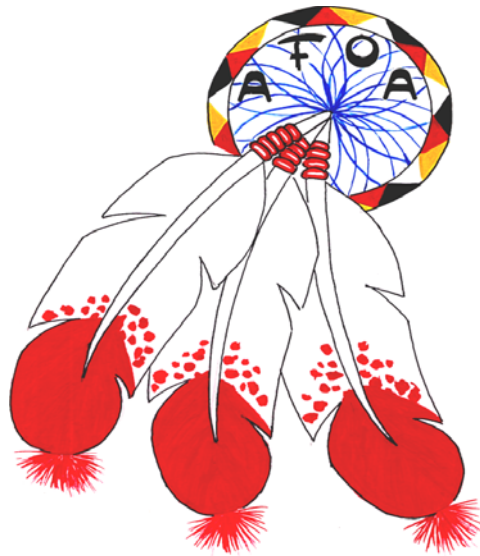


FIRST NATIONS GOVERNANCE CONCEPTS



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TOOLBOX CHAPTER SUMMARY

In the development of the First Nations Financial Code Toolbox, the Financial Management and Accountability Project committee members realized the importance of “beginning at the beginning”.

WHAT IS A FINANCIAL CODE?

The first task of the committee was to define what a Financial Code is and what it means. Through a brainstorming session the committee agreed that the following defined their thoughts of a First Nations Financial Code.

A First Nation Financial Codes is a set of principles that:

- Respects the culture, traditions and history of a First Nation.
- Protects, maintains and increases the resources of a First Nation through effective planning and control.
- Defines and implements the “Best Practices” for the preparation and communication of quality reporting.
- Provides high standards and ethical leadership for the equal and confidential treatment for all.

WHAT DOES A FINANCIAL CODE TOOLBOX COMPRISE OF?

The second task of the committee was to outline the toolbox “chapters”. This step was important to the creation of the toolbox since it would eventually lead a First Nation into adapting a governance structure that encompassed the First Nation Financial Code principles. It was also important that an order of evolution was outlined. This would guarantee the success of the toolbox application for a First Nation.

Eventually the committee agreed the following chapters would be:

- 1. First Nations Governance Concepts**
- 2. Financial Management Bylaw**
- 3. Financial Management and Human Resource Manuals**
- 4. Strategic Planning**
- 5. Capacity Building**

WHAT DOES EACH TOOL BOX CHAPTER COMPRISE OF?

Each Toolbox chapter comprises of the committees recommendations of successful

applications developed throughout the country. Most have been developed by the Aboriginal Financial Officers Association of BC, but others have been used by permission by the authors.

TOOLBOX CHAPTER SUMMARY

Part 1 of the toolbox chapter includes information that relates to importance of having a constitution that provides a solid foundation for codes, by-laws and policies development. This would preclude a First Nation having to develop laws and policies based on another organizations constitution.

Part 2 of the toolbox chapter provides information about First Nation government organizational structure that supports the development of various laws, policies, procedures, administration and guidelines necessary for good government.

Please bear in mind that this toolbox chapter was not designed for a First Nation to complete a constitution or government administrative structure but to highlight the relationship of these key elements to sound financial management practices. This section on governance is included to give a First Nation ideas and concepts in order to begin or amend current systems.

In conclusion, it cannot be stressed enough the importance of achieving a community vision before constitutional and organizational structure. Quoting from Peter Waterman, “Structure is not organization”. He advocates, the *7-S Framework: Working Together*, “before structure and strategy comes shared vision, value and goals.”

Part 1 – First Nations Constitution Development

A constitution is a solid foundation for First Nation’s with a strong community vision to move ahead in treaty, self-government or other nation building initiatives. The constitution would be specific for their community needs and would serve the purpose of who you are, how you are governed, how the membership has input into governance and key positions for governance.

Some of the standard components of a First Nations constitution include the following: Founding Provisions, Rights and Freedoms of Citizens, First Nation Government Structure, Government Officials Roles and Responsibilities, Financial Management and Accountability, Lands and Resources, and General Provisions.

Part 2 – Government Organization

Government organization in broad terms is a constitution. The structure is developed to create structure, departments, committees and reporting and accountability systems. Financial management systems are an integral part of organization structure and are required for budget planning, allocation and audit requirements. Some examples of government organization components are:



Government Organization, Core Branches or Departments, Programs and Services
Branch or Department and Administration.

Financial Accountability Policy Sample

The generic sample of a Financial Accountability Policy is a solid basis for developing and adapting a policy to your own First Nation. The success of any policy is to give “life” to the document. This is done by ensuring that all members, staff and council is fully trained and understands the basis of the policy. As with all other policies that are adopted, it becomes a living document in which all abide by.

The policy provides sample wording for Compliance with Policy, the Financial Decision-Making Process, Conflict of Interest Guidelines, Procedures for Financial Information Disclosure and Dispute Resolution.

Appendix A – Building a Community Constitution

This Appendix is used by permission by the Institute on Governance. The handbook was developed in collaboration with the Sagamok Anishnawbek First Nation and Canadian Executive Services Organization, Aboriginal Services in January 2001.

In November 2000, the Sagamok Anishnawbek First Nation organized a workshop around the development of their community constitution.

The handbook was born out of the Sagamok workshop, and is meant as a guide for others First Nations during their constitution-building process. The handbook summarizes both international and Sagamok experiences, and outlines the basic process of developing a constitution.

It is organized around the four questions that formed the basis of the Sagamok workshop:

1. What is a constitution?
2. What have a constitution?
3. What should a constitution contain?
4. How can a community develop its constitution?

“We recognize there are many challenges ahead. But by taking our first steps toward creating a constitution, our community has strengthened its commitment to building a strong, self-determining nation.”

- Chief Angus Toulouse
Sagamok Anishnawbek First
Nation