

BEECHER BAY

FINANCIAL ADMINISTRATION LAW, 2017

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WHEREAS:

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

B. The Council of Sc'ianew considers it to be in the best interests of Sc'ianew to make a law for such purposes,

NOW THEREFORE the Council of Sc'ianew enacts as follows:

PART I - Citation

Citation

1. This Law may be cited as the *Beecher Bay Financial Administration Law, 2017*.

PART II - Interpretation and Application

Definitions

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

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

"administrator" means the person appointed administrator under section 17;

"annual budget" means the annual budget of Sc'ianew that has been approved by the Council in accordance with section 25;

"annual financial statements" means the annual financial statements of Sc'ianew 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 Sc'ianew appointed under section 67;

"borrowing member" means a first nation that has been accepted as a borrowing member under subsection 76(2) of the Act and has not ceased to be a borrowing member under section 77 of the Act;

"capital project" means the construction, rehabilitation or replacement of Sc'ianew's tangible capital assets and any other major capital projects in which Sc'ianew or its related bodies are investors;

"Chair" means the chair of the FAC appointed under section 12;

"COIP" means the Sc'ianew Conflict of Interest Policy which is attached to and which forms part of this Law;

"Council" means the Chief and Council of Sc'ianew, a council as defined in the Act;

"Councillor" means a member of the Council;

"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;

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

"financial administration" means the management, supervision, control and direction of all matters relating to the financial affairs of Sc'ianew;

"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 FNFA, a bank, credit union, trust company or caisse populaire;

"financial records" means all records respecting the financial administration of Sc'ianew, including the minutes of meetings of the Council and the FAC;

"FMB" means First Nation 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 Nation Tax Commission established under the Act;

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

"fiscal year" means the fiscal year of Sc'ianew set out in section 23;

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

"guarantee" means a promise or agreement by a person to be liable for the debt or obligation of another person who is primarily responsible for the debt or obligation;

"INAC" means the department of Indigenous and Northern Affairs Canada, and includes a successor department;

"indemnity" means

- (a) a promise to make a person whole from specified losses or costs they may suffer, or
- (b) payment of compensation to make a person whole from a loss they have already suffered;

"Land Code" means the *Beecher Bay First Nation Land Code* adopted by Sc'ianew under the *First Nations Land Management Act*;

“life-cycle management program” means the program of inspection, review and planning for management of Sc'ianew's tangible capital assets as described in section 82;

“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 made by Sc'ianew under the Act;

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

“multi-year financial plan” means the plan referred to in section 24;

“natural resources” means any material on or under Sc'ianew's lands in their natural state which when extracted has economic value;

“officer” means the administrator, the SFO, the tax administrator, and any other employee of Sc'ianew designated by the Council as an officer;

“other revenues” means other revenues as defined in section 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;

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

“related body” means

- (a) any agency of Sc'ianew,
- (b) any corporation in which Sc'ianew has a material or controlling interest,
- (c) any partnership in which Sc'ianew or another related body of Sc'ianew is a partner with a material or controlling interest, or
- (d) a trust of Sc'ianew;

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

“replacement” includes substitution, in whole or in part, with another of Sc'ianew's tangible capital assets;

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

“Sc'ianew” means Beecher Bay, being a band within the meaning of the *Indian Act* and which is named in the schedule to the Act;

"Sc'ianew lands" means all reserves of Sc'ianew within the meaning of the *Indian Act*, and includes all lands that are or become subject to the Land Code;

"Sc'ianew law" means any law of Sc'ianew, including the Land Code or any by-law, made by the Council or the membership of Sc'ianew;

"Sc'ianew official" means a current or former Councillor, officer, or designated employee of Sc'ianew;

"Sc'ianew's financial assets" means all money and other financial assets of Sc'ianew;

"Sc'ianew's records" means all records of Sc'ianew respecting its governance, management, operations and financial administration;

"Sc'ianew's 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 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 \$10 000;

"SFO" means the person appointed SFO under section 18;

"special purpose report" means a report described in section 66; and

"tax administrator" means the tax administrator appointed under Sc'ianew's local revenue laws.

(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) 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) unless the context indicates otherwise, "including" means "including, but not limited to", and "includes" means "includes, but not limited to";
- (d) where a provision in this Law is expressed in the present tense, the provision applies to the circumstances as they arise;
- (e) headings form no part of this Law and shall be construed as being inserted for convenience of reference only; and
- (f) 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 shall 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 Sc'ianew.

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

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 Sc'ianew 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 or any regulations made under the Act, the Act or regulations prevail to the extent of the conflict.

(3) If there is a conflict between this Law and the Land Code, the Land Code prevails to the extent of the conflict.

(4) If there is a conflict between this Law and a local revenue law, the local revenue law prevails to the extent of the conflict.

Scope and Application

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

PART III - Administration

DIVISION 1 - Council

Responsibilities of Council

8.(1) The Council is responsible for all matters relating to the financial administration of Sc'ianew whether or not they have been assigned or delegated to an officer, 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 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) the approval of Council policies, procedures or directions;
- (b) the appointment of members, the Chair and the Vice-Chair of the FAC;
- (c) the approval of annual budgets and financial statements of Sc'ianew; and
- (d) the approval of Sc'ianew borrowing.

Council Policies, Procedures and Directions

9.(1) Subject to subsection (2), the Council may establish policies or procedures or give directions respecting any matter relating to the financial administration of Sc'ianew.

(2) The Council shall establish policies or procedures or give directions respecting the acquisition, management and safeguarding of Sc'ianew's assets.

(3) The Council shall not establish any policies or procedures or give any directions relating to the financial administration of Sc'ianew that are 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 document all its policies, procedures and directions 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, Expenses and Contracts

10. Annually the SFO shall prepare a report separately listing the remuneration paid and reportable expenses reimbursed by Sc'ianew, and by any entity, to each Councillor, whether such amounts are paid to the Councillor while acting in that capacity or in any other capacity.

DIVISION 2 - Finance and Audit Committee

Committee Established

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

(2) The Council shall appoint three (3) members of the FAC, a majority of whom shall have financial competency, all of whom shall be independent, and at least one (1) of whom shall be a Councillor.

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

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

- (a) establishing criteria to determine if an individual is eligible to be a member of the FAC;
- (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 FAC annually to sign a statement confirming that the member continues to meet the criteria referred to in paragraph (a).

(5) Subject to subsections (6) and (7), the FAC members shall be appointed to hold office for staggered terms of not less than two (2) complete fiscal years.

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

- (a) the member has unexcused absences from three (3) FAC meetings;
- (b) the member is convicted of an offence under the *Criminal Code*;
- (c) the member fails to perform any of their duties under this Law in good faith and in accordance with the terms of this Law;

- (d) the member breaches the COIP; or
- (e) the Chair recommends removal, on reasonable grounds.

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

(8) If a FAC member is unable to attend or participate in a FAC meeting due to personal circumstances or a conflict of interest, and the member's absence will leave the FAC without a quorum, the Council may appoint an alternate member to participate as needed, provided that the person appointed as an alternate member satisfies all of the requirements set out in this Law for being a member of the FAC.

Chair and Vice-Chair

12.(1) The Council shall appoint a Chair and a Vice-Chair of the FAC, one of whom shall be a Councillor.

- (2) If Council appoints a non-Councillor as Chair,
 - (a) Council shall send to the Chair notices and agendas of all Council meetings;
 - (b) on request of the Chair, Council shall provide the Chair with any materials or information provided to Council respecting matters before it; and
 - (c) the Chair may attend and speak at Council meetings.

Committee Procedures

13.(1) The quorum of the FAC 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 in the FAC, the Chair may cast a second tiebreaking vote.

(4) Subject to subsection (5), the administrator and the SFO shall be notified of all FAC meetings and, subject to reasonable exceptions, shall attend those meetings.

(5) The administrator or the SFO 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 administrator or the SFO; or
- (b) it is a meeting with the auditor.

(6) The FAC shall meet

- (a) at least once every quarter in each fiscal year as necessary to conduct the business of the FAC; and
- (b) as soon as practical after it receives the audited annual financial statements and report from the auditor.

(7) The FAC shall provide minutes of its meetings to the Council and report to the Council on the substance of each FAC meeting within one (1) month after each meeting.

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

(9) After consultation with the administrator, the FAC may retain a consultant to assist in the performance of any of its responsibilities.

Financial Planning Responsibilities

14.(1) The FAC shall carry out the following activities in respect of the financial administration of Sc'ianew:

- (a) annually review, and recommend to the Council for approval, the multi-year financial plan;
- (b) review draft annual budgets and recommend them to the Council for approval;
- (c) on an ongoing basis, monitor the financial performance of Sc'ianew against the annual 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 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 Responsibilities

15. The FAC shall carry out the following audit activities in respect of the financial administration of Sc'ianew:

- (a) make recommendations to the Council and the administrator 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 and employees of Sc'ianew;
- (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 FAC.

Council Assigned Responsibilities

16. The Council may assign to the FAC the following activities in respect of the financial administration of Sc'ianew:

- (a) developing, and recommending to the Council for approval, performance measurements and goals designed to confirm that management activities, including financial management, occur as planned;
- (b) preparing, and recommending to the Council for approval, cash management plans;
- (c) reviewing and reporting to the Council on the financial content of any Sc'ianew reports;
- (d) reviewing, monitoring and reporting to the Council on the appropriateness of Sc'ianew's accounting and financial reporting systems, policies and practices;
- (e) reviewing, and recommending to the Council for approval, any proposed significant changes in Sc'ianew's accounting or financial reporting systems, policies, procedures or directions;
- (f) monitoring the collection and receipt of Sc'ianew's financial assets, including debts owed to Sc'ianew;
- (g) reviewing and reporting to the Council on Sc'ianew'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 compliance with the legal obligations of Sc'ianew, including legislative, regulatory and contractual obligations, and report to the Council;
- (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 Sc'ianew's insurance coverage respecting significant risks to Sc'ianew; 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

Administrator

17.(1) The Council shall appoint a person as administrator of Sc'ianew and may set the terms and conditions of that appointment.

(2) Reporting to the Council, the administrator is responsible for leading the planning, organization, implementation and evaluation of the overall management of all the day-to-day operations of Sc'ianew, including the following duties:

- (a) developing and recommending to the Council for approval, human resources policies and procedures that
 - (i) facilitate effective internal financial administration controls, and
 - (ii) address the hiring, management and dismissal of officers and employees of Sc'ianew;
- (b) preparing and recommending to the Council for approval, descriptions of the powers, duties and functions of all employees of Sc'ianew;
- (c) hiring the employees of Sc'ianew, as the administrator considers necessary, and setting the terms and conditions of their employment;
- (d) overseeing, supervising and directing the activities of all officers and employees of Sc'ianew;
- (e) overseeing and administering the contracts of Sc'ianew;
- (f) actively monitoring compliance with any agreements and funding arrangements entered into by Sc'ianew;
- (g) preparing, recommending to the Council, and maintaining and revising as necessary the organization chart referred to in section 20;
- (h) together with the SFO, identifying, assessing, monitoring and reporting on financial reporting risks and fraud risks;

- (i) together with the SFO, monitoring and reporting on the effectiveness of mitigating controls for the risks referred to in paragraph (h) taking into consideration the cost of implementing those controls;
 - (j) performing any other duties of the administrator under this Law; and
 - (k) carrying out any other activities specified by the Council that are not contrary to the Act or inconsistent with the administrator's duties specified in this Law.
- (3) The administrator may assign the performance of any of the administrator's duties or functions
- (a) to an officer or employee of Sc'ianew; and
 - (b) with the approval of the Council, to a contractor or agent of Sc'ianew,

provided that the person reports directly to the administrator or, in the absence of the administrator, to the Council.

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

Senior Financial Officer

18.(1) The Council shall appoint a person as SFO of Sc'ianew and may set the terms and conditions of that appointment.

(2) Reporting to the administrator, the SFO is responsible for the day-to-day management of the financial administration system of Sc'ianew, 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 all charts of accounts of Sc'ianew;
- (c) preparing the draft annual budgets and, with advice and input from the tax administrator, any draft amendments to the component of the annual budget respecting Sc'ianew's local revenues;
- (d) preparing the monthly financial information required in section 62, the quarterly financial statements required in section 63 and the draft annual financial statements required in section 64;
- (e) preparing the financial components of reports to the Council and of the multi-year financial plans referred to in subsection 14(1);
- (f) in consultation with the administrator, actively monitoring compliance with any agreements and funding arrangements entered into by Sc'ianew;
- (g) administering and supervising the preparation and maintenance of financial records and the financial administration reporting systems;

- (h) administering and supervising the maintenance of the records of all receipts and expenditures of Sc'ianew to facilitate the annual audit;
- (i) actively monitoring compliance with the Act, this Law, any other applicable Sc'ianew law, applicable standards and any policies, procedures and directions of the Council respecting the financial administration of Sc'ianew.
- (j) preparing or providing any documentation and financial information required by the Council or the FAC to discharge its responsibilities;
- (k) evaluating the financial administration systems of Sc'ianew and recommending improvements to the administrator or the FAC;
- (l) developing and recommending procedures for the safeguarding of assets and ensuring approved procedures are followed;
- (m) developing and recommending procedures for identifying and mitigating financial reporting and fraud risks, and ensuring approved procedures are followed;
- (n) together with the administrator, identifying, assessing, monitoring and reporting on financial reporting risks and fraud risks;
- (o) together with the administrator, monitoring and reporting on the effectiveness of mitigating controls for the risks referred to in paragraph (m) taking into consideration the cost of implementing those controls;
- (p) performing any other duties of the SFO under this Law; and
- (q) carrying out any other activities specified by the administrator that are not contrary to the Act or inconsistent with the SFO's duties under this Law.

(3) With the approval of the administrator, the SFO may assign the performance of any of the SFO's duties or functions of the SFO to any officer, employee, contractor or agent of Sc'ianew, but this assignment does not relieve the SFO of the responsibility to ensure that these duties or functions are carried out properly.

Tax Administrator

19.(1) The tax administrator appointed under Sc'ianew local revenue law reports to the administrator in respect of the performance of any of the tax administrator's duties or functions under Sc'ianew's local revenue laws, the Act and this Law.

(2) In addition to any duties or functions under Sc'ianew's local revenue laws and the Act, the tax administrator is responsible for the following:

- (a) managing local revenues and the local revenue account on a day-to-day basis;
- (b) recommending to the SFO the draft and amended budgets for the component of the annual budget respecting local revenues;

- (c) recommending to the SFO the local revenues components of the multi-year financial plans;
- (d) on request, providing advice to the administrator, SFO, FAC and the Council respecting local revenues matters;
- (e) monitoring compliance with the Act, Sc'ianew's local revenue laws and this Law in the administration of local revenues and the local revenue account;
- (f) evaluating the local revenue system of Sc'ianew and recommending improvements to the administrator; and
- (g) performing any other duties of the tax administrator under this Law.

(3) With the approval of the administrator, the tax administrator may assign the performance of any of the tax administrator's duties or functions to any officer, employee, contractor or agent of Sc'ianew, 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

20.(1) The Council shall establish and maintain a current organization chart, which shall include the following information:

- (a) all governance, management and administrative systems of Sc'ianew;
- (b) the organization of the systems described in paragraph (a), including the linkages between them;
- (c) the specific roles and responsibilities of each level of the organization of the systems described in paragraph (a); and
- (d) all governance, management and administrative positions at each level of the organization of the systems described in paragraph (a), including
 - (i) the membership on the Council and the FAC and all other committees of the Council and Sc'ianew,
 - (ii) the administrator, the SFO, 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 (i) and the officers referred to in subparagraph (ii).

(2) On request, the administrator shall provide a copy of the organization chart under subsection (1) to a Councillor, a member of a committee referred to in subparagraph (1)(d)(i), an officer, employee or contractor or agent of Sc'ianew and a member of Sc'ianew.

(3) The Council shall take all reasonable steps to ensure that Sc'ianew hires or retains qualified and competent personnel to carry out the financial administration activities of Sc'ianew.

DIVISION 4 - Conduct Expectations

Conduct of Councillors

21.(1) When exercising a power, duty or responsibility relating to the financial administration of Sc'ianew, a Councillor shall

- (a) comply with this Law, any other applicable Sc'ianew law and the Act or any regulations or standards made under the Act;
- (b) act honestly, in good faith and in the best interests of Sc'ianew;
- (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 the requirements of the COIP, including required disclosures of private interests.

(2) If it has been determined under this Law or by a court of competent jurisdiction that a Councillor has contravened this section,

- (a) the Councillor shall be removed from the FAC in accordance with subsection 11(6), if applicable;
- (b) as soon as practicable after the contravention was determined, the Council shall post a public notice of the details of the determination for a period of not less than thirty-one (31) days; and
- (c) Sc'ianew may use any legal means available to remedy the situation.

Conduct of Officers, Employees, Contractors and Agents

22.(1) This section applies to

- (a) an officer, employee, contractor and agent of Sc'ianew;
- (b) a person acting under the delegated authority of the Council or Sc'ianew; or
- (c) a member of a committee of the Council or Sc'ianew 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 shall

- (a) comply with this Law, any other applicable Sc'ianew law and the Act or any regulations or standards made under the Act;
- (b) comply with all policies, procedures and directions of the Council; and
- (c) avoid conflicts of interest and comply with any applicable requirements of the COIP, including required disclosure of potential conflicts of interest.

- (3) The Council shall incorporate the relevant provision of this section into
- (a) the terms of employment or appointment of every officer or employee of Sc'ianew;
 - (b) the terms of every contract of a contractor of Sc'ianew;
 - (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 Sc'ianew.
- (4) If a person contravenes subsection (2), the following actions may be taken:
- (a) an officer 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;
 - (d) the appointment of an agent may be revoked; and
 - (e) Sc'ianew may use any legal means available to remedy the situation.

PART IV - Financial Management

DIVISION 1 - Financial Plans and Annual Budgets

Fiscal Year

23. The fiscal year of Sc'ianew is April 1 to March 31 of the following year.

Multi-Year Financial Plan

24. 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) sets out projected revenues, segregated by significant category;
- (c) sets out projected expenditures, segregated by significant category; and
- (d) shows any anticipated surplus or authorized deficits.

Content of Annual Budget

25.(1) The annual budget shall encompass all the operations for which Sc'ianew is responsible and shall identify

- (a) anticipated revenues, segregated by significant category, with estimates of the amount of revenue from each category;

- (b) anticipated expenditures, segregated by significant category, with estimates of the amount of expenditure for each category; and
- (c) any anticipated surplus or deficit, and the application of year-end surplus funds.

(2) The revenue category of moneys derived from Sc'ianew 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 Sc'ianew lands.

Annual Budget and Planning Process Schedule

26.(1) On or before March 10 of each year, the SFO shall prepare and submit to the FAC 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 FAC 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 Sc'ianew for the next fiscal year.

(4) In the event that there is a material variance in the forecasted revenues or expenditures respecting local revenues,

- (a) on or before June 15 of each year, the tax administrator, in consultation with the SFO, shall prepare and submit to the FAC for review a draft amendment of the component of the annual budget respecting Sc'ianew's local revenue account;
- (b) on or before June 30 of each year, the FAC shall review the draft amendment of the component of the annual budget respecting Sc'ianew's local revenue account and recommend an amendment to the annual budget to the Council for approval; and
- (c) no later than July 15 of each year, the Council shall approve the amendment of the component of the annual budget respecting Sc'ianew's local revenue account.

Additional Requirements for Annual Budget Deficits

27. If a draft annual budget contains a proposed deficit, the Council shall ensure that

- (a) the multi-year financial plan of Sc'ianew demonstrates how and when this deficit shall be addressed and how it shall be serviced; and
- (b) the deficit does not have a negative impact on the credit worthiness of Sc'ianew.

Amendments to Annual Budgets

28.(1) The annual budget of Sc'ianew shall not be changed without the approval of the Council.

(2) Subject to paragraph 26(4)(c) and section 35, unless there is a substantial change in the forecasted revenues or expenses of Sc'ianew, the Council shall not approve a change to the annual budget of Sc'ianew.

Local Revenue Account Budget Requirements

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

Policy for Member Information or Involvement

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

- (a) the annual budgets, including any component of the annual budget respecting Sc'ianew's local revenue account;
- (b) the multi-year financial plan;
- (c) an amendment to the annual budget;
- (d) annual budget deficits or extraordinary expenditures;
- (e) capital projects;
- (f) borrowing for 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

31.(1) No account may be opened for the receipt and deposit of money of Sc'ianew unless the account is

- (a) in the name of Sc'ianew;
- (b) opened in a financial institution; and
- (c) authorized by two (2) Councillors and the administrator.

(2) Sc'ianew shall establish the following accounts in a financial institution:

- (a) a general account for money from any sources other than those described in paragraphs (b) to (e);
- (b) a local revenue account for money from local revenues;
- (c) a trust account if Sc'ianew has money held in trust;
- (d) a land and resources account for money from revenues from Sc'ianew lands; and
- (e) a tangible capital asset reserve account for money set aside for purposes of section 80.

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

Accounts Management

32. The SFO shall take all reasonable steps

- (a) to ensure the safekeeping of all money received by Sc'ianew; and
- (b) to ensure that all money received by Sc'ianew is deposited as soon as practicable into the appropriate accounts described in section 31.

DIVISION 3 - Expenditures

Prohibited Expenditures

33.(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 or as permitted in section 13.1 of the Act.

No Expenditure Without Appropriation

34.(1) Subject to subsection 35(1), 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

35.(1) The administrator may approve an expenditure for an emergency purpose that was not anticipated in the annual budget if the expenditure is not expressly prohibited by or under this Law or another law of Sc'ianew.

(2) The expenditure under subsection (1) shall be reported to the Council as soon as practicable and the Council shall amend the annual budget to include the expenditure.

(3) Subsection (1) does not give the administrator the authority to borrow for the purpose of making an expenditure for an emergency purpose.

(4) For greater certainty, this section does not authorize an expenditure of local revenues.

Requisitions for Payment

36.(1) No money may be paid out of any account without an invoice or requisition for payment as required under this section.

(2) A requisition may apply to one or more expenditures chargeable against one or more appropriations.

(3) The administrator shall authorize payment out of, or sign a requisition for payment from, a trust account.

(4) The administrator and the tax administrator shall authorize payment out of a local revenue account.

DIVISION 4 - General Matters

Cash Management

37. The Council shall establish policies or procedures or give directions respecting effective cash management.

Interest

38.(1) All interest earned on an account described in subsection 31(2) shall be retained in that account.

(2) Subject to the *Interest Act*, Sc'ianew may charge interest at a rate set from time to time by the Council on any debts or payments owed to Sc'ianew that are overdue.

Refunds

39. Money received by Sc'ianew 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 and Extinguishment of Debts

40. All or part of a debt or obligation owed to Sc'ianew may be written off or extinguished only

(a) if approved by the Council; or

(b) if done under the authority of a policy or direction of the Council.

Year-End Surplus

41.(1) Subject to subsections (2) and (3) and to any obligations under a contract or funding agreement, an operating surplus at the end of the fiscal year shall be paid into the general account described in paragraph 31(2)(a).

(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

42.(1) Except as specifically authorized in this Law or in a local revenue law, Sc'ianew shall not borrow money from or grant security to a person other than Sc'ianew or an entity.

(2) Subject to this Law, if Sc'ianew is authorized in this Law to borrow money or grant security, the Council may authorize the SFO to borrow money or grant security in the name of Sc'ianew

(a) as specifically approved by the Council; or

(b) in accordance with the policies, procedures or directions made by the Council.

Borrowing for Ordinary Operations

43.(1) Sc'ianew may incur trade accounts or other current liabilities payable within normal terms of trade for expenditures provided for in the annual budget for the fiscal year if the debt shall 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) Sc'ianew 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) Sc'ianew 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 Sc'ianew.

Financial Agreements

44.(1) Sc'ianew may enter into the following agreements in the name of Sc'ianew:

(a) for the purpose of efficient management of Sc'ianew's financial assets, agreements with financial institutions and related services agreements; and

(b) for the purpose of reducing risks or maximizing benefits in relation to the borrowing, lending or investing of Sc'ianew's financial assets, agreements with financial institutions

respecting currency exchange, spot and future currency, interest rate exchange and future interest rates.

(2) Unless otherwise specified by the Council, the administrator may enter into any agreements referred to in subsection (1) on behalf of Sc'ianew.

Borrowing for Authorized Expenditures

45. If the general account described in paragraph 31(2)(a) is not sufficient to meet the expenditures authorized to be made from it and the SFO recommends that money be borrowed to ensure that the general account is sufficient for these purposes, Sc'ianew may borrow an amount not exceeding a maximum amount specified by the Council and to be repaid within a specified period of time.

Borrowing Member Requirements

46.(1) This section applies if Sc'ianew is a borrowing member.

(2) If Sc'ianew has obtained long-term financing secured by property taxes from the FNFA, Sc'ianew shall not subsequently obtain long-term financing secured by property tax revenues from any person.

(3) Sc'ianew may only obtain long-term financing from the FNFA as permitted under its local revenue law and the Act.

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

(5) Money borrowed by Sc'ianew from the FNFA that is secured by other revenues may only be used for the purposes set out in section 4 of the *Financing Secured by Other Revenues Regulations* made under the Act.

Borrowing for Repayment of Debts

47. Subject to this Law and a local revenue law, Sc'ianew may borrow money that is required for the repayment or refinancing of any debt of Sc'ianew, other than a debt in relation to money borrowed under section 45, if it will result in a lower interest rate or more favourable terms for Sc'ianew.

Use of Borrowed Money

48. All or some of the money borrowed for a specific purpose by Sc'ianew and not required to be used immediately for that purpose may be temporarily invested under subsection 54(1) until required for that purpose.

Execution of Security Documents

49.(1) Subject to subsection (2), a security granted by Sc'ianew shall be signed by two (2) Councillors.

(2) A security granted by Sc'ianew in respect of local revenues shall be signed by two (2) Councillors and by the tax administrator.

Operational Controls

50. 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 Sc'ianew's operations.

DIVISION 6 - Risk Management

Limitation on Business Activity

51.(1) Subject to subsections (2) and (3), Sc'ianew shall not

- (a) carry on business as a proprietor;
- (b) acquire an interest in a partnership as a general partner; or
- (c) act as a trustee respecting property used for, or held in the course of, carrying on a business.

(2) Sc'ianew may carry on a business that

- (a) is ancillary or incidental to the provision of programs or services or other functions of Sc'ianew governance; or
- (b) derives income from the granting of a lease or licence of or is in respect of
 - (i) an interest in, or natural resources on or under, Sc'ianew lands or lands owned in fee simple by, or in trust for, Sc'ianew, or
 - (ii) any other property of Sc'ianew.

(3) Sc'ianew may carry on business activities for the primary purpose of profit if the Council, after receiving advice from a lawyer or accountant, determines that the business activities

- (a) do not result in a material liability for Sc'ianew; or
- (b) do not otherwise expose Sc'ianew's financial assets, property or resources to significant risk.

(4) The Council may impose terms and conditions on the conduct of any business activity permitted under this section in order to manage any risks associated with that activity.

Guarantees and Indemnities

52.(1) Sc'ianew shall not give a guarantee unless the Council has considered the report of the SFO under subsection (2).

(2) Before the Council authorizes a guarantee under subsection (1), the SFO shall prepare a report for Council identifying any risks associated with giving the guarantee and assessing the ability of Sc'ianew to honour the guarantee should it be required to do so.

(3) Sc'ianew 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 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 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 Sc'ianew 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 Sc'ianew.

Authority to Invest

53.(1) Except as specifically authorized in this Law or another Sc'ianew law, Sc'ianew shall not invest Sc'ianew's financial assets.

(2) If Sc'ianew is authorized in this Law to invest Sc'ianew's financial assets, the Council may authorize the administrator or the SFO to invest Sc'ianew'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

54.(1) Money in an account described in section 31 that is not immediately required for expenditures may be invested by Sc'ianew in one or more of the following:

- (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 investments a trustee may make under an enactment 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 Sc'ianew as permitted under the terms of the trust or under the laws of British Columbia.

(3) If Sc'ianew has established an investment account under section 31, Sc'ianew 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 Sc'ianew is a shareholder;
- (b) a trust in which Sc'ianew is a beneficiary;
- (c) securities issued by the FNFA or by a local, municipal or regional government in Canada;
- (d) a limited partnership in which Sc'ianew is a partner; or
- (e) a member investment program described in section 55.

(4) Despite any other provision in this section, Sc'ianew may only invest the following in investments specified in subsection 82(3) of the Act and in investments in securities issued by the FNFA:

- (a) government transfer funds;
- (b) local revenues; and
- (c) other revenues, if Sc'ianew has a loan from the FNFA secured by other revenues.

Permitted Investments in Sc'ianew Member Activities

55.(1) Sc'ianew may only make a loan to a Sc'ianew member or to an entity in which a Sc'ianew member has an interest if the loan is made from a program of Sc'ianew that has been approved by the Council and that meets the requirements of this section.

(2) Before the Council establishes a program under this section, the SFO shall prepare a report for Council identifying any risks associated with the program and the costs of administering the program.

(3) A program referred to in subsection (1) shall satisfy the following criteria:

- (a) the program shall be universally available to all Sc'ianew members;
- (b) the terms and conditions of the program shall be published and accessible to all Sc'ianew members;

- (c) all loans made from the program and all payments received from those loans shall be set out in an annual report that includes details about
 - (i) the amounts loaned,
 - (ii) the purposes of the loans,
 - (iii) subject to applicable privacy laws, the names of those receiving a loan, and
 - (iv) repayments of principal and interest on the loans; and
- (d) all loans shall be recorded in a written agreement that provides for proper security for repayment and sets out the terms for repayment of principal and interest.

(4) The Council shall establish policies or procedures or give directions for the operation of the program referred to in this section.

Administration of Investments and Loans

56.(1) If Sc'ianew is authorized to make an investment or loan under this Law, the administrator or SFO may do all things necessary or advisable for the purpose of making, continuing, exchanging or disposing of the investment or loan.

(2) If Sc'ianew is authorized to make a loan under this Law, the Council shall establish policies or procedures or give 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.

Risk Assessment and Management

57.(1) Annually, and more often if necessary, the administrator shall identify and assess any significant risks to Sc'ianew's financial assets, Sc'ianew's tangible capital assets as defined in Part V, and the operations of Sc'ianew.

(2) Annually, and more often if necessary, the administrator shall report to the FAC on proposed plans to mitigate the risks identified in subsection (1) or, where appropriate, to manage or transfer those risks by agreement with others or by purchasing insurance.

Insurance

58.(1) On recommendation of the FAC, the Council shall procure and maintain in force all insurance coverage that is appropriate and commensurate with the risks identified in section 65 and any other risks associated with any liability of Sc'ianew, and any assets, property or resources under the care or control of Sc'ianew.

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

Fraud Risks

59. The Council shall establish procedures for the identification and assessment of the following types of potential fraud in Sc'ianew:

- (a) intentional acts in financial reporting that are designed to deceive the users of the financial reports, and that may result in material omissions from or misstatements of financial reports;
- (b) intentional acts in non-financial reporting that are designed to deceive the users of the non-financial reports;
- (c) thefts of the Nation's assets in circumstances where the thefts may result in material omissions from or misstatements in financial reports; and
- (d) corruption and illegal acts.

DIVISION 7 - Financial Reporting

GAAP

60. All accounting practices of Sc'ianew shall comply with GAAP.

Separate Accounting

61.(1) The senior financial advisor shall account for local revenues of Sc'ianew separately from other moneys of Sc'ianew.

- (2) If Sc'ianew has a loan from the FNFA that is secured by other revenues, the SFO shall
 - (a) account for all other revenues of Sc'ianew separately from other moneys of Sc'ianew; and
 - (b) provide the FNFA or the FMB, on its request, with accounting information respecting the other revenues.

Monthly Financial Information

62. Within forty-five (45) days of the end of each month, the SFO shall prepare, and provide to the Council and the FAC, financial information respecting the financial affairs of Sc'ianew for that month.

Quarterly Financial Statements

63.(1) Within sixty (60) days of the end of each quarter of the fiscal year, the SFO shall prepare, and provide to the Council and the FAC, financial statements for Sc'ianew for that quarter.

(2) Within thirty (30) days of receiving the quarterly financial statements in subsection (1), the statements shall be

- (a) reviewed by the FAC and recommended to Council for approval; and

- (b) reviewed and approved by the Council.

Annual Financial Statements

64.(1) Within one hundred (100) days following the end of each fiscal year, the SFO shall prepare and provide to the FAC, the draft annual financial statements of Sc'ianew for that fiscal year in accordance with GAAP and to a standard that is at least comparable to that generally accepted for governments in Canada.

(2) The draft annual financial statements shall be prepared in a form approved by the Council on the recommendation of the FAC, and shall include the following information:

- (a) the financial information of Sc'ianew for the fiscal year;
- (b) the local revenue account annual financial statements referred to in section 65; and
- (c) the revenue categories of Sc'ianew's lands referred to in subsection 25(2).

(3) The FAC shall present draft annual financial statements to the Council for review within one hundred and five (105) days following the end of the fiscal year for which they were prepared.

Local Revenues Annual Financial Statements

65.(1) The tax administrator, in consultation with the SFO, shall prepare separate annual financial statements respecting Sc'ianew's local revenues in accordance with FMB standards respecting financial reporting of local revenues.

(2) The provisions of this Law, including this section, respecting separate annual financial statements for local revenues do not apply if FMB standards respecting financial reporting of local revenues 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

66. The SFO shall prepare the following 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 forgiven by Sc'ianew;
- (d) a report setting out the information required in paragraph 55(3)(c);
- (e) a report setting out moneys of Sc'ianew derived from Sc'ianew's lands, categorized and shown separately from other revenues and that includes a sub-category respecting revenues from natural resources obtained from Sc'ianew's lands; and

- (f) any other report required under the Act or an agreement.

Appointment of Auditor

67.(1) Sc'ianew 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 FAC and shall include the auditor's obligation

- (a) to confirm in writing that the annual financial statements and the audit of them comply with this Law, the Act and FMB standards, where applicable, or,
- (b) to the extent they are not in compliance, to identify in writing consequential non-compliance matters.

(3) To be eligible for appointment as the auditor of Sc'ianew, an auditor shall

- (a) be independent of Sc'ianew, and of 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, 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 British Columbia.

(4) If the auditor ceases to be independent, the auditor shall as soon as practicable after becoming aware of the circumstances

- (a) advise Sc'ianew in writing of the circumstances; and
- (b) eliminate the circumstances that resulted in loss of independence or resign as the auditor.

Auditor's Authority

68.(1) To conduct an audit of the annual financial statements of Sc'ianew, the auditor shall be given access to

- (a) all records of Sc'ianew for examination or inspection and given copies of these records on request; and

- (b) any Councillor, officer, employee, contractor or agent of Sc'ianew 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 Sc'ianew as necessary for the performance of the auditor's duties.

(3) The auditor shall be given notice of

- (a) every meeting of the FAC; and
- (b) the Council meeting where the annual audit, including the annual financial statements, will be considered and approved.

(4) Subject to subsection (6), the auditor may attend any meeting for which the auditor shall be given notice under this section or to which the auditor has been invited and shall be given the opportunity to be heard at those meetings on issues that concern the auditor as auditor of Sc'ianew.

(5) The auditor may communicate with the FAC, as the auditor considers appropriate, to discuss any subject that the auditor recommends be considered by the FAC.

(6) The auditor may be excluded from any part of a meeting of the FAC or the Council by a recorded vote if the subject matter relates to the retaining or dismissal of the auditor.

Audit Requirements

69.(1) Within one hundred and twenty (120) days of the end of each fiscal year, the auditor shall audit the annual financial statements of Sc'ianew referred to in both subsections 64(1) and 65(1), in accordance with GAAS and with any applicable INAC reporting requirements.

(2) When conducting the audit, the auditor shall provide

- (a) an audit opinion of the annual financial statements; and
- (b) review comments on the special purpose reports referred to in section 66.

Review of Audited Annual Financial Statements

70.(1) The audited annual financial statements referred to in subsection 69(1) shall be provided to the FAC for its review and consideration not more than one hundred twenty (120) 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 end of the fiscal year for which the statements were prepared.

Access to Annual Financial Statements

71.(1) Before the annual financial statements referred to in subsection 69(1) may be published or distributed, they shall

- (a) be approved by the Council;
- (b) be signed by
 - (i) a quorum of the Council, including the Chief of Sc'ianew,
 - (ii) the Chair,
 - (iii) the SFO, and
 - (iv) the administrator; and
- (c) include the auditor's audit report of the annual financial statements.

(2) The audited annual financial statements referred to in subsection 69(1) shall be available for inspection by members of Sc'ianew at the principal administrative offices of Sc'ianew during normal business hours.

(3) In accordance with subsection 14(2) of the Act, the audited annual financial statements respecting local revenues referred to in section 65, shall be available for inspection at the principal administrative offices of Sc'ianew during normal business hours by:

- (a) the members of Sc'ianew;
- (b) any other persons who have an interest in, or the right to occupy, possess or use Sc'ianew's lands;
- (c) the FNTC, the FMB and the FNFA; and
- (d) the Minister responsible for INAC.

Annual Report

72.(1) Not later than one hundred and eighty (180) days after the end of each fiscal year, the Council shall prepare an annual report on the operations and financial performance of Sc'ianew for the previous fiscal year.

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

- (a) a description of the services and operations of Sc'ianew;
- (b) a progress report on any established financial objectives and performance measures of Sc'ianew; and

- (c) the audited annual financial statements referred to in subsection 69(1) for the previous fiscal year;
- (d) any special purpose reports referred to in section 66, including the auditor's review comments.

(3) The administrator shall provide the annual report referred to in subsection (1)

- (a) to a member of Sc'ianew on request;
- (b) to the FMB as soon as practicable after the report's publication, if Sc'ianew has a certificate issued by the FMB under section 50(3) of the Act; and
- (c) to the FNFA as soon as practicable after the report's publication, if Sc'ianew is a borrowing member.

(4) The administrator shall establish and maintain a register for the annual report that identifies all Sc'ianew members who have requested a copy of the annual report, and includes:

- (a) the date each request was received; and
- (b) the date the annual report was provided or made available to the member.

(5) If a member requested a copy of the annual report and the administrator does not provide the annual report to the member in a timely manner, the member may apply to the Council to request a copy of the report.

(6) The administrator shall report quarterly to the FAC on the steps taken to ensure compliance with subsections (2) to (4).

DIVISION 8 - Information and Information Technology

Ownership of Records

73.(1) All records that are produced by or on behalf of Sc'ianew or kept, used or received by any person on behalf of Sc'ianew are the property of Sc'ianew.

(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 Sc'ianew.

Operations Manual

74.(1) The administrator shall prepare and maintain a current operations manual respecting every element of Sc'ianew's administrative systems, including any financial administration systems referred to in this Law.

(2) The operations manual under subsection (1) shall be made available to Councillors, members of the FAC and all other Council committees, and officers and employees of Sc'ianew.

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

Record Keeping and Maintenance

75.(1) The administrator shall ensure that Sc'ianew prepares, maintains, stores and keeps secure all of Sc'ianew's records that are required under this Law or any other applicable law.

(2) Sc'ianew's records may not be destroyed or disposed of except as permitted by, and in accordance with, the policies, procedures or directions of the Council.

(3) All financial records of Sc'ianew 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 Sc'ianew's records.

Account Records

76.(1) The SFO or tax administrator shall prepare, maintain, store and keep secure a complete set of all records respecting the local revenue system of Sc'ianew, including all records referred to in section 5 of the *Local Revenue Management Implementation Regulations*.

(2) If Sc'ianew has a loan from the FNFA that is secured by other revenues, the SFO shall prepare, maintain, store and keep secure a complete set of all records respecting other revenues of Sc'ianew, including all records referred to in section 5 of the *Revenue Management Implementation Regulations* as amended by the *Financing Secured by Other Revenues Regulations*.

Confidentiality of Information

77.(1) No person may be given access to Sc'ianew's records containing confidential information except as permitted by, and in accordance with, the policies, procedures or directions of the Council.

(2) All persons who have access to Sc'ianew'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

78. The Council shall establish policies or procedures or give directions respecting internal controls for information technology used by Sc'ianew in its operations to ensure the integrity of Sc'ianew's financial administration system and its database.

PART V - Capital Projects

Council General Duties

79. The Council shall take reasonable steps to ensure that

- (a) Sc'ianew'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 Sc'ianew'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 Sc'ianew's lands are located.

Tangible Capital Assets Reserve Fund

80. 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

81. At each FAC meeting, the administrator or SFO shall report on the following subjects, as applicable:

- (a) year to date borrowings, loans and payments in respect of each capital project;
- (b) 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
- (c) steps taken to ensure compliance with section 84 for every capital project.

Life-Cycle Management Program

82.(1) The administrator or the senior financial officer shall establish and keep current a register of all Sc'ianew's tangible capital assets that identifies each of these assets and includes the following information:

- (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.

(2) On or before November 30 of each year, the administrator shall arrange for the inspection and review of the state of each of Sc'ianew'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 useful 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 SFO shall prepare the following:

- (a) a schedule of annual routine maintenance, other than rehabilitation, for each of Sc'ianew's tangible capital assets for the next fiscal year;
- (b) short-, medium- and long-term forecasts of the estimated cost for rehabilitation or replacement of Sc'ianew's tangible capital assets;
- (c) the proposed budget for rehabilitation of Sc'ianew's tangible capital assets for the next fiscal year; and

- (d) the proposed budget for replacement of Sc'ianew's tangible capital assets for the next fiscal year.

Review by Finance and Audit Committee

83.(1) Each year, on or before the earlier of

- (a) February 28, or
- (b) INAC's deadline for submitting a capital plan or capital plan update,
- (c) the FAC shall review the information, schedules and budget prepared under section 82 for the following purposes:
 - (d) to identify any means to reduce the costs of each rehabilitation or replacement project included in the proposed budgets;
 - (e) to 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
 - (f) to 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 FAC shall review any plans for new construction of Sc'ianew'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

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

- (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 Sc'ianew capital projects shall be managed in accordance with the policies, procedures or directions referred to in subsection (1).

Capital Project Consultants

85. The administrator may retain the services of a professional engineer or other consultant to assist the administrator, FAC and Council to carry out their obligations under this Part.

PART VI - Miscellaneous

Financial Management Board Standards and Authority

86.(1) If Sc'ianew is a borrowing member or has a certificate issued by the FMB under section 50(3) of the Act, Sc'ianew shall comply with all the applicable FMB standards.

(2) If the Council becomes aware that Sc'ianew is not complying with a FMB standard referred to in subsection (1), the Council shall as soon as practicable take the required actions to bring Sc'ianew into compliance with the FMB standard.

Delegated Authority on Intervention

87.(1) Without limiting section 53 of the Act, if

- (a) Sc'ianew is
 - (i) making local revenue laws under subsection 5(1) of the Act, or
 - (ii) using its local revenues to secure a loan from the FNFA, and
- (b) the FMB gives notice to Sc'ianew under section 53 of the Act that third-party management of Sc'ianew's local revenue is required,

the Council delegates to the FMB:

- (c) the powers and authorities described in subsection 53(2) of the Act, and
- (d) 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.

(2) Without limiting section 53 of the Act, as adapted by *the Financing Secured by Other Revenues Regulations*, if

- (a) Sc'ianew is using its other revenues to secure a loan from the FNFA, and
- (b) 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 delegates to the FMB

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

Land Management Obligations

88.(1) Sc'ianew 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 Sc'ianew for the management of Sc'ianew's lands and for moneys earned from those lands to satisfy paragraph 6(1)(e) of the *First Nations Land Management Act*.

Reports of Breaches and Financial Irregularities

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

- (a) an expenditure, liability or other transaction of Sc'ianew is not authorized by or under this Law or another Sc'ianew law,
- (b) there has been a theft, misappropriation or other misuse or irregularity in the funds, accounts, assets, liabilities and financial obligations of Sc'ianew,
- (c) a provision of this Law has been contravened, or
- (d) a person has failed to comply with the COIP,

the person may disclose the circumstances to the Chair, a Councillor or the administrator.

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

(3) If an officer, employee, contractor or agent of Sc'ianew becomes aware of any circumstances described under subsection (1), officer, employee, contractor or agent of Sc'ianew shall report them to the Chair, a Councillor or the administrator.

Inquiry into Report

90.(1) If a report is made under section 89, the recipient of the report shall inquire into the circumstances reported and report the findings to the FAC as soon as practicable.

(2) A person who receives a report under section 89 may refer the investigation to an independent third party.

(3) The FAC 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 FAC under this section, including the FAC's recommendations, if any.

Protection of Parties

91.(1) All reasonable steps shall be taken by the administrator, the members of the FAC 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 Sc'ianew or by a Councillor, officer, employee, contractor or agent of Sc'ianew as a result of making that report.

(3) The administrator 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) If a person makes a report under section 89 that is frivolous or vexatious, Sc'ianew may take the following actions:

- (a) a 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;
- (d) the appointment of an agent may be revoked; and
- (e) Sc'ianew may use any legal means available to it to remedy the situation.

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

Liability for Improper Use of Money

92.(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) Subsection (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 subsection (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 unauthorized expenditure, investment or use of Sc'ianew'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 Sc'ianew official, a category of Sc'ianew official or all Sc'ianew 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 Sc'ianew official's conviction for an offence unless the offence is a strict or absolute liability offence.

Periodic Review of Law

94.(1) On or before December 31 of each year, the FAC shall conduct a review of this Law

- (a) to determine if it facilitates effective and sound financial administration of Sc'ianew; and
- (b) to identify any amendments to this Law that may better serve this objective.

(2) If Sc'ianew is a borrowing member,

- (a) Sc'ianew 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; and
- (b) any amendment of this Law shall be reviewed by the FMB and issued a compliance approval under section 9 of the Act.

Provision of Law to First Nations Finance Authority

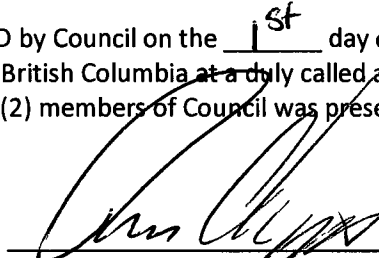
95. If Sc'ianew intends to apply to become a borrowing member, the Council shall provide a copy of this Law to the FNFA as soon as practicable after the FMB approves the Law.

Coming into Force

96.(1) This section and the operative portions of sections 1-7, 23, 25, 26, 28, 29, 61-71, 76 and 87 come into force the day after this Law is approved by the Board under section 9 of the Act.

(2) Subject to subsection (1), this Law comes into force on the day that is 36 months after the date when Sc'ianew becomes a borrowing member of the FNFA.

THIS LAW IS HEREBY DULY ENACTED by Council on the 1st day of June, 2017, at Beecher Bay 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 Russell Chipps



Councillor Gordon Charles



Councillor Bernice Millette

SCHEDULE

Sc'ianew Conflict of Interest Policy

PART I - Interpretation

Interpretation

1.(1) In this Schedule,

“the FAL” means the Financial Administration Law to which this Schedule is attached and forms a part;

“real property” includes

- (a) an interest in a Sc'ianew lands held under a lease,
- (b) an interest in Sc'ianew lands, with respect to which the person is a mortgagor or mortgagee,
- (c) an interest, license or permit in Sc'ianew lands which allows a person to take resources from Sc'ianew lands, and
- (d) fee simple property held off reserve, within a one kilometre (1 km) radius of Sc'ianew lands; and

“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.

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

(3) Sections 3 and 5 of the FAL apply to this Schedule.

(4) If there is a conflict between a provision of this Schedule and the FAL, the provision of the FAL applies.

Definition of Conflict of Interest

2.(1) In this Schedule, an individual has a “conflict of interest” when the individual exercises a power or performs a duty or function and at the same time knows or ought reasonably to have known that in the exercise of the power or performance of the duty or function there is an opportunity to benefit the individual’s private interests.

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

(3) In this Schedule, an individual's "private interests" means the individual's personal and business interests and include the personal and business interests of

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

(4) Despite subsections (1) and (2), an individual's private interests do not give rise to a conflict of interest if those interests

- (a) are the same as those of a broad class of members of Sc'ianew of which the individual is a member; or
- (b) are so remote or insignificant that they could not be reasonably regarded as likely to influence the individual in the exercise of a power or performance of a duty or function.

(5) Individuals may declare themselves to be in a conflict of interest even if the circumstances do not fit within the circumstances described at subsections (1) to (3).

PART II - Councillors and Committee Members

Application

3. This Part applies to all Councillors of Sc'ianew and, where applicable, to all members of Council committees.

General Obligations

4.(1) Councillors shall avoid circumstances that could result in the Councillor having a conflict of interest or an apparent conflict of interest.

(2) Councillors shall avoid placing themselves in circumstances where their ability to exercise a power or perform a duty or function could be influenced by the interests of any person to whom they owe a private obligation or who expects to receive some benefit or preferential treatment from them.

Disclosure of Interests

5.(1) A Councillor shall file a written disclosure of the following information with the administrator:

- (a) the names of the Councillor's spouse and any persons or entities referred to in subsection 2(3);
- (b) the employer of the Councillor and the Councillor's spouse;
- (c) real property held by the Councillor or the Councillor's spouse; and
- (d) business interests and material investments of the Councillor or the Councillor's spouse, including in an entity referred to in paragraph 2(3)(e).

(2) A Councillor shall file a written disclosure under subsection 5 on the following occasions:

- (a) within thirty (30) days of being elected to the Council;
- (b) as soon as practical after a material change in the information previously disclosed; and
- (c) on April 15 of each year that the Councillor holds office.

(3) The administrator shall establish and maintain a register of all information disclosed by a Councillor under this section and section 6.

(4) On request of a Sc'ianew member or any person engaged in any aspect of the financial administration of Sc'ianew, the administrator shall permit that member or person to view the register referred to in subsection (3).

(5) Any person who views the register referred to in subsection (3)

- (a) may only use the information contained in the register for purposes related to the FAL and this Schedule; and
- (b) shall not share or distribute the information contained in the register.

(6) If a person breaches subsection (5), Sc'ianew may take the following actions:

- (a) a 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;
- (d) the appointment of an agent may be revoked; and
- (e) Sc'ianew may use any legal means available to it to remedy the situation.

(7) The Council may establish policies or procedures or give directions respecting the register referred to in subsection (3).

Gifts and Benefits

6.(1) A Councillor or a person referred to in paragraphs 2(3)(a) to (d) in relation to that Councillor shall not accept a gift or benefit that might reasonably be seen to have been given to influence the Councillor in the exercise of the Councillor's powers or performance of the Councillor's duties or functions.

(2) Despite subsection (1), a gift or benefit may be accepted if the gift or benefit

(a) would be considered within

(i) normal protocol exchanges or social obligations associated with the Councillor's office,

(ii) normal exchanges common to business relationships, or

(iii) normal exchanges common at public cultural events of Sc'ianew;

(b) is of nominal value;

(c) is given by a close friend or relative as an element of that relationship; or

(d) is of a type that the policies or directions of the Council have determined would be acceptable if offered by Sc'ianew to another person.

(3) Where a gift with a value greater than five hundred dollars (\$500) is given to a Councillor or a person referred to in subsection (1), the Councillor shall make a written disclosure of the gift to the administrator under section 5, and the gift shall be treated as the property of Sc'ianew.

(4) Subsection (3) does not apply to a gift received during a public cultural event of Sc'ianew.

Confidential Information

7.(1) Councillors shall keep confidential all information that the Councillors receive while performing their duties or functions unless the information is generally available

(a) to members of the public; or

(b) to Sc'ianew members.

(2) Councillors shall only use confidential information referred to in subsection (1) for the specific purposes for which it was provided to the Councillors.

(3) Councillors shall not make use of any information received in the course of exercising their powers or performing their duties or functions to benefit the Councillor's private interests or those of relatives, friends or associates.

Procedure for Addressing Conflict of Interest

8.(1) As soon as a Councillor becomes aware of circumstances in which the Councillor has a conflict of interest, the Councillor shall disclose the circumstances of the conflict of interest to the administrator and to the other Council members as soon as practicable, and no later than the next Council meeting.

(2) A Councillor shall leave any part of a Council meeting where the circumstances in which the Councillor has a conflict of interest are being discussed or voted on.

(3) The minutes of a Council meeting shall record the Councillor's disclosure under subsection (1) and note the Councillor's absence from the Council meeting when the circumstances in which the Councillor has a conflict of interest were being discussed or voted on.

(4) A Councillor shall not take part in any discussions or vote on any decision respecting the circumstances in which the Councillor has a conflict of interest.

(5) A Councillor shall not influence or attempt to influence in any way before, during or after a Council meeting any discussion or vote on any decision respecting the circumstances in which the Councillor has a conflict of interest.

(6) Where, as a result of a conflict of interest, a quorum of the Council can never be established,

(a) members of the FAC shall be appointed to sit as alternate members of the Council, so that a quorum of the Council is established; or

(b) the matter shall be referred to the FAC, who shall decide the matter.

(7) Where, as a result of a conflict of interest, a quorum of a committee can never be established, the matter shall be determined by the Council.

Procedure for Undisclosed Conflict of Interest

9.(1) If a Councillor has reason to believe that another Councillor has a conflict of interest or an apparent conflict of interest in respect of a matter before the Council, the Councillor may request clarification of the circumstances at a Council meeting.

(2) If, as a result of a clarification discussion under subsection (1), a Councillor is alleged to have a conflict of interest or an apparent conflict of interest and the Councillor does not acknowledge the conflict of interest or apparent conflict of interest and take the actions required under section 8, the Council shall determine whether the Councillor has a conflict of interest or an apparent conflict of interest before the Council considers the matter referred to in subsection (1).

(3) The minutes of the Council meeting shall record any determination made by the Council under subsection (2).

(4) If the Council determines under subsection (2) that a Councillor has a conflict of interest or an apparent conflict of interest, the Councillor shall comply with section 8.

Obligations of Committee Members

10.(1) This section applies to all members of Council committees.

(2) Sections 4 and 6 to 9 apply to a member of a Council committee and all references in those sections to

- (a) a Councillor are considered to be references to a member of a Council committee; and
- (b) a Council meeting are considered to be references to a committee meeting.

PART III - Officers and Employees

Application

11. This Part applies to all officers and employees of Sc'ianew.

General Obligations

12.(1) In the performance of their duties and functions, an officer or employee shall act honestly and in good faith and in the best interests of Sc'ianew.

(2) An officer or employee shall avoid circumstances that could result in the officer or employee having a conflict of interest or an apparent conflict of interest.

(3) An officer or employee shall avoid placing themselves in circumstances where their ability to exercise a power or perform a duty or function of their office or position could be influenced by the interests of any person to whom they owe a private obligation or who expects to receive some benefit or preferential treatment from them.

(4) The administrator shall ensure that every officer and employee is informed of their obligations under this Part and shall take steps to ensure that employees comply with these obligations.

Disclosure of Conflict of Interest

13. If an officer or employee believes they have a conflict of interest, the officer or employee shall

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

Gifts or Benefits

14.(1) An officer or employee or a member of their family shall not accept a gift or benefit that might reasonably be seen to have been given to influence the officer or employee in the exercise of their powers or performance of their duties or functions.

(2) Despite subsection (1), a gift or benefit may be accepted if the gift or benefit

- (a) would be considered within
 - (i) normal exchanges common to business relationships, or
 - (ii) normal exchanges common at public cultural events of Sc'ianew;
- (b) is of nominal value;
- (c) is given by a close friend or relative as an element of that relationship; or
- (d) is of a type that the policies or directions of the Council have determined would be acceptable if offered by Sc'ianew to another person.

(3) Where an officer or employee receives a gift or benefit that does not meet the criteria set out at subsection (2), the officer or employee shall

- (a) advise the administrator, or
- (b) in the event of the administrator, advise the Chair,

and the gift shall become the property of Sc'ianew.

Outside Employment and Business Interests

15.(1) If an officer or employee is permitted under their terms of employment to have outside employment or business interests, the officer or employee shall disclose these employment or business interests in writing to the administrator or, in the case of the administrator, to the Chair.

(2) An officer or employee shall ensure that any permitted outside employment or business interests do not unduly interfere with the exercise of their powers or performance of their duties and functions and that these activities are conducted on their own time and with their own resources.

Confidential Information

16.(1) An officer or employee shall keep confidential all information that the officer or employee receives while exercising their powers or performing their duties or functions unless the information is generally available

- (a) to members of the public; or
- (b) to Sc'ianew members.

(2) An officer or employee shall only use any confidential information referred to in subsection (1) for the specific purposes for which it was provided to the officer or employee.

(3) An officer or employee shall not make use of any information received in the course of exercising their powers or performing their duties or functions to benefit the officer or employee's private interests or those of relatives, friends or associates.

Sc'ianew Property and Services

17.(1) Officers and employees shall not use any personal property or services of Sc'ianew for any purposes unrelated to performance of their duties or functions unless that use is otherwise acceptable under the policies or directions of the Council.

(2) Officers and employees shall not acquire any personal property of Sc'ianew unless it is done in accordance with policies or directions of the Council.

PART IV - Contractors

Application

18.(1) This Part applies to all contractors of Sc'ianew, other than a person who has an employment contract with Sc'ianew.

(2) In this Part, a reference to a contractor includes a reference to each employee or agent of the contractor who is engaged to perform duties or functions under the contract with Sc'ianew.

Contractor Acting as Officer or Employee

19. If a contractor is retained to exercise the powers or perform the duties or functions of an officer or employee, the contractor shall comply with Part III of this Schedule as if the contractor were an officer or employee of Sc'ianew.

General Obligations

20.(1) A contractor shall act at all times with integrity and honesty

- (a) in its dealings with Sc'ianew; and
- (b) in its dealing with any third party when the contractor is representing or acting on behalf of Sc'ianew.

(2) A contractor shall not attempt to obtain preferential treatment from Sc'ianew by offering gifts or benefits that a Councillor, committee member, officer or employee is prohibited from accepting under this Schedule.

(3) A contractor shall ensure that every employee or agent of the contractor who is engaged to perform duties or functions under the contract with Sc'ianew is informed of their obligations under this Part and shall take steps to ensure that these employees or agents comply with these obligations.

Confidential Information

21.(1) A contractor shall keep confidential all information that the contractor receives in the course of performing their duties or functions unless the information is generally available to members of the public.

(2) A contractor shall only use any confidential information referred to in subsection (1) for the specific purposes for which it was provided to the contractor.

(3) A contractor shall not make use of any information received in the course of performing its duties or functions to benefit the contractor's interests or those of the contractor's relatives, friends or associates.

Business Opportunities

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

Sc'ianew Property and Services

23. If a contractor has been provided the use of any property or services of Sc'ianew in order to perform services for Sc'ianew, the contractor shall not use the property or services for any purposes unrelated to performance of those services.