



MUSQUEAM INDIAN BAND

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1. FINANCIAL ADMINISTRATION LAW (v. 20220615;
passed by Council on 16 May 2022
ratified at a Community meeting on 31 May 2022
w/CIF decree: 2 weeks after Community ratification
CIF date: 14 June 2022
revised version 20221212 to bring in conformity with the new titles of directives
revised 2023.03.13 to rename as Law (instead of Bylaw)

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WHEREAS:

- A. Pursuant to Musqueam’s right to self-government, the Musqueam Council may make laws governing the affairs of Musqueam;
- B. The Musqueam mission is that through transparent and accountable leadership, Musqueam asserts the right to govern itself, for the benefit of all generations of its people, and exercise that right by building capable governing institutions and economies that match its culture through strong leadership; and
- C. The Council of the Musqueam Indian Band considers it to be in the interests of the Musqueam Indian Band to make a law for the financial administration of Musqueam.

NOW THEREFORE the Council of the Musqueam Indian Band (the “**MIB**”) enacts as follows:

PART I - CITATION

Citation

1. This law may be cited for all purposes as the *Financial Administration Law, 2022*.

PART II- INTERPRETATION AND APPLICATION

Definitions

2. Unless the context indicates the contrary, terms in the *Financial Administration Law, 2022* (“**law**”) are as defined in the *Musqueam Indian Band Glossary of Key Terms*.

Interpretation

3. (1) In this Law, the following rules of interpretation apply:
 - (a) Words in the singular include the plural, and words in the plural include the singular;
 - (b) Words importing female persons include male persons and corporations and words importing male persons include female persons and corporations;
 - (c) If a word or expression is defined, other parts of speech and grammatical forms of the same word or expression have corresponding meanings;
 - (d) The expression “must” is to be construed as imperative, and the expression “may” is to be construed as permissive;
 - (e) Unless the context indicates otherwise “including” means “including but not limited to”, and “includes” means “includes but not limited to”; and
 - (f) A reference to an enactment includes any amendment or replacement of it and every regulation made under it.
- (2) This law must be considered as always speaking and where a matter or thing is expressed in the present time, it must be applied to the circumstances as they arise, so that effect may be given to this law according to its true spirit, intent and meaning.

- (3) Words in the law referring to an officer, by name of office or otherwise, also apply to any person designated by the Council to act in the officer's place or to any person delegated to act in the officer's place under this law.

Posting of a Public Notice

4. (1) If a public notice must be posted under this law, the public notice is properly posted if a written notice is placed in a conspicuous and accessible place for public viewing in the principal administrative offices of Musqueam.
(2) Unless expressly provided otherwise, if a public notice of a meeting must be posted under this law, the notice must be posted at least fifteen (15) days before the date of the meeting.

Conflict of Laws

5. (1) If a conflict exists between this law and the *Musqueam Indian Band Property Taxation Law, PR-96-02* and the *Musqueam Indian Band Taxation Law – Supplemental Law 2009* (collectively the "*Property Tax Law*"), then the *Property Tax Law* prevails.
(2) If a conflict exists between this law and the *Land Code 9* (the "**Land Code**"), then the *Land Code* prevails to the extent of the conflict. If a conflict exists between the *Land Code* and the *Framework Agreement* (the "**Framework Agreement**"), the *Framework Agreement* prevails to the extent of the conflict.
(3) If a conflict exists between this law and any other MIB law, then this law prevails to the extent of the conflict.

Calculation of Time

6. In this law, time is calculated in accordance with the following rules:
 - (a) Where the time limited for taking an action ends or falls on a holiday or a weekend, the action may be taken on the next day that is not a holiday or a weekend;
 - (b) Where there is a reference to a number of days, not expressed as "clear days" between two events, in calculating that number of days the day on which the first event happens is excluded and the day on which the second event happens is included;
 - (c) Where a time is expressed to begin or end at, on or within a specified day, or to continue to or until a specified day, the time includes that day;
 - (d) Where a time is expressed to begin after or to be from a specified day, the time does not include that day;
 - (e) Where anything is to be done within a time after, from, of or before a specified day, the time does not include that day; and
 - (f) Where there is a reference to a number of days it means calendar days.

Scope and Application

7. (1) This law applies to the financial administration of MIB.
(2) Except as stated in specific sections of this law, this law does not apply to:
 - (a) Collection of property tax which the MIB is to administer in accordance with the *Property Tax Law*;
 - (b) Musqueam Capital Corporation ("**MCC**") which operates independent of the MIB pursuant to the *MCC Business Charter*;

- (c) Business assets managed by MCC and held in trust for the MIB (the “**MCC Investments**”) managed in accordance to the *MCC Business Charter* and subject to third party asset management agreements; and
- (d) Treatment of funds generated from MCC Investments determined and administered in accordance with the *MCC Business Charter* and the *MCC Shareholder Return Policy*.

Severability

- 8. Provisions of this law are severable, and where any provision of this law is for any reason held to be invalid by a decision of the courts, the balance of this law will remain intact.

Validity

- 9. Nothing under this law may be rendered void or invalid by
 - (a) An error or omission in notice, form or any other documents authorized under this law.
 - (b) Failure of a Musqueam Indian Band representative to do something within a required timeframe unless this is done on purpose and in bad faith.

PART III - ADMINISTRATION

Chief & Council

Responsibilities of Council

- 10. (1) The Chief and Council (“**Council**”) are responsible for all matters relating to the financial administration of the MIB, whether they have been delegated to an officer, employee, committee, contractor, or agent by or under this law.
- (2) Subject to any other MIB law, Council may delegate to any of its officers, employees, committees, contractors, or agents any of its duties and functions under this law except for the following:
 - (a) the approval of MIB policies and directives;
 - (b) the appointment of members, chairperson and vice-chairperson of the Finance and Administration Committee;
 - (c) the approval of budgets and financial statements of the MIB as set out in sections 31 and 93;
 - (d) the approval of borrowing by the MIB as set out in section 65;
 - (e) the approval to grant guarantees and indemnities by the MIB as set out in sections 80 and 81 and
 - (f) the approval to pledge MIB assets as security as set out in section 66.

Council Policies, Procedures and Directions

- 11. (1) Council may approve policies, procedures and give directions respecting any matter relating to the financial administration of the MIB.
- (2) Council must approve policies or procedures or give directions respecting the acquisition, management and safeguarding of MIB assets.

- (3) Council must not approve any policies or procedures or give any directions relating to the financial administration of the MIB that conflict with this law, the Act or GAAP.
- (4) Council must ensure policies and procedures are in accordance with MIB vision, mission, values and community objectives as set out in CGP01 dated January 28, 2008 or as amended from time to time by Council.
- (5) Council must ensure that all human resources policies and procedures are designed and implemented to facilitate effective internal financial administration controls.
- (6) Council must document all policies, procedures and directions and make them available to any person who is required to act in accordance with them or who may be directly affected.

Reporting of Remuneration and Expenses

12. (1) In this section:

- (a) “entity” means a corporation or a partnership, a joint venture or any other unincorporated association or organization, the financial transactions of which are consolidated in as the annual financial statements of Musqueam in accordance with GAAP;
 - (b) “expenses” includes the costs of transportation, accommodation, meals, hospitality and incidental expenses; and
 - (c) “remuneration” means any salaries, wages, commissions, bonuses, fees, and honoraria, and any other monetary and non-monetary benefits.
- (2) Annually, the Chief Financial Officer must prepare a report separately listing the remuneration paid and expenses reimbursed by Musqueam, and by any entity, to each councillor, whether such amounts are paid to the councillor while acting in that capacity or in any other capacity.

1. Finance and Administration Committee

Committee Established

13. The Finance and Administration Committee (“**FAC**”) is established as a committee of Council with appointments to the Committee being made by Council. At a minimum one Council member will be appointed, with subsequent members to be determined by Council and set out in the *FAC Directive*.

Role and Responsibilities

14. (1) FAC is established to provide Council with advice, to support the Council’s decision-making process respecting the financial administration, financial reporting, and audit functions of the MIB, as set out in this law.
- (2) FAC is a recommending committee only and has no decision-making authority.
- (3) FAC must perform its duties and responsibilities in accordance with the *FAC Directive*.

Council may delegate other responsibilities

15. As circumstances require from time-to-time, Council may delegate other reasonable duties and responsibilities to FAC with respect to the financial administration of the MIB.

Officers and Employees

Chief Administrative Officer

- 16.** (1) Council must appoint a person as the Chief Administrative Officer (“**CAO**”) of the MIB (formerly the Band Manager) and set the terms and conditions of the appointment.
- (2) Reporting to Council, the CAO is responsible for leading the planning, organization, implementation, and evaluation of the overall management of all day-to-day operations of Musqueam, including the following duties:
- (a) oversight, supervision, and direction of the activities of all officers and employees of Musqueam;
 - (b) oversight and administration of contracts of Musqueam;
 - (c) identification, assessment, monitoring and reporting on financial risks and fraud risks;
 - (d) monitoring and reporting on the effectiveness of mitigating controls for the risks referred to in paragraph (c), taking into consideration the cost of implementing those controls;
 - (e) performing any other duties of the CAO under this law; and
 - (f) carrying out any other activities specified by Council that are not contrary to the Act or inconsistent with the Chief Administrative Officer’s duties specified in this law.
- (3) The CAO, by instrument, may delegate the performance of any of his or her duties, functions, or responsibilities:
- (a) to any officer or employee of the MIB; and
 - (b) with the approval of Council, to a contractor or agent of the MIB.
- (4) A delegation of duties, functions, or responsibilities under subsection (3) does not relieve the CAO of the responsibility to ensure that these duties, functions or responsibilities are carried out properly, and were it not the case, the CAO must rescind the delegation.

Chief Financial Officer

- 17.** (1) Council must appoint a person as Chief Financial Officer of the MIB (“**CFO**”) and set the terms and conditions of the appointment.
- (2) Reporting to the CAO, the CFO is responsible for the day-to-day management the financial administration systems of the MIB.
- (3) The CFO must perform the duties, functions and responsibilities established by Council and set out in the *Financial Management Directive* established by Council.
- (4) With the approval of the CAO, the CFO, by instrument, may delegate the performance of any of his or her duties, functions or responsibilities to any officer, employee, contractor, or agent of the MIB.
- (5) A delegation of duties, functions, or responsibilities under subsection (4) does not relieve the CFO of the responsibility to ensure that these duties, functions, or responsibilities are carried out properly, and were it not the case, the CFO must rescind the delegation.

Surveyor of Taxes

18. (1) Council must appoint a person as the Surveyor of Taxes (“SoT”) of the MIB on the recommendation of FAC and set the terms and conditions of the appointment.
- (2) Reporting to the Legal Counsel, the SoT is responsible for the administration of property tax of the MIB.
- (3) In addition to any duties or functions under the *Property Taxation Law*, the SoT is responsible for the following:
- (a) managing the property taxes and the property tax account on a day-to-day basis;
 - (b) recommending to Council the property tax component of the draft and amended annual budget;
 - (c) recommending to Council the property taxes components of the multi-year financial plan;
 - (d) on request, providing advice to the CAO, CFO, FAC and Council respecting property taxes matters;
 - (e) monitoring compliance with property taxation laws and this law in the administration of property taxes and the property tax account; and
 - (f) performing any other duties of the SoT under this law.
- (4) With the approval of the Legal Counsel, the SoT, by instrument, may delegate the performance of any of his or her duties, functions or responsibilities to any officer, employee, contractor, or agent of the MIB.
- (5) A delegation of duties, functions, or responsibilities under subsection (4) does not relieve the SoT of the responsibility to ensure that these duties or functions are carried out properly, and were it not the case, the SoT must rescind the delegation.

Organizational Structure

19. (1) Council must establish and maintain a current organization chart for the governance, management, and administrative systems of Musqueam.
- (2) The organization chart must include the following information:
- (a) all governance, management, and administrative systems of Musqueam;
 - (b) the organization of the systems described in paragraph (a), including the linkages between them;
 - (c) the specific roles and responsibilities of each level of the organization of the systems described in paragraph (a); and
 - (d) all governance, management, and administrative positions at each level of the organization of the systems described in paragraph (a), including:
 - (i) the membership on Council, FAC and all other committees of Council and Musqueam,
 - (ii) the CAO, the CFO, the SoT and other officers of Musqueam, and
 - (iii) the principal lines of authority and the responsibility between Council and committees referred to in subparagraph (i) and the officers referred to in subparagraph (ii).
- (3) On request, the CAO must provide a copy of the organization chart under subsection (1) to a councillor, a member of a committee referred to in subparagraph (2) (d) (i), an officer, employee or contractor or agent of Musqueam and a member of Musqueam.
- (4) In discharging responsibilities under this law, the CAO must recommend to Council, for approval and implementation, human resource policies and procedures that facilitate

effective internal financial administration controls, including instruments of delegation of the CAO, CFO and SoT.

- (5) Council must take all reasonable steps to ensure that Musqueam hires or retains qualified and competent personnel to carry out the financial administration activities of Musqueam.

Musqueam Capital Corporation

20. (1) MCC was formed for the purpose of managing business assets on behalf of the MIB with the objectives of:
- (a) building long term wealth to the MIB, primarily for future generations;
 - (b) facilitating employment and business opportunities for registered MIB members;
 - (c) supporting the MIB goal of economic self-sufficiency and other goals; and
 - (d) respecting MIB cultural values.
- (2) Pursuant to the MCC Business Charter:
- (a) Council is responsible to:
 - (i) set long-term goals and priorities of the MIB community;
 - (ii) along with the MCC Board of Directors, develop MCC business goals and strategy, and support the MIB goals and objectives as set out in the Community Plan; and
 - (iii) avoid direct involvement in day-to-day management of MCC operations.
 - (b) the MCC Board of Directors ("**MCC Board**") reports to Council through the Chair of the Board and is responsible to:
 - (i) provide oversight of MCC operations;
 - (ii) to provide regular financial reporting; and
 - (iii) and to supervise the Chief Executive Officer (the "**CEO**").
- (3) The CEO reports to the MCC Board and the Chief Financial Officer of MCC ("**MCC CFO**") reports directly to the CEO of MCC.

Mandatory Terms of Contracts

21. (1) All MIB contracts and agreements, including those with MIB officials, directors and employees, must:
- (a) be in accordance with this law and any other applicable MIB law;
 - (b) comply with the policies, procedures, and directives of Council;
 - (c) comply with the Human Resource Policies and Procedures Manual ("**HR Manual**"); and
 - (d) comply with the provisions of the MIB *Conflict of Interest and Gift Directive* for Council and Committee Members and subsection 16 (2) of the *Employee handbook* for staff.
- (2) All contracts and agreements with contractors and agents must be prepared in a manner consistent with subparagraphs (1) (a) to (d).

Personal Conduct

22. The Councillors, Committee members, officers, employees, contractors and agents of the MIB must, at all times, be compliant and in adherence with:
- (a) this law and any other applicable MIB law;
 - (b) the Governance Policy Manual for Personnel or the HR Manual, as applicable;

- (c) the Code of Conduct Policy of the MIB as set out in the *Governance Directive for Council and Committee Members* and section 16.1 of the Employee handbook for staff;
- (d) the *Conflict of Interest and Gift Directive* of the MIB to which paragraph 21 (1) (d) refers; and
- (e) *the Confidentiality and Non-Disclosure of Information Directive* and the *Human Resources Confidentiality Covenant*, signed by all staff and the *Governance Directive for Council and Committee Members*, the *Confidentiality Agreement* signed by all contractors, and the *Confidentiality and Non-Disclosure of Information Directive*.

Contravention and Enforcement

- 23.** If a MIB member of Council, committee member, employee, contractor or agent contravenes this law or its policies:
- (1) Musqueam Chief and Council will:
 - (a) consider instructions and direction from any applicable statute;
 - (b) consider instruction and potential remedy from relevant MIB laws and policies; and
 - (c) consider remedy from Canadian Common Law and the courts;
 - (2) Council will meet to discuss alleged violations of the law and determine the next steps. Council may consider imposing such penalties as:
 - (a) suspension from FAC;
 - (b) revocation of duties or authorities; and
 - (c) determination of restitution, destitution, removal, or discharge.

PART IV - FINANCIAL MANAGEMENT

Annual Planning and Budgeting

General

- 24.** Unless it is specifically stated, this Part does not apply to MCC, which conducts its own annual planning and budgeting process pursuant to the MCC Business Charter.
- 25.** Council must approve policies and procedures for an annual planning and budgeting process which integrates the operational and long-term goals, objectives and strategies of the MIB and set them out in the *Annual Planning and Budget Directive*.

Fiscal Year

- 26.** The fiscal year of the MIB is April 1 to March 31 of the following year.

Annual Financial Planning

27. (1) An annual integrated planning session must be held within the third quarter of the year that precedes the upcoming fiscal year.
- (2) The general purpose of the annual financial planning session is:
- (a) to communicate the upcoming year and 4-year operational goals and objectives pursuant to the Community Plan;
 - (b) to establish a budget development calendar;
 - (c) to establish or update budget assumptions for the upcoming year and the 4-year plan;
 - (d) to establish or update a multi-year capital plan schedule; and
 - (e) to establish or update the Comprehensive Community Plan.

Annual Budget

28. A draft annual budget must be prepared and the total of the proposed expenditures and transfers to other funds for a year must not exceed the total of the proposed funding sources and transfers from other funds for the year and is to:
- (a) include the revenues and expenditures from all divisions, departments and operations of the MIB;
 - (b) project revenues from band operations by major type;
 - (c) separately identify self-generated income and related expenditures by major type;
 - (d) Government grants, contributions and loans which are the subject of separate agreements are to be excluded from the budget and must be expended and administered in accordance with the terms and conditions of such agreements;
 - (e) identify new self-generated funds;
 - (f) identify MCC funds allocated to the MIB pursuant to the *MCC Shareholder Return*;
 - (g) identify the portion of a department's budget required to be subsidized by the MIB;
 - (h) include all capital improvement projects and all capital equipment expenditures;
 - (i) include a general contingency and a contingency for emergency expenditures;
 - (j) identify how any deficit funding will be eliminated in future years;
 - (k) identify how a surplus is to be allocated, subject to section 61;
 - (l) include each department's staffing and benefits requirements;
 - (m) document all assumptions used in the preparation of the draft annual budget.
 - (n) identify any distribution for membership as determined pursuant to paragraph 61(e); and
 - (o) identify and quantify the adjustments required to restate the budget under GAAP.

Strategic Plan

29. A comprehensive strategic plan must be prepared for each department and on a consolidated basis, which considers:
- (a) the mission and vision of the MIB;
 - (b) the prioritization of the community objectives set out in the Community Plan;
 - (c) a realistic and reasonable timeframe for implementation;
 - (d) identification of requirements for the strategic plan to be implemented; and
 - (e) how the implementation of the strategic plan will be resourced and funded.

Multi-year Financial Plan

- 30.** A multi-year financial plan must be prepared by no later than March 31 of each year which:
- (a) has a planning period of the upcoming budget year and the four (4) succeeding fiscal years;
 - (b) is based on projections of revenues, expenditures, and transfers between accounts;
 - (c) sets out projected revenues, segregated by significant category;
 - (d) sets out projected expenditures, segregated by significant category;
 - (e) in respect of transfers between accounts, sets out the amounts to and from the reserve accounts;
 - (f) shows all categories of restricted cash;
 - (g) identifies whether a deficit or surplus results in any of the planning period years; and
 - (h) identifies how potential deficits are funded and eliminated.

Annual Budget and Planning

- 31.** (1) Council must approve, on an annual basis, each of the annual budget, the strategic plan, and the multi-year financial plan.
- (2) The draft annual budget, the draft strategic plan, and the draft multi-year financial plan for the MIB must be approved and recommended as follows:
- (a) as appropriate, by the Chair of each standing committee ("**Committee Chairs**"), the CAO and the CFO, for recommendation to FAC;
 - (b) by FAC for recommendation to Council; and
 - (c) all subject to Council's approval no later than March 31 of each year.

Initiation of Spending Proposal

- 32.** A Councillor of the MIB may not introduce any vote, resolution, or bill for the creation of a financial obligation or for the spending of any part of MIB funds unless the spending has been recommended to Council by FAC, with an identified funding source.

Additional Requirements for Budget Deficits

- 33.** If the draft annual budget contains a proposed deficit, Council must ensure that:
- (a) the multi-year financial plan of the MIB demonstrates how and when a deficit will be addressed and how it will be serviced; and
 - (b) the deficit does not have a negative impact on the credit worthiness of the MIB.

Amendments to Annual Plans and Budgets

- 34.** (1) The strategic plan and the multi-year financial plan cannot be amended until the next annual integrated planning session except as set out in subsection (2) and Section 35.
- (2) The annual budget of the MIB may be amended by the adoption of a Supplementary Budget in the third quarter of the fiscal year, for substantial and material changes which directly impact the budget of the MIB.
- (3) Further to subsection (2), the Supplementary Budget may be adopted on the recommendation of FAC and approval of Council at a duly convened Council meeting.
- (4) Council is responsible to report all amendments made to the annual budget in a fiscal year to the registered MIB members at the annual presentation of financial results as set out in section 94.

Tax Account Budget Requirements

- 35.** Other than as provided for in this law, any part of a budget relating to the tax account must be prepared, approved, and amended in accordance with the *Property Tax Law* and approved by Council. MIB should use the current year numbers in any budget until a new budget is approved by Council under the *Property Tax Law* or the SoT recommends a more conservative approach. Any change in the Property Tax budget may be amended in the MIB budget subject to subsection 34 (2).

Non-Approval of Annual Budget prior to Fiscal Year-End

- 36.** In the unlikely event that the annual budget for the upcoming fiscal year is not approved by the Council on or before March 31, the budget ending March 31 of the current year, excluding one off expenditures, will apply as if it were the budget for the new fiscal year, to ensure the continuance of essential services to the MIB until the new fiscal year annual budget obtains the requisite approvals.

MIB Information or Involvement

- 37.** (1) Council must approve polices or procedures or give directions respecting how registered MIB members are to be informed or involved in consideration of:
- (a) the annual budget;
 - (b) the strategic plan and CCP Priorities;
 - (c) the multi-year financial plan; and
 - (d) budget deficits and surpluses or extraordinary expenditures.
- (2) Council must post a public notice of each Council meeting when each of the following is presented for approval:
- (a) the multi-year financial plan;
 - (b) the annual budget; and
 - (c) an amendment to the annual budget.
- (3) Members of Musqueam may attend that part of the Council meeting when the matters referred to in subsection (2) are being considered.
- (4) The approved annual budget and all amendments will be available for inspection by Members of the Band at all reasonable times during the fiscal year by appointment with the CFO.

Financial Institution Account and Cash Management

Financial Institution Accounts

- 38.** No account may be opened for the receipt and deposit of funds of the MIB unless the account is:
- (a) in the name of the MIB;
 - (b) opened in a financial institution insured under the Canada Deposit Insurance Corporation Act or equivalent provincial deposit insurance legislation; and
 - (c) authorized by the CFO and approved by Council.

Accounts Management

39. The CFO must exercise reasonable diligence to ensure the safekeeping of all funds received by the MIB and adhere to the policies and procedures approved by Council and set out in the *Financial Management Directive*. The CFO must ensure:
- (a) a general revenue fund is established into which all funds are to be deposited as soon as practicable, except funds held in the local revenue account, or held in trust in a trust fund, or a restricted fund as set out in section 123.
 - (b) to not authorize payment of funds from an account unless the payment relates to the subject matter for which the account was established and is otherwise authorized or permitted; and
 - (c) funds received from MCC must be paid into the general revenue fund, a trust fund or a restricted fund as set out in section 123.
40. (1) The CFO will always maintain a current list of authorized signatories for each deposit account.
- (2) All additions or removal of authorized signatories must be approved by the Council.

Procurement

General

41. (1) The CFO and CAO must establish policies and procedures to be approved by Council, to ensure the procurement of goods, services and assets will be conducted with sufficient due diligence to demonstrate transparency, fairness, quality, and value for money in meeting MIB requirements.
- (2) The policies and procedures approved by Council and to be maintained by the CFO are set out in the *Procurement and Authorization Directive*.
- (3) When appropriate, the MIB is to promote the use of MIB members in the procurement of its goods and services.

Expenditures

General

42. Expenditures paid to suppliers or reimbursements to MIB Councillors and employees will be in support of valid MIB activities, duly authorized, accurately recorded in the financial system, sufficiently supported through appropriate documentation and to be paid in accordance with the *Expenditures Directive*.
43. (1) Funds in a general revenue fund must not be used for any purpose other than that set out in the annual budget.
- (2) Funds or financial assets in a trust account must not be used for any other purpose other than the permitted use under the terms of the trust.
- (3) Funds in a tax account must not be used for any other purpose other than that permitted under the *Property Tax Law*.
- (4) Funds in a tangible capital asset reserve account cannot be used for any other purpose other than that described in Part V.

Prohibited Agreements

44. The MIB must not enter into an agreement or undertaking that requires the MIB to expend funds in a manner that contravenes this law or the Act.

Appropriations

45. (1) The total appropriations allocated to a MIB department in the annual budget should not be exceeded.
- (2) An expenditure may not be incurred if the expenditure will result in exceeding the total appropriations allocated to a department as per the annual budget, inclusive of any amendments.
- (3) CFO will maintain a list of the Program Managers by department who are responsible for managing appropriations as outlined in this section.
- (4) The CAO will review compliance by Program Managers with this section but does not have authority to authorize the commitment of an appropriation except as outlined in section 47 or as granted under subsection (2) in their capacity as a Program Manager.
- (5) Every person who is responsible for managing an appropriation must establish and maintain a current record of commitments chargeable to that appropriation.
- (6) Persons responsible for managing an appropriation are not to incur unwarranted expenditures at the end of each fiscal year to attain an authorized appropriation which is funded by a band subsidy or taxation subsidy and to reduce a potential surplus.
- (7) During the fiscal year, significant variances by specific appropriation over 10% of the total appropriations in a department or \$10,000, whichever is greater, must be reported to the Council without undue delay, for consideration and resolution.
- (8) Appropriations can be re-allocated within a department by the Program Manager to facilitate delivery of a Strategic plan as set out in section 29 and subject to subsection (9) if appropriate.
- (9) Appropriations allocated to a department in the annual budget may be increased, decreased or reallocated to another department with the approval of the Council and is to be reported to the registered MIB members at the annual presentation of financial results as set out in section 94.

No Expenditures without Appropriation

46. (1) Subject to section 47, funds must not be paid out of a MIB account unless the expenditure is authorized under an appropriation.
- (2) Subsection (1) does not apply to an expenditure paid from a trust account where the expenditure is authorized under the terms of the trust.

Emergency Expenditures

47. (1) Pursuant to paragraph 28(i), a contingency for emergency expenditures must be included in the annual budget of each fiscal year.
- (2) The CAO may approve an expenditure for an emergency purpose out of the contingency set out in subsection (1) if the expenditure is not expressly prohibited under this law or any other MIB law.
- (3) The expenditure under subsection (2) must be reported by the CAO to Council without delay and Council must consider whether an amendment to the annual budget is required pursuant to subsections 34 (2) and (3).

- (4) Subsection (2) does not give the CAO the authority to borrow for the purpose of making an expenditure for an emergency purpose.
- (5) For clarity, this section does not authorize an expenditure of property taxes.

48. Council must establish policies and procedures respecting the authorization of emergency expenditures and set them out in an *Expenditures Directive*.

Payments after Fiscal Year-End

49. (1) Funds appropriated in a budget for a fiscal year must not be expended after the end of the fiscal year unless to discharge a liability incurred during the fiscal year.
- (2) Funds appropriated in a budget for a fiscal year, and incurred in that year, but expended after the end of the fiscal year must be accrued for at the end of the fiscal year to the same appropriation.
- (3) Funding incurred but not accrued for at the end of the fiscal year but expended after the end of the fiscal year is an appropriation related to the following fiscal year and is to be reported in the succeeding year's annual budget and financial statements.
- (4) Appropriations that exceed the budget in a fiscal year may be charged against a suitable appropriation for the following fiscal year subject to subsection 45 (9).

Requisitions for Payment

50. All requisitions for payment, inclusive of credit cards, must be made in accordance with the policies and procedures approved by Council and set out in the *Expenditures Directive*.

Form of Payment

51. Expenditures of the MIB may be paid by cheque, draft, electronic transfer, or other similar instrument signed by two (2) authorized signatories in accordance with signing authorities approved by Council in the *Expenditures Directive*.

Certification

52. No payment may be made in respect of any expenditure unless, in addition to any other voucher or certificate that is required, the person authorized to make the payment certifies:
- (a) in the case of a payment for the performance of work, the supply of goods or the rendering of services,
 - (i) that the work has been performed, the goods supplied, or the service rendered and that the price charged is according to the contract, or if not specified by the contract, is reasonable,
 - (ii) where, pursuant to the contract, a payment is to be made before the completion of the work, delivery of the goods or rendering of the service, that the payment is according to the contract, or
 - (iii) where payment is to be made in advance of verification, that the claim for payment is reasonable; or
 - (b) in the case of any other payment, that the payee is eligible for or entitled to the payment.

General Matters

Revenues

53. Council must approve policies or procedures or give directions respecting revenues of the Band and to set these matters out in the *Revenue Directive*.

Advances

54. (1) The CAO or the CFO may approve an advance to prepay expenses that are chargeable against an appropriation in the current fiscal year or an appropriation in the next fiscal year.
- (2) Any such expenses must be recorded as an asset that is authorized by the Program Manager and reviewed monthly by the CFO until the expense is charged against an approved appropriation.
- (3) The SoT may also approve an advance as outlined in subsection (1) in respect of the tax account.

Holdbacks

55. If the MIB is to withhold an amount payable under an agreement, the payment of the amount withheld must be charged to the appropriation from which the agreement must be paid even if the fiscal year for which it was appropriated has ended, resulting in a charge to the appropriation in a future year.

Deposits

56. (1) Funds received by the MIB as a deposit for a future act or service must be recognized as revenue in accordance with:
- (a) the agreement under which the deposit has been paid; and
- (b) in the absence of any provisions respecting that matter, any policy or directions of Council.
- (2) Council must make policies or procedures or give directions in respect of the disposition of deposit money referred to in subsection (1).

Interest

57. (1) All interest earned on the accounts, other than a trust account, tax account or tangible capital asset reserve account must be deposited in the general revenue fund.
- (2) All interest earned on:
- (a) a trust account must be retained in that account, unless otherwise stated in the trust agreement;
- (b) the tax account must be retained in that account; and
- (c) the tangible capital asset reserve account must be retained in that account.
- (3) The MIB may charge interest at a rate set from time to time by Council on any debts or payments owed to the MIB that are overdue.

Refunds

58. Funds received by the MIB that are paid or collected in error or for a purpose that is not fulfilled may be refunded in full or in part as the circumstances require.

Musqueam Member Loans

59. (1) No loans will be advanced to any Musqueam member except in accordance with the *Investment Directive*, the *Human Resources Policy* for Staff members and the *Housing Policy*.
(2) Any advances to members under the appropriate policy will be on terms that are no less favorable than any non-member may receive.

Debt Forgiveness

60. All or part of a debt or obligation owed to the MIB may be written off and/or forgiven if:
(a) approved by the Council; or
(b) under the authority of a law, law, policy, directive or direction of the Council, and Council is advised of the proposed amount of forgiveness before any action is taken.

Treatment of Year-end Surplus

61. (a) Subject to paragraph (b) to (d), an operating surplus in any department at the end of the fiscal year must be paid into the general revenue fund unless required for multi-year department projects or specific MIB programs as approved by the Council.
(b) An operating surplus in any department funded by the tax account at the end of the fiscal year must be returned to the taxation account.
(c) An operating surplus in the property tax account at the end of the fiscal year must be retained in that account.
(d) An operating surplus in the capital asset reserve account at the end of the fiscal year must be retained in that account.
(e) Council will allocate from the general revenue fund to which paragraph (a) refers, an annual distribution to MIB members as set out in the *Annual Distribution Directive*.

Borrowing

General

62. This section does not apply to MCC as borrowing by MCC is to be undertaken in accordance with the *MCC Business Charter* and subject to third party asset management agreements.
63. All funding through long-term debt will be submitted to FAC for review and recommendation and to Council for review and approval.
64. Council must approve policies or procedures or give directions respecting borrowings by the MIB and set them out in the *Borrowing Directive*.

Limitations on Borrowing

65. (1) Except as authorized in this law or by another MIB law, the MIB must not borrow money or grant security.
- (2) If the MIB is authorized to borrow funds or grant security, the Council may authorize the CFO to borrow funds or grant security in the name of the MIB
- (a) as approved by Council; or
 - (b) in accordance with the policies and procedures approved by Council; or
 - (c) pursuant to specific directions made by Council.
- (3) No authorization to borrow funds or grant security may be provided where the total obligation exceeds the authorized amount set out in the annual budget.

Borrowing for Ordinary Operations

66. (1) The MIB may incur trade accounts or other current liabilities payable upon normal terms of trade for expenditures provided for in the budget for the fiscal year if the debt will be repaid from funds appropriated under an appropriation for the fiscal year or is in respect of an expenditure that may be made without the authority of an appropriation under this law.
- (2) The MIB may enter into agreements with financial institutions for overdrafts or lines of credit and, for the purpose of securing any overdrafts or lines of credit, may grant security to the financial institution in a form, amount and on terms and conditions that Council approves.
- (3) The MIB may enter into a general security agreement or a lease for the use or acquisition of lands, materials or equipment required for the operation, management or administration of the MIB.

Financial Agreements

67. (1) Council may enter into the following agreements in the name of the MIB:
- (a) for the purpose of administering and managing of financial assets, agreements with financial institutions and related services agreements; and
 - (b) for the purpose of reducing risks or maximizing benefits in relation to the borrowing, lending or investing of the MIB's financial assets, but not for profit seeking purposes; agreements with financial institutions respecting currency exchange, spot and future currency, interest rate exchange and future interest rates.
- (2) The CFO may enter into agreements referred to in subsection 66 (2) upon approval of Council.

Borrowing for Authorized Expenditures

68. If the general fund is not sufficient to meet the expenditures authorized to be made from it and the CFO recommends that funds be borrowed to ensure that the general revenue fund is sufficient for these purposes, Council may authorize the borrowing of an amount not exceeding a maximum amount specified by Council and to be repaid within a specified period of time.

Borrowing for New Capital Projects

69. (1) Borrowing for new capital projects must be consistent with the annual capital plan and the annual budget.
- (2) Council must approve policies and procedures with respect to borrowing for new capital projects and to set out in the *Borrowing Directive*.
- (3) Council must post a public notice of each Council meeting when borrowing for new capital projects described in section 109 is presented for approval.
- (4) Members of Musqueam may attend that part of Council meeting when the matters referred to in subsection (3) are being considered.

Borrowing for Repayment of Debt

70. Council may authorize the borrowing of funds required for the repayment or refinancing of any debt of the MIB.

Use of Borrowed Money

71. (1) Funds borrowed by the MIB for a specific purpose must not be used for any other purpose.
- (2) If all or a portion of the funds borrowed for a specific purpose are not required to be used immediately, the funds borrowed may be temporarily invested in accordance with the *MIB Investment Directive* until required for that specific purpose.
- (3) If all or a portion of the funds borrowed for a specific purpose are no longer required for that specific purpose, the portion of funds no longer required must be repaid to the lender without delay once it becomes known the funds borrowed are no longer required.
- (4) Notwithstanding subsections (1), (2) and (3), Council may re-allocate the use of borrowed funds for a different purpose if the costs associated with an early repayment and the set-up costs of a new facility outweigh any benefit of early redemption of borrowings.

Execution of Security Documents

72. (1) Security granted by the MIB must be approved by Council Resolution.
- (2) Subject to subsection (3), a security granted by Musqueam must be signed by a Councillor designated by the Council and by either the Chief Administrative Officer or the Chief Financial Officer.
- (3) A security granted by Musqueam in respect of property taxes must be signed by a councillor designated by the Council and by the SoT.

Operational Controls

73. Council must establish policies or procedures or give directions respecting the establishment and implementation of an effective system of internal controls that ensures the orderly and efficient conduct of Musqueam's operations.

Risk Management

General

74. Unless as is specifically stated, this section does not apply to MCC as MCC is required to conduct its own risk management pursuant to the MCC Business Charter.
75. Council must approve policies or procedures or give directions respecting the identification, assessment and management of risk to the MIB associated with carrying on for profit activities and set them out in the *MIB Risk Management Directive*.

Risk Assessment and Management Plan

76. (1) On an annual basis, and more often, if necessary, the CAO must identify and assess significant risks to:
- (a) MIB's financial assets;
 - (b) MIB's tangible capital assets; and
 - (c) MIB's operations.
- (2) The CAO must report to FAC on his or her proposed plans to mitigate the risks identified in subsection (1) and, where appropriate, their strategy to manage those risks.
- (3) FAC must report to Council on the risks identified in subsection (1) and the proposed plans to mitigate and manage those risks.

Permitted Business Activity

77. (1) The MIB may carry on a business which:
- (a) is ancillary or incidental to the provision of programs or services or other functions of the MIB; or
 - (b) derives income from the granting of a lease or license of or is in respect of:
 - (i) an interest in, or natural resources on or under, the MIB lands; or
 - (ii) lands owned in fee simple by or in trust for the MIB; or
 - (iii) any other property of the MIB.
- (2) The MIB may carry on a business for the primary purpose of profit if Council determines the business:
- (a) does not result in a material liability for the MIB; or
 - (b) does not otherwise expose the MIB's financial assets, property or resources to significant risk.
- (3) Council may impose terms and conditions on the conduct of any business activity permitted under this section to manage any risks associated with that activity.

Limitation on Business Activity

78. The MIB must not carry on any business which is in direct conflict with the MIB's vision, mission, values and community objectives.

Investments

79. Council has the authority to invest the MIB's assets in accordance with the *MIB Investment Directive*.

Guarantees and Indemnities

- 80.** (1) The granting of a guarantee by the MIB must be approved by Council by Band Council Resolution.
- (2) For a guarantee to be granted by the MIB, Council must be provided with a report by the CFO which:
- (a) identifies the associated risks with granting the guarantee;
 - (b) assesses the financial ability of the MIB to honor the guarantee should it be required to do so; and
 - (c) provides a recommendation to Council on how best to proceed.
- (3) The MIB must not grant a guarantee unless Council has considered the report set out in subsection (2).
- 81.** (1) The MIB must not give an indemnity unless:
- (a) required pursuant to an agreement to which the MIB is a party; or
 - (b) authorized under this law or another MIB law.
- (2) The MIB must not give an indemnity unless it is approved by Council.
- 82.** Council must approve policies and directions respecting guarantees and indemnities and set them out in the *Guarantees and Indemnities Directive*.

Insurance

- 83.** (1) On recommendation of the CFO, Council must approve all liability, loss or other insurance coverage commensurate with:
- (a) the risks identified in section 80; and
 - (b) any other risks associated with the assets, property or resources under the care or control of the MIB.
- (2) Council must approve adequate and sufficient insurance coverage for the directors and officers of the MIB, to protect against liabilities which may arise because of performing their duties as director or officer of the MIB.
- (3) The CFO must ensure all approved Insurance coverage is maintained in force.

Financial and Operational Reporting

General

- 84.** Council must approve policies and procedures and effective internal controls to accurately prepare financial reports respecting the financial affairs of the MIB and the annual consolidated financial statements and set them out in the MIB *Financial Reporting Directive*.

Monthly Financial Information

- 85.** At the end of each month, the CFO must prepare and provide financial reports no later than 30 days following the end of each month to each department for the effective and efficient administration of department operations.

Quarterly Financial Reports

86. (1) At the end of each fiscal quarter, the CFO must prepare the quarterly financial reports as set out in the *Financial Management Directive*.
- (2) The CFO must provide the quarterly financial reports within 45 days after each fiscal quarter to the Committee Chairs and to FAC for their review and recommendation.
- (3) The quarterly financial reports of the MIB must be reviewed and approved by Council no later than 60 days after each fiscal quarter.
- (4) The CFO must provide a report to Council if the reporting dates in section 85 or 86 are not achieved to outline how and when the reporting dates will be achieved.

Annual Financial Statements

87. At the end of each fiscal year, the CFO must prepare the annual consolidated financial statements of the MIB in accordance with GAAP.

Special Purpose Reports

88. At the end of each fiscal year or as may be required, the CFO must prepare the following special purpose financial statements or reports:
- (a) financial statements or reports required by a funding agent, regulator, authority or government;
 - (b) financial statements or reports required under an agreement to which the MIB is a party;
 - (c) any reporting required under the *Musqueam Land Code*;
 - (d) a report setting out any debts or obligations forgiven by Musqueam;
 - (e) a report setting out all payments made to honour guarantees and indemnities for that fiscal year;
 - (f) financial reports required under section 12 and subsection 119 (3); and
 - (g) any other financial statements or reports requested by Council or FAC.

Charitable Donation Receipts

89. The CFO will prepare and issue charitable donation receipts in accordance with Canada Revenue Agency guidelines and as set out in the *Charitable Donations Directive*.

Internal Audit Requirement

90. (1) From time to time, Council may approve the conduct of an internal audit of the MIB to evaluate and improve the effectiveness of risk management, controls, performance measurement and governance processes and to assist the MIB in accomplishing its goals and objectives.
- (2) The internal audit function must be performed in accordance with the standards of the Institute of Internal Auditors of Canada or the Chartered Professional Accountants of Canada.
- (3) Council must approve policies and procedures respecting the selection, appointment and authority of the internal auditor and set them out in the *Compliance Audit Directive*.

Annual Audit Requirement

- 91.** (1) The annual consolidated financial statements of the MIB must be audited no later than 120 days after each fiscal year-end.
- (2) The special purpose reports may be audited if required by a funding agent, regulator, authority or government or at the direction of the Council.
- (3) All audits must be performed by an independent third-party auditor firm and conducted in accordance with generally accepted auditing standards as established by the Chartered Professional Accountants of Canada.
- (4) At the completion of an audit, the auditor must issue:
- (a) an audit opinion on the MIB's annual consolidated financial statements; and
 - (b) an audit or review opinion or a specified procedures report depending on the level of assurance required over a special purpose report.
- (5) The selection of the third-party auditor firm must be approved by Council.
- (6) Council must approve policies and procedures respecting the appointment and authority of the auditor and set them out in the *Financial Audit Directive*.

Review of Audited Annual Financial Statements

- 92.** (1) FAC must review and recommend the audited annual financial statements to Council within 30 days of their receipt by FAC.
- (2) Council must review and approve the audited annual consolidated financial statements within 30 days of their receipt by Council.

Access to Annual Audited Financial Statements

- 93.** (1) The audited annual consolidated financial statements and any audited special purpose reports of the MIB must not be published or distributed until and unless:
- (a) approved by Council;
 - (b) signed by:
 - i. the Chief of the MIB; or
 - ii. the Chair of the Finance and Administration Committee; and
 - iii. the Chief Financial Officer
 - (c) they include:
 - i. the auditor's signed audit report on the annual consolidated financial statements; and
 - ii. the auditor's signed audit or review opinion or signed specified procedures report on the special purpose reports.
- (2) The audited annual financial statements must be available for inspection by members of Musqueam at the principal administrative offices of Musqueam during normal business hours.

Presentation of Annual Financial Results

- 94.** (1) Council must prepare and provide an annual presentation detailing the annual financial results and the progress realized towards financial and community goals and objectives of the MIB over the course of each fiscal year.

- (2) The annual presentation is prepared within 60 days after the fiscal year-end financial results have been approved by Council as set out in sections 92 and 93 and posted on the MIB Website. At a minimum, it includes:
 - (a) a description of MIB operations for the fiscal year;
 - (b) a description of MIB services provided during the fiscal year;
 - (c) a review of achievements towards MIB values, goals and objectives;
 - (d) a variance analysis comparing actual financial results to the annual budget;
 - (e) a report on any Supplementary Budget adopted during the fiscal year;
 - (f) a report on any amendments to appropriations approved by Council;
 - (g) a progress report on established financial objectives and performance measures; and
 - (h) the audited annual consolidated financial statements for the previous fiscal year including any special purpose reports in section 88.
- (3) The annual presentation is presented to the registered MIB members at a community meeting no later than 60 days after the date set out in subsection (2) each fiscal year-end.
- (4) The CAO must provide the annual report referred to in subsection (1) to a member of Musqueam as soon as practicable after a request is made by the member.
- (5) Council must establish policies or procedures respecting, or give directions respecting, an accessible process and remedy available to Musqueam members who have requested but have not been provided with the annual report of Musqueam including requiring:
 - (a) the maintenance of a register for the annual report that identifies all members who have requested a copy of the annual report, the date each request was received and the date the annual report was provided to the member; and
 - (b) the CAO to report quarterly to Council on the steps taken to ensure compliance with subsection (2)(d) and Council policy made under this subsection.

Information and Information Technology

Ownership of Records

95. (1) All records created, received, or maintained by or on behalf of the MIB are the property of the MIB and subject to its overall control.
- (2) Council must approve policies and procedures to ensure that the records referred to in subsection (1) remain the property of the MIB

Retention of Records

96. (1) The CAO must ensure that the MIB creates, maintains, and keeps secure all of the MIB's records in compliance with this law, or any other applicable laws or laws, and in accordance with the MIB *Information Management Directive*.
- (2) Council must approve policies governing the retention and disposition of MIB records.
- (3) The disposition of MIB records may only be carried out in the manner prescribed by applicable MIB policies and procedures, or in such other manner as may be approved by the CAO/Records Officer in consultation with Musqueam Legal Counsel.

Tax Account Records

97. The SoT must create, maintain, and keep secure a complete set of all records respecting the tax administration system of the MIB, in accordance with the *Property Tax Law* and this law.

Information Technology

98. Council must approve policies or procedures or give directions respecting information technology used by the MIB in its operations to ensure the integrity of the MIB's financial administration system and its data base and to set out in the *Information Management Directive*.

Confidentiality of Information

99. No person may be given access to MIB records containing confidential or personal information except as permitted by, and in accordance with the *Protection of Personal Information and Access to Information Directive* approved by Council.
100. All persons who have access to the MIB records must comply with all policies, procedures or directions of Council respecting the confidentiality, control, use, copying or release of those records or information contained in those records.

PART V - CAPITAL ASSETS

General

101. This section does not apply to MCC Investments and is limited to the capital assets of the MIB.
102. The capital assets of the MIB will be managed using a life-cycle approach that effectively plans, manages, accounts for and disposes of assets according to the MIB's asset strategy and ensures capital assets are accurately reflected in the MIB's financial statements.
103. The Council must establish detailed procedures to effectively administer the capital assets of the MIB and set them out in the *Capital Assets Directive*.

Capital Asset Register

104. The CAO is responsible to establish, maintain and keep current a detailed capital asset register in accordance with the *Capital Assets Directive*, to:
- (a) facilitate the Life Cycle Management Program; and
 - (b) verify an accurate inventory of MIB capital assets.
105. The CAO must ensure that an annual inspection and review of the MIB's capital assets is conducted and investigated as required and report the findings to FAC for recommendation to Council.

Safeguarding of Assets

- 106.** (1) Council must approve procedures for the safeguarding of MIB capital assets.
(2) The CAO must perform an annual review of the safeguarding procedures to ensure they remain effective and properly adhered to.
(3) The CAO must report his or her findings of the review set out in subsection (2) and the strategy and recommendations for improvements to the relevant committee.

Life Cycle Management Program

- 107.** (1) The CAO must prepare and update on an annual basis, a long-term capital plan forecasting the short and long-term asset rehabilitation and asset replacement expenditures required over a 5/10/20 year period.
(2) At a minimum, the capital plan will report on:
(a) a description of each capital asset to be rehabilitated or replaced;
(b) the rationale for rehabilitation or replacement;
(c) estimated cost, inclusive of contingencies, of each proposed rehabilitation or acquisition;
(d) estimated timeframe for completion of each; and
(e) ongoing maintenance requirements and the impact to the annual budget(s).
(3) For capital asset rehabilitations or replacements, a business case is required to be prepared prior to the expenditure of any funds and is to address factors set out in subsection (2) and to be in a format established and approved by Council and set out in the *Capital Assets Directive*.
(4) The capital plan must be integrated with the MIB's strategic plan and annual budget.
- 108.** The applicable Committee Chair and FAC will review the capital plan and applicable business cases and report their findings and recommendation to Council for review and approval and for inclusion in the annual budget.

Capital Projects

- 109.** (1) The CAO must prepare and update on an annual basis, a capital plan for capital projects forecasting MIB capital project expenditures required over a 5-year period.
(2) The capital plan for capital projects will, at a minimum, report on the following:
(a) the financial viability of each capital project;
(b) project operating requirements;
(c) evaluation of all other options considered; and
(d) a project risk assessment.
(3) For capital projects, a business case is required to be prepared prior to the expenditure of any funds and is to address factors set out in subsection 107 (2) and to be in a format established and approved by Council and set out in *Capital Assets Directive*.
(4) The capital plan for capital projects must be integrated with the MIB's strategic plan and annual budget.
(5) Council must establish policies or procedures or give directions respecting the management of capital projects.

- (6) The CAO may retain the services of a professional engineer or other consultant to assist the CAO, CFO Finance and Audit Committee and Council to carry out their obligations under this Part.
 - (7) Council must establish policies or procedures or give directions for the provision of information to members of Musqueam respecting capital projects and their involvement in consideration of capital projects.
- 110.** The applicable Committee Chair and FAC will review the capital plan for capital projects and all applicable business cases and report their findings and recommendation to Council for review and approval and for inclusion in the annual budget.

Maintenance of Assets

- 111.** (1) The CAO must prepare a quarterly maintenance report on MIB capital assets with an estimated replacement cost of more than \$50,000, which reports on the:
- (a) current condition of the capital assets;
 - (b) completed vs. scheduled maintenance of capital assets;
 - (c) reasons for any variances reported in paragraph (b);
 - (d) expenditures to date in comparison to the capital plan and annual budget;
 - (e) capital assets no longer in use; and
 - (f) strategy to decommission or dispose of the capital assets no longer in use as set out in the *Capital Assets Directive*.
- (2) The CAO will present the quarterly maintenance report to the relevant Committee Chair and FAC for their review and consideration.
- 112.** All warranty and related work including inspections will be undertaken in a timely manner.

Acquisitions

- 113.** The acquisition or lease of capital assets must be made in accordance with the annual budget and the capital plan.
- 114.** Council must review and approve all capital asset acquisitions funded by MIB subsidy upon recommendation of FAC.

Disposals

- 115.** (1) The fair market value of capital assets proposed for disposal must be determined as a condition of approval.
- (2) All disposals of a MIB capital asset must be reviewed by FAC and approved by Council prior to the disposal of the capital asset, after giving due consideration to the recommendations of FAC.
- (3) All proceeds from the sale or disposal of MIB capital assets must be deposited in the *Tangible Capital Asset Reserve Fund* pursuant to the *Capital Assets Directive*.

Asset Recognition Criteria

- 116.** Council must approve asset recognition criteria for the identification and capitalization of expenditures as capital assets.

Depreciation

- 117.** Council must approve a suitable method of depreciation for each capital asset category.

Tangible Capital Assets Reserve Fund

- 118.** (1) Council must establish a capital asset reserve fund based on the capital plan forecasts of sections 107 and 109, for the purposes of construction, acquisition, maintenance, rehabilitation and replacement of MIB capital assets.
- (2) The CFO is responsible to manage the *Tangible Capital Assets Reserve Fund*.
- (3) All withdrawals from the *Tangible Capital Asset Reserve Fund* must be in accordance with the annual budget and the annual capital plan and recommended by FAC and approved by the Council.
- (4) At the end of each fiscal year, Council and FAC must ensure the *Tangible Capital Asset Reserve Fund* maintains a minimum balance in line with the *Public Works Infrastructure Replacement Fund*.
- (5) Any significant variance to the balance set out in subsection (5) must be reported by the CFO to Council for review and resolution.

Emergency Expenditures

- 119.** (1) The CAO may approve an expenditure to perform emergency capital works as may be required from time-to-time if the expenditure is not expressly prohibited under this law or any other MIB law.
- (2) The CAO may approve an expenditure for an emergency purpose out of the contingency set out in subsection 47 (1) if the expenditure is not expressly prohibited under this law or any other MIB law.
- (3) The expenditure under subsection (1) must be reported by the CAO to Council without delay and Council must consider whether an amendment to the annual budget is required pursuant to section 34.
- (4) Subsection (1) does not give the CAO the authority to borrow for the purpose of making an expenditure for an emergency purpose.
- (5) Council must establish policies and procedures respecting the authorization of emergency expenditures and set them out in the *Capital Assets Directive*.

PART VI - MISCELLANEOUS

Service Delivery

120. Efficient use of MIB funds requires an overall service delivery strategy to improve direct program service delivery to Musqueam members for them to feel and understand the benefits of self-government. Consequently, Council will approve an overall service strategy with measurable service standards and outcomes for which the administration will be held accountable. This service delivery strategy will take the form of a *Directive on Service Delivery*.

Fraud

121. (1) Council must approve policies and procedures to facilitate the development of controls for the detection and prevention of fraud against the MIB and set them out in a *Fraud Detection and Prevention Directive*.
- (2) Council and senior management of the MIB are responsible for the detection and prevention of fraud, misappropriations, and other irregularities.
- (3) Annually, the CAO must ensure each member of their management team is familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of fraud, misappropriation, and other irregularities.
- (4) Any suspected fraud is to be dealt with in accordance with the MIB *Fraud Detection and Prevention Directive*.

Whistleblower

122. (1) Council must approve policies and procedures to encourage and enable individuals, without fear of retaliation, to raise concerns regarding suspected unethical or illegal conduct or practices on a confidential basis.
- (2) The policies and procedures established by Council must be set out in the MIB *Whistleblower Policy*.

Trust Funds and Restricted Funds

123. (1) Council may approve trust funds or restricted funds.
- (2) Funds deposited into a trust fund established under subsection (1) are to be held in that trust fund and administered in accordance with the specific terms of that trust.
- (3) Funds deposited into a restricted fund established under subsection (1) must be segregated for a specific purpose and administered in accordance with the policies and procedures approved by Council and set out in the *Trust Funds and Restricted Funds Directive*.
- (4) Funds paid into a trust fund, or a restricted fund established under subsection (1) may be excluded from general revenue.

Fees

- 124.** (1) Council may establish fees or other charges on such terms and conditions as it may determine.
- (2) Council may authorize the remission of any fee, or other sum payable to the MIB if the remission is in the public interest or the fee or other sum is likely to result in greater inconvenience, injustice, or hardship to a person.

Liens in Interests in Land

- 125.** (1) Any unpaid debt to the MIB relating to interests in MIB reserve land will be registered in the appropriate lands registry in accordance with the Land Code as a lien against the interest in the land to which the unpaid debt pertains.
- (2) A lien referred to in subsection (1) attaches to the interest in the land and binds subsequent holders of that interest in land.
- (3) The CAO must register any liens in accordance with the laws, laws and policies that apply to the registry in which the lien is registered.

Precedence

- 126.** Notwithstanding any other MIB law, the provisions of the MIB *Financial Administration Law* take precedence over the provisions of any other MIB law.

Periodic Review and Changes to the Law

- 127.** (1) Every five years, FAC must conduct a review of this law:
- (a) to determine if the law continues to facilitate effective and sound financial administration of the MIB; and
- (b) to identify any amendments to this law that may better serve the goals and objectives of the MIB.
- (2) Council must establish policies procedures or give directions:
- (a) to set out the provision of information to members of Musqueam respecting any proposed amendment to this law; or
- (b) to determine the level of involvement of the members of Musqueam in consideration of an amendment to this law.
- (3) Amendments to this law require approval of Council.
- (4) Council must post a public notice of each Council meeting when a proposed amendment to this law is presented for approval and members may attend that part of the meeting when the matter is being considered.

Coming into Force

- 128.** This law comes into force on the date it is approved by Council unless another date is prescribed by Council.