



**K'ómoks First Nation**

## **Governance Policy**


***A policy to provide comprehensive governance structure  
to the K'ómoks First Nation Government.***

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## Definitions

<b>“Advisory Committee”</b>	Means a group of individuals who are appointed to provide guidance, recommendations, or oversight over a particular matter (e.g. Housing Committee).
<b>“Accountable”</b>	means that KFN operates according to a rigorous and transparent system of reporting understood by the people designed to receive the information.
<b>“Assets”</b>	means KFN's financial assets, including all money and anything of value owned by KFN
<b>“Band Council Resolution (BCR)”</b>	a formal decision-making tool used by the Band Council to address a wide range of matters that impact the community's well-being, development, and self-governance.
<b>“Chief”</b>	means the elected Chief Councillor of the K’ómoks First Nation.
<b>“Chief Administrative Officer” or “CAO”</b>	means the person who is responsible for leading the day-to-day administration or management of the K’ómoks First Nation and who reports directly to Council.
<b>“Conduct of Councillors”</b>	refers to the expectations outlined in Section 22 of the K’ómoks First Nation’s Financial Administration Law.
<b>“Committee”</b>	means a group of people appointed by Council for the purpose of advising or conducting decision-making activities assigned by Council which are convened on an ad hoc basis with a date of dismissal specified by Council or a regular long-term basis until or unless they are suspended or disbanded by the Council.
<b>“Conflict of Interest”</b>	refers to a situation of personal gain at the expense of others.

<b>“Council”</b>	means the elected Chief and Council of the K’ómoks First Nation.
<b>“Council Motion”</b>	refers to a decision which provides direction to the CAO and DIGR. A motion is used when the administrative threshold for a Band Council Resolution is not met.
<b>“Councillor”</b>	means a member of the Council and includes the Chief.
<b>“Delegation”</b>	transfer of specific responsibilities from one person to another.
<b>“DIGR”</b>	means the Director of Intergovernmental Relations who reports directly to Council with responsibilities related to addressing external stakeholder issues and partnerships.
<b>“Entity”</b>	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 financial statements of the K’ómoks First Nation in accordance with Generally Accepted Accounting Standards.
<b>“FAL”</b>	refers to the Financial Administration Law as passed by the K’ómoks First Nation.
<b>“Fiscal Year”</b>	The fiscal year of KFN is April 1 to March 31 of the following year unless otherwise amended under the FAL, in which case the fiscal year will be the same as the fiscal year set out in the FAL.
<b>“In Camera Meetings”</b>	refers to a Council meeting which is closed, in whole or part, to the public.
<b>“KFN”</b>	means the K’ómoks First Nation.
<b>“KFN Land Code”</b>	means the K’ómoks First Nation Land Code, as may be amended or replaced from time to time, and which was adopted by KFN in accordance with the Framework Agreement on First Nation Land Management.
<b>“KFN Member”</b>	means the registered membership of the K’ómoks First Nation.

<b>“Officer”</b>	means a KFN staff person who has signing authority for external contracts and the ability as per the Authorization and Delegation Table Policy to spend up to \$15,000 of preapproved budgeted funds. This typically includes the CAO, DIGR, and department directors for the Nation.
<b>“Organizational Chart”</b>	means a visual representation of the different positions in KFN’s government that clearly shows reporting relationships (who reports to who).
<b>“Person”</b>	means an individual, a corporation, a society or other non-profit organization, a partnership, a government or any government agency or department, a trustee, any unincorporated organization and includes heirs and legal representatives of an individual.
<b>“Personal Information”</b>	means information about a specific individual. In addition to common items such as an individual’s name, gender, physical characteristics, address, contact information, identification and file numbers - it also includes criminal, medical, financial, family and educational history as well as evaluative information and other details of an individual’s life.
<b>“Portfolio Holder”</b>	means a Councillor who is responsible for, and assigned to, a specified portfolio (e.g., youth, education, economic development, social development).
<b>“Quorum”</b>	means fifty percent plus one (50% + 1) of elected Council members present at a Council meeting.
<b>“Referendum”</b>	means a vote of the KFN Members to determine whether the KFN Members are in favour of a proposed measure or agreement involving KFN.
<b>“Strategic Plan”</b>	means a strategic plan that sets out the long-term vision for KFN and KFN Members, and which must be taken into account when making financial decisions that will impact members of KFN or KFN Assets.

<p><b>“Terms of Reference”</b></p>	<p>means a documented statement of the mandate, objectives, purpose, scope, functions and rules under which a Committee is expected to operate.</p>
<p><b>“Transparent”</b></p>	<p>means a commitment to processes and procedures that are openly shared with and understood by the KFN Members. Transparency makes certain that KFN’s institutions and the ways they operate are understood by the people they are designed to serve.</p>
<p><b>“Working Committee”</b></p>	<p>means a group of individuals with a specific delegated task and/or responsibilities to draft, operate, or complete a project. Often these projects are matters of interdepartmental communication, materials or resource sharing. (e.g. Nation Indigenous Peoples Day Committee or other specific event Committees tasked with running the operations of a project).</p>



## 1.0 Introduction

The People of the K'ómoks First Nation, being of Pentlatch, Coast Salish and Kwakwaka'wakw ancestry, have a profound relationship with the land and resources in their territory passed down through generations. Flowing from our inherent Indigenous title and rights is our right to self-government.

### 1.1 Purpose of Governance Policy

The purposes of this Policy are:

- To provide clear information on the roles and responsibilities of Council, the CAO and any other officer appointed by Council to achieve good governance.
- To set out decision-making roles and responsibilities that are Transparent, achieve the strategic objectives and vision of KFN, and build trust with KFN Members.

### 1.2 Application and Review of Governance Policy

This policy applies to Council, Committees, and all employees and any other persons with authority to conduct activities in connection with the financial administration of KFN. This policy will be reviewed annually by the CAO and the DIGR as it relates to their respective departments. Recommendations for amendments resulting from the review will be brought to Chief and Council for approval.

### 1.3 Purpose of Council

The core purpose of Council is to safeguard KFN Members, their collective Indigenous title and rights, and KFN traditional lands and waters for the benefit of present and future generations. Working in a collective and positive manner, Council strengthens the basic fabric of the community and enhances quality of life for all KFN Members.

### 1.4 Vision

həhewčis; Hayuthela la xens: Moving Forward Together

We, the people of K'ómoks, envision a prosperous and healthy Nation, in which we exercise our rights and title throughout our traditional territory, honouring our people, lands, waters, cultures and languages.

### 1.5 Guiding Values

We honour our ancestors, our respected elders, our hereditary chiefs and our families. We are committed to the fundamental values that have preserved us for time immemorial and continue to provide us with dignity and enhance our humanity.

Our fundamental values include:

- Protecting the lands, waters and resources that have sustained us.
- Fostering responsible self-government through openness and transparency.
- Communicating effectively with our members and our neighbours.
- Promoting a safe, healthy and prosperous community.
- Ensuring we are responsible and self-sufficient.
- Fostering our minds and spirits through our culture.

We honour our children in our determination to see these values carried into the future.

## 2.0 Governing Authority

## 2.1 Council Obtains its Authority to Act From:

- 1) Inherent title and rights to K'ómoks traditional territories from which flow the right to self-government. KFN's inherent right to govern derives from KFN's historic occupation of our land and traditional customs, protocols and governing practices.
- 2) *Constitution Act, 1982*: The existing aboriginal and treaty rights of the aboriginal peoples of Canada are affirmed by section 35(1) of the *Constitution Act*.
- 3) United Nations Declaration on Rights of Indigenous Peoples.
  - **Article 3**: Indigenous peoples have the right to self-determination. By virtue of that right, they freely determine their political status and freely pursue their economic, social, and cultural development.
  - **Article 4**: Indigenous peoples, in exercising their right to self-determination, have the right to autonomy or self-government in matters relating to their internal and local affairs, as well as ways and means for financing their autonomous functions.
  - **Article 5**: Indigenous peoples have the right to maintain and strengthen their distinct political, legal, economic, social and cultural institutions, while retaining their right to participate fully, if they so choose, in the political, economic, social and cultural life of the State.
  - **Article 11 (1)**: Indigenous peoples have the right to practise and revitalize their cultural traditions and customs. This includes the right to maintain, protect and develop the past, present and future manifestations of their cultures, such as archaeological and historical sites, artefacts, designs, ceremonies, technologies and visual and performing arts and literature.
- 4) *Indian Act* (R.S.C., 1985, c. I-5)– Sections 81, 83, and 85.1 provide the authorities for KFN to pass by-laws. Section 81 is in respect to matters that are local in nature to the KFN reserve lands, such as traffic control, residency, public health, nuisances and wildlife control. Section 83 pertains to money matters, property taxation, expenditure of band moneys and business licensing. Section 85.1 deals with intoxicants. KFN is no longer under *Indian Act* provisions relating to KFN reserve lands since the KFN Members approved the enactment of the KFN Land Code; see the paragraph on the KFN Land Code below.
- 5) *First Nations Land Management Act* (S.C. 1999, c.24) This law provided authority to the KFN to create a land code and land laws and take control over the management of KFN reserve lands rather than having those lands continue to be managed under the *Indian Act*. The K'ómoks First Nation Land Code came into effect in 2016.
- 6) *First Nations Fiscal Management Act* (S.C. 2005, c.9) – This law provided KFN the authority to create a Financial Administration Law (FAL) with authority over financial management, property taxation and local revenues. KFN's FAL was updated in 2024.

## 2.2 Governing Body

The elected Chief and Council are the governing body of the K'ómoks First Nation.

## 2.3 Governing Approach

Council will govern in a manner that emphasizes:

- 1) The sustainable future of KFN.
- 2) A clear separation between the role of Council and staff while acknowledging that these will overlap from time to time.
- 3) Pro-active leadership.
- 4) Accountability and Transparency.

In this spirit, Council will:

- 5) Be Accountable to KFN Members in the performance of its duties and obligations.
- 6) Restrict its primary role to strategic planning and governance rather than day-to-day administrative matters.
- 7) Direct, control and inspire KFN by carefully studying, reviewing and establishing Council policies.
- 8) Proactively address issues with governance tools available (laws, by-laws, Committees, etc.)
- 9) Ensure attendance at any meeting or event that requires its attendance.
- 10) Treat individual Councillors with dignity and respect.
- 11) Respect the role of the Council.
- 12) Respect the role of the elected Chief.
- 13) Speak with one voice, representing all Council members.
- 14) Respect and comply with all KFN laws, by-laws, codes, rules, regulations and policies.
- 15) Enforce self-policing when Councillors stray from good governance and the policies contained in this KFN Governance Policy.
- 16) Monitor and regularly review Council's own process and performance and complete an evaluation at the mid point of Council's term.

### **3.0 Division of Roles and Responsibilities**

#### **3.1 Governance**

- 1) Council governs as one to provide good governance in the provision of services and programs, and the protection and advancement of KFN Members' Collective Indigenous title and rights, strategic objectives, and quality of life for present and future generations.
- 2) The Council shall wield its authority as a whole and shall speak on behalf of the KFN with one, unified voice.
- 3) The CAO and DIGR are each obligated to follow the direction of Council, but never obligated to follow the direction of an individual Councillor acting alone. The recommendations of a Portfolio Holder should be considered but ultimate authority to direct the CAO and DIGR remains with Council.

#### **3.2 Division of Roles and Responsibilities**

**3.2.1. Laws and Policy** – Council may approve new KFN laws and policies or revise or rescind existing KFN laws and policies, by Band Council Resolution, provided that they are not inconsistent with this Policy or with KFN law. The CAO and DIGR are responsible for:

- 1) Reviewing all policy requests (new, revised, rescinded) within their respective departments and submitting a recommendation to Council for approval.
- 2) Determining if the policy document request needs to be referred to a subject matter expert for additional review or if it needs cross functional review from other departments of the KFN.
- 3) Maintaining a comprehensive list of all existing policies and procedures.

**3.2.2 Procedures** – Procedures are the specific methods used to translate policies into day-to-day operations. Council will approve BCRs and conduct its meetings in accordance with the procedures outlined in the Council Meeting Procedures Policy. Additionally, any recommendations from a Portfolio Holder on current standards of operations should be considered by the CAO and DIGR. Further direction on the creation of policies and procedures can be found in section 6.0 of this policy.

**3.2.3 Fiduciary Responsibility of Financial Administration** – The Council is responsible for all matters relating to the financial administration of KFN regardless of whether they have been assigned or

delegated to an officer, employee, Committee, contractor, or agent by or under the FAL. The CAO and DIGR, along with employees, officers, contractors or agents, may be delegated functions under the FAL, except those functions as follows: approval of Council policies; appointment of members, the Chair and Vice-Chair of the Finance and Audit Committee, the approval of budgets and financial statements of KFN, and the approval of borrowing of KFN (see sections 7 (1) and 7 (2) of KFN's FAL).

3.2.4 Referendums – A referendum is a direct vote by the KFN Members on a proposal, law, or political issue. The power to call a referendum rests with the majority of elected Chief and Council unless they delegate such powers to the CAO or DIGR through approved laws or policy. Referendums may be called for such matters as the use of capital funds, election codes or any other matter Council sees fit. The responsibility to administer the referendum lies with the CAO.

3.2.5 Programs and Services – Council will approve the creation and termination of programs or services and has the power to approve those that are outside of KFN's pre-approved fiscal year budget. Council will make such approval by deliberating upon proposals brought to them by the CAO or DIGR with corresponding rationales, work plan, budget and operational considerations. The CAO and DIGR have the authority to amend programs and services within their respective departments provided these changes do not impact the KFN's annual budget or contravene KFN's policies or laws.

3.2.6 Recruitment and Dismissal of CAO and DIGR – Council will hire the CAO and DIGR positions in accordance with Council's own policies and procedures, including conflict of interest rules. The CAO and DIGR are not subject to Part 5 of KFN's Human Resources Policy (Equal Opportunity Provisions) and are subject to dismissal under Council's own policies and procedures. These dismissal criteria will be described in the employment contract with the CAO and DIGR, as the case may be. These dismissal criteria are to be laid out in an employment contract.

3.2.7 Committees - Council may establish Committees as necessary. Committees come in several forms but are generally separated into Advisory Committees or Working Committees. Both Advisory Committees and Working Committees are defined as either internal/external or Ad hoc/Standing.

Within their respective departments the CAO and DIGR oversee staff roles and responsibilities within Committees, such as scheduling, setting the agenda for, and preparing materials for Committee meetings, providing updates and communications reports.. The CAO and DIGR also act as a liaison between the Committee and Council and provide guidance on Council's strategic objectives. Further policies and procedures for the establishment, disbanding and operations of Committees can be found in Section 5 of this policy.

3.2.8 Organizational Chart – The power to establish and amend KFN's organizational chart lies with Council. The CAO and DIGR may prepare amendments for Council's approval within their respective departments. As per their departments, the CAO and DIGR are responsible for ensuring that each role in the organizational chart is clearly defined with a job description and that the chart is communicated to employees and affected persons. The KFN Organizational Chart is Appendix A to the KFN Human Resources Policy.

3.2.9 Portfolios – Council uses portfolios to organize and advance areas of its responsibility. Portfolios are created, dismissed or edited by a motion approved by the majority of Council. KFN has portfolios in areas involving Indigenous title and rights, programs and services, lands and resources, education, economic development and social and community services, as may be amended from time to time by BCR. Council will determine the number of portfolios, based on the priorities and strategic objectives of Council, and appoint at least one Councillor and an alternate to each portfolio.

Where a portfolio is comprehensive with overlapping areas of responsibility, or for any other related reason, Council may decide the whole of Council holds a specific portfolio, e.g., treaty, BC Hydro. At the start of each new term Council agrees, by consensus, to assign Councillors to portfolios by taking into consideration each individual Councillor's area of expertise and expressed interest. Real or perceived conflicts of interest must be considered in portfolio appointments. A Councillor may have their portfolio changed or removed or be assigned to a new portfolio during the Councillor's term of office by a Motion in Council. See Appendix C for a current list of portfolios with corresponding Committees and Boards.

Portfolio holders are **NOT** authorized to:

- Make decisions on behalf of Council
- Direct staff
- Commit KFN to any obligations or critical actions without Council approval

Portfolio Holders keep informed about issues related to their area of responsibilities, participate on Committees and Boards which may be assigned to them, make recommendations to Council on issues and directions related to their portfolio, represent approved positions and strategic directions of Council, engage with KFN Members on issues as opportunities arise, and report on their activities to Council, the CAO, DIGR, and KFN Members, as appropriate.

The Chief shall be an ex officio member of all Committees and be entitled to vote at the meetings attended. Other members of the Council may attend meetings of a Committee (which are not their portfolio) and may with the consent of the Committee take part in the discussion but shall not be entitled to vote. Individual Portfolio Holders attend meetings of their portfolio as a Councillor and not as a community member. To attend as a community member is a perceived or real conflict of interest.

Within their respective departments, the CAO and DIGR provide support to the individual portfolio holder role and ensure that portfolio meetings and related Committee processes and recommendations align with Council's Strategic Plan. They also oversee the flow of communication and reporting between Portfolio Holders, Council, staff and KFN Members. The CAO and DIGR are not required to take direction from Portfolio Holders but are encouraged to take recommendations.

**3.2.10 Complaints and Dispute Resolution** - Disputes between Councillors: Individual Councillors will attempt to resolve differences between themselves, adhering to the principles and values contained within KFN's Code of Conduct Declaration which they commit to at the start of their term. Where a resolution is not possible, the remaining Councillors will meet with the parties to discuss a resolution. A final measure is external assistance of a mediator whether this is a cultural or legal advisor. A mediator request is made by the majority of Council. The CAO and DIGR support the dispute resolution process by providing research into potential solutions within their respective areas.

- Staff Grievances: Where employees have a complaint about the actions of a Council member (e.g., being directive) they are encouraged to raise the matter with their supervisor who will discuss it with the CAO or DIGR depending on whose department the employee falls under. A staff complaint directed to the CAO or DIGR will be subject to the KFN Human Resources Policy Section 18.
- Member Grievances: Council has the authority and responsibility to ensure that a transparent and responsive complaint process is in place to address member complaints and grievances.

Council, the CAO and DIGR will strive toward providing an effective, accessible and responsive complaint resolution process that demonstrates KFN's commitment to service excellence.

3.2.11 Transparency – Council has a responsibility to ensure KFN Members are provided with timely, accurate, and clear information about KFN laws, by-laws, policies, programs, services, and initiatives. Council must use a variety of ways to communicate and provide information in multiple formats to accommodate diverse needs and ensure equal access. The CAO and DIGR will operationalize and provide communication plans/strategies for their respective departments to ensure that KFN Members receive continual, timely and accessible updates.

### **3.3 Strategic Planning**

KFN undertakes varying planning processes to achieve the vision of KFN Members including Council's role to provide good governance, protection of Indigenous rights and title, and achievement of strategic objectives. These plans include, but are not limited to:

- 1) **Comprehensive Community Plan (CCP):** Steered by the community, these plans are holistic or all-encompassing and involve a long-term community vision (25–100-year vision). The CAO is responsible for supporting the creation of a CCP when motioned by Council.
- 2) **Strategic Plan:** Strategic plans (2 year and beyond) are the responsibility of Council. It sets out how KFN will achieve its missions, goals and objectives over the long-term. Priorities typically come from within KFN's CCP. Effective strategic planning demonstrates not only where KFN is going and the actions needed to make progress, but also how KFN will know if it is successful.
- 3) **Departmental or Specific Area/Topic Plans:** These are 1–10-year plans often created by department managers or technicians and add technical information to high-level goals, giving direction to staff (e.g., Land Use Plans, Capital Plans, Health Plans).
- 4) **Staff Work Plans:** These are typically 1–3-year plans which provide detailed technical information such as budgets, schedules, deliverables and guides for implementation.

3.3.1 Strategic Planning Criteria - Based on a planning session informed by staff, the Council will ensure that KFN has a strategic plan that includes:

- 1) Development of a community vision which serves as a guiding principle of the plan.
- 2) Development of a community priorities list (e.g., housing, employment, etc.).
- 3) Development of a realistic timeframe to implement the plan.
- 4) Identification of plan implementation requirements.
- 5) Determination of how implementation of the strategic plan will be resourced.

A strategic plan will include a long-term vision, at least 2 years, for KFN and will be used to guide financial and community decision-making. The direction of a strategic plan is defined by Council but informed through the CCP. The strategic plan will be reviewed on a periodic basis (every 2 years and updated as necessary).

3.3.2 Implementation and Evaluation - The CAO and DIGR are responsible for staff work plans within their departments, ensuring that objectives of the Strategic Plan are operationalized. This involves making certain that work plans have realistic time frames and resources. The CAO and DIGR also ensure Committee work aligns with strategic objectives. Within their departments the CAO and DIGR will establish an evaluation process on a periodic basis to assess how successful the strategic plan is in achieving objectives. The CAO and DIGR oversee the creation of communication strategies to keep KFN Members updated on KFN strategic plan progress and accomplishments. Updates to the KFN Members should be at least annually.

### **3.4 Finance**

Council is responsible for all matters relating to the financial administration of KFN whether they have been assigned or delegated to an officer, employee, Committee, contractor or agent. See section 10 of

this policy for a general description, and KFN's Financial Administration Law specifically. Financial administrative duties and responsibilities of the CAO and officers are set out in the Financial Administration Law.

### **3.5 Agreements**

Council shall ensure that all contracts and agreements to which KFN is a party to are carried out according to their terms. All contracts, agreements, documents or any instruments above the delegated amount according to the Authorization and Delegation Table Policy requiring execution on behalf of KFN will be signed by Council, except as provided by other applicable signatories on behalf of Council.

### **3.6 Other Governments – Indigenous and Non-Indigenous**

As the elected leadership, Council will advocate for the establishment of processes and mechanisms with the Government of Canada, The Province of British Columbia, municipalities, Businesses and Non-Profit Societies that respect the inherent Indigenous rights, title, and jurisdiction of the KFN. Council will maintain contacts with other First Nations and be involved with First Nation political organizations both regionally and nationally as it benefits the interests of KFN Members and KFN as a whole.

#### **3.6.1 Role of the Director of Intergovernmental Relations (DIGR)**

- 1) Subject to these policies, liaise with all levels of government and government agencies and departments on all matters affecting KFN.
- 2) Represent KFN's interests and the concerns of its members at meetings and conferences and report to the membership on key issues and concerns raised.
- 3) Council has the discretion to delegate non-decisional authority to designated bodies at the regional, provincial and national level, to speak on behalf of the KFN community on matters relating to KFN's broad interests.

### **3.7 Council Meeting Procedures**

Council has a responsibility to conduct Council meetings on a regular basis. These meetings will be governed by the Chief and Council Meeting Procedures Policy.

### **3.8 Elected Chief Councillor's Role**

While all Councillors have a responsibility to hold themselves and each other responsible and accountable, it is recognized that as the 'first among equals', the Chief is ultimately responsible for providing leadership to the Council and ensuring the integrity of Council's internal processes is preserved such that Council behaves consistently with its own rules and those rules legitimately imposed upon it by persons having jurisdiction to do so.

Accordingly, the Chief:

- 1) Is the first among equals, which means the position has no exclusive decision-making powers, except in emergencies. In such cases of emergency, the elected Chief will report to the Council as soon as possible following his/her decision.
- 2) Speaks on behalf of the Council regarding press releases or delegates this authority.
- 3) Represents KFN at ceremonial and other special functions or delegates this authority.
- 4) Chairs the Council meetings and ensures that they are conducted in an orderly and business-like manner and decides all questions of procedure subject to the Council Meeting Procedures Policy.

- 5) Ensures that all meetings and deliberations involving Council and members will be fair, open, thorough, and orderly and allocated the appropriate amount of time keeping in mind the other matters before Council. If the Chief is unable to carry out these responsibilities, she/he shall relinquish the Chair to another Councillor at that meeting.
- 6) Shall ensure that meeting content will be limited to those issues that, according to Council policy, clearly fall exclusively within Council's jurisdiction and not the CAO's nor DIGR's.
- 7) May sit on any Council-authorized Committees. The Chief may delegate this authority to another Councillor.
- 8) Will not unduly delegate but may delegate to another Councillor any of his/her roles and responsibilities. The responsibility of the Chief is paramount.

### **3.9 Vacancy**

If the Chief or a Councillor ceases to hold office more than three months before the day on which their term of office would have expired, Council may direct that a by-election be held for that position. So long as a quorum of Council remains in office, the remaining Councillors may continue to exercise all the powers of Council until a new Councillor is elected.

## **4.0 Communication Flow Respecting Council**

### **4.1 Binding Decisions**

Only decisions supported by a duly passed motion by a majority of Council are binding on the CAO and DIGR. Accordingly, decisions or instructions from individual Councillors or Committees are not binding on the CAO and DIGR, except in rare situations when the Council specifically authorizes the exercise of such authority by Band Council Resolution.

Except as may be provided in KFN policies, the CAO and the DIGR are Council's only authoritative link to administrative activities of KFN. Therefore:

- 1) The Council will never give instructions to persons who report directly or indirectly to the CAO and the DIGR
- 2) The Council will refrain from evaluation, either formally or informally, of any staff other than the CAO and Director of Intergovernmental Relations as per section 72.1 of the KFN Human Resource Policy.
- 3) With respect to the treatment of paid and volunteer staff, Council, the CAO and DIGR will operate within the guidelines of the KFN's Human Resource Policy.

### **4.2 Information Requests**

All information requests to the CAO or DIGR must be in writing through the official channels of KFN (e.g., @komoks.ca office email or a motion in Council).

- 1) When requests are made by individual Councillors, requests shall be made aware to all other Councillors. Text or instant messages should only be used as an informal means of notification and never as an official information request.
- 2) If an individual Councillor, separately or within a Committee role, requests information or assistance without a motion in Council, the CAO and DIGR can refuse those requests within reason.
- 3) Personal information about other KFN members will not be disclosed except in accordance with the KFN's privacy policies and, in the absence of which, generally accepted protection of privacy measures.



- 4) The CAO and DIGR will not duly refuse an individual Councillor's request for a briefing unless that request does not have a reasonable timeline or involves a conflict of interest.

## **5.0 Committee Establishment and Dissolution**

### **5.1 Purpose**

The purpose of this section is to establish an effective governance system that ensures that Advisory Committee and Working Committees are consistently and purposefully structured to carry out their specified functions assigned by Council, the CAO or the DIGR.

### **5.2 Committee Structures**

- 1) Generally, an Advisory Committee will be established by Council to bring forward recommendations on a particular topic/issue that Council requires more in-depth review or study and requires a recommendation on how to proceed to address the topic/issue. The Advisory Committee generally consists of experts or individuals who have a particular perspective or involvement in an issue and may be KFN Members or any individuals Council feels may provide a level of knowledge or insight into the topic or issue. An Advisory Committee is most often established for its independent and technical merit (not its political expertise). A member from Council with the corresponding portfolio related to the topic of the Committee will be offered a seat on the Committee as a non-voting Council representative.
- 2) Generally, a Working Committee will be established by Council to focus on a particular initiative that requires in-depth review, work, drafting, management, or a significant time commitment. A member from Council with the corresponding portfolio related to the topic of the Committee will be offered a seat on the Committee as a non-voting Council representative.

Unless otherwise specifically stated in the Terms of Reference, Working Committees or Advisory Committees should be defined as either internal/external and either Ad hoc/Standing.

- 3) Internal – Comprised only of staff members and/or Council members.
- 4) External – Comprised of some or all of the following: staff, contractors, KFN Members, field experts, a member of Council with the corresponding portfolio related to the topic of the Committee, or others.
- 5) Ad hoc – Within the Terms of Reference there is a specific date of dismissal.
- 6) Standing – Within the Terms of Reference there is not an end date to the Committee.

All Committee members are subject to all references to the Code of Conduct and Conflict of Interest within the KFN HR Policy within sections 24 and 26 as if they were employees or independent contractors.

### **5.3 Responsibilities**

Council is responsible for:

- 1) Establishing all Committees and their mandate.
- 2) Approving of the Terms of Reference for each Committee.
- 3) Determining the minimum qualifications and eligibility requirements of Committee members and chairpersons.
- 4) Appointing a chairperson and membership or filling of any vacancies on a Committee.
- 5) Evaluating the effectiveness of each Committee.
- 6) Approving any recommendations presented by the Committee.

The CAO and the DIGR are responsible for:

- 7) Keeping record of all established Committees, their Terms of Reference and their membership.
- 8) Assisting Committee Chairs in preparing Committee agendas. This role is typically delegated to corresponding Department Heads.
- 9) Ensuring that the agendas and minutes of all Committee meetings are retained for a period of at least seven years or period specified as per Information Management Policy of KFN and institutional best practices.
- 10) Ensuring Committee Terms of Reference are kept up to date and mirror the structure of Appendix D.

The chairperson is responsible for:

- 11) Chairing Committee meetings and ensuring they are conducted in an efficient and effective manner.
- 12) Scheduling meetings as necessary and planning activities to make sure that the Committee is successful in fulfilling its mandate and addressing its functions, duties and responsibilities, including working within its approved budgetary resources.
- 13) Approving meeting agendas.
- 14) Ensuring that minutes are prepared and that they accurately reflect meeting outcomes.
- 15) Evaluating Committee members and their contributions.
- 16) Identifying the necessary qualifications and eligibility criteria for Committee members.
- 17) Recruiting qualified Committee members and recommending member appointments and removals to Council.
- 18) Reporting to Council on behalf of the Committee, this includes making the minutes from the Committees available to Council for review.

The Committee members are responsible for:

- 19) Preparing for meetings for those Committees of which he or she is a member by reading reports and background materials prepared for each meeting and acquiring adequate information necessary for decision making.
- 20) Becoming knowledgeable of the Committee functions.
- 21) Participating fully and frankly in the discussions of the Committee.
- 22) Attending all Committee meetings.
- 23) Avoiding conflicts of interests and complying with conflicts of interest laws, policies, and procedures.

## **5.4 Procedures**

**5.4.1 Establishing Committees** - Council may establish or dissolve Committees, other than the Finance and Audit Committee, by passing a Band Council Resolution. Council will also approve Terms of Reference regarding the Committee's mandate, objectives and expected outcomes. For each new Committee, the CAO and the delegated staff member will develop and recommend to Council for approval the Terms of Reference which will include, at a minimum, the following:

- 1) Composition of members, including minimum number of Councillors and any requirements for specific experience, skills, knowledge or expertise.
- 2) Specification of the type of Committee: either Working or Advisory and should be defined as either internal/external and either Ad hoc/Standing.
- 3) Quorum.
- 4) Term of the Committee members.

- 5) Detailed role and functions.
- 6) Voting rules.
- 7) Meeting and reporting obligations.
- 8) Any delegated authority, e.g. budgeting specific approval powers.

Committees do not speak or act for Council. Council must carefully define the Terms of Reference so as not to conflict with the responsibilities delegated to the CAO or DIGR.

The names of Committees should be obvious, based on their form and function.

#### 5.4.2 Appointment of Committees Members

- 1) Council will appoint a Committee chairperson.
- 2) The CAO or DIGR and the respective delegated staff member will develop and recommend to Council for approval membership qualification and eligibility criteria for each Committee, including conflict of interest avoidance.
- 3) The CAO or the DIGR or a designate will follow a fair and equitable recruitment strategy that provides opportunity to all potential Committee members to fill vacancies.
- 4) The CAO or the DIGR will meet with and assess the qualifications, eligibility and interest of each Committee member candidate, and provide the staff member with a list of qualifying and eligible candidates.
- 5) The chairperson, based on consultations with the Committee, will recommend to Council the appointment of new individuals to the Committee.
- 6) The elected Chief is ex-officio voting member of all Committees.
- 7) Councillors may sit on Committees as per their portfolios as non-voting Council representatives.
- 8) Committees do not exercise authority over the KFN Administration or staff.

#### 5.4.3 Monitoring and Evaluating Committee Performance -

- 1) Annually, the chairperson will evaluate the Committee progress against its Terms of Reference, objectives, and stated outcomes. The results of the analysis will be presented to Council and used as the basis for the following year plan.
- 2) The chairperson will continually monitor the performance of Committee members against their terms of appointment.
- 3) Committees which no longer serve a useful purpose should be cancelled.

#### 5.4.4 Removal of Committee Members -

- 1) A Committee member may be removed by Council on the recommendation of the chairperson if the member has committed a breach of the Code of Conduct, breach of confidentiality, or otherwise has breached a KFN policy or law, fails to perform expected duties of a member, or is no longer qualified or eligible to be a member of the Committee. Committee members are subject to the Human Resource Policy of the KFN, Sections 24 and 26, as if they are employees or independent contractors as it relates to the Code of Conduct and conflict of interest.

## **6.0 Policy and Procedure Development**

### **6.1 General Responsibilities**

- 1) It is Council's responsibility to direct the CAO and DIGR on the creation of new policies and to approve policies that reflect KFN's accepted practices as well as meet law and regulatory requirements that affect KFN's governance, operations, and financial administration.

- 2) It is the responsibility of the CAO and DIGR to facilitate the creation, revision, and maintenance of the policies of Council and to create procedures that properly implement the approved policies of Council.
- 3) The purpose of this section is to ensure that there is a standardized method of preparation, review, issuance, maintenance and revision of all policies and procedures in relation to the KFN's financial management and governance.
- 4) This policy and procedure apply to the Council, Committees of Council and all employees and any other persons with authority to conduct activities of KFN.
- 5) It is the responsibility of the CAO to create and track a list of all policies and procedures required by KFN's Financial Administration Law or required to adequately and effectively manage and control the financial management, the operations of KFN, and to safeguard KFN's Capital Assets.

## **6.2 Policy and Procedure Creation**

- 1) The document initiator creating the policy and/or procedure should be the process owner or a subject area expert.
- 2) The document initiator will submit final draft policy and/or procedure documents to the CAO/DIGR for review.
- 3) Regarding policy, after review by the CAO or DIGR, the policy will either be directly brought to Council for approval or be referred to a Committee for review and recommendation. In either case, Council may still recommend that a policy be referred to a Committee or to staff for further development before approval.
- 4) In the case of procedures, before approving, the CAO or DIGR may refer a procedure to a Committee or to staff for further development.
- 5) Proposed policies will include the following components:
  - Policy – clear statement that indicates the protocol or rule affecting the specific area
  - Purpose – the reason or rationale underlying the policy and procedure
  - Scope – the areas, functions, individuals, or departments affected by the policy
  - Definitions – any specialized terms that are not otherwise defined
  - Responsibilities – describes who, using titles or positions, is responsible for implementing or maintaining the policy and procedure
  - References (optional) – list of applicable documents, policies, laws and regulations
  - Attachments (optional) – forms, reports, or records that are generated from the policy
- 6) Proposed procedures will include the following components:
  - Procedures – describes the steps, details, or methods to be used to implement and maintain the policy and procedures
  - References (optional) – list of applicable policies

## **6.3 Policy Revision**

- 1) The document initiator may recommend the revision of an issued policy and procedure following steps under "Policy Creation". Periodically, the CAO and DIGR or their delegate will review issued policies and procedures or will request process owners to validate existing policy and procedures for accuracy.

## **6.4 Policy Approval**

- 1) Council must approve all policies by Band Council Resolution.
- 2) Approval of procedures has been delegated to the CAO and DIGR, the CAO and DIGR must approve all procedures in accordance with the policies and procedures of the KFN for each of their respective departments.

- 3) Once approved by Council, a new or revised policy must be communicated by the CAO and accessible to all affected departments and persons.

### **6.5 Policy Maintenance**

- 1) Periodically, all issued policy and procedures documents will be reviewed for completeness, accuracy, and relevancy and revised or rescinded accordingly.

### **6.6 Policy Authority Levels**

- 1) Procedures cannot contravene a policy or law, and policies cannot contravene a law. Similarly, there are four categorical policies (Governance, Human Resources, IT, and Finance) that cannot be superseded by lower-level policies and procedures. This structure ensures that all operational guidelines align with legal standards and overarching organizational principles.

## **7.0 Chief Administrative Officer and the Director of Intergovernmental Relations**

### **7.1 General Responsibilities**

The Chief Administrative Officer and the Director of Intergovernmental Relations are the sole employees of Council. The CAO and DIGR shall, subject to KFN's policies, be responsible for the day-to-day operations of their respective departments, this includes:

- 1) The implementation of KFN's policies, programs and services.
- 2) Manage the departments assigned to the CAO or DIGR.
- 3) The CAO and DIGR will report to Council on activities that relate to their respective departments. This reporting will take place within duly convened Council meetings as set out in the Council Meeting Procedures Policy.
- 4) All other responsibilities specified or delegated by Council.
- 5) All other responsibilities specified in KFN's FAL and policies.
- 6) Requiring that all employment and service contracts require employees and contractors of KFN to comply with the policies and procedures of KFN.

### **7.2 Operational Practices**

- 1) When performing his or her duties, the CAO and DIGR will not engage in, cause or allow any practice, activity, decision or organizational situation which is unlawful, imprudent, violates the commonly accepted business and professional ethics of KFN or adversely impacts the reputation of KFN.
- 2) The CAO, DIGR and staff will not use or divulge to any person information that is acquired because of their role for their own benefit or advantage or for the benefit or advantage of any other person, as per KFN's HR Policy.

### **7.3 Delegation**

- 1) While Council is ultimately accountable for the performance of the KFN, it must, to the greatest extent possible, be free from involvement in the day-to-day operations of the KFN administration. Council therefore supports the principle of delegation to the CAO and DIGR.

### **7.4 Operationalizing Policy**

The CAO and DIGR will interpret policies in a prudent, ethical and reasonable manner consistent with KFN's vision, values and strategic plan. Therefore:

- 1) The Council will respect the CAO and DIGR's choices and decisions if a policy is absent, provided the CAO and DIGR act in accordance with this policy. Through a duly adopted BCR or Motion in Council, the Council may rescind areas of the CAO or DIGR authority at any time.
- 2) The CAO and DIGR are mandated to inform the Council at the next duly convened meeting by memorandum when a KFN policy has been contravened.
- 3) The CAO and DIGR will identify and report risks of fraud to the Council as outlined in the KFN Financial Administration Law.
- 4) The CAO and DIGR may delegate work to be accomplished to staff but not authorities or the responsibility for meeting Council's direction.

### **7.5 Appointment of KFN Officers**

It is Council's responsibility to establish a process around outlining the duties and roles of the KFN's officers, which include the CAO, the DIGR, the Director of Finance, Tax Administrator, and typically department directors of KFN. This section also establishes a process for the appointment or removal of officers of the KFN.

Council is responsible for appointing all officers of the KFN by a BCR. This would grant the officer signing authority and the corresponding spending authority as set out in the Authorization and Delegation Table Policy.

The Finance Officer is responsible for:

- 1) The day-to-day management of the KFN's financial administration system.
- 2) Other duties as required by the CAO that are not contrary to the *First Nations Fiscal Management Act* (S.C. 2005, c. 9) or inconsistent with the Finance Officer's duties under the FAL.
- 3) Reporting directly to the CAO.
- 4) Administering and supervising the maintenance of the records of all receipts and expenditures of KFN.
- 5) Preparing any documentation and financial information required by Council or the FAC to carry out their responsibilities
- 6) Any other duties as set out in section [19.2] of the FAL.

If applicable, the Tax Administrator is responsible for:

- 1) The day-to-day management of the KFN's local revenues system.
- 2) Other duties as required by the DOF/CAO that are not contrary to the FMA or KFN's local revenue laws or inconsistent with the Tax Administrator's duties under KFN's Financial Administration Law.
- 3) Reporting directly to the DOF/ CAO.

### **8.0 Code of Conduct and Conflict of Interest**

Pursuant to Section 21. (1) of the FAL, the following are provisions and procedures for the avoidance, mitigation and disclosure of actual or perceived conflicts of interest by Councillors, officers, employees, Committee members, contractors and agents.

Section 8 applies to Council, Committees and all employees and any other persons with authority to conduct activities of KFN.

### **8.1 Defining Conflict of Interest**

A Councillor has a conflict of interest when they exercise a power or perform a function of their position in KFN, and at the same time knows or ought to have reasonably known that in doing so, there is an opportunity to benefit their individual private interests. A Councillor's private interests mean their personal and business interests and includes the personal and business interests of:

- 1) The Councillor's spouse/common-law partner.
- 2) The Councillor's biological or adopted father and mother and their respective spouses or common-law partners.
- 3) The Councillor's children and the children of their spouse/common-law partner (this includes children placed with the Councillor for adoption).
- 4) Siblings and step siblings of the Councillor and their spouse/common law partner
- 5) Individuals who are under guardianship of the Councillor/spouse or common law partner.
- 6) A person who is financially dependent upon the Councillor or their spouse/common law partner.
- 7) An entity in which the Councillor alone or in combination with any other person described in this section has a controlling interest.

An individual has a 'perceived' conflict of interest if a reasonably well-informed person would perceive that the individual's ability to exercise a power or perform a function of their position is likely to be affected by the individual's personal or business interests.

A Councillor's personal or business interests do not give rise to a conflict of interest if those interests are the same as those of a broad class of KFN Members. For example, if Council is voting on whether to increase house insurance subsidies, the Councillor's interest as a KFN Member does not conflict with his or her decision-making role – it is a 'common' interest to all KFN Members.

A conflict also does not exist where the individual's interests 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.

### **8.2 Application of Conflict-of-Interest Provisions for Employees/Contractors**

- 1) Conflict of interest provisions for KFN employees and independent contractors are outlined in KFN's Human Resource Policy - Section 26.1 and 26. 2 and Appendices F – "Independent Contractors Code of Conduct"; G- "Disclosure form for Conflict of Interest- Employees"; I "Disclosure form for Conflict of Interest - Independent Contractors" of the Human Resource Policy.
- 2) If an officer, employee, committee member, contractor or agent believes they have a conflict of interest, that person must disclose the circumstances in writing as soon as practicable to the CAO or, in the case of the CAO, to the chair of the FAC.
- 3) When issues of interpretation exist between provisions of KFN's Human Resource Policy and KFN's Governance Policy, matters of employee/contractor relations are managed by the KFN Human Resource Policy and matters of Council are managed by the Governance Policy.

### **8.3 Responsibilities**

Council/Councillors are responsible for:

- 1) Avoiding circumstances that could result in the Councillor having a conflict of interest or a perceived conflict of interest.

- 2) Avoiding 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.
- 3) Reading and understanding the Code of Conduct and Conflict-of-Interest requirements and annually signing the Code of Conduct Declaration (Appendix E) and the Conflict-of-Interest Disclosure (Appendix F) forms upon commencement of their term of office.
- 4) Disclosing circumstances as soon as possible which could result in an actual or perceived conflict of interest.
- 5) Taking appropriate action, as outlined in the Financial Administration Law (Section 22), to remedy Councillor misconduct.
- 6) Rejecting gifts, benefits, or services over the value of \$500 that might reasonably be seen to have been offered to influence the making of a decision: whether this is offered to the Councillor, spouse, children, or anyone else described in Section 8.1.
- 7) Taking appropriate action to remedy undisclosed conflicts of interest by Councillors:
  - If a Councillor has reason to believe that another Councillor has a conflict of interest or a perceived conflict of interest regarding a matter before the Council, the Councillor may request clarification of the circumstances at a Council meeting.
  - If a Councillor is alleged to have a conflict of interest or a perceived conflict of interest and does not acknowledge it and take action to disclose the conflict, Council must determine whether the Councillor has a conflict of interest or a perceived conflict of interest.
  - The minutes of the Council meeting must record any decision made by the Council regarding an undisclosed conflict of interest by a Councillor.
  - If Council determines that a Councillor has a conflict of interest or a perceived conflict of interest, the Councillor must comply with the requirement to disclose the conflict of interest.
- 8) A Councillor must not take part in any discussions or vote on any decision respecting the circumstances in which they have a conflict of interest. A Councillor must leave any part of a Council meeting where the circumstances in which the Councillor has a conflict of interest are being discussed or voted on.
- 9) A Councillor must not influence or attempt to influence in any way before, during or after a Council meeting any discussion or vote on any decision respecting the circumstances in which the Councillor has a conflict of interest.
- 10) The minutes of a Council meeting must record the Councillor's disclosure 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.

The Chief Administrative Officer is responsible for:

- 1) Ensuring Council members sign the Code of Conduct Declaration and the Conflict-of-Interest Disclosure forms annually for submission to the CAO in a timely manner.
- 2) When the CAO reports a perceived conflict of interest to the chair of the FAC as required in the Code of Conduct, the CAO will complete and file the Conflict-of-Interest Disclosure Form with Council.

#### **8.4 Procedures**

At the end of each fiscal year, the CAO will communicate with Councillors to request those, who have not been made aware of the Code of Conduct, to read and sign the Code of Conduct Declaration. The



signed Conflict-of-Interest Disclosure Forms and Code of Conduct Declaration forms for Councillors will be held by the CAO.

### **8.5 Loyalty**

The Council's ultimate loyalty is to KFN and its KFN Members. This loyalty supersedes:

- Loyalty to any advocacy or special interest groups, and membership on other Boards.
- The personal interest of any Councillor acting as an individual user of KFN's programs and services.

Defamatory, inflammatory or otherwise false statements made by a Councillor about KFN, or its operations will not be tolerated and will be subject to disciplinary procedures.

A Councillor will not do anything that she/he knows may adversely affect KFN's public image or credibility, particularly in ways that would hinder KFN's accomplishment of its strategic goals.

### **8.6 Accepting Gifts**

A Councillor will not, directly or indirectly, accept a fee, gift or personal benefit that is connected with their performance of duties. Unless the gift or personal benefit has a value limit of \$500 and is a result of protocol, in which case it will be disclosed at a duly convened Council meeting. All gifts and personal benefits, regardless of value, must at minimum be reported at a Council meeting and logged into official Council minutes. When a Councillor reports an accepted gift, information such as who presented the gift, why it was presented, and the estimated value of the gift, must be included.

A gift or benefit may be accepted if the gift or benefit would be considered within normal protocol exchanges or social obligations associated with the Councillor's office, normal exchanges common to business relationships, or normal exchanges common at public cultural events of KFN.

Where a gift with a value greater than five hundred dollars (\$500) is given to a Councillor, their spouse, dependent, or entities of which they have a controlling interest, the Councillor must make a written disclosure of the gift to the Chief Administrative Officer. The gift must be treated as the property of KFN. This does not apply to a gift received during a public cultural event of KFN.

A councillor will reject any gifts, benefits, or services from any organization if the organization or its direct associates provide gifts, benefits or services to any one Councillor over the year, and the accumulative amount exceeds \$1,000 per annum (spouses and others specified in Section 8.1 are included in the \$1,000 accumulative limit).

If a Councillor is unsure whether to accept a gift, benefit, or service, they will bring the matter before Council for a decision.

### **8.7 Confidentiality**

Councillors must keep confidential all information that they receive while performing their duties or functions unless the information is generally available:

- to members of the public; or
- to KFN Members.

Councillors must only use confidential information for the specific purposes for which it was provided to them. Councillors must not make use of any information received in the course of exercising their powers or performing their duties or functions to benefit the Councillor's private interests or those of relatives, friends or associates.

## **8.8 Code of Conduct Declaration and Conflict of Interest Disclosure Forms**

- 1) At the end of each fiscal year, the CAO will communicate, in writing, with Council members to obtain the signed Code of Conduct Declaration, and annual Conflict of Interest Disclosure forms.
- 2) The CAO will file the Code of Conduct Declaration and Conflict of Interest Disclosure forms according to the relevant records management policy that protects the privacy of the persons making the disclosure.
- 3) Signed Council Code of Conduct Declaration and Conflict of Interest Disclosure forms will be filed with the relevant administrative personnel.
- 4) The CAO will retain all Code of Conduct Declarations and Conflict of Interest Disclosure forms in the respective Council files.

## **9.0 Whistleblower Procedures**

Council will ensure there are procedures to report, investigate, and act on allegations of wrongdoing and to provide protection to persons who come forward with these reports in good faith.

### **9.1 Definition of Wrongdoing**

Wrongdoing includes any breach of the FAL, conflict of interest provisions under this policy, Council approved laws, codes, policies or procedures and includes but is not limited to:

- 1) Fraud – intentional deception for personal gain
- 2) ‘Side deals’ with contractors for personal gain
- 3) Questionable accounting practices and inadequate internal accounting controls
- 4) Misappropriation of funds; use of KFN funds for personal gain or unauthorized uses
- 5) Unethical behaviour including breach of conflict of interest or Code of Conduct policies
- 6) Inappropriate use of KFN credit cards, vehicles or equipment
- 7) Theft of KFN physical or intellectual property
- 8) Illegal activities

### **9.2 When to Report a Wrongdoing Incident Under this Policy**

- 1) Any individual should report suspected wrongdoing under this Whistleblower policy instead of a typical KFN administrative structure when:
  - They are concerned with retaliation, such as harassment or negative financial impacts, or how they believe they may be treated.
  - They believe the KFN administrative structure is in conflict of interest with the suspected wrongdoing.
  - They prefer anonymity due to the controversial and sensitive nature of a suspected wrongdoing.
  - Anytime a person sees fit to make a report through this procedure.
- 2) KFN members should use procedures under this policy to report wrongdoing if they are concerned with potential repercussions from reporting or prefer anonymity due to the controversial and sensitive nature of a suspected wrongdoing.
- 3) Any KFN staff, Councillor, or representative of the Nation who is made aware of a criminal act is required to report directly to the RCMP or the proper law enforcement channels.

### **9.3 Responsibilities**

Council is responsible for approving policies required in the Financial Administration Law on reporting, investigating and remedying matters related to wrongdoing.

The Finance and Audit Committees is responsible for:

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

The Chair of the Finance and Audit Committee is responsible for:

- 5) taking all reasonable steps to safeguard the identity of a person who makes a report of wrongdoing to the fullest extent possible
- 6) taking necessary steps to make sure that persons who have reported instances of wrongdoing remain protected against negative actions including but not limited to discrimination, threats, harassment or loss of employment or employment opportunities
- 7) reporting to Council any potential or real breaches of policy and/or negative actions against the Whistleblower.
- 8) Directly connecting with the KFN HR manager to inform them of current investigations to mitigate the possibility of retaliation regarding the reported wrongdoing.
- 9) If a conflict of interest arises, the Finance and Audit Committee Chair can hold a conversation without a Councillor present and seek the legal and related resources necessary to assist with investigations.

The Chief Administrative Officer is responsible for:

- 10) ensuring the Whistleblower Policy is easily accessible to members and the public. In addition, the CAO will communicate the policy to Council, staff, contractors and KFN Committee members.
- 11) preparing future amendments to the policy for Council approval.
- 12) providing a confidential reporting procedure(s) to report violations.
- 13) Forwarding any reported wrongdoing to the FAC within five (5) business days.
- 14) Approving any additional procedures related to reporting of wrongdoing which are not found in the Council approved Whistleblower policy.
- 15) taking all reasonable steps to make sure that the identity of the person who makes a report of wrongdoing is kept confidential to the extent possible.
- 16) taking necessary steps to ensure that persons who have made reports of wrongdoing remain protected against negative actions including but not limited to discrimination, threats, harassment or loss of employment or employment opportunities.
- 17) Connecting the Chair of the FAC with Council for the purposes of presenting completed investigative reports and recommendations from the FAC at the next scheduled Council meeting.
- 18) reporting to Council any potential or real breaches of policy or negative actions against the Whistleblower.
- 19) securing related records.
- 20) fostering and supporting an open and ethical environment.

#### **9.4 Providing Protective Measures**

- 1) An individual reporting a wrongdoing in good faith will receive fair and unbiased treatment throughout the investigative process. Through its approved policies, Council will protect individuals who have reported a wrongdoing from acts of discrimination, threats, retaliation and harassment.
- 2) A person against whom a report has been made will receive fair and unbiased treatment. Where a preliminary inquiry into a report indicates a possible finding of misconduct, the person against who the report has been made will be given an appropriate opportunity to answer the allegation in a manner consistent with the other provisions of this policy.
- 3) On an annual basis, the Finance and Audit Committee will provide Council with a report on the effectiveness of this policy and the Code of Conduct policy.

#### **9.5 Reporting Incidents of Wrongdoing**

The Chair of the Finance and Audit Committee will receive and inquire into reports of wrongdoing. When there is a report of wrongdoing regarding the actions of the CAO, the Chair may request investigative actions to be completed by KFN staff directly. Wrongdoing reports that are received by a Council member, officer, employee, contractor or agent from any source inside or outside KFN, will be immediately forwarded to the Finance and Audit Committee Chair. Individuals making a report can do so through correspondence (email or postal) or by telephone.

Promptly upon receipt of a report, the Finance and Audit Committee Chair will:

- 1) If not anonymous, confirm in writing to the Whistleblower that the report has been received.
- 2) Make sure that the identity of the person(s) making the report is kept confidential to the extent possible and that individuals who report in good faith are protected from negative actions.
- 3) Include the report in a confidential memo including the following.
- 4) The nature of the report (including specific allegations made and the names of the persons involved).
- 5) The date of receipt of the report.
- 6) The status of any inquiry.
- 7) The report made to the Finance and Audit Committee.
- 8) Any final resolution of the reported wrongdoing.
- 9) Decide on the appropriate action to be taken when conducting the inquiry and start the inquiry as soon as possible. The inquiry should seek to confirm or deny the allegations presented.
- 10) When the alleged incident is of significant risk to the operations, reputation, etc. of the First Nation, related to potential criminal acts by individuals, or of high financial value to the First Nation, the Chief Administrative Officer or the Finance and Audit Committee chairperson may retain external expertise to conduct the inquiry.
- 11) Within a period of eight weeks from the moment the report has been received, inform the Whistleblower, if not anonymous, of the status of the inquiry and steps that have been taken or will be taken following the results of the inquiry.
- 12) Report on the progress of current inquiries at each Finance and Audit Committee meeting.
- 13) Upon completion of the inquiry, report to the Finance and Audit Committee on the conduct of the inquiry and the result of the inquiry and recommended actions to Council for review and approval.

The Finance and Audit Committee will actively monitor inquiries to make sure they are conducted in accordance with this policy if the reported wrongdoing concerns a Finance and Audit Committee member, Council will inquire into the matter or retain external expertise to conduct the inquiry.

## **9.6 Response and Remedial Action**

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

Recommended actions will correspond with the severity of the wrongdoing and can include:

- 1) Reprimands
- 2) Leave without pay
- 3) Termination
- 4) Revocation of appointment
- 5) Other actions as determined by Council and subject to the provisions of the relevant policy.

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

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

## **10.0 Financial Administration of the Nation**

### **10.1 Finance and Audit Committee (FAC)**

It is Council's responsibility and a requirement of the FAL to establish and maintain a Finance and Audit Committee ("FAC") to assist Council in carrying out its oversight responsibilities for financial reporting, internal control, and risk management processes. The purpose of this section is to set out the composition, responsibilities, and procedures in establishing and maintaining a FAC. This section applies to Council, the FAC, the CAO and the Finance Officer.

#### 10.1.1 Subject to the FAL, the Council is responsible for:

- 1) Assigning to the FAC any responsibilities or functions in addition to those set out in the FAL.
- 2) Approval of the Terms of Reference for the FAC (Appendix G).
- 3) Determining the eligibility criteria of the FAC members, chairperson and vice-chairperson.
- 4) Confirming, before appointment, that each potential member of the FAC is eligible to be a member and is independent.
- 5) Ensuring that each member of the FAC signs a statement annually, confirming that they continue to meet the eligibility criteria and remain independent.
- 6) Determining the requirements of financial competency to be met by the majority of the FAC members.
- 7) The appointment of the chairperson and the vice-chairperson of the FAC and the filling of any vacancies in those offices.
- 8) If the chairperson is not a Councillor, sending notices and agendas of all Council meetings to the chairperson.
- 9) Evaluating the FAC's effectiveness.
- 10) Providing the FAC with the resources it might need to carry out its functions.
- 11) Considering any FAC recommendations or advice.

#### 10.1.2 The FAC Chairperson is responsible for:

- 1) Facilitating the FAC's interaction with senior management.
- 2) Chairing the FAC meetings and ensuring they are conducted in an efficient and effective manner, and in accordance with the FAC procedure requirements set out in section 13 of the FAL.
- 3) Planning the FAC's activities to ensure that the FAC is successful in fulfilling its mandate and addressing its functions, duties and responsibilities.

- 4) Ensuring the FAC's agendas are prepared.
- 5) Ensuring that minutes are recorded at each duly called meeting.

10.1.3 FAC Members are Responsible for:

- 1) Preparing for meetings by reading reports and background materials created for each meeting and acquiring adequate information necessary for decision making.
- 2) Actively participating in the FAC's deliberations.
- 3) Attending all scheduled FAC meetings subject to reasonable exceptions acceptable to the chairperson.
- 4) Becoming knowledgeable of the FAC functions and statutory responsibilities under the FAL.
- 5) Maintaining direct, open and respectful communications with management, the FAC, the auditor and other advisors as appropriate.
- 6) Ensuring that they have the minimum level of financial competency necessary to fulfill their responsibilities.
- 7) Ensuring that they maintain their independence as required in FAL.
- 8) Avoiding conflicts of interests and complying with conflict of interest policies and procedures established by Council and described in the FAL.
- 9) Reviewing and making recommendations to the Council on the Terms of Reference of the FAC.

10.1.4 The CAO is Responsible for:

- 1) Maintaining the current FAC member list.
- 2) Tracking the financial competency of each FAC member.
- 3) Through the Director of Finance, keeping the Chair of the FAC current in a timely fashion on major developments and provide the FAC with sufficient information on a timely basis to enable the FAC to discuss potential issues, make decisions, and fulfill its mandate.
- 4) Assisting the Chair of the FAC in planning and making necessary arrangements for setting agendas, giving required meeting notices and holding meetings.
- 5) Providing input and recommendation to Council for the evaluation of the FAC.
- 6) Providing the FAC with the resources it might need to carry out its functions.
- 7) Recruiting qualified FAC member candidates and recommending them to Council.
- 8) Evaluating FAC members and their contributions.
- 9) Attending each FAC meeting, unless excused by the Chair for a reasonable reason or excluded from attendance by vote of the FAC as provided in the FAL.
- 10) Reporting to Council on behalf of the FAC.

10.1.5 The Finance Officer is Responsible for:

- 1) Attending each FAC meeting, unless excused by the Chair for a reasonable reason or excluded from attendance by vote of the FAC as provided in the FAL.
- 2) Reporting to the CAO and providing technical and professional support to the FAC as requested or as required in the FAL.

10.1.6 Appointment and Removal of Members:

- 1) Subject to the FAL, Council will appoint the chairperson and vice-chairperson of the FAC, one of whom must be a Councillor, by a majority vote. The position of the vice-chairperson has typically been held by the Chief.
- 2) The Council must establish its FAC consisting of the number of members specified in the FAL.

- 3) The Council, upon recommendation of the CAO, will appoint the members of the FAC, a majority of whom must have financial competency and all of whom must have independence and meet eligibility criteria established by Council (refer to Appendix G).
- 4) A FAC member may be removed from office by majority vote of Council in the circumstances permitted in the FAL.

#### 10.1.7 Term Requirements:

- 1) Subject to the FAL, when making FAC appointments, Council will ensure that no more than half of the members' terms expire in any one fiscal year.
- 2) The CAO will maintain a register of FAC members which will, for each member, include the date of appointment or re-appointment, the term of the membership, and the term end date and will track independence and financial competency issues for each member.
- 3) Upon any changes in the FAC membership, the CAO will report to Council on the term end dates for each member of the FAC.
- 4) The term of a FAC member will be as established in the FAL.
- 5) The terms of office of members of the FAC are staggered as much as possible to ensure the continuing effectiveness of the FAC and to provide for succession planning. Non-Council members shall serve three-year terms, appointed in opposite years of Council elections.
- 6) Council members who have been appointed to the FAC, must be appointed to the FAC as soon as possible following their election to Council and will serve on the FAC to the end of their term on Council.
- 7) If a FAC member is removed from office, dies, or resigns before their term expires, the Council must as soon as practicable appoint a new FAC member to hold office for the remainder of the term.

#### 10.1.8 Eligibility Criteria:

- 1) The Council will establish eligibility criteria of a FAC member by specifying that an individual must not have a role in the financial management of KFN involving the planning, organizing, directing, or controlling of its financial activities, including budgeting, financial accounting, financial reporting, procurement and utilization of funds.
- 2) The Council will document the criteria for independence of a FAC member by specifying that the individual does not have a direct or indirect financial relationship with KFN's government that could, in the opinion of Council, reasonably interfere with the individual's exercise of independent judgment as a member of the FAC.
- 3) The Council will establish the criteria for financial competency of a FAC member that, in the opinion of Council, reasonably fulfill the role and responsibilities of the FAC member and the effectiveness of the FAC.
- 4) All FAC members will sign a FAC eligibility declaration form, as approved by Council, confirming the FAC member is independent and eligible to be a FAC member, and will provide such form to the CAO for record retention.

#### 10.1.9 FAC Administration and Reporting:

- 1) Subject to any amendment of the FAL, the quorum necessary for the transaction of business at FAC meetings is two-thirds (2/3) of the total number of FAC members, including at least one (1) Councillor.
- 2) Subject to the FAL, the FAC will meet at least quarterly and otherwise as necessary but, in any event, as soon as practical following receipt of the audited annual financial statements and report of the auditor.

- 3) All Council members may attend FAC meetings provided, however, that no Council member is entitled to vote at such meeting and is not counted as part of FAC quorum if they are not a FAC member.
- 4) The external auditor may attend and be heard at meetings of the Committee.
- 5) The FAC will maintain written records of attendance at its meetings of FAC members and any other individuals in attendance at the meeting, such as the CAO and the Finance Officer
- 6) The FAC will provide minutes of its meetings to the Council and the chairperson will provide reports to Council as appropriate on the substance of meetings.
- 7) If the FAC has permission under the provisions of the FAL to make rules for the conduct of its meetings, those rules must not contradict the FAL, the policies and procedures of KFN, or the directions of Council.

## **10.2 Reporting of Compensation, Benefits and Contracts**

It is Council's policy and a requirement of the FAL to annually disclose for each Councillor the remuneration paid, and expenses reimbursed by the KFN, and by any Entity, whether such amounts are paid to the Councillor while acting as Councillor or in any other capacity.

The purpose of this policy is to establish Accountability, Transparency and full disclosure for each Councillor's remuneration and expenses paid by the KFN and by its consolidated entities. It is intended that this policy meets the disclosure and reporting requirements under both the FAL and the *First Nations Financial Transparency Act (S.C. 2013, c. 7)*. It is expected that a single special purpose report be prepared on an annual basis that meets the requirements under both laws.

This policy and procedure apply to each member of Council.

This policy and procedure do not apply to remuneration or expenses received:

- In common by all KFN Members.
- Under a program or service universally accessible to First Nation members on published terms and conditions.
- From a trust agreement, according to the terms of the trust.

### 10.2.1 Responsibilities:

Council is responsible for:

- 1) Ensuring that each Councillor annually reports to the Finance Officer all remuneration paid and all expenses reimbursed by KFN and by any Entity.

The Finance Officer is responsible for:

- 2) Preparing an annual report separately listing the remuneration paid and expenses reimbursed by the KFN, and by any Entity, to each Councillor whether such amounts are paid to them while acting as Councillor, or in any other capacity.
- 3) Including the annual report as a special purpose report in the KFN's annual report.
- 4) Making the special purpose report available on the KFN website or other repository for official documents to which membership has access.

### 10.2.2 Procedures:

- 1) Councillors will report their remuneration and expenses on a disclosure statement form approved by BCR.
- 2) The Finance Officer will collect disclosure statements no later than the commencement of the annual audit of KFN for the most recent completed fiscal year.



- 3) Based on the information in the disclosure statements, the Finance Officer or a designate will extract amounts from the general ledger to complete a special purpose report.
- 4) Tables and columns should be used to present full aspects of the disclosures and at minimum must include remuneration paid and expense claims reimbursed by the First Nation for each Councillor.
- 5) Commentary or footnotes can be used to provide explanations of remuneration paid and expenses reimbursed to allow a reader to understand the disclosure. In accordance with GAAP; “expenses” includes the costs of transportation, accommodation, meals, hospitality and incidental expenses; and “remuneration” means any salaries, wages, commissions, bonuses, fees, honoraria and dividends and any other monetary and non-monetary benefits.
- 6)
- 7) The Finance Officer or a designate will use amounts from the general ledger to complete the special purpose report.
- 8) The Special Purpose Report must include any Councillor that left prior to the end of the fiscal year.
- 9) If a Councillor worked in another capacity for KFN during part of a fiscal year that is being disclosed, the remuneration earned, and any other expenses paid in the other position must be included. For greater clarity a footnote will be included to explain which amounts relate to the respective roles.
- 10) The Finance Officer will engage the KFN’s independent auditor to review the Special Purpose Report and to issue a review engagement report in accordance with the terms of the engagement.
- 11) The Finance Officer will submit the Special Purpose Report along with the draft unsigned review engagement report from the First Nation’s auditor to the FAC for review and recommendation for approval to Council.
- 12) Once the Special Purpose Report is approved by Council, the Finance Officer will obtain the auditor’s signed report and arrange for it to be attached to the final Special Purpose Report. The Special Purpose Report will be formatted in a manner suitable for electronic publication.
- 13) The Finance Officer will retain and safeguard the records of each Councillor according to the requirements for information management set out in policies and procedures of KFN.

### **10.3 External Audit**

A qualified and licensed external auditor will be appointed to render an audit opinion on the annual financial statements (and Special Purpose Reports, as applicable) of the KFN in accordance with Generally Accepted Accounting Principals as established by the Canadian Public Sector Accounting Board. The KFN will appropriately prepare for the audit and ensure that the external auditor has the necessary access and authorities to complete their work.

The purpose of section 10.3 is to provide guidance on the appointment of an external auditor and the management of the annual audit process within the KFN.

This policy applies to Council, the FAC, the CAO, the Finance Officer, the Tax Administrator, and those personnel providing service within the financial administrative system.

#### 10.3.1 Responsibilities:

Council is responsible for:

- 1) Appointing (re-appointing) an auditor meeting eligibility requirement and documenting the appointment with a Council Resolution.

- 2) Ensuring the engagement letter requires the auditor to confirm that the financial statements and the audit comply with the First Nations Financial Management Board's standards, any relevant funding agreement requirements and all applicable laws.
- 3) Confirming that the auditor has carried out the audit as required by the FAL and the engagement letter.
- 4) Reviewing and approving the audited annual financial statement within 120 days after fiscal year end, and ensuring they are signed by those required in the FAL including the Chief, the chair of the FAC, and the Finance Officer (SFO).
- 5) Ensuring KFN Members access to the audited financial statements and local revenues annual financial statements, if applicable, at the principal administrative offices of KFN during normal business hours.

The FAC is responsible for:

- 6) Providing oversight on the external audit and advising Council as required.
- 7) Making recommendations to Council on the selection, engagement and performance of an auditor.
- 8) Receiving assurances on the independence of a proposed or appointed auditor.
- 9) Approving the terms and conditions of the appointment of the auditor as set out in the Engagement Letter and ensuring that it includes the auditor's obligation to confirm that the annual financial statements and the audit of them comply with the FAL, the *First Nations Fiscal Management Act* and the First Nations Financial Management Board's Standards and any relevant funding agreements.
- 10) Reviewing the draft annual financial statement from the Finance Officer and presenting the statements to Council within sixty days following the end of the fiscal year for which they were prepared.
- 11) Reviewing and making recommendations to Council on the planning, conduct and results of audit activities.
- 12) Reviewing and making recommendations to Council on the audited annual financial statements, including the audited local revenue account financial statements and any Special Purpose Reports.

The Finance Officer is responsible for:

- 13) Overseeing, supervising, directing and facilitating requests for any information required by the auditor to carry out its audit responsibilities.
- 14) Providing the auditor with copy of the FAL and FMB's Local Revenue Financial Reporting Standards, if the First Nation is collecting property taxes and the auditor is auditing the First Nation's local revenues financial report.
- 15) Preparing and providing to the FAC within forty-five days of the fiscal year end the annual financial statements and Special Purpose Reports for the fiscal year in accordance with GAAP and any funding agreements.
- 16) Facilitating the flow of account and other information and acting on auditor's requests during the audit.
- 17) Ensuring the accounts are properly updated to reflect audit adjustments, the account balances are reconciled to the audit statements and schedules, and a proper year end closing of the accounts is completed.
- 18) Providing feedback on the auditor's performance to the CAO.

#### 10.3.2 Procedures for Auditor Selection, Engagement, Performance, and Removal:

- 1) The CAO and the Finance Officer will establish evaluation criteria to be included in a Request for Proposal (“RFP”) for the external audit which will be approved by the Finance and Audit Committee and include, at a minimum:
  - Independence from the KFN, its related bodies, Councillors, officers, and members.
  - In good standing with regulatory bodies, including the Chartered Professional Accountants of Canada and/or their respective counterparts in the province or territory in which the firm or accountant is practising.
  - License to practice public accounting.
  - Depth of experience serving First Nations and other public sector entities.
  - Other considerations as appropriate (i.e. funding agreement requirements).
- 2) The Finance and Audit Committee will review and approve the RFP before it is made public.
- 3) The Finance and Audit Committee will review the CAO and the Finance Officer’s evaluation of the proposals and their recommendation. The Finance and Audit Committee may approve the recommendation or may ask for additional information.
- 4) Council will review the Engagement Letter with the auditor selected to ensure it contains the content required by the Financial Administration Law and any other applicable requirements and will proceed to sign the Engagement Letter in accordance with the KFN’s approved signing authorities and ensure that it is delivered to the auditor.
- 5) The removal of an auditor will only take place when there are significant concerns over the practices of the currently contracted accounting firm or excessive fees. The removal of an auditor must be initiated by the Director of Finance or the Chair of the FAC, approved by the CAO, and motioned by a majority of council.

#### 10.3.3 Preparations for the Audit:

- 1) The Finance Officer will keep the auditor apprised and discuss in advance of the audit of any significant accounting issues, developments or changes for KFN that could have an impact on the audit and the audit report.
- 2) Prior to fiscal year end, the Finance Officer will issue instructions to the finance and accounting staff concerning fiscal year end procedures to help ensure the accuracy and completeness of the KFN’s financial statements and disclosures.
- 3) Additionally, finance staff, under the direction of the Finance Officer, will commence preparation before fiscal year end of necessary schedules and working papers for audit according to the audit work plan. This will also include preparation of third-party accounts receivable or accounts payable confirmation letters, financial institution account confirmations, and account balance reconciliations.
- 4) Issues arising or communicated in a mid-year review (if applicable) by the auditor will be discussed with the Finance and Audit Committee for recommended resolution. The instructions for preparation of the KFN’s financial statements will take into account any such resolutions.
- 5) The Finance and Audit Committee will be informed of any issues that could affect the audit (e.g. where the auditor believes a change in the terms of the engagement may be warranted).

#### 10.3.4 Audited Annual Financial Statements:

- 1) The Finance and Audit Committee will receive and review the draft audited annual financial statements, including any Special Purpose Reports and the Local Revenue Account financial statements.
- 2) The Committee will satisfy itself that:
  - The audit has been completed according to the plan.
  - The financial statements are fairly presented according to GAAP.

- The auditors have provided an opinion on the financial statements and an opinion over any Special Purpose Reports as required by the KFN's Financial Administration Law.
- There are no significant unresolved issues.
- 3) The Committee will meet with the auditor to review the draft audited financial statements.
- 4) When satisfied with its review of the draft audited financial statements and the resolution of any audit issues, the Finance and Audit Committee will recommend the draft audited financial statements to Council for approval.
- 5) Before publishing the audited financial statements, the following approvals are required:
  - Approval of Council through a BCR.
  - Approval by signature from all of the following:
    - I. The elected Chief of the KFN.
    - II. The chairperson of the Finance and Audit Committee.
    - III. The Finance Officer.

## Appendix A – Chief and Council Oath of Office

As a member of the KFN Elected Chief and Council, I promise to carry out my responsibilities in an honest, transparent and conscientious manner, to support the vision of the K'ómoks people which is for a prosperous and healthy Nation where we exercise our rights and title throughout our traditional territories, honouring our people, lands, waters, cultures and languages.

I will act with integrity, placing the interests of K'ómoks members above my own personal interest and avoid all conflicts of interest, whether real or perceived.

I will abide by KFN laws, policies and bylaws, and conduct myself in a manner that does not bring Council into disrepute.

I confirm that I have read and understand the KFN Governance Policy and hereby confirm that I will faithfully and honestly fulfill my responsibilities as a Councillor in accordance with the KFN Governance Policy.

Signed and agreed to this \_\_\_\_\_, date of \_\_\_\_\_ 20 \_\_\_\_

Name of Elected Chief/Councillor (please print)

\_\_\_\_\_

Signature of Elected Chief/Councillor \_\_\_\_\_

Name of Witness (please print) \_\_\_\_\_

Signature of Witness \_\_\_\_\_ +

## Appendix B – Council Delegation of Duty/Function Agreement

I have read and understood the nature and limits of the duty/function delegated to me, as documented in the KFN Governance Policy 2024 and agree to comply with the performance standards established.

Agreed to on the \_\_\_ day of \_\_\_\_\_ 20\_\_

\_\_\_\_\_

Name:

Title:

## Appendix C – Chief and Council Portfolios

Administration	Archaeology & Heritage	BC Hydro	Communications	Economic Development
Education	Elders	Emergency Planning	Fisheries & Aquaculture	Forestry
Governance & Finance	Health	Housing	Infrastructure	Lands & Natural Resources
Language & Culture	Social Development	Treaty	Youth	

## Appendix D – Terms of Reference for Establishing a Committee

Following is a list of the standard elements and definitions of the elements that should comprise a Working Committee or Advisory Committee ‘Terms of Reference’.

### Definitions

Define any acronyms that are used in the Terms of Reference. Define any other groups (e.g. “Members” refers to...)

### Terms of Reference Outline

1. **Name and Structure**
  - a. Is this Committee a Working Committee or Advisory Committee, additionally please considering the following:
    - i. Internal – Comprised only of staff members and/or Council members.
    - ii. External – Comprised of some or all of the following: staff, contractors, KFN Members, field experts, a member of Council with the corresponding portfolio related to the topic of the Committee, or others.
    - iii. Ad hoc – Within the Terms of Reference there is a specific date of dismissal.
    - iv. Standing – Within the Terms of Reference there is not an end date to the Committee.
  - b. What will this Committee be named?
  - c. Give a general overview of how and why the Committee was established.
2. **General Purpose and Mandate**
  - a. Authority delegated by Council to the Committee.
  - b. A statement that the Committee will be provided with copies of the KFN Vision and Values, bylaws, program and policy manuals as reference materials. This will ensure the Committee is oriented to the same goals as the empowering body.
  - c. From whom does the Committee receive its authority?
  - d. Generally, what is the Committee expected to achieve on the empowering body’s behalf?
  - e. How much freedom does the Committee have?
  - f. What is their tenure (does this Committee job ever end)?
3. **Key Duties and Responsibilities**
  - a. What are the objectives of the Committee?
  - b. What are its powers and limitations?
  - c. What are the specific tasks of the Committee?
  - d. How will it work towards accomplishing these tasks?
  - e. What is the Committee’s role in relation to the empowering body (i.e. where does it fit in on an Organizational Chart)?
  - f. Conflict of Interest Guidelines will apply.
4. **Appointments and Composition**
  - a. How are members selected/removed?
  - b. How long do members serve?
  - c. Will there be alternate members and if so, how will they be identified?
  - d. What is expected of members in the way of experience, ability, knowledge, etc.?
  - e. How is the chairperson identified and how long does he/she serve?
5. **Meetings**



- a. How often are meetings held?
  - b. How are meetings scheduled?
  - c. A requirement that all agendas be provided to the Committee members and Council in advance.
  - d. Who organizes and notifies other members of meetings?
  - e. Who takes the minutes? Can Committee members attend some, all, or none of the meetings?
  - f. How is this communicated?
6. **Resources**
- a. Financial
    - i. What funds are allocated to the Committee?
    - ii. What is the purpose of these funds (technical assistance)?
    - iii. Are there restrictions on expenditure?
    - iv. Are approvals for expenditures necessary?
    - v. Are there timing considerations?
  - b. Staff
    - i. Which staff will work with this Committee?
    - ii. How much staff time is allocated to the work of the Committee?
    - iii. What restrictions apply?
    - iv. How does the Committee obtain additional time?
1. **Specific Annual Objectives**
- a. What are the specific annual objectives that the Committee needs to accomplish?
8. **Reports and Target Dates**
- a. To whom does this Committee report?
  - b. How often?
  - c. What elements must the report contain?
  - d. Does the whole group report, or just the chairperson?
  - e. Must the Committee seek approval from the empowering body before they act, or do they report after the fact?
9. **Review and Evaluation Process**
- a. How will this Committee be evaluated?
  - b. What will be the mark of success?
  - c. Who will evaluate?
  - d. Who will initiate the evaluation process?
  - e. Do the Terms of Reference require adjustment for the next term/period?
  - f. What is necessary before adjustments can be made to the Terms of Reference?
10. **Approval and Review Date**
- a. How much time should elapse before the empowering body reviews and approves the continuation of this Committee?
  - b. When will the empowering body make a commitment to review and approve the continuation of this Committee again?

All Terms of Reference shall be dated.

## Appendix E – Code of Conduct Declaration

I hereby confirm that I have read and understand the Conduct and Conflict of Interest Expectations set out in the First Nation’s Financial Administration Law (“the FAL) and the KFN Governance Policy and agree to comply fully with them and to sign the Code of Conduct declaration annually.

I agree that I will adhere to the following principles and responsibilities governing my professional and ethical conduct.

To the best of my knowledge and ability:

- I will comply with the FAL any other applicable K’ómoks First Nation law and any applicable standards.
- I will act with honesty, good faith and in the best interest of the K’ómoks First Nation.
- I will exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances.
- I will avoid any real or apparent conflicts of interests.
- I will act with due care, competence, and diligence, without misrepresenting material facts or allowing my independent judgement to be subordinated.
- I will respect the confidentiality of information acquired in the course of my work or service except when authorized to do so in the performance of my duties or am otherwise legally obligated to disclose.
- I will ensure responsible use of and control over all K’ómoks First Nation assets and resources entrusted to me.
- I will be accountable for adhering to this declaration.

Declaration of Understanding

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature:

\_\_\_\_\_  
Date:

## Appendix F – Annual Disclosure Form for Conflict of Interest

*\* Please note that the below form may be amended for contractor' use if applicable.*

CHIEF AND COUNCIL CONFLICT OF INTEREST ANNUAL DISCLOSURE FORM
<p>Elected Chief and Council have a “conflict of interest” when they exercise a power or perform 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 their private interests.</p> <p>An employee has a conflict of interest if a reasonably well-informed person would perceive that the employee’s ability to exercise a power or perform a duty or function of their office or position must be affected by the employee’s private interests.</p> <p>All employees are required to declare any actual or perceived conflicts of interest to the K’ómoks First Nation. This form is required to be signed annually for all conflicts of interest. Conflicts of interest could arise from “personal interests” which include the individual’s spouse.</p> <p>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.</p> <p>A person in respect of whom the individual or the individual’s spouse is acting as guardian.</p> <p>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</p> <p>An entity in which the individual or the individual in combination with any other person described in this section has a controlling interest.</p> <p>Close family or personal relationships with employees in a position to influence the affairs of the First Nation, or otherwise engaged in the affairs of the First Nation</p> <p>Close relationships with individuals having an interest in information, competitive, intellectual or other interests of the First Nation</p>
<p><b>Declaration: I disclose the following actual or perceived conflicts of interest:</b></p>
<p>Employee name (print):</p>
<p>Employee signature:</p>
<p>Title:</p>
<p>Date:</p>

## Appendix G – Finance and Audit Committee Terms of Reference



### K'ómoks First Nation Finance and Audit Committee Terms of Reference

Date established:

Date of last review:

#### Definitions

- Definitions in these terms of reference are consistent with the K'ómoks First Nation Financial Administration Law (FAL).

#### Name and Type

- The K'ómoks First Nation Finance and Audit Committee (FAC) is an Advisory Committee.

#### General Purpose and Mandate

- The FAC is established to provide Council with advice and recommendations in order to support the Council's decision-making process respecting the financial administration of KFN.

#### 1.0 Key Duties and Responsibilities

The Finance and Audit Committee (FAC) must abide by the KFN FAL.

##### 1.1 Financial Planning:

- 1) The review and recommendation of yearly short, medium and long term:
  - Strategic plans, projections and priorities
  - Business plans, projections and priorities
  - Financial plans, projections and priorities
- 2) On or before February 15 annually, the FAC must review and recommend to Council for approval: a draft annual budget and a draft multi-year financial plan
- 3) Monitor financial performance of KFN against the budget and reporting any significant variations to the Council on an ongoing basis.
- 4) Review and recommendation of the quarterly financial statements for Council approval.
- 5) On or before June 30 yearly, review of the draft amendment of the annual budget respecting KFN's local revenue account and recommend an amendment to the annual budget to Council for approval.
- 6) The FAC may make a report or recommendation to Council on any matter regarding the financial administration of KFN that is not otherwise specified to be its responsibility under the FAL.

##### 1.2 Audit:

- 1) Provide recommendations to Council on the selection, engagement and performance of an auditor.

- 2) Receive assurances on the independence of a proposed or appointed auditor.
- 3) Review the planning, conduct and results of audit activities and make recommendations to Council on these matters.
- 4) Review the audited annual financial statements, including the audited local revenue account financial statements and any special purpose reports and make recommendations to Council.
- 5) Periodic review of policies, procedures and directions on reimbursable expenses and benefits of KFN councillors, officers and employees and make recommendations to Council.
- 6) Monitor financial reporting and fraud risks and the effectiveness of mitigating controls for those risks taking into consideration the cost of implementing those controls.
- 7) Review of the FAL under section 80 and, where appropriate, recommend amendments to Council.
- 8) Periodic review and recommendations to Council on the terms of reference to the FAC.
- 9) Evaluate at least annually the adequacy of these terms of reference.

### 1.3 Whistle Blower Procedures Responsibilities:

- 1) Reviewing any reports provided on inquiries into the circumstances of the reported misconduct; conducting any further inquiry it considers necessary and providing a report to Council, along with recommendations
- 2) Taking all reasonable steps to ensure that the identity of the person who makes a report of wrongdoing is kept confidential to the extent possible in all circumstances
- 3) Taking steps to ensure that persons who have reported instances of wrongdoing remain protected against negative actions including but not limited to discrimination, threats, harassment or loss of employment or employment opportunities
- 4) Supporting and fostering an open and ethical environment
- 5) The Chair of the Finance and Audit Committee is responsible for:
- 6) Taking all reasonable steps to safeguard the identity of a person who makes a report of wrongdoing to the fullest extent possible.
- 7) Taking necessary steps to make sure that persons who have reported instances of wrongdoing remain protected against negative actions including but not limited to discrimination, threats, harassment or loss of employment or employment opportunities
- 8) Reporting to Council any potential or real breaches of policy and/or negative actions against the Whistleblower.
- 9) Directly connecting with the KFN HR manager to inform them of current investigations to mitigate the possibility of retaliation regarding the reported wrongdoing.
- 10) If a conflict of interest arises, the Finance and Audit Committee Chair can hold a conversation without a Councillor present and seek the legal and related resources necessary to assist with investigations.

### 1.4 Appointments and Composition:

- 1) The FAC must have at least three members. If the FAC consists of three members, at least one of the FAC members must be a Councillor. If the FAC is composed of four or more members, at least two of the FAC members must be Councillors.
- 2) The Chair and Vice-Chair, one of whom must be a Councillor, must be appointed by Council.
- 3) The Chair must recommend FAC member appointments and removals to the Council.
- 4) A majority of members must have financial competency and all of them must have independence and meet eligibility criteria as outlined below.

### 1.5 Independence:

1) For purposes of this section, an individual is considered to be independent:

[For a Councillor and FAC member]:

2) Other than the role in the financial management of the Nation as a member of the Council, the member does not have a role in the financial management involving preparation of the financial activities such as budgeting, financial accounting, financial reporting, procurement and utilization of funds.

[For Non-Councillor FAC members]:

3) The member does not have a role in the financial management of the Nation involving the planning, organizing, directing, or controlling of its financial activities including budgeting, financial accounting, financial reporting, procurement and utilization of funds.

4) The CAO and head of the finance department shall attend all Committee meetings subject to reasonable exceptions as non-voting, subject matter expert members. Exceptions to attendance include performance matters relating to the senior manager or senior finance officer or a meeting with the external auditors.

#### 1.6 Criteria of Eligibility:

1) Council shall establish policies or procedures or give directions annually to determine if an individual is eligible to be a member of the Committee and is independent; and shall require confirmation before appointment that each potential member of the Committee is eligible to be a member and is independent; and shall obtain annually a statement from each member that they continue to meet the financial competency criteria established below:

- The ability to read, understand and analyze the First Nation's annual financial statements and the notes to the financial statements.
- The ability to understand accounting policies when these are explained by the First Nation's head of the finance department and the auditor.
- An understanding of the First Nation's objectives and operations that may impact the selection or application of accounting policies.
- A knowledge and understanding of the strategies that have been adopted by the First Nation and the risks inherent in any new strategies.
- An ability to understand the First Nation's risk environment.
- The individual is not in arrears with any monies owing to K'ómoks First Nation.

2) Members of the FAC serve staggered terms as follows: non-Council members shall serve a term of three complete fiscal years, and Council members are appointed to the FAC following their election to the KFN. Council and shall serve to the end of their Council term.

3) Upon appointment each member of the FAC must sign the Oath of Confidentiality and the Code of Conduct Declaration attached as Appendices I and II respectively.

4) FAC members must comply with the Conflict-of-Interest Policy as reinforced in the FAC Code of Conduct Declaration pursuant to the FAL.

5) A member of the FAC may only be removed by a Council motion in accordance with the FAL. The Chair must provide the member with reasonable notice, including reason for recommending removal and an opportunity to respond.

6) A member of the Committee may be removed from the FAC if s/he:

- Has unexcused absences from three Committee meetings.
- Breaches KFN's FAL.
- Is convicted of theft, fraud, breach of trust, or an offence that would bring the FAC into disrepute.

- Terminates or is terminated from his or her Council position with the KFN.
- 7) If a member of the FAC is removed, resigns or dies before his or her term of appointment expires, Council must as soon as reasonably possible appoint a new FAC member for the remainder of that member's term.

#### 1.7 Meetings:

- 1) The FAC will meet not less than quarterly every fiscal year and as soon as practicable after it receives the audited annual financial statements and report from the auditor.
- 2) A quorum is two-thirds (2/3) of the total number of members, including at least one Councillor.
- 3) If a Committee member is recused for conflict of interest on a specified matter or is unable to attend a meeting, Council's appointed alternate may vote in place of the recused member on the specified matter or attend the meeting and, if necessary, vote in place of the missing Committee member.
- 4) Decisions will be made by voting. The Chair may cast a second tie-breaking vote if required.
- 5) Members may attend in person or via tele/videoconference.
- 6) Subject to the FAL and any directions by Council, the FAC may make rules or guidelines for the conduct of its meetings.
- 7) The senior manager or the SFO may be excluded from all or any part of a FAC meeting by a recorded vote if:
  - The subject relates to a confidential personnel matter regarding the senior manager or the SFO.
  - It is a meeting with the auditor.
- 8) KFN's auditor must receive notices of all Committee meetings and may attend and be heard at such meetings.
- 9) Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared. The chairperson will report key decisions and areas of discussion or concern to Council as soon as possible following each Finance and Audit Committee meeting or in writing if the information needs attention in a timely manner.

#### 1.8 Staff Resources:

- 1) The KFN CAO and SFO will support and attend Committee meetings as staff resource only.

#### 1.9 Specific Annual Objectives:

- 1) See Key Duties and Responsibilities.

#### 1.10 Reports and Target Dates:

- 1) Committee minutes will be brought forward to the next meeting of Council and any recommendations will be raised for Council consideration.

#### 1.11 Review and Evaluation Process:

- 1) The KFN Finance and Audit Committee will review these Terms of Reference annually in conjunction with the work plan review and the required review of the FAL and make any recommendations for changes to Council.

**FAC APPENDIX I**  
**FINANCE AND AUDIT COMMITTEE OATH OF CONFIDENTIALITY**

I, \_\_\_\_\_, as a member of the Finance and Audit Committee, understand and acknowledge that:

- 1) I may come into contact with sensitive and confidential information regarding the K'ómoks First Nation (KFN) and its members, clients, businesses, or organizations. Information includes all types of information including but not limited to: notes, verbal communication, email, documents or other technological means and regardless of whether or not it is specifically marked or indicated as confidential;
- 2) I must comply with KFN's Financial Administration Law, any other applicable KFN law and standards and with all policies, procedures and directions of the Council. I must keep confidential all information that I receive while exercising my duties unless the information is generally available
  - a. To members of the public; or
  - b. To KFN members.
- 3) I must only use any confidential information for the specific purposes for which it was provided to me;
- 4) I must not make use of any information received in the course of my duties to benefit my private interests or those of relatives, friends or associates; and
- 5) My appointment to, and continued participation with, the Finance and Audit Committee is dependent on my signing, and abiding by, this Oath of Confidentiality. I may be removed from the Committee if I contravene this Oath of Confidentiality. I understand KFN may use any legal means available to it to remedy the situation.

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



**FAC APPENDIX II**  
**CODE OF CONDUCT DECLARATION**

I hereby confirm that I have read and understand the Conduct and Conflict of Interest Expectations set out in the K'ómoks First Nation's (KFN) Financial Administration Law (FAL) and agree to comply fully with them. I agree to review and affirm the Code of Conduct every year that I am a member of the Finance and Audit Committee (FAC).

I agree that I will adhere to the following principles and responsibilities governing my professional and ethical conduct to the best of my knowledge and ability:

- 1) I will act with honesty, good faith and in the best interest of the KFN.
- 2) I will avoid any actual or perceived conflicts of interest.
- 3) I will uphold the principle of independence in carrying out the mandate of the FAC and not be influenced by partisan interest, fear or criticism.
- 4) I will respect and give fair consideration to diverse and opposing viewpoints including demonstration of respect for all fellow Committee members and staff.
- 5) I will ensure responsible use of and control over all KFN assets and resources entrusted to me.

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date