



Cote First Nation Management Action Plan

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TABLE OF CONTENTS

Executive Summary

Project Description

Form A – Action Plan

Form B – Financial Plan

Form C – Capacity Development Plan

Conclusion



Executive summary

MNP LLP has been engaged to assist with the development of a non-mandatory management action plan (“MAP”). The MAP includes an action plan based on the identified areas for improvement and areas subject to higher risk, a capacity development plan and a five-year financial plan.

The First Nation has applied to Indigenous and Northern Affairs Canada (INAC) through the Professional and Institutional Development (P&ID) program.

PROJECT DESCRIPTION

The MAP was built upon the key findings, discussions, and decisions made during review of financial information, non-financial information and discussions with both management and Chief and Council. The MAP outlines key information such as action steps and implementation plans, including timeframes that will allow management and Chief and Council to make required decisions.

Action Plan

In completing the 2018-2022 MAP, the 2012-2017 MAP was first reviewed and discussed with management and Chief and Council to determine if these recommendations and action steps have been since implemented. Where little or no change has been made, these action items have once again been included in the current plan.

Discussions were held with the Chief and Council, Acting Director of Operations, finance department, and various other program managers to gain an understanding of where control weaknesses and program inefficiencies/deficiencies exist relating to financial reporting, cash flow management, communication, and capacity development. A supplemental report has been provided to the Nation summarizing these findings and recommendations were provided where appropriate.

Financial Plan

For each reporting segment meetings were arranged with either the Acting Director of Operations, program managers, portfolio councillors, or any combination of the three to prepare the five-year budgets included in the MAP. Revenues and expenditures are broken out by segment in the MAP with a total operating surplus being derived and apportioned across payables in arrears and debt payments to reduce the accumulated operating surplus over time.

Capacity Development Plan

A direct extension from the MAP, this plan identifies areas of staffing shortages, areas of redundancies, and indicates where training is required to ensure the effective and efficient execution of band programming.

FORM A –ACTION PLAN

FINANCIAL MANAGEMENT - Problem Identification	Global Financial Goal(s)	Global Performance Measures
<p>1. MAP budget for the previous years has not been met and the deficit is growing due to lack of control over finances. Risk Rating: HIGH</p> <p>2. The accumulated debt for the band is worsening because of a lack of monitoring of debts. Risk Rating: HIGH</p> <p>3. Management letter points from the yearly audit are not being addressed resulting in consistent and recurring problems. Risk Rating: HIGH</p> <p>4. Financial information is not being communicated throughout the band: members, those managing programs, and those in governance are not receiving the information they need to make appropriate decisions. Risk Rating: HIGH</p> <p>5. There have been no new economic development projects to boost revenue for the band and business entities are too reliant on band. Risk Rating: MEDIUM</p> <p>6. There is insufficient training being offered to employees across all programs. Risk Rating: HIGH</p>	<p>1. Institute and enforce effective control over finances. Related Problem(s): 1, 2, 3 Goal Priority: High</p> <p>2. Eliminate non-essential expenditures to generate a surplus. Related Problem(s): 1, 2 Goal Priority: High</p> <p>3. Reduce the debt and the outstanding payables each consecutive year. Related Problem(s): 1, 2, 3 Goal Priority: High</p> <p>4. Explore new projects and opportunities to increase band revenue. Related Problem(s): 5 Goal Priority: Medium</p> <p>5. Monitor financial performance of the band. Related Problem(s): 1, 2, 4 Goal Priority: High</p> <p>6. Increase communication throughout the band. Related Problem(s): 2, 4 Goal Priority: High</p> <p>7. Address management letter points in a timely fashion. Related Problem(s): 3 Goal Priority: High</p> <p>8. Address skill deficiencies of employees across all programs. Related Problem(s): 2, 6 Goal Priority: High</p>	<p>1. Staff will be adequately trained in their respective program areas.</p> <p>2. Management letter points will be cleared within 6 months of receiving the management letter;</p> <p>3. Quarterly financial statements will show a surplus to reduce deficit</p> <p>4. Payables are paid within 30 days of receipt.</p> <p>5. Economic development entities no longer have financial reliance on band</p> <p>6. Reports going out to Chief and Council for each Council meeting.</p> <p>7. Reports going out to programs manager's monthly</p> <p>8. Debt will be lower than it was in the previous year.</p>

FORM A – ACTION PLAN - CONTINUED

Objective	Task/subtasks	Time Line	Person(s) Assigned	Results	Review Frequency
Establish and enforce effective financial controls over band expenses. Related Goal(s): 1 Objective Priority: HIGH	1. Hire Director of Finance;	1. In Progress	1. Interview panel independent of council	1. BCR approving hire of Director of Finance	1. Annual performance review completed by Director of Operations
	2. Hire Director of Operations;	2. In Progress	2. Interview panel independent of council	2. BCR approving hire of Director of Operations	2. Annual performance review completed by council
	3. Update authorized cheque signer for Director of Operations;	3. Immediately as Director of Operations is hired	3. Chief and council	3. BCR appointing cheque signers	3. N/A
	4. Review and adhere to the Financial Management Policy dated May 23, 2014 and communicate to finance department;	4. Immediately	4. Director of Operations	4. Requisition forms can be reviewed to verify appropriate approvals are obtained in line with this policy	4. Chief and Council, quarterly
	5. Develop budgets for all programs and approve no later than March 1 st of each fiscal year;	5. Completed as part of MAP; review annually	5. Acting Director of Operations; Director of Finance	5. Budget approved by Chief and Council by March 1 st each year	5. Chief and Council, annually
	6. Program managers should be trained to complete their own budgets each year;	6. By March 2018	6. 3 rd party consultant (Donna Ledoux, MNP) or Director of Finance	6. Budgets are prepared by program managers by January 30 th and submitted to Director of Finance	6. Director of Operations, annually
	7. Audit and Finance Committee to meet monthly to review financial statements and budget to actuals;	7. Immediately	7. Director of Operations (to provide financial information); Director of Finance to assist	7. Documentation in monthly meeting minutes – by the 3 rd week of each subsequent month	7. Monthly
	8. Centralize accounting function to finance department where the technical expertise is present (cheque issuing, banking activities, reconciliations, report generation, payroll records);	8. Immediately	8. Director of Finance	8. Accounting function is centralized by June 30, 2017	8. Director of Operations, monthly
	9. Close off the finance department from membership to assist in efficiency of staff. More efficient finance staff, finance department has restricted access; protected confidential information	9. Immediately	9. Director of Operations and Director of Finance	9. Finance Department is physically closed off and there is restricted access by June 30, 2017	9. N/A

<p>Remove non-essential expenditures</p> <p>Related Goal(s): 2 Objective Priority: HIGH</p>	<p>1. Suspend honorariums as council is paid salary;</p> <p>2. Eliminate duplication of services and assistance – using employees on payroll versus contractors when possible;</p> <p>3. Restrict band assistance only to extreme hardship relating to death or critical illness;</p> <p>4. Reduce travel expenses for all employees and leadership. Meetings should be held on reserve or within proximity when possible and utilize carpooling;</p> <p>5. Eliminate redundant positions where possible to reduce payroll costs to employees that are sitting idle (i.e. have one custodian for multiple locations, cross-train finance staff to complete payables and payroll, lay-off housing staff if Byron Swan is being used);</p> <p>6. Restrict purchasing of general supplies to only what is essential;</p> <p>7. In housing, only those contributing to maintenance fees should be eligible for non-essential repairs;</p> <p>8. Cease operations at Duck Mountain as the entity is too reliant on band for funding – draining the Nation of cash; and</p>	<p>1. Completed</p> <p>2. Immediately</p> <p>3. Immediately</p> <p>4. Immediately</p> <p>5. Immediately.</p> <p>6. Immediately</p> <p>7. Immediately</p> <p>8. Completed</p>	<p>1. Director of Operations</p> <p>2. Director of Operations</p> <p>3. Director of Operations</p> <p>4. Director of Operations</p> <p>5. Director of Operations</p> <p>6. Director of Operations</p> <p>7. Housing manager and contractor, Byron Swan</p> <p>8. Chief and Council</p>	<p>1. No payments to council other than salary and reimbursable expenditures – already implemented;</p> <p>2. Review by looking at PO's, cheques; reduction in contract expenses – implement by April 1, 2017</p> <p>3. Check requisition forms are to be reviewed to see if this is occurring; reduction in band assistance – implement by April 1, 2017</p> <p>4. Financial statement review and expense claim review; reduction in travel costs – implement by April 1, 2017</p> <p>5. Timesheets; organizational/departmental chart; reduction in salary and/or contract costs – implement by April 1, 2017</p> <p>6. Reduction in supplies and general expenses - implement by April 1, 2017</p> <p>7. Review of check requisitions for unit numbers and verify to rent roll; non-essential maintenance is only done for units where maintenance fees/rent is being collected. – implement by April 30, 2017</p> <p>7a. Housing Policy is sent out to tenants which specifies requirement to pay fees in order for units to be fixed. – mail out by April 30th and annually thereafter</p> <p>8. Review financials to ensure Pickerel Point and the Marina are earning income if they are continuing operations – by September 30, 2017</p>	<p>1. Chief and Council, monthly</p> <p>2. Director of Operations, monthly</p> <p>3. Chief and Council; Director of Operations monthly</p> <p>4. Chief and Council, Director of Operations; monthly</p> <p>5. Chief and Council, Director of Operations; monthly</p> <p>6. Chief and Council - quarterly, Director of Operations; monthly</p> <p>7. Chief and Council, quarterly Housing Manager - monthly</p> <p>7a. Director of operations; Housing Manager, annually</p> <p>8. Director of Operations, quarterly Chief and Council, quarterly</p>
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	9. Future economic development should be targeted at profit driven enterprises that bolster own source revenue – the rink project should be put on hold until this time due to availability of funds.	9. Next 5 years	9. Chief and Council	9. Review of meeting minutes 9a. Review feasibility study results	9. Chief and Council meetings, quarterly
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FORM A – ACTION PLAN - CONTINUED

<p>Apply a debt-reduction strategy</p> <p>Related Goal(s): 1, 3 Objective Priority: HIGH</p>	<ol style="list-style-type: none"> 1. Cease reliance on contractors when in-house staff are present and capable; 2. Enter into payment plans with vendors - including CRA; 3. Access funds held in trust to cover debt obligations in accordance with the budget; 4. Lease equipment versus buy where the equipment can sit idle for a significant portion of the year and is generally for one time use; and 5. Eliminate non-essential expenditures; 6. Reduce Chief & Council to six or less members and be more of an oversight role. Reduced honorariums, travel and other costs; Allow more funds to be available for community events and member needs 7. Enforce the usage of purchase orders so that budgets are considered prior to purchases being made. Program managers are required to reference their budgets prior to approving purchase orders. 	<ol style="list-style-type: none"> 1. Immediately 2. Completed for CRA; implement for other vendors 3. Immediately 4. Immediately 5. Immediately (see Page 2) 6. Complete by March 31, 2018 7. Immediately 	<ol style="list-style-type: none"> 1. Director of Operations 2. Director of Operations 3. Director of Operations 4. Director or Operations 5. See Page 2 6. Chief and Council 7. Director of Operations 	<ol style="list-style-type: none"> 1. Timesheets; organizational/departmental chart; reduction in contract expense - implement by April 1, 2017 2. Payment plan for viewing - implement by April 15, 2017 3. BCR's approving fund transfers – 2 or 3 times a year due to timing of funds received in the trust account 4. Review of purchase orders and check requisitions - implement by April 1, 2017 6. BCR and Chief and Council meeting minutes; - implement by March 31, 2018 7. Reduction of expenditures – implement by April 15, 2017 	<ol style="list-style-type: none"> 1. Director of Operations, monthly 2. Chief and Council, quarterly; Director of Operations - Monthly 3. Chief and Council, quarterly 4. Chief and Council, quarterly; Director of Operations - Monthly 6. Chief and Council, annually 7. Director of Operations, monthly
<p>Explore new projects and new opportunities for economic development.</p> <p>Related Goal(s): 4, 5 Objective Priority: MEDIUM</p>	<ol style="list-style-type: none"> 1. Commence feasibility study for Tim Hortons on if study has funding source; 2. Seek to acquire land via Trust funds and begin earning own source income on these lands; 	<ol style="list-style-type: none"> 1. Once financial controls have been implemented and debt strategy implemented. Study should be funded through CORP funding 2. Immediately 	<ol style="list-style-type: none"> 1. Economic Development Portfolio Councillor 2. Land Portfolio Councillor 	<ol style="list-style-type: none"> 1. Review of INAC agreements and discuss with FSO – by March 31, 2018 2. Meeting minutes will be taken – by March 31, 2018 	<ol style="list-style-type: none"> 1. Chief and Council; annually 2. Chief and Council, annually

	<p>3. Meet with prospective partners to utilize assets in Cote Resources Ltd. and start generating cash flows on this resource investment. If no financial returns within two years look into selling the assets to generate cash flows;</p>	<p>3. Once oil industry regains traction</p>	<p>3. Economic Development Portfolio Councillor</p>	<p>3. Meeting Minutes will be taken – by March 31, 2019</p>	<p>3. Chief and Council, annually</p>
	<p>4. Seek buyer for assets of Duck Mountain Resort Inc. to generate cash flows to the Nation;</p>	<p>4. Immediately</p>	<p>4. Economic Development Portfolio Councillor</p>	<p>4. Meeting Minutes will be taken; Sale of business by March 31, 2018</p>	<p>4. Chief and Council, quarterly</p>
	<p>5. See if current assets can be rented to third party organizations (i.e. the rink); and</p>	<p>5. Immediately</p>	<p>5. Economic Development Portfolio Councillor</p>	<p>5. Rental agreements – by September 30th annually</p>	<p>5. Chief and Council, annually; Director of Operations – quarterly</p>
	<p>6. Acquire municipal determination to claim 100% of GST off reserve and inquire on qualified donee status that allows the issuance of donation receipts to those providing funds to the band.</p>	<p>6. Upon hire of Director of Operations</p>	<p>6. Director of Operations</p>	<p>6. Signed BCR by April 30, 2017 Achieved municipal determination status – by March 31, 2019;</p>	<p>6. Chief and Council</p>
<p>Communicate financial information across different levels of the band for review.</p> <p>Related Goal(s): 5, 6 Objective Priority: HIGH</p>	<p>1. Submit monthly financial statements to funding agencies;</p> <p>2. Communicate to Band membership progress of the MAP through quarterly meetings; communicate upcoming plans, debt control, financial reviews.</p> <p>3. Budget to actual results to be provided to program managers monthly to identify where shortfalls or surpluses exist;</p> <p>4. Monthly audit and finance committee meetings to be held for the first two years under the MAP, quarterly meetings thereafter (include financial statements and bank reconciliations);</p> <p>5. Bank reconciliations, accounts payable subledger, accounts receivable listing, and program income statements (actual to budget) to be provided to the Director Operations monthly;</p>	<p>1. Will be submitted as per funding agreements</p> <p>2. Immediately</p> <p>3. Immediately</p> <p>4. Immediately</p> <p>5. Immediately</p>	<p>1. Program managers</p> <p>2. Chief and Council</p> <p>3. Director of Finance</p> <p>4. Director of Finance to provide reports to Director of Operations</p> <p>5. Director of Finance</p>	<p>1. Copies of Financial Reports will be kept on file; filed by due dates</p> <p>2. Membership meeting by June 30, 2017</p> <p>3. Copies of budget to actual reports will be kept on file – reports will be provided to managers by the 3rd week of the subsequent month</p> <p>4. Review documented in meeting minutes – meetings held by the end of the 3rd week of the subsequent month</p> <p>5. Review signed reconciliations indicating approval by the 15th of each subsequent month</p>	<p>1. Director of Operations, quarterly</p> <p>2. Chief and Council, quarterly</p> <p>3. Director of Operations, monthly</p> <p>4. Audit and Finance Committee, monthly</p> <p>5. Director of Operations, monthly</p>

	6 Communications to membership through having meeting minutes available for review at reception.	6. In progress under new leadership	6. Chief and Council	6. Meeting minutes available at reception by June 30, 2017	6. Chief and Council, quarterly
	7. Establish a MAP Team/Committee to ensure the MAP is implemented; Define roles and responsibilities of the Team/Committee – possible sub-committee of the audit and finance committee 8. Program managers to present their budget to actual results to the Director of Operations for greater accountability and should review their general ledgers monthly for the first 6 months and quarterly thereafter to improve accountability and knowledge.	7. Chief and Council to appoint team members by April 1, 2017 8. Immediately	7. Chief and Council 8. Director of Operations, Director of Finance and program managers	7. MAP Committee has been assembled and are meeting quarterly – By April 1, 2017 8. Director of Operations approval of budget to actual via manual sign off – by the 3 rd week of the subsequent month	7. Chief and Council, annually 8. Director of Operations, monthly

FORM A – ACTION PLAN - CONTINUED

<p>Address management letter points in a timely fashion.</p> <p>Related Goal(s): 1, 5, 7 Objective Priority: High</p>	<ol style="list-style-type: none"> 1. Budget should be utilized and comparative reports should be reviewed by audit and finance committee monthly and by Chief and Council on a quarterly basis; 2. Implement ongoing training to finance staff on the Sage system; for the bank services, accounts payable and payroll modules in particular – this should be hands on/interactive training; 3. Should develop “best practices” based on financial and governance policies in place and be communicated to all employees of the band; 4. Undertake comprehensive review of all programs that are currently operating over budget as these deficits are not sustainable; and 5. Develop finance and audit committee that is in accordance with Financial Management Policy. 	<ol style="list-style-type: none"> 1. Immediately 2. Immediately 3. As part of all performance review and hiring of employees 4. Ongoing 5. Currently consists of Chief and Council 	<ol style="list-style-type: none"> 1. Director of Finance and Program managers 2. Director of Finance 3. Director of Operations 4. Director of Operations 5. Chief and Council 	<ol style="list-style-type: none"> 1. Monthly budget to actual reports – by the end of the 3rd week of the subsequent month 2. Verify check requisitions for this training if paid for; monthly review of reconciliations to ensure they are done correctly – by May 1, 2017 3. Review document of best practices – to be completed by March 31, 2018 4. Financial Review – completed by March 31, 2017; Ongoing monthly review by program managers and Director of operations as per other action steps noted above 5. Review of meeting minutes; Review Policy by April 30th and by April 1 annually; Policy also to be reviewed within 1 month after election – declaration of review and compliance is signed by Chief and Council and Director of operation 	<ol style="list-style-type: none"> 1. Audit and finance committee monthly, Chief and Council quarterly 2. Director of Operations, quarterly 3. Director of Operations, annually 4. Chief and Council, quarterly 5. Chief and Council, annually
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<p>Address skill deficiencies of employees and lack of understanding of funding agreements across all band programs; most notably Housing, Community Development, Government Support, and other band programming segments.</p> <p>Related Goal(s): 8 Objective Priority: HIGH</p>	<ol style="list-style-type: none"> 1. Authorize housing manager to attend IT training so the rent roll can be tracked via excel or another appropriate program 2. Authorize all program managers to attend training on interpreting financial results (financial fluency training); 3. The Funding Services Officer will have a one day workshop to review the funding agreements and the related reporting process with managers; and 4. Heath Canada and FSO to review funding agreements with Chief and Council. 	<ol style="list-style-type: none"> 1. Immediately 2. Immediately 3. As soon as possible 4. As soon as possible 	<ol style="list-style-type: none"> 1. Housing manager 2. All program managers 3. Funding Services Officer; Director of Finance; program managers and Director of Operations. 4. Chief and Council 	<ol style="list-style-type: none"> 1. Copy of check requisition for this training; Rent Roll is properly tracked by April 30, 2017 2. Budget to actual comparisons; Training complete by December 31, 2017 3. Course materials from meeting – Training complete by June 30, 2017 4. Course materials from meeting – Training complete by June 30, 2017; Agreements reviewed within 1 month after election 	<ol style="list-style-type: none"> 1. Director of Operations – annually; Housing manager - monthly 2. Director of Operations, annually 3. Director of Operations, annually 4. Chief and Council, annually
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FORM A – ACTION PLAN - CONTINUED

<p>Complete all adjustments necessary to accounting records prior to the annual audit beginning to avoid additional audit fees.</p> <p>Related Goal(s): 1, 7 Objective Priority: High</p>	<ol style="list-style-type: none"> 1. Review the GL for classification errors; 2. Complete bank reconciliations by the 15th of each month; 3. Reconcile related party/interfund balances at the end of each month so they net to \$nil; 4. Reconcile the AP subledger to the GL each month; and 5. Reconcile the AP subledger to supplier statements at the end of each month; 6. Reconcile accounts receivable listings to GL each month to gauge when collections are expected; and 7. CMHC records (bank reconciliation, AP subledger, rent roll, due to/from band balance) should be centralized in the finance department and reconciled and reported in Accpac monthly. 	<ol style="list-style-type: none"> 1. Immediately 2. Immediately 3. Immediately 4. Immediately 5. Immediately 6. Immediately 7. Immediately 	<ol style="list-style-type: none"> 1. Director of Operations; Director of Finance; Program managers 2. Director of Finance 3. Director of Finance 4. Director of Finance 5. Director of Finance 6. Director of Finance 7. Director of Finance 	<ol style="list-style-type: none"> 1. Journal Entries/General Ledgers can be reviewed – Quarterly - by the 3rd week of the subsequent month; Will result in fewer year end journal entries 2. Viewing the actual bank reconciliations. – by the 3rd week of the subsequent month 3. Reconciliation complete by the 3rd week of the subsequent month 4. Reconciliation complete by the 3rd week of the subsequent month 5. Reconciliation complete by the 3rd week of the subsequent month 6. Reconciliation complete by the 3rd week of the subsequent month 7. CMHC bank reconciliation, rent roll, AP subledger and due to/from reconciliation - Reconciliation complete by the 3rd week of the subsequent month 	<ol style="list-style-type: none"> 1. Auditors will review if this is being done satisfactorily at yearly audit 2. Director of Operations, quarterly. 3. Director of Operations, quarterly 4. Director of Operations, quarterly 5. Director of Operations, quarterly 6. Director of Operations, quarterly 7. Director of Operations, quarterly
<p>Complete review of Trust Agreements to ensure the terms of the agreement are being followed and whether amendments are appropriate.</p> <p>Related Goal(s): 4 Objective Priority: Medium</p>	<ol style="list-style-type: none"> 1. Engage consultant with experience in the industry to review agreements; and 2. Determine if funds can be drawn from Trust to help address the deficit position. 	<ol style="list-style-type: none"> 1. Within the next year 2. Ongoing 	<ol style="list-style-type: none"> 1. Director of Operations 2. Director of Operations and Chief and Council 	<ol style="list-style-type: none"> 1. Trust Agreements and membership voting process. – by March 31, 2018 1. Trust Agreements and BCR's – by June 30, 2017 	<ol style="list-style-type: none"> 1. As required 1. Chief and Council, annually

<p>Rework CMHC housing policy to gain revenue from tenants. This program lacks the resources to properly administer; therefore, filing system is not being following, bookkeeping not kept up to date, and poor tracking of reserves and maintenance.</p> <p>Related Goal(s): 1, 2, 3, 5, 8 Objective Priority: High</p>	<ol style="list-style-type: none"> Contact representative from INAC and CMHC to explain the requirements for housing; Hold band meeting to discuss implementation of rental payments for CMHC housing to increase cash flows and the impact of not paying rents; Ratify Tenant Policy that is available on the Nation's website that outlines expectations of tenants, mail out tenant policies to tenants; and Develop a tracking system (rent roll) for tenants that provides information on rents collected and rents in arrears in addition to a system that tracks expenses incurred per unit. 	<ol style="list-style-type: none"> Immediately Upcoming band meeting in 2017 March 31, 2018 April 1, 2017 	<ol style="list-style-type: none"> Those living in CMHC housing will need to attend this meeting Housing manager Housing Manager; approved by Director of Operations and Chief and Council Housing Manager with the assistance of the Director of Finance; Support from Chief and Council 	<ol style="list-style-type: none"> Meeting Minutes – to be completed by April 30, 2017 Meeting minutes – By April 30, 2017 Tenant Policy – By April 30, 2017 Rent Roll; increased cash flows – By April 30, 2017 	<ol style="list-style-type: none"> Chief and Council Director of Operations, quarterly Housing Manager and Director of Operations Housing Manager and Director of Finance
<p>Improve IT processes to ensure safety and security of confidential information and to create efficiencies in the band office.</p> <p>Related Goal(s): 1 Objective Priority: Moderate</p>	<ol style="list-style-type: none"> Backups of electronic data and records should be stored off site via USB key temporarily until an automatic cloud backup service can be implemented. USB keys should be encrypted and have passwords for data security. Passwords should be unique and each computer system and changed every 6 months or when there is a change in personnel EFT payments should be considered for payroll to minimize the number of cheques issued (Requires dual level of approval in online banking system) Develop a communications policy regarding what is posted to social media and by whom. This would also include the website and what information can be posted on there. 	<ol style="list-style-type: none"> Immediately Immediately As soon as possible March 31, 2018 	<ol style="list-style-type: none"> All program managers, Director of Finance, and Director of Operations All staff with access to computers Director of Finance and Director of Operations Director of Operations 	<ol style="list-style-type: none"> Implement Cloud automatic back ups by June 30, 2017 to protect data. Computer log-in interface EFT set up in banking system and Accpac Policy is developed by March 31, 2018; Reviewed annually by Director of Operations and Chief and Council Annually – declaration of review signed annually 	<ol style="list-style-type: none"> Director of Operations, annually Director of Operations, semi-annually Director of Operations, each pay period Director of Operations, annually

FORM A – ACTION PLAN - CONTINUED

<p>Make each member of the Council clear on the requirements of their position and what they must do to discharge the responsibilities expected of them. Keep politics separate from day-to-day operations.</p> <p>Related Goal(s): 1, 5, 6 Objective Priority: High</p>	<ol style="list-style-type: none"> 1. Completed governance training session and financial management at AFOA conference. 2. Orientation for new Chief and Council members 3. Staff development – Director of Finance to sit down with managers to go budgeting process, coding requisitions, and how to read financial information 	<ol style="list-style-type: none"> 1. February 2017 2. Within 1 month after election 3. Ongoing 	<ol style="list-style-type: none"> 1. Chief and Council 2. Chief and Council 3. Director of Finance 	<ol style="list-style-type: none"> 1. Support for conference attendance – completed 2. Support for conference or training attendance 3. Budget to actual comparisons – by May 1, 2017 	<ol style="list-style-type: none"> 1. Chief and Council, annually 2. Chief and Council, after every change in leadership 3. Director of Finance, as needed
<p>Create a process for identifying potential business investment opportunities and determining whether the opportunities identified should be explored further.</p> <p>Related Goal(s): 4 Objective Priority: Low</p>	<ol style="list-style-type: none"> 1. Develop a “New Investment” Policy and Economic Development Policy; 2. Develop a policy for existing developments; and 3. Hold a band council meeting ratifying these policies. 	<ol style="list-style-type: none"> 1. Within the next two years 2. Within the next two years 3. Once policy has been developed 	<ol style="list-style-type: none"> 1. Economic Development Portfolio Councillor 2. Economic Development Portfolio Councillor 3. Economic Development Portfolio Councillor 	<ol style="list-style-type: none"> 1. All these tasks can be verified by the physical policy which will be created – by March 31, 2018 2. Policy – by March 31, 2018 3. Band Council Resolutions – by March 31, 2018 	<ol style="list-style-type: none"> 1. Policy can be reviewed annually for changes as appropriate 2. Chief and Council, annually 3. Chief and Council, annually
<p>Personnel and Governance Manual needs to be implemented and adhered to.</p> <p>Related Goal(s): 5, 6 Objective Priority: High</p>	<ol style="list-style-type: none"> 1. Review and communicate policy; 2. Update Band Organizational chart (who reports to who) as necessary; and 	<ol style="list-style-type: none"> 1. Currently in process 2. Immediately 	<ol style="list-style-type: none"> 1. Chief and Council and Director of Operations 2. Chief and Council 	<ol style="list-style-type: none"> 1. Updated personnel policy will be available and on file – by March 31, 2018 2. Organizational chart will be available and posted at band office – by March 31, 2018 	<ol style="list-style-type: none"> 1. Chief and Council and Director of Operations, annually 2. Director of Operations, annually

	<p>3. Document performance reviews that take place annually</p> <p>4. Policies are implemented appropriately</p>	<p>3. Immediately</p> <p>4. Immediately</p>	<p>3. Director of Operations and program managers will be responsible for administering the reviews; Support of Chief and Council for decisions made that may not be “popular”</p> <p>4. Director of Operations</p>	<p>3. Reviews will be kept in employee files – by March 31, 2018</p> <p>4. Annual Declaration of review and compliance is signed by April 1st</p>	<p>3. Director of Operations and Program managers, annually</p> <p>4. Director of Operations, annually</p>
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FORM A – ACTION PLAN - CONTINUED

<p>Update the financial bylaws for the First Nation.</p> <p>Related Goal(s): 1, 5 Objective Priority: High</p>	<ol style="list-style-type: none"> 1. Review bylaws that currently are in place per the Financial Management Policy; 2. Adapt template to fit the needs of Cote First Nation; and 3. Approve and pass completed bylaw. 4. Policies are implemented appropriately 	<ol style="list-style-type: none"> 1. In progress 2. Once review is completed 3. To be completed by the end of fiscal 2018 4. Immediately 	<ol style="list-style-type: none"> 1. Director of Operations 2. Director of Operations 3. Chief and Council 4. Director of Operations 	<ol style="list-style-type: none"> 1. The approved bylaws that are tailored to the First Nation – by March 31, 2018 2. Progress will be reviewed at quarterly meetings. 3. Bylaw will be passed and completed. Band Council Resolution – by March 31, 2018 4. Annual Declaration of review and compliance is signed by April 1st 	<ol style="list-style-type: none"> 1. Chief and Council, annually 2. Chief and Council, annually 3. Annually – Auditors will confirm bylaw creation and usefulness each year 4. Director of Operations, annually
<p>Improve the controls around the payroll function (employee files, authorization, segregation of duties)</p> <p>Related Goal(s): 1 Objective Priority: High</p>	<ol style="list-style-type: none"> 1. All employee files should be kept in a centralized location – the finance department; All files should be kept in locked cabinets and 2. Timesheets should be completed by all employees and authorized by program managers. Consider a time clock program. 	<ol style="list-style-type: none"> 1. Immediately 2. Immediately 	<ol style="list-style-type: none"> 1. Director of Finance 2. Respective program managers 	<ol style="list-style-type: none"> 1. By April 30, 2017 2. Signed timesheets – every 2 weeks 	<ol style="list-style-type: none"> 1. Director of Finance, annually 2. Program Managers
<p>Develop a Membership Assistance policy to provide band members with assistance around extreme hardship relating to death or critical illness</p> <p>Related Goal(s): 1, 2, 3 Objective Priority: High</p>	<ol style="list-style-type: none"> 1. Determine reasonable eligibility criteria and feasible dollar values in providing membership assistance payments; and 2. Provide Director of Operations autonomy over adherence to policy to eliminate politics from decisions. 	<ol style="list-style-type: none"> 1. To be drafted, read, and ratified by June 30, 2017 2. Ongoing 	<ol style="list-style-type: none"> 1. Chief and Council members and Director or Operations 2. Director of Operations 	<ol style="list-style-type: none"> 1. Ratified Membership Assistance Policy – by June 30, 2017 2. Ratified Membership Assistance Policy; Band Council Resolution – by June 30, 2017 	<ol style="list-style-type: none"> 1. Chief and Council and Director of Operations, annually 2. Chief and Council and Director of Operations, annually

<p>Create workplans to outline goals and objectives for each program taking into consideration funding constraints</p> <p>Related Goal(s): 1, 2, 4 Objective Priority: High</p>	<ol style="list-style-type: none"> 1. Create budget for CDC monies and manage the application process where funds should be directed for the Nation as a whole. 2. Create a Band Based Capital workplan 	<ol style="list-style-type: none"> 1. Workplan to be prepared for fiscal 2017/2018; applications to be submitted by 2nd quarter of each year to reduce chance of claw back 2. Workplan to be prepared for fiscal 2017/2018 	<ol style="list-style-type: none"> 1. Chief and Council and Director of Operations 2. Housing Portfolio Councillor and Housing Manager 	<ol style="list-style-type: none"> 1. Approved workplan – annually - by April 15, 2017 and March 1 in subsequent years 2. Approved workplan - annually - by April 15, 2017 and March 1 in subsequent years 	<ol style="list-style-type: none"> 1. Chief and Council, annually 2. Chief and Council, annually
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FORM B – FINANCIAL PLAN

Program Revenue	17-18	18-19	19-20	20-21	21-22
Claims & Indian Government	4,955,000	4,955,000	4,955,000	4,955,000	4,955,000
Community Development	1,020,489	1,020,489	1,020,489	1,020,489	1,020,489
Economic Development	202,100	202,100	202,100	202,100	202,100
Education	3,032,811	3,032,811	3,032,811	3,032,811	3,032,811
Indian Government Support	611,876	613,102	614,363	615,660	616,994
Lands Management	103,610	103,610	103,610	103,610	103,610
Social Development	1,644,451	1,644,451	1,644,451	1,644,451	1,644,451
Indian Registration	28,125	28,125	28,125	28,125	28,125
Health Programs	944,618	952,370	965,726	979,483	993,652
CMHC Housing	706,000	706,000	706,000	706,000	706,000
Band Programs	1,791,365	1,939,865	1,939,865	1,939,865	1,939,865
Total Revenue	15,040,445	15,197,923	15,212,540	15,227,594	15,243,097
Program Expenditures	17-18	18-19	19-20	20-21	21-22
Claims & Indian Government	4,126,919	4,077,684	4,026,085	3,972,008	3,916,685
Community Development	1,389,272	1,389,272	1,389,272	1,389,272	1,389,272
Economic Development	144,100	144,100	144,100	144,100	144,100
Education	3,013,558	3,028,298	3,022,215	3,016,199	3,032,179
Indian Government Support	1,255,107	1,214,607	1,223,107	1,211,607	1,210,107
Lands Management	150,231	119,531	119,531	119,531	119,531
Social Development	1,644,451	1,644,451	1,644,451	1,644,451	1,644,451
Indian Registration	28,125	28,125	28,125	28,125	28,125
Health Programs	944,618	952,371	965,726	979,482	993,654
CMHC Housing	366,287	360,278	354,189	347,971	341,621
Band Programs	1,402,508	1,424,042	1,415,312	1,406,844	1,398,630
Total Expenditures	14,465,176	14,382,759	14,332,116	14,259,590	14,218,355
Planned Surplus	575,269	815,164	880,424	968,004	1,024,742
Use of Surplus					
Loan Repayments	(1,364,886)	1,420,130	1,477,818	1,538,113	1,252,667
Accounts Payable Arrears	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)
Deficit Reduction	-	-	-	-	-
Deficit at year end	(869,617)	(684,966)	(677,392)	(650,109)	(307,925)

(1) Planned surplus projections do not include non-cash expenses such as amortization of \$1,300,000/year. Inclusion of these expenses as required by Public Sector Accounting Standards will substantially reduce the surplus reported on the audited financial statements.

FORM B – FINANCIAL PLAN - CONTINUED

Schedule to Form B: List of Payables (as appropriate)		
Payee	Amount	Disposition
CRA – Fail to File (Source Deductions)	\$58,000	\$14,500/month until July 2017
A1 Janitorial Supply	\$510	
Aboriginal Multi-Media Society	\$150	
Advanced Data Systems	\$7,547	
A. Myrowich Home Hardware	\$5,453	
Aon Reed Stenhouse	\$1,890	
Assman's Funeral Chapel	\$5,167	
A & S Transport Ltd.	\$531	
Athabasca University	\$827	
BP Ag and Truck	\$138	
Brandt Tractor Ltd.	\$6,903	
The Canora Courier	\$35	
Canad Inns	\$8,074	
Century MFR	\$131	
Chalupiak & Associates	\$3,969	
Children's Safety Association	\$1,029	
Clartech Industries Inc.	\$3,981	
Concrete Brothers Inc.	\$2,767	
Country Service	\$2,460	
DionCo Sales	\$2,750	
DirectPages 411	\$800	
DMC Industrial Products	\$1,076	
Duck Mountain Ambulance	\$1,327	
Duck Mountain Environmental	\$125	
First Nation Business Equip.	\$2,985	
First Nation Distributors Inc.	\$7,378	
First Nations University	\$6,753	
G&S Distributors	\$1,503	
Gardon Securities Telecomm	\$503	
Guaranteed Industrial Lighting	\$4,096	
Hach Sales & Services	\$364	
HBI Office Plus	\$1,418	
Industrial Alliance	\$4,245	
Johnson Controls	\$625	
Judicial Centre of Yorkton	\$1,500	
Kam-Crete	\$2,698	
Kamsack Electric	\$77	
Kregs Auto & Ag	\$45	
Lee Funeral Home	\$7,770	
Matt's Furniture	\$5,752	
Ministry of Parks, Culture and Sport	\$81	
Parkland Pest Control	\$233	

Schedule to Form B: List of Payables (as appropriate) - continued		
Payee	Amount	Disposition
Peavy Mart	\$340	
Pioneer Research	\$2,498	
PitneyWorks	\$166	
P & J Plumbing	\$22,277	
Regina Qu'Appelle Health Region	\$4,938	
Robert Kirk Psychologist	\$7,619	
Sallows and McDonald	\$9,330	
Sask Energy	\$1,360	
Saskatchewan Hockey Association	\$325	
Saskatchewan High School Athletic Association	\$50	
Sask Power	\$29,831	
Saskatchewan Queen's Printer	\$163	
SaskTel	\$8,149	
SaskTel Mobility CMR	\$9,974	
School Specialty Canada	\$90	
Saskatchewan Government Insurance	\$1,383	
Saskatchewan Indian Institute of Technology	\$50,893	
SaskTel Mobility	\$533	
Softball Saskatchewan	\$60	
S.O.S Children's Safety Magazine	\$1,050	
Cottenie and Gardner Inc.	\$3,745	
Source 4 Nations Inc.	\$5,451	
Staples	\$1,931	
Star Café	\$105	
TEC Computers	\$465	
Technical Safety Authority of Saskatchewan	\$427	
Town of Kamsack	\$6,538	
University of Manitoba	\$3,523	
University of Regina	\$722	
University of Saskatchewan	\$2,496	
Wolkowski Funeral Services Ltd.	\$16,238	
Xerox Canada Ltd.	\$464	
Young Fitness Inc.	\$521	
Yourlink Inc.	\$638	
Duck Mountain Lodge Payables	\$250,000	
Contingency	\$100,000	
Total	\$707,959	



FORM C – CAPACITY DEVELOPMENT PLAN

Key Position	Training/Staffing Activity	Desired Outcome (in support of Objective per Form A)	Training/Service Provider	Responsible Person and Target Date	Funding Requirement
Governance	Financial Fluency Governance Training	To understand and make informed decisions	AFOA	Chief and Council – Completed February 2017	N/A
SA Admin	System Software	To ensure accuracy of stats, monthly info to INAC	Look into software such as AIS – Aboriginal Information Systems to determine if appropriate and would suit needs and aid in efficiencies	SA Staff – on going	\$15,000
Program Directors	Financial and Management	To make informed decisions, policy changes, org chart, budget management, financial fluency	Consultants	Director of Operations – on going	\$50,000
Staff		Job Descriptions	Consultants	Director of Operations – March 2018	\$15,000
Finance	Training on AccPac, various models	Provide cross training of finance staff to give exposure to all sub-ledgers, remittances, bank reconciliations, internal controls procedures, reports, entering budgets, and generating budget to actuals	Consultants On-the- job training	Director of Finance – Immediately	\$20,000 \$15,000
Chief and Council and Band Staff	Human Resource Policy review and Implementation	To ensure consistency of HR policies in compliance with market practices and with legislative requirements to mitigate risks	Consultants	Director of Operations	\$20,000

Director of Operations	Fill Position	To execute directives set out by Chief and Council and hold program directors accountable	Interview Process – Panel of Interviewers	Chief and Council - Immediately	\$95,000
Director of Finance	Fill Position	To manage financial reporting and to provide program directors timely financial information for decision making	Interview Process – Panel of Interviewers	Chief and Council - Immediately	\$80,000
Eliminate Redundant Positions	Operational review Lay-off redundant/ unnecessary positions	Deficit reduction	Consultants	Director of Operations – March 2018	\$50,000
Director of Operations, Director of Finance, and program managers	Implementation of a succession plan and process for key positions	Review training, hiring, and performance management processes to ensure strong candidates for key positions are identified and sufficient training and mentoring is provided	Director of Operations	Chief and Council – as soon as possible	N/A
Chief and Council	Create a Strategic Plan and communicate it to the Community	Support for Chief and Council decisions as it relates to strategic directions; projects chosen and funded to support strategic direction	Consultant	Chief and Council – March 31, 2019	\$20,000
Chief and Council	Consultant will work with Chief and Council to develop a governance policy and revise existing finance policy	Aids with long-term planning, consistency among departments, manages risk, and reduces the chance of fraud	Consultant	Chief and Council – March 31, 2018	\$30,000
Chief and Council	Consultant will work with Chief and Council to develop an investment policy	To better assess and evaluate economic development opportunities.	Consultant	Chief and council – March 31, 2020	\$10,000

CONCLUSION

In comparing the five-year MAP to the previous MAP in place there have been improvements made around policies and procedures. However, with new leadership in place these should be once again reviewed and amended if need to be more relevant to the band operations now.

Without a Director of Operations or Director of Finance currently in place, this presents challenges in implementing sound controls to protect the integrity and accuracy of financial information and reporting. The budgeting process is highly dependent on the timeliness and reliability of the accounting records being presented to the program managers; therefore, finding a qualified individual for each of these position is a top priority.

From a financial perspective, the Nation's current debt levels are making it difficult to grind down the accumulated deficit. There is continued reliance on First Nation Trust funds and drawings from the two trusts to settle these obligations and sustain day-to-day operations. There is a negative net operating cash flow from years 2018 to 2022 after the principle portion of debt and arrears payables that have accumulated. The consolidation loan is to mature in 2022 at which point the First Nation should be able to direct funds elsewhere, whether that be community programs or economic development activity.

The recommendations presented in the MAP above and in the supplemental financial review report provided to management and Chief and Council should be considered going forward in attempts to increase the operating cash flows over the following five years.

