the audit of the annual financial statements respecting the local revenue account in accordance with FMB standards for the audit of local revenue accounts and shall report on that account separately from other accounts.
- (4) When conducting the audit, the auditor shall provide an
- (a) audit opinion of the annual financial statements; and
 - (b) audit opinion or review comments on the special purpose reports referred to in subsection 67(3).

Auditor's Authority

- 70.(1) To conduct an audit of the annual financial statements of the Tsleil-Waututh Nation, the auditor shall be given access to

- (a) all records of the Tsleil-Waututh Nation for examination or inspection and given copies of these records on request; and
 - (b) any Councillor, officer, director, employee, contractor or agent of the Tsleil-Waututh Nation to ask any questions or request any information.
- (2) On request of the auditor, every person referred to in paragraph (1)(b) shall
- (a) make available all records referred to in paragraph (1)(a) that are in that person's care or control; and
 - (b) provide the auditor with full information and explanation about the affairs of the Tsleil-Waututh Nation as necessary for the performance of the auditor's duties.
- (3) The auditor shall be given notice of every
- (a) meeting of the Finance Committee;
 - (b) Council meeting where the annual audit, including the annual financial statements, will be considered; and
 - (c) meeting of the members of the Tsleil-Waututh Nation where the financial administration of the Tsleil-Waututh Nation will be considered.
- (4) Subject to subsection (6), the auditor may attend any meeting for which they receive notice under this section and shall be given the opportunity to be heard at those meetings on any subject that concerns the auditor as auditor of the Tsleil-Waututh Nation.
- (5) The auditor may call a meeting of the Finance Committee to discuss any subject that concerns the auditor of the Tsleil-Waututh Nation.
- (6) The auditor may be excluded from all or any part of a meeting of the Finance Committee or the Council by a recorded vote if the subject matter relates to the retaining or dismissal of the auditor.

Review of Audited Annual Financial Statements

71.(1) The audited annual financial statements shall be provided to the Finance Committee for its review and consideration not more than one hundred and five (105) days after the fiscal year-end for which the statements were prepared.

(2) The Council shall review and approve the audited annual financial statements not more than one hundred and twenty (120) days after the fiscal year-end for which the statements were prepared.

Access to Annual Financial Statements

72.(1) Before the annual financial statements may be published or distributed, they shall

- (a) approved by the Council;
- (b) signed by the
 - (i) Chief of the Tsleil-Waututh Nation,

- (ii) Chair of the Finance Committee,
- (iii) chief administrative officer, and
- (iv) chief financial officer; and

(c) include the auditor's audit report of the annual financial statements and the auditor's audit opinion or review comments of the special purpose reports referred to in subsection 67(3).

(2) The audited annual financial statements and special purpose reports shall be available for inspection by members of the Tsleil-Waututh Nation at the principal administrative offices of the Tsleil-Waututh Nation during normal business hours.

(3) The audit report relating to the local revenue account shall be available for inspection by any person referred to in subsection 14(2) of the Act at the principal administrative offices of the Tsleil-Waututh Nation for inspection by

- (a) members of the Tsleil-Waututh Nation;
- (b) any other persons who have an interest in, or the right to occupy, possess or use the Tsleil-Waututh Nation's reserve lands;
- (c) the FNTC, the FMB, the FNFA; and
- (d) the Minister.

Annual Report

73.(1) Not later than one hundred and twenty (120) days after the end of each fiscal year, the Council shall prepare an annual report on the operations and financial performance of the Tsleil-Waututh Nation for the previous fiscal year.

(2) The annual report referred to in subsection (1) shall include

- (a) a description of the services and operations of the Tsleil-Waututh Nation;
- (b) a progress report on any established financial objectives and performance measures of the Tsleil-Waututh Nation; and
- (c) the audited annual financial statements of the Tsleil-Waututh Nation for the previous fiscal year, including special purpose reports.

(3) The annual report referred to in subsection (1) shall be

- (a) made available to the members of the Tsleil-Waututh Nation at the principal administrative offices of the Tsleil-Waututh Nation; and
- (b) provided to the FMB and the FNFA.

DIVISION 8 - Information and Information Technology

Ownership of Records

74.(1) All records that are produced by or on behalf of the Tsleil-Waututh Nation or kept, used or received by any person on behalf of the Tsleil-Waututh Nation are the property of the Tsleil-Waututh Nation.

(2) The Council shall establish policies or procedures or give directions to ensure that the records referred to in subsection (1) remain the property of the Tsleil-Waututh Nation.

Operations Manual

75.(1) The chief administrative officer shall prepare and maintain a current operations manual respecting every element of the Tsleil-Waututh Nation's administrative systems.

(2) The operations manual under subsection (1) shall be made available to Councillors, members of the Finance Committee and all other Council committees, officers, directors and employees of the Tsleil-Waututh Nation.

(3) If any part of the operations manual under subsection (1) is relevant to the services being provided by a contractor or agent of the Tsleil-Waututh Nation, that part of the operations manual shall be made available to the contractor or agent.

Record Keeping and Maintenance

76.(1) The chief administrative officer shall ensure that the Tsleil-Waututh Nation prepares, maintains, stores and keeps secure all of the Tsleil-Waututh Nation's records that are required under this Law or any other applicable Law.

(2) The Tsleil-Waututh Nation's records may not be destroyed or disposed of except as permitted and in accordance with the policies, procedures or directions of the Council.

(3) All financial records shall be stored for at least seven (7) years after they were created.

(4) The Council shall establish policies and procedures or give directions respecting access of any persons to Tsleil-Waututh Nation's records.

Local Revenue Account Records

77. The tax administrator shall prepare, maintain, store and keep secure a complete set of all records respecting the local revenue system of the Tsleil-Waututh Nation, including all records referred to in section 5 of the *Local Revenue Management Implementation Regulations*.

Confidentiality of Information

78.(1) No person may be given access to the Tsleil-Waututh Nation's records containing confidential information except as permitted by and in accordance with the policies, procedures and directions of the Council.

(2) All persons who have access to the Tsleil-Waututh Nation's records shall comply with all policies, procedures or directions of the Council respecting the confidentiality, control, use, copying or release of that record or information contained in those records.

Information Technology

79. The Council shall establish policies or procedures or give directions respecting information technology used by the Tsleil-Waututh Nation in its operations to ensure the integrity of the Tsleil-Waututh Nation's financial administration system and its databases.

PART V CAPITAL PROJECTS

Council General Duties

80. The Council shall take reasonable steps to ensure that
- (a) the Tsleil-Waututh Nation's tangible capital assets are maintained in a good and safe condition and to the same standard as a prudent owner of those assets;
 - (b) the rehabilitation or replacement of the Tsleil-Waututh Nation's tangible capital assets is in accordance with a life-cycle management program described in this Part; and
 - (c) capital projects for the construction of buildings or other improvements are financed, planned and constructed in accordance with procedures and to standards that generally apply to the financing, planning and construction of public buildings and other improvements of organized communities in the region in which the majority of the Tsleil-Waututh Nation's lands are located.

Tangible Capital Assets Reserve Fund

81. The Council shall establish a tangible capital asset reserve fund for the purpose of funding expenditures for capital projects carried out under this Part.

Reports on Capital Projects

82. At each Finance Committee meeting, the chief administrative officer shall report on the following subjects:

- (a) year to date borrowings, loans and payments in respect of each capital project;
- (b) the register referred to in section 83;
- (c) the status of a capital project, including
 - (i) a comparison of expenditures to date with the project budget,
 - (ii) a detailed description of any identified legal, financial, technical, scheduling or other problems, and
 - (iii) the manner in which a problem identified in subparagraph (ii) has been or will be addressed; and

- (d) steps taken to ensure compliance with section 85 for every capital project.

Life-cycle Management Program

83.(1) The chief administrative officer shall establish and keep current on an ongoing basis a register of all the Tsleil-Waututh Nation's tangible capital assets that identifies each of these assets and includes the:

- (a) location and purpose of the asset;
- (b) ownership and restrictions over ownership of the asset;
- (c) year of acquisition;
- (d) last inspection date of the asset;
- (e) expected life of the asset at the time of acquisition;
- (f) assessment of condition of the asset and its remaining useful life;
- (g) estimated residual value of the asset;
- (h) insurance coverage for the asset; and
- (i) any other information required by the Council,

and shall conduct inspections as necessary to comply with the requirements in paragraphs (a) – (i).

(2) On or before November 30 of each year, the chief administrative officer shall arrange for the inspection and review of the state of each of the Tsleil-Waututh Nation's tangible capital assets to establish or update information respecting the following matters:

- (a) its present use;
- (b) its condition and state of repair;
- (c) its suitability for its present use;
- (d) its estimated remaining life;
- (e) its estimated replacement cost;
- (f) estimated dates and costs of its required future rehabilitation;
- (g) a comparison of annual operating and maintenance costs, other than rehabilitation costs, for the last five (5) fiscal years;
- (h) maintenance records for all periods up to the date of inspection; and
- (i) property and liability insurance covering the capital asset and its use or operation.

- (3) On or before January 31 of each year, the chief administrative officer shall prepare:

- (a) a schedule of annual routine maintenance, other than rehabilitation, for each of the Tsleil-Waututh Nation's tangible capital assets for the next fiscal year;
- (b) short and long-term forecasts of the estimated cost for rehabilitation or replacement of the Tsleil-Waututh Nation's tangible capital assets;
- (c) the proposed budget for rehabilitation of the Tsleil-Waututh Nation's tangible capital assets for the next fiscal year, setting out
 - (i) each proposed rehabilitation project and its schedule,
 - (ii) the estimated cost, including contingencies, of each proposed rehabilitation project, and
 - (iii) the estimated amounts and timing of money that is required to carry out each proposed rehabilitation project; and
- (d) the proposed budget for replacement of the Tsleil-Waututh Nation's tangible capital assets for the next fiscal year setting out
 - (i) each proposed replacement project and its schedule,
 - (ii) the description of each asset to be replaced, and
 - (iii) the estimated cost, including contingencies, of each proposed replacement project.

Review by Finance Committee

84.(1) On or before February 28 of each year, the Finance Committee shall review the information, schedules and budgets prepared under section 83 in order to

- (a) identify any means to reduce the costs of each rehabilitation or replacement project included in the proposed budgets;
- (b) know the effect that each rehabilitation or replacement project included in the proposed budgets will have on the annual operating costs and routine maintenance costs in future years; and
- (c) determine whether any significant savings might be effected by coordinating the scheduling of projects, deferring any projects or carrying out rehabilitation projects rather than replacement projects.

(2) On or before February 28 of each year, the Finance Committee shall review any plans for new construction of the Tsleil-Waututh Nation's tangible capital assets, including the proposed schedule, budget and impact on annual operating costs and routine maintenance costs in future years.

Capital Projects – Contracts and Tenders

85.(1) The Council shall establish policies or procedures or give directions respecting the management of capital projects, including

- (a) project planning, design, engineering, safety and environmental requirements;
- (b) project costing, budgeting, financing and approval;

- (c) project and contractor bidding requirements;
- (d) tender, contract form and contract acceptance;
- (e) course of construction insurance;
- (f) project performance guarantees and bonding;
- (g) project control, including contract management; and
- (h) holdbacks, work approvals, payment and audit procedures.

(2) All Tsleil-Waututh Nation capital projects shall be managed in accordance with the policies, procedures or directions referred to in subsection (1).

Capital Project Consultants

86. The chief administrative officer may retain the services of a professional engineer or other consultant to assist the chief administrative officer, Finance Committee and the Council to carry out their obligations under this Part.

PART VI BORROWING MEMBER REQUIREMENTS

Compliance with Standards

- 87.** If the Tsleil-Waututh Nation becomes a borrowing member as defined in the Act,
- (a) it shall comply with all applicable FMB standards; and
 - (b) if the Council becomes aware that the Tsleil-Waututh Nation is not complying with an applicable FMB standard, the Council shall as soon as practicable take any action required to bring the Tsleil-Waututh Nation into compliance with the FMB standard.

PART VII LAND MANAGEMENT

Obligations

88.(1) The Tsleil-Waututh Nation shall comply with the *First Nations Land Management Act* and the Land Code.

(2) The Council shall establish and implement a policy that provides a method consistent with the requirements of the Land Code for being accountable to members of the Tsleil-Waututh Nation for the management of the Tsleil-Waututh Nation's lands and for moneys earned from those lands to satisfy paragraph 6(1)(e) of the *First Nations Land Management Act*.

PART VIII MISCELLANEOUS

Reports of Breaches and Financial Irregularities, etc.

89.(1) Subject to subsections (2) and (3), if any person has reason to believe that

- (a) an expenditure, liability or other transaction of the Tsleil-Waututh Nation is not authorized by or under this Law or another Tsleil-Waututh Nation Law,
- (b) there has been a theft, misappropriation or other misuse or irregularity in the funds, accounts, assets, liabilities and financial obligations of the Tsleil-Waututh Nation,
- (c) a provision of this Law has been contravened, or
- (d) a person has failed to comply with the policies, procedures or Council directions regarding conflicts of interest,

the person may disclose the circumstances to the Chair.

(2) If a Councillor becomes aware of any circumstances described under subsection (1), the Councillor shall report them to the chief administrative officer or the Chair.

(3) If an officer, director, employee, contractor or agent of the Tsleil-Waututh Nation becomes aware of any circumstances described under subsection (1), the officer, employee, contractor or agent, as the case may be, shall report them to the chief administrative officer or the Chair.

Inquiry into Report

90.(1) If a report is made to the chief administrative officer under section 89, the chief administrative officer shall inquire into the circumstances reported and report the findings to the Finance Committee as soon as practicable.

(2) If a report is made to the Chair under section 89, the Chair shall inquire into the circumstances reported and report the findings to the Finance Committee as soon as practicable.

(3) The Finance Committee may make a further inquiry into any findings reported to it under this section but, in any event, shall make a report to the Council respecting any circumstances reported to the Finance Committee under this section including the Finance Committee's recommendations, if any.

(4) If the subject of a report under section 89 is a Councillor, then

- (a) the Chair, if the Chair is not the subject of the report; or
- (b) the chief administrative officer

may retain an independent third party to investigate the matter.

(5) If the subject of a report under section 89 is the chief administrative officer, then the Chair may retain an independent third party to investigate the matter.

Protection of Parties

91.(1) All reasonable steps shall be taken by the chief administrative officer, the members of the Finance Committee and the Councillors to ensure that the identity of the person who makes a report under section 89 is kept confidential to the extent practicable in all the circumstances.

(2) A person who makes a report in good faith under section 89 shall not be subjected to any form of reprisal by the Tsleil-Waututh Nation or by a Councillor, officer, director, employee, contractor or agent of the Tsleil-Waututh Nation as a result of making that report.

(3) The chief administrative officer and the Chair shall take all necessary steps to ensure that subsection (2) is not contravened and shall report any contravention or suspected contravention to the Council.

(4) The Council shall establish policies or procedures or give directions

(a) for the recording and safeguarding of reports made under section 89 and any records prepared during the inquiry or investigation into those reports;

(b) for the inquiry or investigation into reports made under section 89; and

(c) for the fair treatment of a person against whom a report has been made under section 89.

Recovery of Funds

92.(1) The Tsleil-Waututh Nation shall use all reasonable legal means to recover amounts expended or forfeited due to the failure of a person to comply with the requirements of this Law.

(2) It is a good defence to any action brought against an officer or employee of the Tsleil-Waututh Nation for an unauthorized expenditure, investment or use of the Tsleil-Waututh Nation's 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

93.(1) Subject to subsection (2), the Council may by resolution indemnify or provide for the indemnification of a named Tsleil-Waututh Nation official, a category of Tsleil-Waututh Nation official or all Tsleil-Waututh Nation officials in accordance with the terms specified in the resolution.

(2) The Council may not pay a fine that is imposed as a result of a Tsleil-Waututh Nation official's conviction for an offence unless the offence is a strict or absolute liability offence.

Periodic Review of Law

94. At least every two years, the Finance Committee shall conduct a review of this Law to

(a) determine if it facilitates effective and sound financial administration of the Tsleil-Waututh Nation; and

(b) identify any amendments to this Law that may better serve this objective.

Provision of Law to First Nations Finance Authority

95. As soon as practicable after the FMB approves the financial administration law of the Tsleil-Waututh Nation, the Council shall provide a copy of the Law to the FNFA.

Coming into Force

96.(1) The following sections of this Law come into force on the day after the Law is approved by the FMB under section 9 of the Act:


- (a) sections 1-7;
- (b) section 24;
- (c) sections 26-31;
- (d) sections 64-73;
- (e) section 77; and
- (f) section 96.

(2) The remaining sections of this Law shall come into force on the earlier of:

- (a) two years after the Law is approved by the FMB; or
- (b) the date the Council brings the Law into force by Council direction, which may only occur on a day after the date the Law is approved by the FMB under section 9 of the Act.

THIS LAW IS HEREBY DULY ENACTED by the Council on the 20th day of March, 2012, at North Vancouver, in the Province of British Columbia.

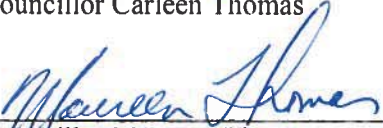
A quorum of Council consists of three (3) members of Council.



Chief Justin George




Councillor Carleen Thomas



Councillor Maureen Thomas



Councillor Lianda Martin



Councillor Jennifer Thomas