



# HOW WE CAN SUPPORT YOUR NATION

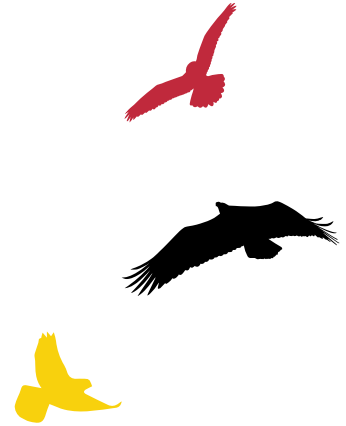
Presentation For

# Saskatchewan First Nations

Presented on the Traditional Territory of the Treaty 6 First Nations, Whitecap Dakota,  
Homeland of the Metis.

# AGENDA

- **History of the First Nations Fiscal Management Act (FMA)**
- **Overview - The First Nations Financial Management Board (FMB)**
- **FMB Support and Certification options**
  1. Financial Administration Law (FAL)
  2. Financial Performance (FP) Certification
  3. Financial Management System (FMS) Certification
  4. Capacity Development Services



# ***FIRST NATIONS FISCAL MANAGEMENT ACT (FMA)***

## **What is it?**

- First Nations-led initiative
- Optional, modern legislation outside the *Indian Act*
- 348 First Nations Participating
- Established three (4) Indigenous-led Institutions:
  - First Nations Financial Management Board (FMB)
  - First Nations Finance Authority (FNFA)
  - First Nations Tax Commission (FNTC)
  - First Nations Infrastructure Institute (FNII)

# FIRST NATIONS FISCAL MANAGEMENT ACT (FMA)

Promotes social and economic development

## First Nations Financial Management Board (FMB)

- Financial Administration Law (“FAL”) or by-laws (“FAB”)
- Financial Performance Certificate (“FPC”)
- Financial Management System Certification (“FMSC”)
- Supports First Nations to build or enhance financial governance

## First Nations Tax Commission (FNTC)

- Option to implement property tax & expand jurisdiction
- Supports First Nations to raise and leverage revenues from land

## First Nations Finance Authority (FNFA)

- Option to access financing, investment, and advisory services
- Supports First Nations to build their own futures on their own terms at the best rates

## First Nations Infrastructure institute (FNII)

- Planning, Procurement, Management
- Supports Nations in approaching the development and maintenance of Infrastructure using best practices



**WHAT IS THE FMB?**

# WHAT IS THE FIRST NATIONS FINANCIAL MANAGEMENT BOARD (FMB)?

- National First Nation Organization
- Support First Nations to develop sound finance and administrative governance practices
- Services are optional and provided at no cost
- A non-profit organization
- Board of Directors appointed by GIC and AFOA
- Independent of the government



# FIRST NATIONS FINANCIAL MANAGEMENT BOARD (FMB)

Three **optional** pathways to leverage;

## 1) Building or enhancing Financial Management Systems

- Standards (law), policies, certifications
- Capacity Development team

## 2) Pathway to long term affordable financing – FNFA

## 3) Pathway to eligibility for the ISC 10-Year Grant

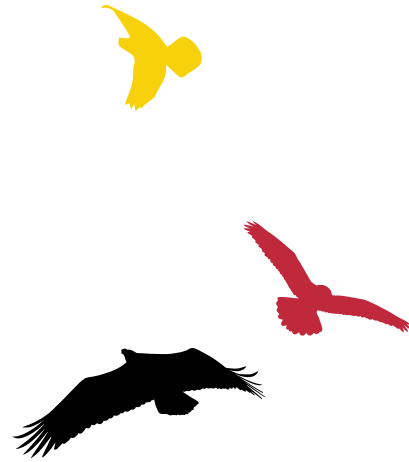






# WHAT IS THE ROLE OF THE FMB?

- Develop Standards tailored to suit First Nations needs for finance and administrative governance
- Support First Nations in building capacity to meet or exceed these standards
- FMB offers Certifications





# BENEFITS OF CERTIFICATION



1

## Promotes Transparency and Accountability

Comfort to members, current and future business partners and lenders

2

## Organizes Finance and Governance Practices

Support your Nation to develop or enhance policies and procedures

3

## Access to Financing and Rates

Option to apply for competitive rates and terms



# LAWS, STANDARDS & CERTIFICATIONS



1

## Financial Administration Laws (FAL)

A set of rules that form the foundation of a financial management system

2

## Financial Performance Standards

A set of six ratios that measure the financial health of the Nation

3

## Financial Management Standards

Processes and procedures that facilitate (FAL) and sets up sound Financial Management Standards



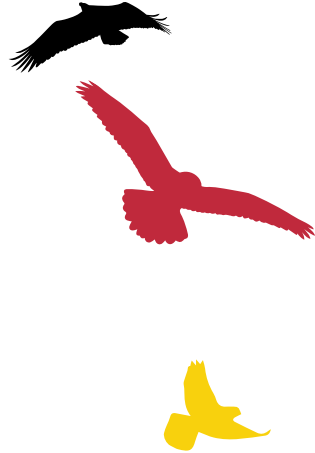
First Nations  
FINANCIAL  
MANAGEMENT  
BOARD

CONSEIL  
DE GESTION  
FINANCIÈRE des  
Premières Nations



**FINANCIAL ADMINISTRATION LAW**

# WHAT IS A FINANCIAL ADMINISTRATION LAW?



The road to strong finance and governance practices begins with developing a FAL

A FAL contains provisions that support sound financial management

## The main sections of the sample FAL:

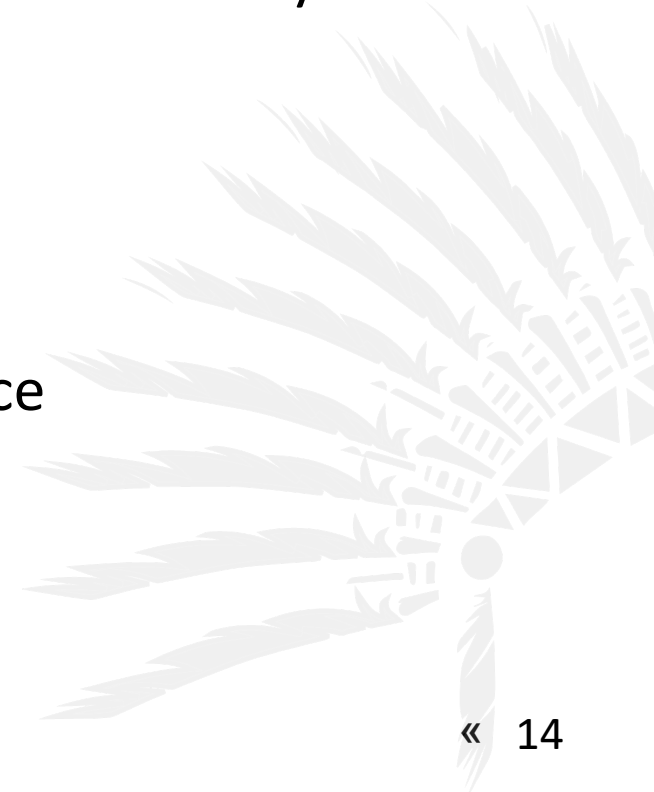
- Financial Governance
- Finance
- Information management
- Human resources





# HOW A FAL IS DEVELOPED

- The First Nation must be scheduled to the *FMA*
- A FAL template is provided to the First Nation
- The template can be modified to suit the unique aspects of the community so long as the FAL standards are maintained
- There are two versions of the template:
  1. property taxation
  2. no reference to property taxation
- The formal review is completed by the FMB board in accordance with section 9 of the *FMA*





# FP AND FMS CERTIFICATION



# FINANCIAL PERFORMANCE CERTIFICATION RATIOS

FP certification is achieved when the First Nation meets the 6 financial ratios:

- 1** Fiscal growth ratio
- 2** Operating margin ratio
- 3** Asset maintenance ratio
- 4** Net debt ratio
- 5** Interest expense ratio
- 6** Local revenue collection ratio







# CAPACITY DEVELOPMENT



# CAPACITY DEVELOPMENT SERVICES

We support leaders, managers and staff in 4 key areas:



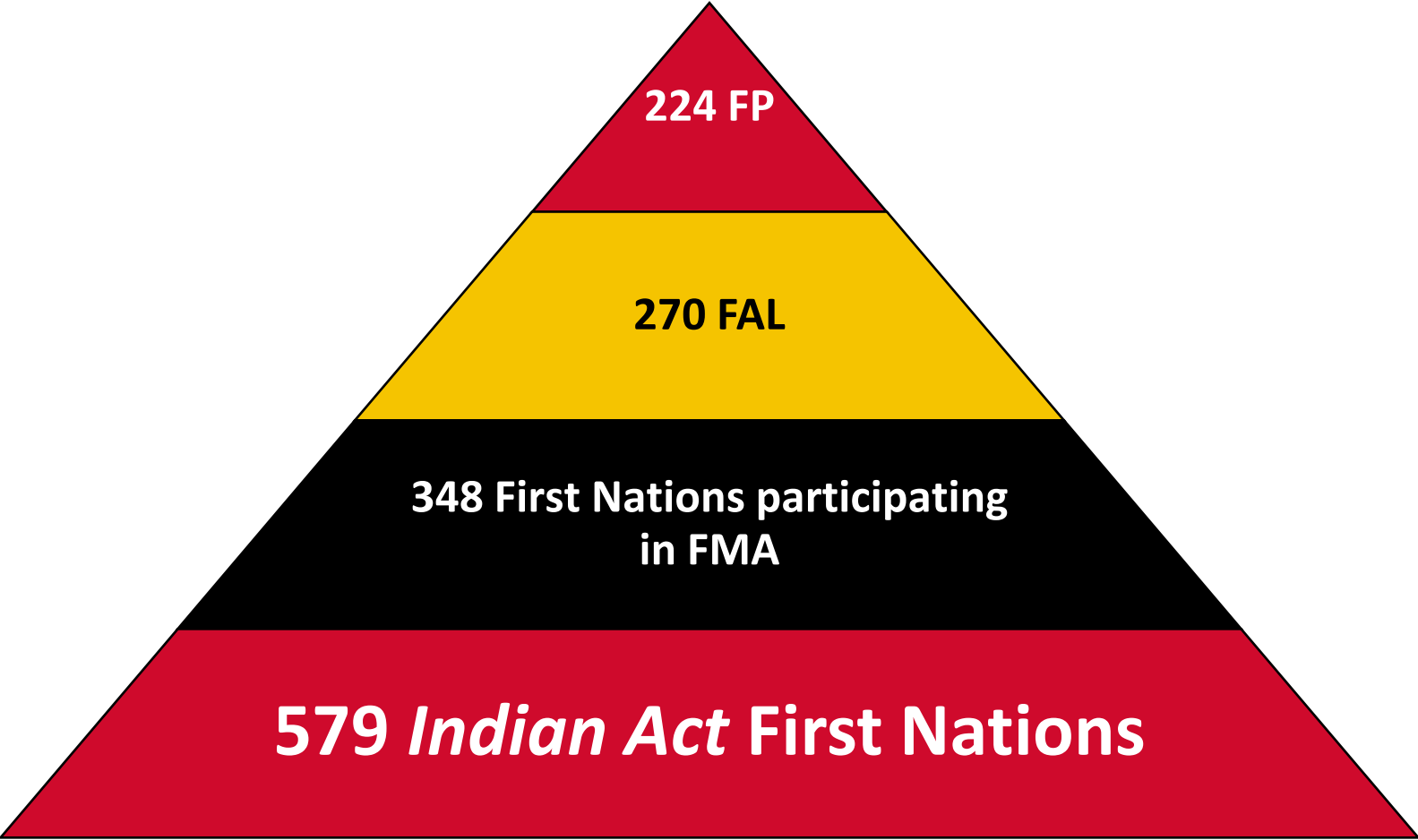
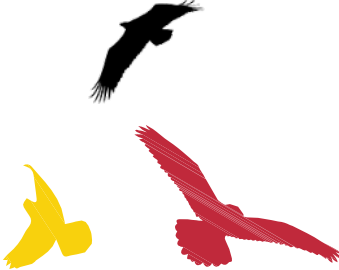
- Governing for Success
- What is the FAL?
- Managing Conflicts of Interest
- Demystifying the Finance and Audit Committee
- Developing Policies
- All About Finance
- Audited Financial Statements: the Story they Tell
- Strategic Planning
- Planning and Budgeting
- Managing Capital Assets
- Introduction to Risk Management
- Multi-Year Financial Planning
- Financial Reporting
- Integrated Planning
- Change Management
- Information Privacy



# CLIENTS AND BENEFITS



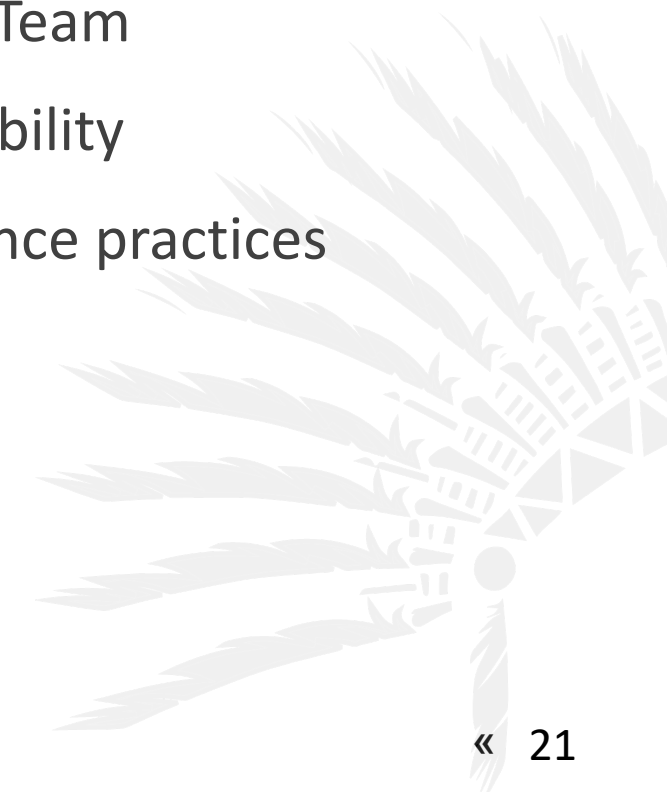
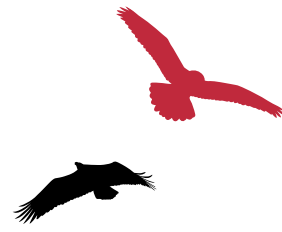
# FIRST NATIONS SUCCESS WITH THE *FMA*





# HOW FIRST NATIONS BENEFIT FROM WORKING WITH FMB

- Developing financial management systems to support long term success
- Increased transparency and accountability to members, future partners and lenders
- Tools training and support from FMB's Capacity Development Team
- A framework (when followed) provides financial long-term stability
- Continuity through strong administrative governance and finance practices
- Improved risk management



# FIRST NATION BENEFITS IN SASKATCHEWAN

## **KAHKEWISTAHAW FIRST NATION – Chief Evan Taypotat**

“This journey has led us to an improved financial governance system for our community and the ability to continue with community development.”

## **MISTAWASIS NÊHIYAWAK – Louis Ledoux, Director of Operations**

“We went through the FMS Certification process as it supported Mistawasis Nêhiyawak in developing and implementing sound finance and administrative governance practices.”

## **MUSKEG LAKE CREE NATION – Chief Kelly Wolfe**

“The dedication and perseverance of our staff and the support from FMB staff was essential in the success of Muskeg Lake Cree Nation in receiving our FMB certification. Leadership has created a solid foundation of accountability back to our members. To us it’s about moving our Nation forward and setting the stage for economic prosperity for our people and opening doors that were formerly closed.”



# OPTIONAL PATHWAYS



**QUESTIONS? Let's talk**

**Glenn Saganace**  
Relationship Manager, Saskatchewan  
[Glenn\\_Saganace@fnfmb.com](mailto:Glenn_Saganace@fnfmb.com)

fnfmb.com

1.877.925.6665