



Effective Date: June 12, 2018

FINANCIAL POLICIES AND PROCEDURES

Definitions

1. The following definitions apply to this Policy:
 - **Policy** - the overall intentions and directions of Council respecting the financial administration system of Cowichan Tribes;
 - **Procedure** - the specified method by which an activity or process respecting Cowichan Tribes' financial administration system is to be carried out;
 - **Financial Administration** - the management, supervision, control and direction of all matters relating to the financial affairs of Cowichan Tribes;
2. Please refer to Cowichan Tribes' "Definitions Guide for Policies and Procedures" for the definitions of other terms used in this Policy and the associated procedures.

Policy Directive:

Cowichan Tribes must establish the necessary policies and procedures, as required, to ensure and maintain an effective financial administration system that complies with all applicable requirements.

Related Cowichan Teaching

"Take care of the Earth and take only what you need"

Applicable Legislation and Standards

3. Cowichan Tribes' practices regarding the establishment of policies and procedures respecting its financial administration system must comply with applicable legislation, standards, and Cowichan Tribes' laws, including:
 - i) The *First Nations Fiscal Management Act* (the Act);
 - ii) Cowichan Tribes First Nation Financial Administration Law (the FAL);
 - iii) First Nations Financial Management Boards (FNFMB) Standards; and
 - iv) Public Sector Accounting Standards (PSAS) of the Public Sector Accounting Board.

Reason for Policy

4. The objectives of this Policy include:
 - i) Providing guidance and directions for establishing policies and procedures required to ensure that Cowichan Tribes' financial affairs are conducted effectively and prudently, including clarifying the related roles and responsibilities;
 - ii) Establishing a standard method of preparing, reviewing, issuing, maintaining and revising financial administration related policies and procedures;



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- iii) Ensuring all policies and procedures for Cowichan Tribes' financial administration system are documented, communicated and available to all those affected by them;
- iv) Improving the accountability, transparency, and integrity of Cowichan Tribes' financial administration system; and
- v) Ensuring that Cowichan Tribes' financial administration system, and the related policies, procedures and practices comply with all applicable requirements.

Consequences of Non-Compliance with Policy

- 5. Potential consequences of non-compliance with this Policy include:
 - i) Lack of directions and clarity regarding the development and implementation of policies and procedures respecting Cowichan Tribes' financial administration;
 - ii) Risks to the accountability, transparency, and integrity of Cowichan Tribes' financial administration system due to the lack of the appropriate internal controls;
 - iii) Inappropriate documentation, communication, or access with respect to issued policies and procedures; and
 - iv) Breach of legislation, standards, or Cowichan Tribes' laws, policies, and procedures.

Policy Application

- 6. This Policy applies to or affects Cowichan Tribes':
 - i) Chief and Council;
 - ii) Finance and Audit Committee;
 - iii) Human Resources (HR) Department;
 - iv) General Manager, Comptroller, and all other managers; and
 - v) All other employees, contractors, person(s) or committee(s) involved with the financial administration of Cowichan Tribes.

Policy Requirements

Authority

- 7. Council has the authority to, and may, establish or amend policies and procedures regarding any matter relating to the financial administration of Cowichan Tribes.
- 8. Cowichan Tribes must not establish any policy or procedures that are in conflict with or contrary to applicable legislation, standards, or Cowichan Tribes' laws.
- 9. The written approval of Council is required for all policies respecting Cowichan Tribes' financial administration system before they can be implemented, revised, or rescinded.
- 10. Council cannot delegate the authority to approve policies relating to the financial administration of Cowichan Tribes.



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Establishing and Managing Policies and Procedures

11. Cowichan Tribes shall establish, document and implement all the policies and procedures that are necessary to effectively manage and control its financial administration system.
12. All policies and procedures respecting Cowichan Tribes' financial administration must comply with the *Act*, FNFMB Standards, PSAS, the FAL and other applicable Cowichan Tribes' laws.
13. All human resources and information technology related policies and procedures shall be designed and implemented to facilitate effective internal financial administration controls.
14. To satisfy the requirements of this Policy, Council shall ensure that:
 - i) Cowichan Tribes' policies and procedures provide for adequate and effective control over the processes of Cowichan Tribes' financial administration system;
 - ii) Resources and information are available to support the operation and monitoring of these processes discussed above; and
 - iii) When necessary, actions shall be implemented to attain the planned results and to continually improve these processes.
15. All financial administration related policies and procedures of Cowichan Tribes must be:
 - i) Communicated and made available to all persons who are required to act in accordance with them or who may be directly affected by them; and
 - ii) Readily accessible so that they can be located and retrieved as soon as practicable by those persons referred to above in this section.
16. All persons and committees involved with the financial administration system of Cowichan Tribes are responsible for understanding and complying with applicable legislation, standards, and Cowichan Tribes' laws, policies, and procedures that are appropriate to their responsibility and interactions.
17. Managers and immediate supervisors shall ensure compliance with issued policies and procedures within their area of authority, including enforcing them if required.
18. Council shall manage the content of financial administration related policies.
19. Policies and procedures shall be periodically reviewed, and if necessary revised, to ensure they are relevant, effective, complete, current, and accurate.
20. Obsolete, outdated, or inaccurate policies or procedures may be rescinded.
21. Policies and procedures respecting Cowichan Tribes' financial administration system shall be documented, managed, and controlled as per applicable records management legislation, standards, and Cowichan Tribes' laws, policies and procedures.



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Procedures: Financial Policies and Procedures

Roles and Responsibilities

22. The responsibilities of Council include:
 - i) Final approval of new, revised or rescinded policies and procedures respecting Cowichan Tribes' financial administration system; and
 - ii) Ensuring Cowichan Tribes establishes all the policies and procedures, or gives all the directions, that the FAL requires Cowichan Tribes to establish or make.
23. The responsibilities of the Finance and Audit Committee include:
 - i) Making recommendations to Council for the issuance, revision or rescinding of any policy and procedure respecting Cowichan Tribes' financial administration system;
 - ii) Ensuring established policy and procedures, and those under review, are neither contradictory to the FAL nor inconsistent with PSAS;
 - iii) Conducting an assessment for each significant function/activity of Cowichan Tribes' financial administration to determine if a policy and procedure is required; and
 - iv) Conducting an assessment of the FAL to determine the policies or procedures required by the FAL.
24. The responsibilities of the General Manager include:
 - i) Recommending to Council for approval and implementation human resource, information technology, and any other policies that facilitate effective internal financial administration controls; and
 - ii) Ensuring that all current policies and procedures, including a current listing of all policies and procedures, are available to and accessible by persons who are required to act in accordance with them or who may be directly affected by them.
25. The responsibilities of the Comptroller include:
 - i) Ensuring Cowichan Tribes' policies, procedures, and internal controls respecting its financial administration system are appropriately designed and operating effectively;
 - ii) Reviewing and making recommendations to the Finance and Audit Committee with respect to new policies, or the rescinding of policies, as required for operational purposes and/or compliance;
 - iii) Ensuring proposed or revised policy and procedures incorporate the requirements of applicable legislation and Cowichan Tribes' laws;
 - iv) Periodically reviewing existing policies and procedures and providing recommendations to the Finance and Audit Committee to ensure the policies and procedures remain effective, are kept current, and comply with the *Act*, FNFMB Standards, PSAS, the FAL, and other applicable Cowichan Tribes' laws; and
 - v) Actively monitoring Cowichan Tribes' financial administration system with respect to compliance with all applicable requirements in accordance with these Procedures.



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Policy and Procedures Development

26. The Comptroller shall create a list of all policies and procedures required:
 - i) By FNFMB Standards and the FAL;
 - ii) To adequately and effectively manage and control Cowichan Tribes' financial administration system; and
 - iii) To safeguard Cowichan Tribes' assets.
27. The Comptroller shall submit a draft of each proposed policy and procedures to the Finance and Audit Committee.
28. The Finance and Audit Committee shall review the proposed policy and procedures submitted by the Comptroller and may, if appropriate, recommend the proposed policy, with or without amendments, to Council for approval.

Communication, Availability and Access

29. Once approved, all new or revised policies respecting Cowichan Tribes' financial administration system, and the associated procedures, must be communicated and accessible to all affected departments and persons.
30. Every Cowichan Tribes' policy and procedures shall include a statement defining those persons or classes of persons who are affected by the policy and procedures.

Compliance and Enforcement

31. Managers and immediate supervisors shall monitor and ensure that every person under their respective authority who is performing a function or has a role in Cowichan Tribes' financial administration system is complying with all applicable legislation, standards, and Cowichan Tribes' laws, policies, and procedures.
32. Managers and immediate supervisors are responsible for enforcing Cowichan Tribes' policies and procedures within their respective area of authority, along with the HR Department and as per Cowichan Tribes' Progressive Discipline Policy and Procedures.

Review, Content Management, and Security

33. Cowichan Tribes' policies and procedures shall include provisions requiring them to be:
 - i) Updated as necessary; and
 - ii) Managed, approved and controlled.
34. Periodically, the Comptroller shall review all issued policies and procedures respecting Cowichan Tribes' financial administration system, and where applicable or required, request the relevant department managers, or subject matter expert, to review and validate existing policies and procedures or to make recommendations for changes.



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35. Policies and procedures respecting Cowichan Tribes' financial administration system shall be reviewed and validated for relevancy, effectiveness and accuracy, and shall be amended as required to achieve the objectives stated in the "Reason for Policy" section of each policy, or rescinded accordingly.
36. The Comptroller may recommend to the Finance and Audit Committee the rescinding of an issued policy, if the policy is outdated or inaccurate.
37. Council shall manage the content of, and review and consider any proposed or necessary amendments to the policies relating to Cowichan Tribes' financial administration system, as appropriate.
38. Cowichan Tribes' policies may only be changed upon:
 - i) The written approval or instructions of Council; and
 - ii) By a person authorized by Council or the General Manager.
39. All policies and procedures respecting Cowichan Tribes' financial administration system, and documentation of their approval, any approved amendments, or rescindment shall be stored centrally and in a secure manner, as per Cowichan Tribes' Financial Records Management Policy.

Approval and Effect of Policy

40. Council shall, if appropriate, approve each policy relating to Cowichan Tribes' financial administration system through a formal resolution made at a duly convened meeting of Council.
41. Each Cowichan Tribes' policy and the related procedures are effective the day after the respective policy is approved by Council.

Related Cowichan Tribes' Policies

- Dismissal and Layoff Policy and Procedures;
- Financial Records Management Policy and Procedures;
- Progressive Discipline Policy and Procedures;