

FINANCIAL MANAGEMENT AND HUMAN RESOURCE MANUALS



**FIRST NATIONS FINANCIAL
CODE TOOLBOX**

**ABORIGINAL FINANCIAL
OFFICERS ASSOCIATION OF BC
FINANCIAL MANAGEMENT AND
ACCOUNTABILITY PROJECT**

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Aboriginal Financial Officers Association of BC

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**John R. Lojek, B.Com., LLB of Calgary, AB and
The Aboriginal Financial Officers of Saskatchewan**

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INTRODUCTION

The focus of this First Nations Financial Code Toolbox chapter is on policy and procedure development and its role in helping First Nations achieve their desired administrative goals. Included are sample policies and procedures for financial management and human resources that organizations may use as a template.

Policies and procedures help ensure that behaviours in the workplace conform to the expectations of the organization and to legal requirements. Different policies and procedures relate to general governance, function, strategic decisions or the administration of specific programs or activities.

The development of effective policies should support the vision, mission and values of the organization. It is important to consider the following:

- (a) Input from all affected stakeholders;
- (b) Relevant, complete and understandable content;
- (c) Effective communication to all stakeholders;
- (d) Consistency of formats for all policies;
- (e) Appropriate authorization and accountability for administering the policy; and
- (f) A periodic review process to validate appropriateness and completeness.

Policies should contribute to the growth and development of a high performance organization. Key components of effective policies contain:

- (a) Purpose/objective
- (b) Scope
- (c) Authority
- (d) Policy content

They may also contain an effective date and consequences of non-compliance/redress.

Procedures ensure that routine tasks are carried out in an effective and efficient fashion, and in accordance with policy. They form a step-by-step list of activities required to conduct a certain task. Procedures should contain the following key components:

- (a) The purpose of the procedure and the policy to which it relates;
- (b) Step-by-step instruction on performing the given task.;
- (c) Illustrations of any form involved and specific instructions regarding their use and any requirements related to review, approvals and signatures;
- (d) Any requirement related to the communication of information; and
- (e) The position or person with primary responsibility.

It is important to remember that this process is irrelevant if all users do not receive and apply published policies and procedures to their daily practice. This manual will be well received by all users if it is easy to understand and develops effective solutions. In addition, a communication or training plan to supplement the manual's guidelines would be a benefit to all users.

SAMPLE FINANCIAL PROCEDURES MANUAL

RECEIPT & DEPOSIT OF FUNDS

This section outlines policies and procedures for the receipt, safekeeping and deposit of funds.

The First Nation's staff appointed to handle cash and cheques should be bonded. Insurance coverage must be obtained and internal security controls taken.

All policies and procedures contained in this section are in accordance with generally accepted accounting procedures.

1. All cheques received for deposit shall immediately be endorsed on the reverse side with an endorsement stamp For Deposit Only. Cheque endorsements are to be made by the Administration Clerk or designate.
2. All cheques and cash received shall be recorded by the Administration Clerk on pre-numbered receipts in a Receipts Book. The Receipts Book shall be kept under lock and key by the Administration Clerk. (*1)
3. Each receipt shall have the following entries made:
 - (a) The date the cheque or cash was received
 - (b) The name and address of the payer
 - (c) The amount of the cheque or cash received, and
 - (d) The signature of the Administration Clerk to verify the entries.
4. The original receipt shall be given to the payer. The duplicate, contained in the Receipts Book, shall be forwarded with the cheque or cash to the Finance Officer or designate. The Finance Officer or designate will enter on the back of the cheque the account number to which it will be deposited and will also make an account number entry on the duplicate receipt.
5. The Finance Officer or designate will ensure all cheques and cash received by the First Nation are stored safely in a locked drawer or safe until they are deposited in the First Nation bank account or safety deposit box.
6. A designated person shall deposit all funds received, intact in the appropriate First Nation's bank account at the financial institution designated by Chief and Council.
7. Funds should be deposited, intact, at least once weekly, preferably on the last business day of each week.

1 Refer to Appendix 1 for a sample Receipt.

8. When preparing funds on hand for deposit, the Administrative Clerk will sort cheques according to the account numbers recorded on the back of each cheque or will sort cash by account numbers designated for each cash deposit.
9. Deposit slips shall be prepared in duplicate, and cross referenced to receipt numbers by the Administrative Clerk. Each deposit slip shall contain the following information:
 - (a) Current date
 - (b) Account number
 - (c) Name of account
 - (d) A listing of cheques (payee) and amounts to be deposited, and
 - (e) A listing of cash and amounts to be deposited, including the total cheques, total cash and the total amount to be deposited to the account. (*2)
10. The Finance Officer or designate shall review all items listed and totals shown before signing his/her name on each deposit slip to verify it. It is the Finance Officer or designated person's responsibility to ensure deposits are made on the date shown on the deposit slips, and that the duplicate deposit slip is date-stamped by the financial institution.
11. Using duplicate date-stamped bank deposit slips, the Finance Officer or designate shall post all deposits to each bank account as debits in the appropriate general ledger accounts.
12. All deposits contained in month end bank statements received from the Bank shall be reconciled by the Finance Officer or designate. Deposits listed on a bank statement shall be reconciled with the Receipts Book borrowed from the Administration Clerk.

Under no circumstance are adjustments to be made to entries in the Receipts Book.

2 Refer to Appendix 2 for a sample Deposit Slip

COMMITMENT OF FUNDS

The purchase of services, equipment and/or supplies requires two separate stages for expending funds. Stage one is the commitment of funds (using Purchase Orders) to purchase services or items. Stage two is the expenditure of funds (cheque writing) for the purchase of services or items.

The policies and procedures contained in this section address proper procedures for controlling expenditures in the initial commitment of funds stage.

1. The First Nation will, wherever possible, use purchase orders to commit funds for the purchase of services or items.
2. The First Nation shall designate positions within the organization that have purchasing authority.
3. The Band Manager, under authority granted through a First Nation Council Resolution, may authorize purchase orders to a maximum limit of \$_____.
4. While the Chief and Council has no authority limits, purchase orders exceeding \$ _____ must be approved by a quorum of Chief and Council. Under no circumstances are the purchasing limits of each authority to be circumvented through the use of two or more purchase orders to commit funds in the purchase of any one item or service.
5. The persons designated with purchasing authority, under authority granted through Chief and Council Resolution, may authorize a commitment of funds from the appropriate program budget.
6. Blank, numerically sequenced in triplicate, purchase order forms shall be issued and controlled by the Administrative Clerk. The blank purchase order forms are to be safely guarded under lock and key.
7. Any changes made to purchase authority positions, authority limits, or authorized accounts shall be approved by a quorum of Chief and Council and duly recorded in Chief and Council meeting minutes.
8. Any First Nation employee, who wishes to purchase an item or service, shall obtain the best possible financial arrangement for the First Nation. This means obtaining the best possible price quotes, bulk purchases and shipping costs available.
9. Under no circumstance are employees authorized to purchase from expense accounts outside of their designated program area (s). (*3)

3 Refer to Appendix 3 for a sample listing of expense accounts

10. A purchase order will be submitted to the Accounts Payable Clerk, who will review the forms and verify the following:
 - (a) That the Program Manager has identified an approved and designated budget;
 - (b) Purchases are made in accordance with the established regulations and procedures of the First Nation;
 - (c) The authorization to purchase has been approved by a quorum of Chief and Council and has been recorded in the minutes of the Council meeting, should the amount be in excess of \$ ____; and
 - (d) That the Program Manager has verified that services or goods to be purchased are required for a First Nation service and are in accordance with an existing funding/contractual agreement signed with First Nation funding agencies.
11. Upon such verification, the Program Manager shall fill out a purchase order and shall forward the original purchase order to the supplier, and the second copy to the Accounts Payable Clerk. The third copy will be retained for the program manager's files.
12. All purchase orders are to be filled out in triplicate and are to contain the following information (*4):
 - (a) The name and address of item or service supplier
 - (b) The unit price and quantity
 - (c) The description of item or service
 - (d) The total cost of the purchase.
13. In assuring necessary funds are identified in an approved and designated budget, an expense account ledger code number will be placed on all purchase orders before the designated purchase authority signs the purchase order.
14. Upon receipt of a signed purchase order copy, which commits a large amount of funds, the Finance Officer / Chief Financial Officer will make a general journal notation to track outstanding committed funds on each expense account, wherever possible and practical.
15. The Accounts Payable Clerk shall ensure that:
 - (a) All invoices received are reconciled with the purchase orders
 - (b) The quality and quantity of all items on order are certified received, and
 - (c) The price and total charge on the invoice are verified against the duplicate copy of the purchase order.

4 Refer to Appendix 4 for a purchase order form

DISBURSEMENTS

The second stage for the purchase of services, equipment and/or supplies is the payment for purchases. Normally, a vendor will submit an invoice or weigh bill for any services, equipment or supplies sold to the First Nation.

Since all purchases must first have funds committed through the use of purchase orders, this section outlines the second stage to making a purchase; the cash disbursement stage.

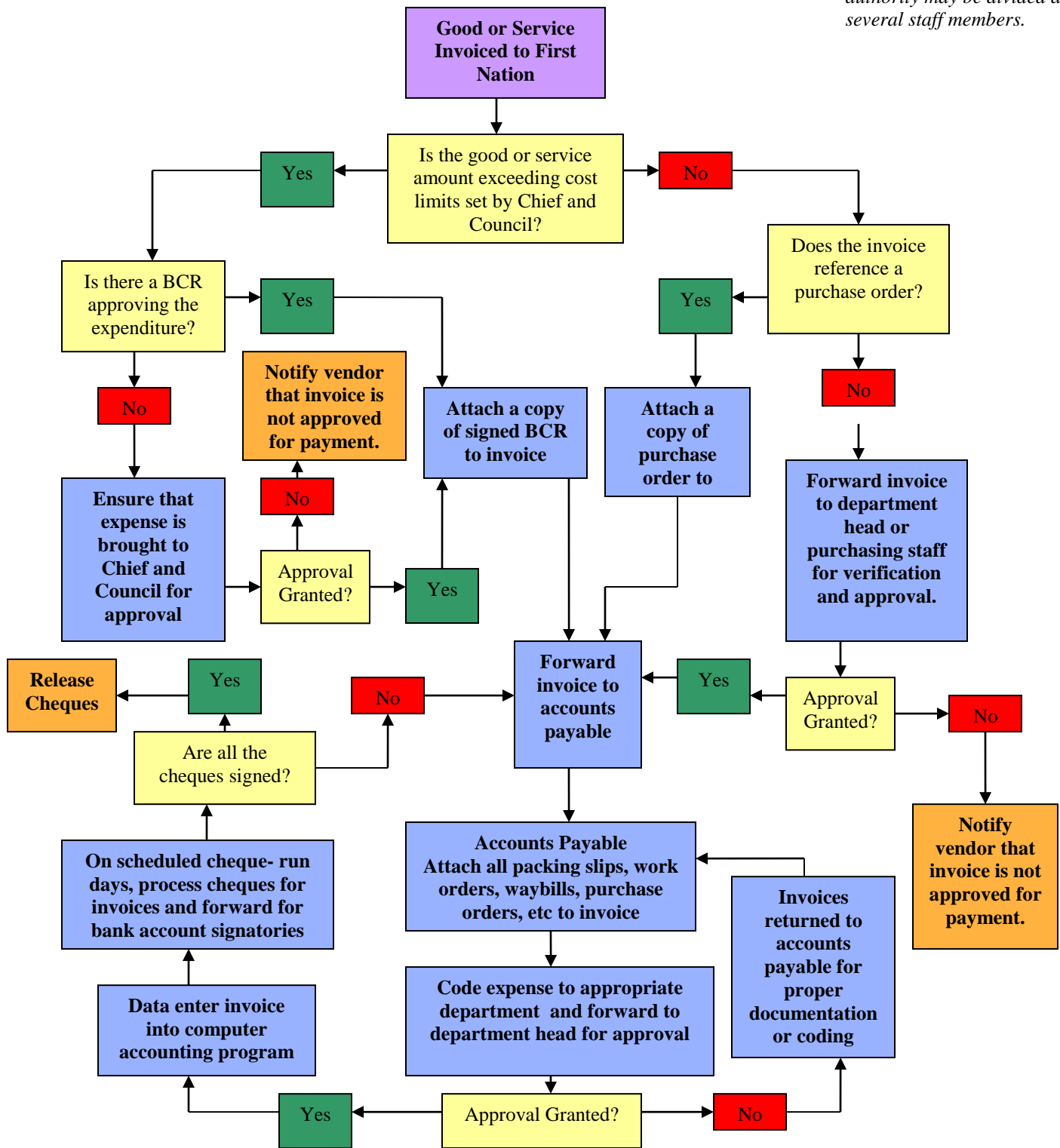
1. Upon opening the mail, the Administration Clerk shall date stamp and apply a function stamp to any invoices received and will reconcile the invoices with the corresponding duplicate copies of purchase orders in her/his possession. The Administration / Accounts Payable Clerk will ensure that the quality and quantity of all items on order are certified received and the price and total charge on the invoice are verified against the duplicate copy of the purchase order.
2. The Administration Clerk shall forward all opened mail to the Band Manager or designate for his/her review, who will pass on to program managers.
3. Program managers will reconcile purchase orders to packing slips as applicable. The program manager will then indicate his/her written approval on the invoice and forward to the Accounts Payable Clerk.
4. Should there be any discrepancy between the purchase order amount and the amount appearing on the invoice, the Administration / Accounts Payable Clerk will attempt to reconcile the difference with the authority who signed the original purchase order.
5. Only after the invoice has been reconciled by the Accounts Payable Clerk will the invoice, together with the matching duplicate purchase order, be forwarded to
 - (a) the Finance Officer / Chief Financial Officer for approval.
6. The approved invoices will then be returned to the Accounts Payable Clerk to generate a Pre-Cheque Register on the date the invoice is due.
7. The Pre-Cheque Register will be reviewed by the Finance Officer / Chief Financial Officer and returned to the Accounts Payable Clerk to generate payment.
8. The Finance Officer / Chief Financial Officer will make a debit entry to the appropriate accounts payable ledger account and make a credit entry to the designated cash account.
9. Upon the issuance of a cheque for an invoice, the invoice should be stamped "PAID" with the cheque number and issuance date shown. This will clearly indicate the invoice payment and prevent accidental duplicate payments.
10. Each cheque shall have the signatures of two (2) Chief and Council authorized signing authorities. These signing authorities shall always receive the supporting documentation

prior to drawing up the cheque. Such documentation should be provided with the cheque at the time of signing.

11. No cheque shall be signed until the amount due and the name of the payee is entered on the cheque. A blank cheque should never be signed.
12. Any changes to signing authority names or limits, must be approved by a quorum of Chief and Council and shall be noted in the minutes of a Chief and Council meeting. The bank will be notified of any changes in signing authority.
13. For audit purposes and as proof of payment, the Finance Officer will ensure cheque stubs record :
 - (a) The date of payment
 - (b) The amount of payment
 - (c) The cheque number
 - (d) To whom the payment was made.
14. All documentation supporting a purchase transaction will be filed alphabetically by supplier name by the Finance Officer / Chief Financial Officer / Accounts Payable Clerk.
15. Should a cheque be reported lost, destroyed, or stolen, it shall be canceled and a stop payment order sent to the bank. A second cheque may be issued only after the bank has received a stop payment order. The First Nation reserves the right to deduct the stop payment order fees from a re-issued cheque.
16. First Nation cheques not presented to the bank for payment (outstanding cheques) within six (6) months of the date of issue are considered "stale dated." These payments shall be voided and payment stopped. Another cheque may be issued upon request of the payee. An adjusting journal entry will be made on the void cheque once the bank has received the stop payment order.
17. All consecutively numbered blank cheques shall be securely stored under lock and key by the Finance Officer.
18. Whenever possible, authorized signing officers will not sign or prepare cheques made payable to themselves or to members of their immediate family. Immediate family is considered to include parents, spouses, siblings and children.
19. The GST rebate will be calculated at 50% of the stated GST amount on the invoice and charged to the GST receivable account. For invoices where GST has been included in the total invoice, but not clearly stated, the calculation will be the invoice amount multiplied by $7/107 \times 50\%$, for the GST receivable. The remaining 50% will be a debit to the appropriate expense account. *(This procedures is **FOR NON-PROFIT ORGANIZATIONS ONLY**– Contact the local CCRA office for GST reporting procedures for First Nations)*

APPROVAL PROCESS FLOW CHART

This is a sample approval process for information. Depending on size of First Nation, delegation of authority may be divided among several staff members.



PETTY CASH

Occasionally, the First Nation requires the use of immediate cash on hand. The use of petty cash is intended for incidental, yet essential, purchases. It is during these circumstances that the cheque disbursement process may not be practical.

1. A petty cash fund shall be established in the amount of one hundred dollars (\$100). To establish the fund a cheque shall be drawn, made payable to the Finance Officer, and debited to the Petty Cash account.
2. Once the cheque is cashed, the money shall be stored by the Finance Officer in a locked box in a secure place.
3. A receipt shall be completed for each disbursement made out of the petty cash fund. The receipt shall state the name of the payee, the date, the amount paid, and purpose of the cash. The payee should sign the receipt.
4. As each disbursement reduces the money and increases the sum of receipts in the cashbox, the Finance Officer shall replenish petty cash on an as needed, or monthly basis. The petty cash account is balanced against all receipts for Petty Cash payments.
5. Under this system, the Petty Cashbox should always contain petty cash receipts and money equal to the amount of the funds.

CREDIT CARDS

The use of a credit card is often necessary for purchasing products or services for the First Nation by staff or management.

1. Credit cards shall be used for the purchase of goods or services relating to First Nation business. Personal purchases with the credit card will not be permitted.
2. As per guidelines established by credit lending institution, signed invoices indicates concurrence to purchase. All invoices must be signed by personnel authorized to use the credit card.
3. The use of the credit card will be authorized for designated employees and/or Chief and Council designated to use the credit card, such as a primary card holder and a subsidiary card holder. The authorized persons shall be duly recorded in the minutes of a Chief and Council meeting.
4. The First Nation's credit limit on the credit card, in accordance with the credit lending institution, shall be established at a maximum amount of \$ _____.
5. The credit card monthly statement shall be reconciled on a monthly basis.
6. Each purchase on the monthly statement shall be recorded as a debit to the appropriate expense account and a credit to the appropriate bank account.
7. The purchase of products or services via the telephone or internet will not be permitted. However, where an invoice is forthcoming discretionary judgment may be exercised.
8. The credit card may be utilized to hold or reserve products or services, i.e. hotel accommodations. In these cases, a cash travel advance may be issued to cover expenses or the cash disbursement process may be necessary. Refer to Travel and/or Disbursements.
9. The credit card may not be used for cash advances or bank transfers. A Personal Identification Number (PIN) will not be permitted.

CONTRACTS & TENDERING

Occasionally, the First Nation may require the services of external contractors. Entering into a contract for the provision of any type of service with an outside contractor is considered a commitment to spend First Nation funding. This contracts and tenders section is related to purchasing policies and procedures stated in this manual.

1. For contracts of less than \$_____, the Chief and Council reserve the right to authorize the Band Manager or delegate to negotiate and recommend a specific contract on a sole source basis. All such contracts shall be approved by the Chief and Council.
2. Where a contract for services rendered to the First Nation is expected to exceed \$_____, tenders or quotes should be invited from at least three (3) firms, or be publicly advertised in local and regional newspapers.
3. For construction projects exceeding \$_____, invitations to tender should contain the following documents:
 - (a) Tender instructions
 - (b) Tender and Contract form
 - (c) Conditions
 - (d) Insurance Schedule
 - (e) Contractor Statement of Qualifications
 - (f) Proof of Workers Compensation Board (WCB) coverage
 - (g) Statement of Work Plan and Specifications.
4. For construction projects exceeding \$_____, the successful bidder is to submit proper bid security within 14 days of being awarded the contract.
5. For non-construction (professional) contract services exceeding \$_____, proposals for services should be invited from at least three (3) individuals or firms, or have a Request for Proposals publicly advertised in local and regional newspapers.
6. A Request for Proposals (RFP), once advertised, should have the following documentation available for interested contractors:
 - (a) A letter of invitation
 - (b) A statement of work required
 - (c) Proposal evaluation criteria
 - (d) Contract Agreement (includes general conditions and terms of payment).
7. Tenders and proposals received are to be date stamped, kept safe, and opened by a minimum of two persons designated by the Chief and Council after the deadline date for tender/proposal submission.
8. All tenders/proposals received shall be reviewed against an evaluation criteria list. The contract bidder or proposal proponent who best meets the evaluation criteria shall be recommended the contract, subject to Chief and Council approval.

9. Any contracts drawn and signed between the First Nation and a contractor must clearly state in detail all requirements of the contract. The contract should contain a provision for the First Nation to holdback a minimum of ten percent (10%) of the contract amount subject to the contractor complying with all contract deliverables.
10. Should the First Nation not have the resources or expertise to execute any part of the procedures stated in this policy section, the First Nation reserves the right to hire outside experts, such as consultants or engineers to execute these procedures on their behalf.

BANK RECONCILIATION

The receipt and deposit of funds and disbursements described on pages six, eight and ten have a direct impact on the balance of the First Nation's bank accounts. It is necessary to reconcile bank account statements with the recording of those transactions in the First Nation's account records.

1. In order to verify and prove the accuracy of the bank account(s) month end balance and the First Nation's account records, the First Nations Band Manager or Financial Manager should review all statements and signify in writing this review by initialing the bank statement. The review should include any erasures, or other irregularities, signatories, or endorsements. Upon review, the manager should forward the bank statement(s) for reconciliation.
2. The Finance Officer / Chief Financial Officer, who does not have signing authority, shall perform a reconciliation of the bank statement(s) of the First Nation's accounts with the First Nation's accounting records. The reconciliation shall be performed as soon as the month end bank account statements are received from the bank.
3. The person preparing deposits and cheques should not reconcile the bank statements.
4. During reconciliation, the Finance Officer / Chief Financial Officer shall compare the deposits listed on the bank statement with deposits shown in the First Nation's accounting records and receipts book. Any discrepancies will be noted and corrected and a list of errors or unrecorded items compiled.
5. All cleared cheques, included with the bank statement, shall be compared with each bank statement listing in the order of their listing. Any discrepancies or errors are to be noted.
6. All canceled cheques should then be re-arranged in numerical order (the order in which they were written). The previous month's reconciliation shall be used to determine if any cheques outstanding at the end of that month are still outstanding. The previous month's reconciliation shall also be used to determine if any deposits that were unrecorded by the bank at the end of the previous month have been recorded. Any discrepancies or errors are to be noted.
7. Any bank memorandum entries on the bank statement are to be verified and compared to entries in the accounting records. Any memorandums that do not appear in the accounting records are to be noted.
8. Once the reconciliation has been finalized, it should be presented to the Financial Manager or the immediate supervisor of whomever prepared the reconciliation for their review and approval. This person should check the additions, ensuring all appears reasonable and then signs the reconciliation.
9. A reconciliation statement that adjusts the bank statement with the accounting record of cash balance is to be prepared. All previously noted discrepancies are to be taken into

account and justified with the correct balance. Adjusting entries shall be made to the accounting records, should debits or credits appear on the bank statement that do not appear in the First Nations accounting records.

BUDGETS

The new five (5) year Canada/First Budgets promote responsible management, planning, and decision-making. Budgeting is a crucial part of the planning process in any organization. Realistic advance planning for all projected costs helps to prevent deficits by establishing budget expenditures in accordance with actual revenue, prior to incurring the costs. This involves deciding priorities for budget expenditures, with the full knowledge of projected costs.

In preparing the annual budget, it is necessary to include all expected inflows and outflows. To do so, an analysis of past cash flows is needed. Although the future cannot be expected to be exactly like the past, a thorough examination of past cash flow trends is the first step in effective forecasting through cash flow schedules.

To monitor budgets, actual expenditures for each program area are compared to monthly cash flow projections on the original budget. Current monthly financial statements are compared to cash flow projections to ensure close monitoring of expenditures. Adjustments can be made when necessary through variance report recommendations.

1. For Nations' funding agreements currently being negotiated, First Nations are required to complete a multi-year fiscal plan. This plan shall consist of a budget, using the most recent actual figures and the last year's budget for comparison, approved by Chief and Council at a properly constituted meeting, for the initial fiscal year of the agreement. A projected budget for each subsequent fiscal year comprising the period of the agreement is also necessary.
2. Prior to April 1 of each subsequent fiscal year, the First Nation shall replace the projected budget for that fiscal year with an annual budget and accordingly adjust the fiscal plan.
3. The First Nation shall only disburse the Block Funding and Targeted Funding, if any, in accordance with the Council's annual budget for that year, within the provisions of the funding agreement.
4. Annual budgets for each program area shall be prepared by Program Managers (and/or the respective committee). The budgets are subject to review by the Band Manager and Finance Officer / Chief Financial Officer by the end of March of each fiscal year.
5. The First Nation will set aside at least two (2) work days of each March solely for the purposes of formulation and justification of annual program budgets, including projected cash flows.
6. All program budgets and projected cash flow schedules shall be presented to the First Nation Chief and Council in April of each year, for formal approval through motions appearing in the minutes of a Chief and Council meeting. (*5)

5 Refer to Appendix 5 for a sample cash flow statement

7. To ensure effective ongoing monitoring of each program area budget, program workers will be provided with a copy of an approved annual cash flow schedule for their respective program area(s).
8. Each Program Manager, with assistance from their respective committee, shall be responsible for monitoring the take-up of their program budgets. Program budget monitoring and control shall involve comparing and reconciling monthly program revenue and expenditure statements with each program's original projected cash flow schedule.
9. Any program areas where actual expenditures are over/under projected monthly expenditures by \$_____ shall have a variance report produced and submitted to the Band Manager no more than two (2) working days after receiving the monthly program revenue/expenditure statement

The variance report will outline:

- (a) the amount of the shortage/overage
- (b) the cause(s) contributing to the shortage/overage
- (c) recommendations to bring the program budget back in line (*6)

Should a comparison between actual monthly expenditures and monthly budgeted expenditure reveal no significant overage/shortage, a statement verifying that the budget is on target shall be issued to the Band Manager.

10. All variance reports must be submitted to Chief and Council for their review and approval prior to implementation.
11. Should unexpected or unforeseen expenses be incurred in one part of a program, variance report corrective measures to re-adjust the program's budget may be in the form of an expenditure reduction in another area of the Program. The transfer of funding from one account to another, within a Program area, should never occur.
12. Further to policy 8, Department/Agency funds provided to the First Nation are to be expended for the purposes identified and approved in signed contractual agreements (targeted funding). Only in situations where flexibility is allowed between functions or programs, may transfers be recommended by program workers or managers.
13. All program transfers or interfund transfers should be passed by a Chief and Council motion and recorded in the meeting minutes.

6 Refer to Appendix 6 for a variance report form

FINANCIAL STATEMENTS

Monthly financial statements are the Finance Officer's / Chief Financial Officer's report to Chief and Council and Management on the financial affairs of the First Nation. Knowledge of the First Nation's current financial position is essential for Chief and Council and Management decisions in relation to planning future expenditures. Monthly financial statements are the primary source of information on which planning future expenditures is based.

1. The First Nation's monthly financial statements are to be prepared and completed by the Finance Officer / Chief Financial Officer within ten - fifteen (10 - 15) working days of the month's end and are to be made available to Chief and Council and members of Management at that time.
2. Completed financial statements shall also include preparation of accompanying supporting documents:
 - (a) Trial Balance of the General Ledger
 - (b) Bank Reconciliation Statement
 - (c) Accounts Payable Statement
 - (d) Various Project Reports
 - (e) Variance Reports
3. Appropriate monthly Program Revenue/Expenditure Statements are to be provided to program workers who have been assigned program budget control responsibilities. Program workers are to review the statements for overage/shortage spending, uncollected revenues, or other issues.
4. All monthly financial statements are to be reviewed by Chief and Council and formally adopted through motion, with the corresponding motion appearing in the Chief and Council meeting minutes. Any variance reports submitted to address program expenditures shortage/overages will be reviewed and approved at that time.
5. Monthly financial statements reviewed and approved by Chief and Council shall be filed in an appropriate manner to facilitate a speedy and efficient annual year end audit.

PAYROLL

First Nations, on reserve, are subject to federal jurisdiction. Therefore, all employee payroll policies must adhere to the Labour Codes of Canada.

1. Annual salary schedules shall be established for each employment position at the First Nation. These salary schedules will be Chief and Council approved and shall contain:
 - (a) Employee name
 - (b) Job title, and
 - (c) Wage rate or annual salary.* such a schedule is normally contained in payroll software.
2. The First Nation may pay salaries to its employees on a:
 - (a) Bi-weekly (26 pay periods per year)
 - (b) Semi-monthly (24 pay periods per year), or
 - (c) Monthly (12 pay periods per year) basis (only in Alberta, Nunavut or Northwest Territories).
3. Pay periods shall be established as :
 - (a) Every second Friday (bi-weekly)
 - (b) The last day of the month (monthly) (only in Alberta, Nunavut or Northwest Territories), or
 - (c) The fifteenth and thirtieth or last day of the month (semi-monthly).The pay period shall include hours worked up to the previous Friday.
4. Each employee is expected to make daily work attendance entries on attendance/leave records (timesheets). Entries made shall cover the period ending on a Friday prior to the next Friday's pay day. (*7)
5. Each employee shall total their attendance leave forms, sign and submit them to their Supervisor who will after review, sign and return them to the Payroll Clerk on the last Friday of each designated pay period. The Supervisor shall verify all entries made for regular hours worked, overtime worked, time banked totals and any leave credits owing or taken.
6. No payroll cheque shall be issued to an employee, or direct deposited into an employee's bank account until an accompanying approved attendance/leave record is received by the Payroll Clerk to verify that employee's pay cheque amount.
7. Upon verification of attendance/leave record entries, and employee's immediate supervisor's signature approving the record entries, the records shall be forwarded to the Payroll Clerk for payroll processing.
8. Upon completion of Policy 7, the Payroll Clerk shall return the attendance / leave forms to the Administration Clerk for data entry and filing. The payroll batches shall be

7 Refer to Appendix 7 for a attendance/leave form

submitted to the Finance Officer / Chief Financial Officer who will review, approve and signify this approval in writing prior to processing.

9. A statement of earnings, that lists all deductions or additions made shall be drawn up to calculate and record the payroll amounts to be direct deposited into each employee's bank account. This information is to be contained in a payroll report that is reviewed and approved by the Band Manager to authorize the direct deposit of payroll amounts. Authorized payroll deductions may include:
 - (a) Income Tax
 - (b) Employment Insurance Premiums
 - (c) CPP
 - (d) Benefits Package Premiums (life insurance, extended health benefits, etc.)
10. Should the First Nation choose to direct deposit payroll into employees' accounts, direct deposit forms will then be completed for each bank that has direct deposit arrangements with the First Nation.
11. Salary adjustments (raises) are to be incorporated into the annual budget planning process. A salary review shall occur prior to the annual budget formulation, with any Chief and Council approved salary adjustments taking effect April 1st of each year.
12. Any salary adjustments will be determined on the basis of funding availability, increases / decreases to a position's workload, performance evaluations and annual inflation rates.
13. The First Nation may not issue salary advances to employees. Only in cases of extreme financial hardship, can employees petition the Band Manager for a salary advance. This petition is submitted to the Band Manager in writing.
14. In cases where an employee's extreme financial hardship justifies a salary advance, the maximum amount advanced shall not exceed the amount earned by the employee at the time the advance is requested.
15. Repayment of payroll advances will be made in accordance with a Deduction Authorization form to be completed and signed by the employee prior to payroll advances being issued. (*8)

8 Refer to Appendix 8 for a payroll advance repayment schedule

TRAVEL

First Nation staff will be required to travel on occasion. This policy section establishes the rules and procedures for travel: authorization, arrangements, and financial accountability.

1. Travel budgets shall be established for all First Nation departments. The budgets shall be established in accordance with the Budgets policy section of this financial manual.
2. Each First Nation Department/Program shall have a coded expense account established and designated for travel purposes. This account will contain budgeted funding limits approved by Chief and Council.
3. All purchase authority positions at the First Nation (including Chief and First Nation Manager) shall authorize travel for office staff. Such authorization shall be contingent upon:
 - (a) Travel costs being within the purchase authority limits and being within travel budget limits;
 - (b) Sufficient funds being available in the designated expense account; and
 - (c) Chief and Council having final authorization should the purpose of the travel be in question.
4. Upon receiving travel authorization, it shall be the responsibility of each staff member to ensure coordination of travel arrangements. Each staff member will collect all travel information necessary, make travel arrangements, book accommodations, prepare travel itineraries and travel expense claim forms. Co-ordination of all travel arrangements is to be completed in a timely manner.
5. Travel advances will be issued based on the submission of approved travel expense claims. Upon approval, travel advance / expense claims shall be submitted to the Accounts Payable Clerk for cheque issuance. (*9)
6. Upon return from travel, all First Nations staff shall reconcile their travel claim form. Travel expense claims will reflect the actual costs of travel minus any travel advances issued. **Receipts must be provided** to support any additional out-of-pocket travel expenses the staff member wishes to claim. Additional costs may include:
 - (a) Taxi fares
 - (b) Bus fares
 - (c) Airport improvement fees
 - (d) Parking fees.
7. From time-to-time host agencies of conferences and meetings will subsidize, or partially subsidize, transportation and accommodation expenses. In these cases, the staff member will provide a copy of his / her travel expense claim, in accordance with host agency rates, with any supporting receipts to the Finance Officer / Chief Financial Officer for expense reimbursement.

9 Refer to Appendix 9 for a travel expense claim form

8. A staff member who fails to attend meeting / conference sessions will be required to notify his / her immediate supervisor outlining the reasons. Should a staff member receive a travel advance for a trip not taken, that staff member will be required to repay the travel advance to the First Nation.
9. Any staff member who cannot attend the out of town meeting or conference for which travel arrangements have already been made, must personally cancel those travel arrangements and notify the Finance Officer / Chief Financial Officer.
10. All employees and representatives using private vehicles for authorized travel must have a valid class five (5) drivers license and a minimum \$1,000,000 third party liability vehicle insurance.
11. Staff have a choice in selecting a preferred mode of transportation should the business location be accessible by both air or ground transportation. However, the First Nation reserves the right to reimburse the employee the lesser costs of ground mileage or airfare. Reimbursement will not cover business or first class airfare.

TRAVEL ALLOWANCES

1. Private vehicle allowance for staff shall be claimed at a rate of \$_____ per kilometre.
2. Due to the First Nation office location, staff may claim \$_____ per pay period for local business travel expense.
3. Each staff member who travels on authorized business, will be provided with a meal allowance. Rates for meal allowance shall be provided in accordance with the following schedule :

Breakfast	\$
Lunch	\$
Dinner	\$
Commercial Incidentals	\$
Total per day :	\$
4. Eligibility to claim meal allowances shall be as follows :
 - Breakfast Departing or on travel status on or before 7:00 a.m.
 - Lunch Departing or on travel status on or before 12:00 p.m.
 - Dinner Arriving or on travel status on or before 7:00 p.m.
 - Incidentals Dependent upon an accommodations claim
5. Staff are encouraged to stay at the private residences of friends or relatives wherever possible. Private accommodation will be compensated by the First Nation at a rate of \$ per night and \$_____ incidentals.
6. Staff who require use of commercial accommodation will ensure the rates for accommodation are reasonable and approved by the Chief or Manager.

VEHICLES

1. **Personal Vehicles** – The First Nation may require an employee to use his or her personal vehicle in the course of the First Nation’s business, and no employee uses his or her personal vehicle for such business unless the employee has business license insurance coverage. The employer reimburses the employee the difference between a normal license and a license with a business use endorsement. Failure to obtain such insurance coverage may result in personal liability for the employee in the event of an accident while the vehicle of the employee is being used for business of the First Nation. An employee can only use his or her vehicle for business purposes of the employer if the employee receives authorization from his/her Immediate Supervisor, prior to the use of the vehicle.

2. **First Nation Vehicles** – The First Nation owns and/or leases vehicles that are made available to certain employees for use during the course of the business of the First Nation. Use of First Nation vehicles is subject to the following rules:
 - (a) First Nation vehicles must only be used for First Nations Business unless prior approval from the immediate supervisor is given for personal use;
 - (b) Cost of gas or other expenses directly related to the First Nation vehicles and paid for by the employee is fully reimbursed by the First Nation;
 - (c) Every employee who operates an First Nation vehicle is required to have a valid driver’s license;
 - (d) In the event the driver’s license of the scheduled driver of a First Nation vehicle is revoked or suspended for any reason, the employee immediately reports the loss of license to the immediate supervisor;
 - (e) Fines or penalties levied by authorities having jurisdiction to do so, with respect to the use of a First Nation vehicle is paid by the employee who was operating the vehicle at the time of the infraction, including all traffic and/or motor vehicle operation violations under Municipal, Provincial and Federal law;
 - (f) Every employee using a First Nation vehicle is responsible for its proper operation and returns the vehicle in a clean condition;
 - (g) The costs of cleaning a First Nation vehicle is paid by the First Nation;
 - (h) In the event a First Nation vehicle displays a malfunction or requires maintenance, the employee operating the vehicle immediately requests that such malfunction or repair be immediately done, and without restricting the general reality of the foregoing, such malfunctions and repairs shall include the following:

- (i.) Replace all or part of a matching set of four tires or any tire which show sufficient wear where it is reasonable to replace
 - (ii.) Repair or replace all dented, scratched, chipped, rusted or mismatched body panels, paint or vehicle identification items
 - (iii.) Repair or replace all dented, scratched, rusted, pitted, broken or missing trim and grill work
 - (iv.) Repair or replace all scratched, cracked, pitted or broken glass
 - (v.) Repair or replace all faulty window mechanisms
 - (vi.) Repair or replace all broken or burned out lights
 - (vii.) Repair or replace all electronic malfunctions
 - (viii.) Repair or replace all interior rips, stains, burns or worn areas
 - (ix.) Replace all missing equipment and parts
 - (x.) Replace all missing wheels or tires
 - (xi.) Repair damage from flood, water, rain, hail, sand or gravel
 - (xii.) Repair damage or other condition that makes the vehicle unsafe or unlawful to operate in the opinion of the Lessor, and/or
 - (xiii.) Repair all damage which would be covered by physical loss or damage insurance whether or not such insurance is actually in force.
- (i) The employee does not require a written request to maintain proper fluid levels (including oil and antifreeze) for a First Nation vehicle;
 - (j) In the event an employee is involved in an accident with their personal vehicle that is being used in the course of the business of the First Nation, or the First Nation vehicle, such accident is reported in writing within forty-eight (48) hours of the accident to the employee's immediate supervisor;
 - (k) Every employee maintains a monthly Vehicle Log Report in the form as may be used by the First Nation from time to time. All gas and related vehicle expense receipts are to be attached to the report form.

INVENTORY OF CAPITAL ASSETS

These next to sections addressed policies and procedures for the purchase of assets for the First Nation. Once these assets are purchased, a permanent record of their existence is required. Maintaining a record of assets and their value, on-hand and up-to-date, provides auditors, creditors and the funding agency with an accurate representation of the First Nation's financial worth.

1. A complete inventory list of all the First Nation's assets shall be established and to include :
 - (a) The cost and date of original purchase
 - (b) The date of sale, and
 - (c) The write-off or surplus price.This inventory shall be updated annually with a copy provided to the auditor.
2. The asset shall be recorded if it is purchased at a minimum price of \$_____ or deemed to have "lasting value," where lasting value is defined as having long term worth and may be amortized.
3. As assets are purchased, a copy of covering invoices shall be maintained in a separate file that contains a master inventory list. At the end of each fiscal year these invoices are used to update the master inventory list.
4. This master inventory list will contain the following asset information:
 - a) Brief description of each item purchased
 - b) The serial number allocated to the item, and
 - c) The item's cost and date of purchase.
5. Periodically, the Band Manager shall assign an employee to verify the existence of the items contained on the master inventory list. This employee shall prepare a list of missing, unserviceable or obsolete items for Chief and Council to write-off, sell or surplus.
6. In the event there are assets missing, a staff member shall be assigned to track down and locate the missing item (s). Should any of these items be of significant value, a report will be filed and the asset's value recovered under the First Nation's insurance policy.
7. Only Chief and Council is authorized to write-off, sell or surplus an asset item through a formal motion. Such a motion is to be recorded in the meeting minutes.
8. Should an asset item be approved by Chief and Council for write-off, sale or surplus, the asset is to be deleted from the master inventory list and the motion number written beside the deleted item.

SECURITY OF ASSETS

1. Chief and Council, or assigned management, shall ensure adequate insurance coverage is obtained to protect the full value of all of the First Nation's assets.
2. The First Nation financial data is to be backed-up on a daily basis. The back-up may be on diskette or tape and should be stored:
 - (a) Under lock and key
 - (b) At a location away from the First Nation office
 - (c) In a fire proof container.
3. Computers:
 - (a) Anti-virus software will be installed onto each computer and regularly updated
 - (b) Passwords will be required to access computer use
 - (c) The use of external (non-First Nation) diskettes is not permitted
 - (d) The use of First Nation diskettes with other computers is not permitted.
4. Office keys, and the alarm system code, shall be provided to a limited number of First Nation employees. Keys issued to employees should be signed for, and under no condition shall any key (s) be transferred to, or duplicated for, another employee or person.
5. Staff assigned key (s) and the alarm code, have the responsibility for locking and securing the office before leaving and are also responsible for using their assigned keys to secure assets located within the office.
6. It is recommended that any employee who is required to handle the First Nation's cheques and funds be bonded.
7. Unauthorized personal use of assets will not be permitted.
8. It shall be a shared responsibility of office staff to maintain health, sanitation and fire safety standards in the First Nation's office.

ANNUAL YEAR END AUDITS

The First Nation is required to have an audit conducted for the fiscal year (April 1st to March 31st). The annual audit provides assurances to First Nation membership and to the First Nation's funding agencies that all revenues received by the First Nation are properly accounted for, and that expenditures were properly recorded. Annual audits also provide First Nation membership at an annual general assembly with the opportunity to review information on how their elected government utilized First Nation funds.

1. Detailed financial statements covering all financial activities of the First Nation shall be prepared annually, or as requested by the Chief and Council or the organization's funding agents.
2. Chief and Council shall appoint an Auditor to audit the First Nation's financial statements, records and supporting documentation at least once per fiscal year. The audit shall be completed and submitted to Chief and Council on a mutually agreed upon date well in advance of the reporting deadline.
3. The Auditor, selected by Chief and Council, on behalf of the Membership must be one of the following:
 - (a) A Chartered Accountant, or
 - (b) A Certified General Accountant, or
 - (c) A Certified Management Accountant, and must be licensed to perform audits under Provincial Guidelines.
4. In order to evaluate the market and ensure the First Nation continues to receive good auditing services at a fair market price, Chief and Council should tender auditing services every three (3) to four (4) years.
5. The First Nation requires its Finance Officer / Chief Financial Officer and Auditor to meet five (5) to six (6) months prior to fiscal year-end to discuss what information, other than bookkeeping records, the Auditor will require. This process determines pre-audit specifications and should help reduce the First Nation's auditing costs.
6. As part of the tendering process for securing auditor services, Chief and Council shall establish a Terms of Reference for the Auditor.
7. Upon Chief and Council's selection of a qualified Auditor an engagement letter shall be drawn up and signed by both Chief and Council and the Auditor.
8. The audited financial statements and supporting schedules shall be signed by a quorum of Chief and Council and shall be recorded in Chief and Council meeting minutes as being reviewed and approved.

9. Following Chief and Council approval, the audited financial statements and supporting schedules are to be presented to the community membership at an annual general meeting where First Nation financial issues, questions and concerns may be addressed.
10. As part of the annual audit of financial statements, the Auditor shall prepare a Management letter that comments on and lists recommendations relating to the First Nation's financial management practices and its system of internal controls. Chief and Council shall ensure that, where appropriate, the recommendations of the Auditor are implemented.
11. Chief and Council should ensure that the audited financial statements and any other relevant financial records are made available to funding agencies, should they request them.

AMENDMENTS

The financial policies and procedures contained in this Financial Procedures Manual should be reviewed and can be amended periodically.

The following policies and procedure are to be followed when amending financial policies.

1. Amendments to these financial policies and procedures require the quorum approval of the Chief and Council. Any such amendments shall be stated in a formal motion and shall appear in the meeting minutes of the Chief and Council.
2. No motion or vote to amend financial policies may be made by a member or majority of Chief and Council until that member has served a minimum of three (3) months in office. This policy section shall remain unalterable.
3. The Chief and Council shall assign a delegate / employee to review these financial policies on an annual basis, who will report back to Chief and Council on any financial policies that require modification or change.
4. Recommendations to amend any part of these financial policies and procedures must be submitted in writing to the Chief and Council. Chief and Council reserve the right to consult outside experts to review the impact, or financial implications, of any proposed amendment to these policies and procedures.
5. The First Nation's Band Manager or Finance Officer / Chief Financial Officer, shall ensure the financial policies and procedures are updated in accordance with Chief and Council motions to amend. He/She shall also ensure all relevant staff are informed, in writing, of any changes to these financial policies and procedures.

APPENDIX 1: SAMPLE RECEIPT

Note: Receipts should be pre-numbered

RECEIPT NUMBER:	_____	_____	20	_____
<i>RECEIVED FROM</i>	_____			
IN THE AMOUNT OF	_____	_____	/00	DOLLARS
\$	_____	MEMO	_____	_____
<i>RECEIVED BY</i>	_____			

APPENDIX 3: SAMPLE DEPARTMENT EXPENSE ACCOUNT LISTING

**Assigned Account Codes
Program / Budget Areas**

Chief and Band Manager:

Bookkeeper & Administration Clerk

- 100** Band Support
- 110** Band Revenue
- 500** Operations and Maintenance
- 600** Capital Projects
- 610** Capital Housing
- 620** Social Housing
- 630** RRAP
- 700** Economic Development
- 710** Job Development
- 720** Challenge Program
- 800** Comprehensive Land Claims
- 810** Specific Land Claims
- 900** Natural Resources
- 910** Fisheries

Education Coordinator :

- 200** Education Administration
- 210** Elementary / Secondary Education
- 220** Student Support
- 230** Cultural Education
- 240** Post Secondary Education
- 250** Occupational Skills Training

Youth Coordinator

- 260** Youth Development

Social Development / FCW :

- 300** Social Assistance Administration
- 310** Social Assistance
- 320** Family Violence
- 330** Brighter Futures

Community Health Rep.

- 400** Community Health Program

Drug and Alcohol Counsellor:

- 410** NNADAP (Drug & Alcohol Program)

APPENDIX 4: SAMPLE PURCHASE ORDER FORM

PURCHASE ORDER

Note: Purchase Orders should be pre-numbered

00000

This number must appear on all invoices, packages, etc.

TO

ADDRESS	PRG. NO. or DEPT.
SHIP TO	DATE
ADDRESS	FOR

PLEASE NOTIFY US IF YOU ARE UNABLE TO SHIP COMPLETE ORDER BY DATE SPECIFIED

QUANTITY	PLEASE SUPPLY ITEMS LISTED BELOW	PRICE
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

DATE REQUIRED	SHIPPED	PLEASE PRINT
TERMS		PURCHASING AGENT

APPENDIX 5: SAMPLE CASH FLOW SCHEDULE

	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	Total
Revenue:													
Total Revenue													
Expenses:													
Total Expenses													

Surplus/Deficit _____
OPENING BALANCE _____
CLOSING BALANCE _____

APPENDIX 6: SAMPLE VARIANCE REPORT

Variance Report

Program Name: _____
Program Code: _____

Account Name: _____
Account Code: _____

Having reviewed the program budget areas and expenditures for which I am responsible, I have determined there are no variances to report.

THERE ARE NO VARIANCES TO REPORT

Signature

Date

Having reviewed the program budget areas and expenditures for which I am responsible, I have determined there are the following variances to report:

OVER EXPENDITURE

\$ _____
Amount

UNDER EXPENDITURE

\$ _____
Amount

The contributing cause(s) of the overage/shortage : _____

Recommended steps to bring budget back in-line: _____

Submitted by: _____

Date: _____

Approved by: _____

Date: _____

APPENDIX 7: SAMPLE ATTENDANCE/LEAVE (TIMESHEET) FORM

**BAND / FIRST NATION
ATTENDANCE / LEAVE RECORD**

Employee Name: _____

Month / Year: _____

Position: _____

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Regular Hours Worked																															
Overtime Worked																															
Banked Time Leave																															
Sick Leave																															
Vacation Leave																															
Bereavement Leave																															
Compassionate Leave																															
Maternity Leave																															
Parental Leave																															
Education Leave																															
Other:																															
TOTALS																															

* All Leaves must be supported by "Leave Application" forms

Employee's Signature: _____

* 7.0 hours constitutes a work day, 35 hours constitutes a work week

Reviewed by: _____

* Accumulated overtime worked or bank time taken shall not exceed 49 hrs

Approved By: _____

APPENDIX 8: SAMPLE PAYROLL ADVANCE REPAYMENT FORM

Deduction Authorization Form

I, _____, request the following salary advance amount:

\$ _____

Upon receiving the above stated salary advance amount, I agree and authorize the Band to make the following repayment deduction(s) from my pay cheques:

Date: _____ Deduction Amount: \$ _____

Date: _____ Deduction Amount: \$ _____

Date: _____ Deduction Amount: \$ _____

Date: _____ Deduction Amount: \$ _____

Date: _____ Deduction Amount: \$ _____

Date: _____ Deduction Amount: \$ _____

Total Deductions equaling amount advanced: \$ _____

Should any balance be owing upon termination of my employment, I authorize the Band to deduct the remaining balance from my final pay cheque.

Signature

Approved By:

Date

APPENDIX 9: SAMPLE TRAVEL EXPENSE CLAIM FORM
NO PAYMENT WITHOUT RECEIPTS

Department Name: _____ Acct. Code: _____

Name: _____ Title: _____

Purpose of Travel: _____ Travel Date(s): _____

MEALS:
Breakfast: \$ ____ x _____ = \$ _____
Lunch: \$ ____ x _____ = \$ _____
Dinner: \$ ____ x _____ = \$ _____

Sub-Total: ----- \$
GST: _____

ACCOMMODATION:
 \$ _____ x _____ = \$ _____
 \$ _____ x _____ = \$ _____

Sub-Total: ----- \$
GST: _____

TRAVEL PERSONAL VEHICLE:
Paved Roads: \$ __/km x _____ kms = \$ _____
Gravel Roads: \$ __/km x _____ kms = \$ _____

Sub-Total: ----- \$
GST: _____

TRAVEL OTHER:
Airfare from: _____ **to:** _____ = \$ _____
Bus Fare from: _____ **to:** _____ = \$ _____
Taxi Fare from: _____ **to:** _____ = \$ _____
Ferry Fee from: _____ **to:** _____ = \$ _____

Sub-Total: ----- \$
GST: _____

TOTAL TRAVEL EXPENSE: ----- \$

LESS Advance: AMOUNT: \$ _____ **Balance Due:** \$

Date: _____ **Ch.#** _____

Submitted by: _____ **Approved by:** _____

SAMPLE HUMAN RESOURCES MANUAL

CLASSIFICATION OF EMPLOYEES

1. **Full Time Employees** – An employee is a full time employee if the employee works thirty-seven and one-half (37 1/2) hours per week. *{*guideline only – may vary from 35 hours to 40 hours per week}* for the employer and is not otherwise a part-time or temporary employee of the employer. Such employees qualify for all of the employee benefits and may participate in the Group Benefits Plan(s).

“Employee” means any person employed by an employer and includes a dependent contractor and a private constable, but does not include a person who performs management functions or is employed in a confidential capacity in matters relating to industrial relations.

2. **Part-time Employees** – An employee is a part-time employee if the employee works less than thirty-five (35) hours per week for the employer.
3. **Temporary Employees** – A temporary employee is hired to fill a temporary position for a period not exceeding twelve (12) consecutive weeks, which may be renewed or extended by the immediate supervisor to such employee for successive periods not exceeding twelve (12) consecutive weeks each. Temporary employees do not qualify for Group Benefits.
4. **Independent Contractors** – An Independent Contractor is a person who for purposes of the Income Tax Act of Canada is regarded as an Independent Contractor. Such person is not an employee and is not subject to the Operations Manual. A person who has a contract to perform specific services (“the job”), without specific hours of work, and for a fixed price for the job, payable in a lump sum or installments is prima facie regarded as an Independent Contractor.
5. **Probationary Employees** - All employees are on a three (3) month probationary period commencing from the date of employment. During such probationary period the following applies:
 - (a) For an employee on probation who **has not** completed three (3) consecutive months of continuous employment, the employer can terminate such employee for the reason of “unsuitability,” which reason is a sufficient ground for termination without further particulars and without any right to compensation due to such termination;
 - (b) For an employee on probation who **has** completed three (3) consecutive months of continuous employment:
 - (i) The employer can terminate the employee for *just cause* without providing notice or pay in lieu of notice;

- (ii) If such employee has been continuously employed for more than three (3) months, the employer can terminate the employee with two (2) weeks notice or two (2) weeks pay in lieu of notice without reasons.
- (c) An employee on probation is not entitled to any benefits except for those provided by the Workers Compensation Board.
- (d) Employees who are promoted to a different position are on a three (3) month probationary period commencing from the date of promotion, and during the probationary period if the subject employee is determined as being unsuitable for the new position such reason is sufficient ground to return the employee to his or her previous position or equivalent without any right to compensation due to such event.

TERMS OF EMPLOYMENT

1. **Terms of Employment** – The terms of employment of an employee are made up of the First Nations Employment Policy, the *Canada Labour Code* and other applicable legislation, specific remuneration and hours of work determined in writing at the time of hiring. The provisions of the First Nations Employment Policy do not abrogate or eliminate any rights that an employee may have under the *Canada Labour Code* and other legislation, as may be applicable.
2. **Better Benefits** – If specific employee benefits under the *Canada Labour Code* exceed the comparable benefit under the First Nations Employment Policy, the *Canada Labour Code* governs, but in all other respects the First Nations Employment Policy governs.
3. **Employment Contracts** – The employee and the employer are free to enter into written contracts containing terms of employment; such contract can be formal or take the form of a letter of offer of employment signed by both parties. The following applies to all contracts of employment:
 - (a) The First Nations Employment Policy, as amended from time to time, is incorporated as part of the employment contract whether or not the same is specifically stated in such employment contract;
 - (b) In the event of an inconsistency between a written employment contract and the First Nations Employment Policy, the First Nations Employment Policy applies, unless expressly stated as overridden by the terms of the said written employment contract.
4. **Content of Job Descriptions** – Each Manager is responsible for determining the content of existing and new employee job descriptions, including adding, deleting and amending duties and responsibilities as well as changing hours of work. Lines of responsibility cannot be changed without the approval of the Chief and Council or delegated authority. Changes to job descriptions within the First Nation or changes to the terms and conditions of employment that creates an added financial obligation cannot proceed without the same being included in an approved budget.
5. **General Duties** - In addition to the specific duties and responsibilities outlined in the job descriptions, each employee carries out the duties and responsibilities in accordance with the **Code of Ethics**.

HOURS OF WORK

1. **Hours of Work in General** – The employer has the absolute right to determine new hours of work or establish different hours of work for different employees, as circumstances require.
2. **Regular Hours** – The standard or regular hours of work of the First Nation are (*example*) 8:30 am to 4:30 pm Monday to Friday inclusive, with a one-half (1/2) hour lunch break (“regular hours of work”).
3. **Breaks** – Employees may be granted two paid fifteen minutes breaks per day at the discretion of the employer.
4. **Extra Work** – Employees are required to work such days or hours other than regular hours of work if required by the employer.
5. **Overtime** – Is payable at time and a half (1 ½) for hours over eight (8) hours a day or forty (40) hours per week. All employees must have their overtime authorized in advance by their Immediate Supervisor. Employees are paid for overtime or are given time-off in lieu of overtime, at the discretion of the employer.
6. **Overtime Record** – The employer keeps a monthly record of overtime for employee s. This is an overtime-record book located in the office of the Immediate Supervisor. The record shows the time, date, task performed and the name of the person who authorized such overtime.

EMPLOYEE ORIENTATION

1. An orientation shall be provided to any employee new to a First Nation job position.
 - (a) Orientation of staff is the responsibility of the Band Manager.
 - (b) Orientation of senior management is the responsibility of Chief and Council
2. The Band Manager and/or Chief and Council will review the job description, Code of Conduct and Letter of Officer with the employee.
3. Each new employee shall be provided with a current copy of the First Nation Employment Policy Manual.

EMPLOYEE RECORDS

1. A confidential file will be created for each new employee.
2. Employee records will contain recruitment and hiring documentation as follows:
 - (a) Original copy of the position application and resume
 - (b) Original signed copy of the Letter of Offer
 - (c) Original signed copy of employee Code of Conduct
 - (d) A copy of the job description, and
 - (e) A copy of the advertised job posting
3. All employees shall have access to their own individual records upon request and appointment.
4. The Band Manager will have access to all employee records.
5. The Band Manager will be present during all access to employee records.
6. No records shall be removed from the Band office.
7. No information relating to an employee's performance shall be placed in the employee's file unless a copy has been furnished to the employee.
8. A disciplinary letter shall be purged from an employee's record after two years, provided that no further disciplinary letters have been placed in the record.

VACATION LEAVE

1. **Statutory Holidays** – Employees are entitled to the following statutory holidays and general holidays with pay:
 - (a) New Year's Day
 - (b) Good Friday
 - (c) Easter Monday
 - (d) Victoria Day
 - (e) **National Aboriginal Day, June 21; (discretionary)**
 - (f) Canada Day – July 1
 - (g) BC Day - First Monday in August
 - (h) Labour Day – First Monday in September
 - (i) Thanksgiving Day
 - (j) Remembrance Day, Nov 11
 - (k) Christmas Day, Dec 25
 - (l) Boxing Day, Dec 26

2. **Vacation Leave** – Paid vacation leave for employees are earned at a minimum depending on the number of consecutive years of service with the employer and are as follows:
 - (a) One to five years of continuous service – two weeks paid leave
 - (b) Six years and more – three weeks paid leave

3. **Vacation Timing** – An employee takes vacation leave at times authorized by the employer. The employer encourages employees to take accumulated holidays at times convenient for the employees. Vacation leave carry-over is subject to the consent of the employer.

4. **Vacation Record** – The employer maintains a record of vacation credits and vacation time taken for each employee. From time to time, the employer may require employees to review these records and initial the same to confirm accuracy.

5. **Notice of Vacation** – A Leave Application form must be provided to the employer with at least four (4) weeks notice of intention to commence vacation leave that are five (5) consecutive working days or more.

6. **Vacation Leave Refusal** – The employer may refuse the request of the employee to take holidays by written letter with reasons for such refusal. The employer makes every reasonable effort to provide the employee with an alternate holiday schedule satisfactory to the employee.

LEAVE BENEFITS

The First Nation has an established sick leave credit system that provides employees with paid time for recuperation from personal illness or accident. Paid sick leave is not a requirement under the *Labour Code of Canada*, and is being provided as an additional benefit to First Nation employees. This policy section establishes guidelines for the accumulation and use of sick leave credits.

1. **Leave Benefits** – All leave is without pay unless expressly stated to the contrary. There is no right to a leave unless expressly stated to the contrary. No employee is entitled to pay in lieu of a leave benefits. Leave benefits do not accumulate from year to year unless expressly stated to the contrary.

2. **Sick Leave Benefits** – Sick leave benefits, with pay, are given on the following basis:
 - (a) Sick leave entitlement is granted to an employee who has completed three consecutive months of continuous employment with the employer prior to the absence;
 - (b) Full time employees earn sick leave credits at the rate of 1.5 days (varies) per month during each fiscal year to a maximum of eighteen (18) days;
 - (c) Unused sick leave benefits do not carry-over from one year to the next (*optional*);
 - (d) An employee is not entitled to holidays or pay, in lieu of sick leave not taken;
 - (e) The employer maintains a record of sick leave accumulated and time taken due to illness, and may require the employee to initial the same for accuracy from time to time;
 - (f) In the event an employee is unable to report to work due to illness, the employee will notify the employer within half an hour of the start of the work day or as soon as is practical;
 - (g) For absences greater than two days or upon the request from the employer, an employee must provide to the employer a medical certificate verifying illness. Such certificate is to be completed by a qualified physician;
 - (h) In the event of a disability, employees should apply for disability benefits in accordance with their group disability insurance plan, if any;
 - (i) An employee makes every effort to schedule medical, dental and optical examinations during non-working hours. Where an employee takes time off from work for medical, dental or optical examinations this time is charged against sick leave credits;

- (j) Where an employee is absent as a result of illness in excess of earned sick leave credits the absence will be considered unpaid leave to a maximum of twelve (12) weeks.
3. **Maternity, Parental and Adoption Leave** – Maternity, parental and adoption leave without pay is given on the following basis:
- (a) The employee is not granted such leave unless the employee has completed six (6) months of continuous employment with the First Nation;
 - (b) In the case of maternity leave the employee provides the employer with a certificate of a qualified medical practitioner certifying that the employee is pregnant;
 - (c) Request in writing for maternity, parental and adoption leave is required by the employer eight (8) weeks prior to the commencement of such leave;
 - (d) A female employee may have up to seventeen (17) weeks of unpaid maternity leave that may begin not earlier than eleven (11) weeks prior to the estimated date of the delivery and may not end later than seventeen (17) weeks following the actual delivery date;
 - (e) Where the employee has or will have the actual care and custody of a new-born child, such employee is entitled to unpaid parental leave of up to thirty-seven (37) weeks in the fifty-two (52) week period beginning on the day on which the child is born or the day on which the child comes into the care of the employee, subject to the total duration of the maternity and parental leave not exceeding fifty-two (52) weeks;
 - (f) Where an employee commences legal proceedings to adopt a child or obtains an order of a court for the adoption of a child, the employee, on request, is granted a leave of absence of up to thirty-seven (37) weeks in the fifty-two (52) week period beginning on the day on which the child comes into the care of the employee, subject to the total duration of the maternity and parental leave not exceeding fifty-two (52) weeks;
 - (g) Notwithstanding the above provisions, the aggregate amount of parental and adoption leave of absence from employment by two employees in respect of the birth or adoption of any one child can not exceed thirty-seven (37) weeks, subject to the total duration of the maternity and parental leave not exceeding fifty-two (52) weeks;
 - (h) The seniority of an employee who takes the above leave is maintained during such leave.

- (i) Every employee who intends to or is required to take a leave of absence from employment under this section is entitled, on written request therefore, to be informed in writing of every employment, promotion or training opportunity that arises during the period when the employee is on leave and for which the employee is qualified, and on receiving such a request every employer of the employee shall so inform the him or her.

4. **Bereavement Leave** – The following bereavement leave provisions apply to employees who have been continuously employed for three (3) consecutive months (“the bereaved employee”):

- (a) In the case of a death in the immediate family of the bereaved employee, the bereaved employee receives a leave of absence to attend the funeral and visit with the immediate family for a period of five (5) days with pay;

The term “immediate family” refers to the employee’s spouse, including a common law spouse; parent and their spouse, including a common law spouse; child; sister; brother; father-in-law, mother-in-law and their spouse, including a common law spouse; and any relative permanently residing in the employee’s household or with whom the employee resides.

- (b) In the case of the death of an aunt, uncle, grandparent or in laws, the bereaved employee receives a leave of four (4) [optional] days with pay to attend the funeral of such person;
- (c) In the case of being a pallbearer or honorary pallbearer, or attending a funeral to deliver a eulogy, the bereaved employee receives a leave of four (4) [optional] days with pay to perform such function.

(Note: the above leave benefits are longer than the three (3) days provided under the Canada Labour Code)

5. **Compassionate Care Leave** – All employees are entitled to up to eight (8) weeks of compassionate care unpaid leave to provide care and support to a gravely ill family member. A certificate is required from a qualified medical practitioner, stating that the family member has a serious medical condition with a significant risk of death within twenty-six (26) weeks. Some employees may be entitled to cash benefits under the *Employment Insurance Act*.

The *Canada Labour Code* provides protection against dismissal, lay-off, suspension, demotion or discipline because of absence due to compassionate care leave.

6. **Funerals** – At the discretion of the employer and out of respect for the community, the Band office may be closed to allow employees to attend the funeral of a Band member, with pay.

7. **Voting Leave** – Employees who are working on an election day in an election in which such employee is entitled to vote receives a maximum of four (4) hours prior to close of the voting poll to vote, as time off work with pay.
8. **Jury Duty/Court Witness** – Employees are granted a leave of absence with pay when they are subpoenaed or summoned to appear in a federal, provincial or municipal court or board or tribunal constituted by the same. The employee receives regular earnings less the compensation received for performance of such duty. The employee must present the summons or subpoena to his/her Immediate Supervisor before the leave is granted. The employee reports back to work during periods when the employee is excused from appearing for performance of such duty.
9. **Leave of Absence** - Leave of absence is given on the following basis:
 - (a) A request for a leave of absence for one month or less is made by an employee in writing to the employer stating the reasons and requested time for such leave and such request is made at least two (2) weeks prior to the proposed commencement date of such leave. A request for a leave of absence exceeding one (1) month to a maximum of one year requires a six (6) weeks notice before the proposed commencement of such leave. The granting of such leave is at the absolute discretion of the employer.
 - (b) If an employee was granted a leave of absence but intends to return to work earlier than granted, such employee notifies the employer at least one (1) week for each month or part thereof with respect to the original leave granted.
 - (c) In the event an employer grants a request for a leave of absence, such granting is not regarded as a precedent for future granting of leave. A leave of absence is particular to the circumstances of each request, the work load of the employee making the request, the workload of other employees and the performance to date of the employee making the request.
 - (d) Provided an employee complies with the above provisions, leave of absence is granted to an employee for the purpose of running for political office in accordance with election code provisions. In the event the employee fails to comply with the above provisions, and is absent from work for the purpose of running for a political office, such absence is regarded as an abandonment of employment.

GROUP BENEFITS

- 1. Group Benefits** – The First Nation may, from time to time, provide Group Life Insurance, Group Pension, Disability Insurance and Dental Insurance for employees of the First Nation on a compulsory enrollment basis for full time employees. The coverage is limited to the coverage provided by the carrier of such Insurance Plans. The First Nation can discontinue such coverage for any reason and the employees have no right of action against the First Nation for compensation or damages relating to such discontinuance. All full time employees of the First Nation are required to fully participate in such benefits.

CAREER DEVELOPMENT

1. **Professional Development** - Employee professional development is governed on the following basis:
 - (a) The employer permits an employee to attend institutes, workshops, conventions, conferences and other educational related events which, in the absolute discretion of the employer, are considered a value in the development and promotion of the objectives of the First Nation;
 - (b) An employee requesting to attend a professional development event applies in writing and provides a comprehensive description of the professional development event so as to enable evaluation of the benefit to the First Nation;
 - (c) On receiving an application by an employee to attend a professional development event, the employer may do one of the following:
 - (i) Deny the request
 - (ii) Permit the employee to attend the event without pay and specify the expenses that the employer covers, if any
 - (iii) Authorize the employee to attend the professional development event with pay and specify the expenses that the employer covers, if any.
 - (d) The employer may require an employee to attend a professional development event, and in such case, the employee attends with regular pay and has all reasonable travel and out of pocket expenses reimbursed by the employer;
 - (e) For those professional development events where the employer pays for any part of the associated cost the professional development event materials are the property of the employer;
 - (f) Immediately upon the employee's return from the professional development event, the employee files a written report with his/her Immediate Supervisor. The employer may require the employee to conduct an educational workshop with other employees or persons covering the subject matter of the professional development event as attended, whether or not the employer contributed toward the expenses of having the employee attend the professional development event.
2. **Professional & Membership Fees** - The employer pays such professional and membership fees of its employees as are necessary to maintain minimum requirements of such employees' positions and other membership fees as the employer thinks appropriate and in the best interests of the First Nation.

RECRUITMENT

1. All full-time vacancies shall be filled by promotion from within the existing employees whenever possible.
2. When a suitable candidate is not available on staff all full-time vacancies shall be posted and advertised at the discretion of the Band Manager.
3. The Interview Committee shall carry out the short-listing, screening, and interviewing of applicants.
 - (a) Prior to interviews, the Interview Committee shall supply all short-listed candidates with a statement containing the duties and responsibilities assigned to the contested position;
 - (b) Following interviews, the Interview Committee shall submit recommendations for approval to:
 - (i) The Band Manager, for a staff position; or
 - (ii) Chief and Council, for a senior management position
 - (c) The Interview Committee reserves the right not to fill a position if they determine that there are no qualified applicants.
4. Candidates applying for positions not requiring a resume shall complete an Application for Employment.
5. The Band Manager, at the discretion of Chief and Council, may hire part-time or casual staff, or individuals for short-term contract services, without advertisement or contest.
6. The First Nation shall provide a new employee with a Letter of Offer, along with a copy of the job description.

SEXUAL HARASSMENT

1. It is illegal and against First Nation policy for any employee, male or female, to harass another employee by making unwelcome sexual advances or engaging in other unwelcome verbal or physical conduct of a sexual nature, using an employee's submission to or rejection of such conduct as the basis for, or as a factor in, any employment decision affecting the individual, or otherwise creating an intimidating, hostile, or offensive working environment by such conduct.
2. The creation of an intimidating, hostile, or offensive working environment may include actions such as persistent comments on an employee's sexual preferences or the display of obscene or sexually oriented photographs or drawings.
3. The First Nation recognizes that some conduct or actions arise out of a personal or social relationship and may not be intended to have a discriminatory employment effect. Depending on the circumstances, this conduct may or may not be viewed as harassment. The Chief and Council will determine whether such conduct constitutes sexual harassment, based on a review of the facts and circumstances of each situation.
4. The First Nation will not condone any sexual harassment of its employees. All employees, including managers, and individuals engaged to perform contract services, will be subject to discipline up to and including discharge for any substantiated act of sexual harassment they commit.
5. Employees who feel victimized by sexual harassment should immediately report the harassment to their immediate supervisor. If the Band Manager is the source of the alleged harassment, the employee should report the problem to the Chief and Council.
6. Supervisors who receive a sexual harassment complaint will carefully investigate the matter by consulting with all employees who may have knowledge of either the incident in question or similar problems. Special privacy safeguards will be applied in handling this type of complaint. The complaint, the investigative steps, and all findings will be documented as thoroughly as possible.
7. No employee will be subject to any form of retaliation or discipline for pursuing a sexual harassment complaint.

PERFORMANCE EVALUATIONS

1. Each probationary employee will be subject to an evaluation of their performance near the end of their probationary period, according to the criterion contained in the Performance Appraisal. Unless otherwise directed by Chief and Council, the Band Manager will evaluate all new staff positions
2. Each ongoing employee shall be evaluated by his/her Immediate Supervisor on the employee's anniversary date using the established Performance Appraisal.
3. Statements about the employee's performance shall be substantiated by reference to concrete examples related to their job description or other requirements specified in the First Nations Employment Policy.
4. The appraisals are confidential and shall not be disclosed without the consent of the employee.
5. The Performance Appraisal may contain recommendations for an extension of the probationary period, a decision to withhold an offer of employment, or an offer of permanent employment, as well as performance observation and assessment.
6. Upon successful completion of both the Probationary Period and the Performance Appraisal, the First Nation shall provide the employee with a second Letter of Offer.

DISCIPLINE

1. The First Nation seeks to establish and maintain a safe and productive work environment and to establish effective and efficient operational and administrative practices and procedures. Failure by an employee to adhere to these established practices and procedures may result in disciplinary action.
2. An employee whose actions or performance cause concern to his/her Immediate Supervisor, shall be disciplined in the following manner:
 - (a) Verbal Warning

The employee's Immediate Supervisor shall review the facts in the case in private with the employee involved. The first violation will be addressed with a verbal warning. The employee will be advised what action will be taken if another violation occurs. A written record will be placed in the employee's personnel file.
 - (b) Written Reprimand

The employee's Immediate Supervisor shall review the facts of the case in private with the employee involved. The second violation will be addressed with a written reprimand. The employee will be advised what action will be taken if another violation occurs. Documentation of the meeting will be prepared by the Immediate Supervisor and include a statement of facts and a mandatory action plan. This record will be placed in the employee's personnel file.
 - (c) Suspension

The employee shall be called in for a meeting with their Immediate Supervisor and be given the opportunity to state their case. A co-worker may also attend on the employee's behalf if they so desire. A decision will be made to impose suspension and/or dismissal. The meeting will be documented and a record placed in the employee's personnel file. A written letter of the reasons for suspension and/or dismissal shall be provided to the employee.
3. An employee may submit an appeal to Chief and Council within three working days of a suspension or dismissal. The employee must request that their appeal be heard by Chief and Council within thirty (30) days from receipt of the suspension or dismissal. The appeal will be heard during an "in camera" session of council meeting.
4. If dismissal is recommended, as a result of the foregoing meeting, the employee shall be discharged immediately from employment from the First Nation. Upon dismissal, a full explanation shall be given to the employee, verbally and in writing, by the Band Manager and/or Chief and Council, whichever is appropriate.

SUSPENSION

The employer can suspend an employee without pay for a period of up to five (5) clear working days for any of the following reasons:

1. **Misconducts:**

- (a) Breach of the Codes of Conduct as set out in the Employee Manual;
 - (b) Accumulation of six (6) warnings or reprimands covering various topics of job performance within any twelve (12) month period;
 - (c) A third warning or reprimand covering the same topic of job performance within any twelve (12) month period;
 - (d) Failure to remedy a job performance deficiency within thirty (30) days of receiving a second warning or reprimand covering the same deficiency;
 - (e) A third suspension for an employee within any twelve (12) month period;
 - (f) Job abandonment for three (3) consecutive working days;
 - (g) Absence due to illness or injury if the period of absence exceeds twelve (12) weeks, and not otherwise being an authorized leave of absence;
 - (h) Refusal to carry out the reasonable directives of the employer;
 - (i) Conviction of an indictable offense, unless the Government resolves otherwise; and
 - (j) Theft of property of the First Nation, or an entity in which the First Nation or any of its Member First Nations holds an interest.
2. Physical or mental incapacity
 3. Loss of a valid driver's license or use of a vehicle where the same is a requirement of the job of the employee
 4. Position redundancy due to program changes or funding restrictions, under which the position of the affected employee has been funded in whole or in part
 5. Knowingly making a false statement at a grievance hearing
 6. Accumulation of two (2) or more warnings or reprimands

7. For failure to attend at work without permission of the employer or medical certificate from a member of the Canadian Medical Association or a Medical Association of a Province or Territory in the Dominion of Canada.
8. Late for work more than three (3) working days per month not otherwise excused by the employer.
9. Tardiness generally.
10. Taking leave without prior written authorization.
11. Verbal or physical abuse.
12. Unprofessional or unethical conduct.
13. Any reason that amounts to just cause for termination as defined in this manual.

Notice of Suspension – The employer provides written notice of suspension and states the reason for the suspension, the effective date and the duration. The notice is either hand delivered to the employee, left with an adult person at the last known residence of the employee or mailed, and if mailed, receipt is deemed as received five (5) days from the date of mailing.

Renewal of Suspension – The employer can renew a suspension for a further five (5) days, if in the absolute discretion of the Band Manager, the subject matter of the suspension requires that the same is brought to the attention of the Chief and Council as a precondition to further action.

Long-Term Suspension – If the employee is charged with an indictable offence, the employer, in the absolute discretion of the employer, may suspend the employee without pay until such time as the court has disposed of the charges.

TERMINATION

1. **Termination for Cause** - The employer can terminate an employee for cause, and without restricting the generality of the foregoing, cause can include any of the items detailed in reasons for suspension when the employee has been suspended twice during a one year period.
2. **Termination Compensation** - In the event an employee is terminated for cause, such termination is immediate, without notice and without payment in lieu of notice.
3. **Contract of Employment Termination** – If an employee is employed for a fixed term under an employment contract, and such contract is not otherwise renewed, the employee's employment with the employer ceases on the expiration date of such contract without the right of additional notice or payment in lieu of notice. The employee may on six (6) weeks written notice request that his/her employment contract be renewed on such terms as the employee may specify. The employer has two (2) weeks to respond in writing and if the employer fails to respond, such failure is regarded as notice of non-renewal. There is no expectation, presumption or implied term of renewal of a contract with a fixed term based on past renewals of the same or similar contract.
4. **Termination without cause** - The employer may terminate an employee at any time without cause, provided the employer gives such employee notice or regular salary in lieu of notice in the amount of two (2) weeks for each year of employment, with a partial year prorated. Employees terminated without cause as outlined above are not entitled to any further sums or amounts whatsoever, except for salary, holiday pay as is otherwise properly outstanding as of the date of termination and severance. A probationary employee, who has been employed for three (3) months or less, can be terminated at any time within such period without being given minimum notice.
5. **Severance** – An employee who has worked at the First Nation for more than one (1) year of continuous employment, but less than three (3) years of continuous employment, qualifies for five (5) days severance pay. Severance pay for three (3) or more years continuous employment at First Nation are calculated at two (2) days pay for each completed year of employment.
6. **Resignation** - An employee who resigns his or her employment is not entitled to any sums other than otherwise properly outstanding as of the date of resignation.

LAYOFFS

1. **Layoff** - In the event of an anticipated shortage of work or budget restrictions, the employer provides written notice of layoff or payment in lieu of notice to the affected employees. A minimum two (2) weeks notice must be given to all permanent employees.
2. **Deemed Termination** – An employee who is laid off for a continuous period of three (3) months is considered to have his or her employment terminated.
3. **Reinstatement** - If the position vacated by an employee due to layoff is re-opened at any time within three (3) months of the layoff, such employee is reinstated by the employer at the same salary level existing prior to the layoff. If the employee refuses to return to work or does not respond within seven (7) days of a written offer of reinstatement being mailed or faxed by the employer to him or her, the employee is deemed to have quit and is not entitled to any further benefits or payments whatsoever.
4. **Compensation While Laid Off** – An employee is not entitled to any form of compensation due to lay off, other than notice of layoff, or at the option of the employer, payment in lieu of notice.

POLITICAL OFFICE

1. **Political Office** - The following provisions apply to the employer and the employee in circumstances where an employee is nominated (“**the political employee**”) for the position of a Chief or Councillor of the First Nation or municipal, provincial or federal office (“**the political office**”):
 - (a) The political employee takes a leave of absence without pay commencing the day the political employee officially declares his or her candidacy for the political office (“ **the political leave of absence**”)
 - (b) If the political employee is unsuccessful in obtaining the political office the employee returns to work the day after the election, whether or not an election appeal has been launched, except if such appeal is launched by the political employee; then such political employee cannot return to work and remains on the political leave of absence without pay until the appeal is concluded
 - (c) If the political employee is successful in obtaining political office, then he or she resigns from the employment with the employer and is treated as if he or she quit. The political employee is not entitled to any amounts or compensation from the employer for such termination, except as is outstanding as of the date the political employee took political leave
 - (d) The Chief and Council can waive article (c) and allow the political employee to continue being employed by the employer from the date of taking political office. No sums are paid for the time the political employee was on the political leave of absence.

AMENDMENTS TO POLICY

1. The policies and procedures contained in this First Nation Employment Policy Manual should be reviewed on an annual basis. Policies and procedures can be amended as the First Nation changes and upon direction of Chief and Council. This policy section provides procedure guidelines for the amendment of the human resource policies and procedures.
2. The Chief and Council may assign a delegate or committee to review and make recommendations to amend these policies and procedures on an annual basis.
3. Amendments to any of the human resource policies and procedures contained in this manual require the approval of a quorum of Chief and Council. Such amendments shall be stated in a formal motion of Chief and Council, and shall appear in the meeting minutes.
4. Recommendations to amend any part of this manual must be submitted in writing to Chief and Council. The Chief and Council reserves the right to consult with outside experts and labour jurisdiction organizations to review the impact or implications of any proposed amendment to these human resource policies and procedures.
5. Amendments will be announced in a timely fashion, as well as inserted into the First Nations Employment Manual.

APPENDIX “A” – SAMPLE LETTER OF OFFER

<Date>

<Name>

<Address>

<City> <Postal Code>

Dear <Name>:

This letter is to confirm our offer of employment commencing <Date> for the position as <Job Title> with the <Organization Name>.

Your probationary period will be three months beginning on the first day of your employment, with a starting salary of <\$ Amount> per <Hour, Annum, etc>. Our performance appraisals are intended to be a positive experience and approached with that attitude to ensure a meaningful outcome to both the employee and the **First Nation**. Employees are encouraged to openly discuss how their talents and abilities can be utilized to their fullest in assisting our organization to achieve its goals.

An interim review will take place upon completion of six weeks employment. Normally this is conducted on an informal basis in reviewing performance of position responsibilities to date. Any matters that may require further attention will be highlighted, ensuring specific focus toward particular areas. A formal performance appraisal will be conducted just prior to completion of your three-month probationary period on <Date>. A salary increase to <\$ Amount> may be processed should a favourable review result in your employment being extended beyond the three-month probationary period.

A copy of the First Nation Human Resource Manual will be provided for your review. Please ensure you thoroughly familiarize yourself with the content of this document.

If you have any questions, or require further clarification or information, please contact me. We welcome you to the **First Nation** and look forward to working with you.

Yours truly,

First Nation

<Authorized Signatory>

<Job Title>

APPENDIX “B” – SAMPLE REQUEST FOR LEAVE

Employee _____		Date _____	
Requested Absence from _____ to _____			
(date) (date)			
Reason for Absence	With Pay	Without Pay	Comments
<input type="checkbox"/> Overtime/Banked Time			
<input type="checkbox"/> Vacation			
<input type="checkbox"/> Sick Leave			
<input type="checkbox"/> Marriage Leave			
<input type="checkbox"/> Illness of Relative			
<input type="checkbox"/> Bereavement			
<input type="checkbox"/> Jury Duty			
<input type="checkbox"/> Subpoena			
<input type="checkbox"/> Court Summons			
<input type="checkbox"/> Election			
<input type="checkbox"/> Work Related Injury			
<input type="checkbox"/> Off Duty Injury			
<input type="checkbox"/> Maternity			
<input type="checkbox"/> Other			
Employee’s Signature _____			
Supervisor’s Approval _____ Date _____			

APPENDIX “C” – EMPLOYEE WARNING NOTICE

Employee _____		<input type="checkbox"/> First Notice <input type="checkbox"/> Second Notice
Date _____	Time _____	
Nature of Violation	Comments	
<input type="checkbox"/> Lateness		
<input type="checkbox"/> Conduct		
<input type="checkbox"/> Absence		
<input type="checkbox"/> Attitude		
<input type="checkbox"/> Disobedience		
<input type="checkbox"/> Carelessness		
<input type="checkbox"/> Safety		
<input type="checkbox"/> Defective Work		
<input type="checkbox"/> Housekeeping		
<input type="checkbox"/> Other		
Supervisor’s Signature _____ Date _____		
I have read this and understand the nature of the warning.		
Employee’s Signature _____ Date _____		

SAMPLE CODES OF CONDUCT

CODE OF ETHICS

1. **Code of Ethics for Committee Members** – Each Committee Member adheres to the following Code of Ethics:
 - (a) A Committee Member demonstrates a concern for the welfare and needs of the population of the First Nation as to the services offered under the programs provided by the First Nation, and is prepared to devote the required time and effort to carry out their respective roles and responsibilities;
 - (b) A Committee Member does not engage in any act or activity that would bring the First Nation or any of its programs into disrepute;
 - (c) A Committee Member does not directly or indirectly interfere with service delivery processes and decisions of the various programs of the First Nation and in particular a specific client or family receiving services under such programs in preference to another client or family;
 - (d) A Committee Member abides by the Oath of Office and Confidentiality as contained in the Operations Manual (see page 75);
 - (e) A Committee Member immediately notifies the Committee Chairperson and resigns as a member of the Committee if he or she is convicted of any offence under the *Criminal Code of Canada*, unless the Government specifically waives the requirement for such resignation; and
 - (f) Attendance at Committee Meetings is mandatory and each Committee Member notifies the Committee Chairperson if attendance is not possible.

2. **Codes of Ethics for Employees** - Each Employee adheres to the following Code of Ethics:
 - (a) An Employee does not engage in any act or activity that would bring the First Nation or any of its programs into disrepute;
 - (b) An Employee does not directly or indirectly interfere with service delivery processes and decisions of the various programs of the First Nation relating to a specific client or family receiving services under such programs, and not otherwise within the responsibility of the Employee;
 - (c) An Employee immediately notifies the Band Manager if he or she is convicted of any offence under the *Criminal Code of Canada*.

CONFLICT OF INTEREST - OPTIONAL

1. **Definition of Conflict** – A conflict of interest arises in any situation where a member of a First Nation Committee uses his or her position, authority or influence in such a way as to interfere or alter, or appear to interfere or alter the policies, procedures, standards, protocols and services of the First Nation and a particular program in order to gain personal or financial benefits for themselves, family, friends or other persons or to directly or indirectly create an advantage in obtaining services from the First Nation for a member of the population over and above any other member of the population.

2. **Conflict of Interest Rules** – Each First Nation Committee Member is responsible for furthering and supporting the mandate of the First Nation in providing quality services to the population of the First Nation and is expected to act with integrity and impartiality, by placing the interests of such population ahead of any self or private interests and in so doing each such person adheres to the following rules:
 - (a) Avoid circumstances that may result in actual or perceived conflicts of interest;
 - (b) Act in manner that promotes and enhances the confidence of the population in the First Nation as a service delivery provider;
 - (c) Act honestly and in the best interest of the First Nation;
 - (d) Not advocate on behalf of a member of the population being served by the First Nation, but refer the matter to the appropriate First Nation personnel to contact such member of the population to conduct the necessary inquiries and do the necessary actions to provide relevant services. A First Nation Committee Member can contact such service provider and ask for an update as to the status of service provisions;
 - (e) With respect to services provided by the various programs of the First Nation, a Committee Member is prohibited from intervening or advocating on behalf of a person or family being the subject of the respective program services, where there is a process or procedure in place to adequately access the issue of such person or family and such process or procedure is being followed;
 - (f) If a First Nation Committee Member is approached by a member of the population receiving services from the First Nation, the First Nation Committee Member declines to intervene, and immediately refers such person to the appropriate service providers within the First Nation;
 - (g) The First Nation Committee Member complies with the policies, procedures and protocols established by the First Nation in the provision of service delivery;
 - (h) The First Nation Committee Member complies with the provisions of the Operations Manual;

- (i) The First Nation Committee Member does not use his or her position, authority or influence to gain an advantage in favour of an individual member of the population receiving services from the First Nation verses another individual;
- (j) The First Nation Committee Member does not release confidential case information to any person;
- (k) The First Nation Committee Member does not release confidential or restricted information with respect to operations of the First Nation, unless expressly authorized by motion of Chief and Council;
- (l) The First Nation Committee Member does not request information for themselves on an individual basis for purposes other than fulfilling their duties and responsibilities with respect to services and operations of the First Nation, unless and until release of such information has been approved by motion of Chief and Council or the respective Committee;
- (m) The First Nation Committee Member does not interfere, either directly or indirectly, with the reporting of child neglect or abuse, or with children in the care of the First Nation or with respect to a criminal offence or other illegal act;
- (n) The First Nation Committee Member removes himself or herself from their official duties and responsibilities associated with the First Nation in the event that the Committee Member is under investigation by the First Nation or the police for alleged neglect or abuse of a child, or violence against a person or a criminal offence, and shall not resume such Committee duties and responsibilities until the matter is formally resolved;
- (o) The First Nation Committee Member does not place himself or herself under obligation to any person, or individual Committee Member, who might benefit from special considerations on their part;
- (p) The First Nation Committee Member avoids participation in official First Nation matters where he or she has a personal or financial interest or appears to have such an interest that may be incompatible with an unbiased exercise of judgment;
- (q) The First Nation Committee Member does not participate in any official First Nation matters where there is a personal or financial interest that is incompatible with an unbiased exercise of judgment where rules of conduct or procedure to avoid the potential conflict of interest are inappropriate, and have not been agreed to by Chief and Council or applicable Committee; and
- (r) If a First Nation Committee Member intervenes on behalf of a member of the population being served by the First Nation, such action does not necessarily constitute a conflict of interest, however, in the event any First Nation Committee

Member uses his or her position, authority or influence to assist in meeting the best interests of the receiver of the services of the First Nation in co-operation with the First Nation, such action would generally be interpreted as proper and not a matter of conflict of interest.

3. **Conflict of Interest Procedures** – The following procedures apply in circumstances where there is a conflict of interest concerning a Committee Member:

(a) **Admitted Conflict**

A Committee Member who is, or perceives him or herself to be in a conflict of interest immediately discloses this matter, orally or in writing to the applicable Committee, at a meeting of such Committee or the Government, and does not participate in the discussion and or vote when in conflict of interest;

(b) **Reported Conflict**

- (i) In the event a First Nation Committee Member perceives any other any member of the same Committee to be in actual or perceived conflict of interest, such member immediately reports that matter, orally or in writing, to the Band Manager of the First Nation, who immediately submits such report to the applicable Committee, as the case may be, for review at the regular meeting of the Committee
- (ii) Upon receipt of a disclosure or report respecting a conflict of interest, the member who is the subject of the alleged conflict of interest may remove him or herself voluntarily from all further discussions and activities pertaining to the matter in question
- (iii) If the First Nation Committee Member who is the subject of the alleged conflict of interest does not voluntarily remove himself or herself from all further discussions and activities pertaining to the matter in question, the applicable Committee investigates the alleged conflict of interest in the absence of the person alleged to be in conflict to determine whether the facts substantiate a conflict, and formally advises the person of their findings
- (iv) If the First Nation Committee Member is found to be in a conflict, the applicable Committee may agree to establish rules of conduct or procedures that avoid the conflict and ensure that they are adhered to by the person in conflict
- (v) If the First Nation Committee Member is found to be in a conflict, the applicable Committee ensures that the person in conflict does not participate in applicable Committee matters and any related matters that give rise to the conflict

- (vi) Except in the case of the Chief and Council, in the event a First Nation Committee Member in conflict persists in involving him or herself in the matter or related matters that gave rise to the conflict, the individual is regarded as having acted contrary to the interests of the First Nation, and may be terminated from the applicable Committee by a majority vote of the applicable Committee at a meeting of such applicable Committee
- (vii) The minutes of the applicable Committee meeting records the disclosure or report of the conflict of interest and the action taken in this regard
- (viii) A First Nation Committee Member who has been removed due to a conflict of interest is automatically disqualified from sitting on such Committee and is immediately removed from the Committee, and thereupon a substitute member is appointed in accordance with the appointment provisions contained in the within Operations Manual.

OATH OF OFFICE AND CONFIDENTIALITY

- 1. Oath for Committee Members:** Each Committee Member, as condition of taking office, takes an Oath of Office and Confidentiality in the form as attached in **Appendix “A”**.
- 2. Oath for Personnel:** Each employee as a condition of employment takes the Oath of Confidentiality in the form as attached in **Appendix “B”**.

**APPENDIX "A" - OATH OF OFFICE & CONFIDENTIALITY
(FOR A COMMITTEE MEMBER)**

I, _____, do solemnly swear that I shall faithfully, truly and impartially to the best of my judgement, skill, knowledge and ability carry out, discharge and perform the duties of the office as a member of the _____ Committee of the **First Nation** and will not, except as required in the discharge of my duties or as required by law, disclose to any person any matter brought before such Committee or Committee relating to the business or affairs of **First Nation**, that is not otherwise public knowledge, so help me God.

Sworn before me at _____)
in the Province of _____)
this _____ day of _____,)
200__.

A Commissioner for Oaths in and for
British Columbia)

Committee Member and/or General Band
Membership Member and/or FHCFS Local
Committee Member

**APPENDIX “B” - OATH OF CONFIDENTIALITY
(for Employees)**

I, _____, do solemnly swear that, as an employee of the *First Nation*, will not, except as required in the discharge of my duties or as required by law, disclose to any person, any matter relating to the business or affairs of *First Nation*, that is not otherwise public knowledge, so help me God.

Sworn before me at _____)
in the Province of British Columbia)
this _____ day of _____,)
200___.)
)
)
)
)
)

A Commissioner for Oaths in and for)
British Columbia)

Personnel Member

Notes: