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**CREE NATION OF  
NEMASKA**

**LAW NO. 134 BEING A  
LAW ON FINANCIAL ADMINISTRATION**

**Effective as of April 1, 2019**

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## **FINANCIAL ADMINISTRATION LAW**

**WHEREAS** the Cree Nation of Nemaska (“**Nemaska**”) is a “Cree band” constituted under the *Cree-Naskapi (of Quebec) Act* and continued as a Cree First Nation, and as the same legal entity, under the Governance Agreement and the *Cree Nation of Eeyou Istchee Governance Agreement Act*;

**WHEREAS** the objects of Nemaska, as a Cree First Nation under the Governance Agreement, include, among others: to act as the local government authority on its Category IA land; to use, manage and administer its moneys and other assets, and; to promote the general welfare of its members;

**WHEREAS** the Cree Constitution provides for certain matters regarding the financial administration of Cree First Nations and provides, along with the Governance Agreement, that a Cree First Nation may make laws respecting the administration of its affairs, its internal management, the preparation and implementation of budgets and other financial matters;

**WHEREAS** Nemaska wishes to adopt a law respecting such matters, in a manner consistent with the Governance Agreement and the Cree Constitution, in order to promote accountability, transparency and effective financial management and control of Nemaska Funds;

**NOW THEREFORE**, pursuant to section 6.2 of the Governance Agreement, Nemaska, acting through its Council at a meeting of the Council held in Nemaska on the 20<sup>th</sup> day of February, 2019, hereby enacts the present law concerning financial administration and related matters.

### **PART I**

#### **GENERAL PROVISIONS**

##### **I. SHORT TITLE**

1. This Law may be cited as the *Financial Administration Law*.

##### **II. APPLICATION AND IMPLEMENTATION**

2. This Law applies to the management and control of Nemaska Funds, and the administrative organization of Nemaska with respect thereto.
3. Every member of the Council or of a Nemaska Committee and every Employee is responsible for applying and complying with this Law as it relates to him or her.
4. Following the coming into force of this Law, any agreement between Nemaska and a third party for the latter to provide services to the Cree Nation of Nemaska in a capacity substantively similar to that of an employee shall provide that such person shall be subject to this Law, with the necessary modifications, as if he or she were an Employee.
5. The Treasurer and the Director General shall oversee the implementation of this Law according to their respective responsibilities and functions provided herein.

6. The Treasurer shall report to the Executive Committee on a regular basis, and upon request, with respect to the implementation of this Law.
7. The Treasurer shall report directly to the Council upon request and regarding any serious concerns or issues regarding the implementation of this Law, and he or she shall also provide a report to the Council on an annual basis with respect to the implementation of this Law.
8. This Law shall be read in conjunction, and implemented in accordance, with the Governance Agreement and the Cree Constitution.
9. In the event of an inconsistency or a conflict between this Law and another law or policy of Nemaska, this Law prevails to the extent of the inconsistency or conflict.

### III. INTERPRETATION

10. The Preamble forms an integral part of this Law.
11. In this Law, the singular includes the plural, and vice versa.
12. Unless otherwise indicated, words and expressions in this Law have the same meaning as in the Governance Agreement and the Cree Constitution, as applicable.
13. For the purposes of this Law:
  - (a) “**Audit Committee**” means the Audit Committee of Nemaska established by section 50 of this Law, pursuant to section 3.15 of the Cree Constitution and subparagraph 6.2(1)(a)(ii) of the Governance Agreement, to assist in the administration of the affairs of Nemaska;
  - (b) “**Auditor**” means the auditor of Nemaska appointed pursuant to either section 133 or 134;
  - (c) “**Chief**” means the duly elected Chief of Nemaska, a member of the Council;
  - (d) “**Corporate Secretary**” means the person holding the position of Corporate Secretary of Nemaska, the “secretary” contemplated by section 3.17 of the Cree Constitution;
  - (e) “**Council**” means the Council of the Cree Nation of Nemaska;
  - (f) “**Cree Constitution**” means the Constitution developed under section 3.1 of the Governance Agreement and ratified in accordance with chapter 31 of the Governance Agreement;
  - (g) “**Cree-Naskapi (of Quebec) Act**” means the *Cree-Naskapi (of Quebec) Act* (S.C. 1984, c. 18), as it read immediately before the day on which the *Cree Nation of Eeyou Istchee Governance Agreement Act* came into force;
  - (h) “**Cree Nation Government**” means the Cree Nation Government, a legal person duly established in the public interest under *An Act respecting the Cree Nation Government* (CQLR, chapter G-1.031);
  - (i) “**Cree Nation of Eeyou Istchee Governance Agreement Act**” means the *Cree Nation of Eeyou Istchee Governance Agreement Act* (S.C. 2018, c. 4);

- (j) “**Deputy Chief**” means the duly elected Deputy Chief of Nemaska, a member of the Council;
- (k) “**Director**” means a person holding the position of director of a department of Nemaska;
- (l) “**Director General**” means the chief operating officer of Nemaska, the person holding the position of Director General of Nemaska;
- (m) “**Elector**” means a Member who is eighteen years of age or over and not declared mentally incompetent under the laws of Québec;
- (n) “**Employee**” means an employee of Nemaska, including an Officer or a Director, unless the context requires otherwise;
- (o) “**Executive Committee**” means the Executive Committee of Nemaska, a Nemaska Committee established by section 19 of this Law, pursuant to section 3.15 of the Cree Constitution and subparagraph 6.2(1)(a)(ii) of the Governance Agreement, to assist in the administration of the affairs of Nemaska;
- (p) “**Fiscal Year**” means the period from April 1 of a given calendar year to March 31 of the following calendar year;
- (q) “**Governance Agreement**” means the *Agreement on Cree Nation Governance between the Crees of Eeyou Istchee and the Government of Canada* signed on July 18, 2017, approved, given effect and declared valid and having force of law by virtue of the *Cree Nation of Eeyou Istchee Governance Agreement Act*;
- (r) “**James Bay and Northern Québec Agreement**” or “**JBNQA**” means the agreement approved, given effect and declared valid by the *James Bay and Northern Québec Native Claims Settlement Act* (S.C. 1977, c. 32), as such agreement is amended from time to time;
- (s) “**Law**” means this Financial Administration Law;
- (t) “**Member**” means a Cree beneficiary who is enrolled or entitled to be enrolled on the community list of the Cree Nation of Nemaska pursuant to Section 3 of the JBNQA;
- (u) “**Nemaska Committee**” means a committee of Nemaska duly established pursuant to section 3.15 of the Cree Constitution and subparagraph 6.2(1)(a)(ii) of the Governance Agreement, including the Executive Committee, the Senior Management Committee and the Audit Committee;
- (v) “**Nemaska Funds**” means all moneys received and managed by Nemaska or its designate, for the use and benefit of Nemaska and its Members, including all earnings from business enterprises paid to Nemaska and all other revenues, dividends, grants, contributions, subsidies, advances, user fees, compensation and loans received by Nemaska;
- (w) “**Officer**” means a person holding the position of Director General, Treasurer, Corporate Secretary or any other officer duly appointed by Nemaska;

- (x) **“Ordinary Meeting”** means any meeting of the Cree First Nation other than a Special Meeting;
- (y) **“Senior Management Committee”** means the Senior Management Committee of Nemaska established by section 31 of this Law, pursuant to section 3.15 of the Cree Constitution and subparagraph 6.2(1)(a)(ii) of the Governance Agreement, to assist in the administration of the affairs of Nemaska;
- (z) **“Special Meeting”** means a “special meeting” of the Cree First Nation referred to in the Governance Agreement and sections 6.5 to 6.9 of the Cree Constitution; and
- (aa) **“Treasurer”** means the chief financial officer of Nemaska, the person holding the position of Treasurer or Chief Financial Officer of Nemaska, the “treasurer” contemplated by section 3.18 of the Cree Constitution.

**PART II**  
**ROLES AND RESPONSIBILITIES**

**IV. COUNCIL**

- 14. The Cree Nation of Nemaska shall act through the Council in exercising its powers and carrying out its duties.
- 15. The Council shall act by resolution, except where required to act by means of a law under the Governance Agreement or the Cree Constitution.
- 16. The Council shall be responsible for carrying out any duties and responsibilities regarding the financial administration of Nemaska that have not been duly assigned to an Employee or to a Nemaska Committee.
- 17. The Council shall be ultimately responsible for all matters relating to the financial administration of Nemaska, whether or not such matters have been assigned or attributed to an Employee, to a Nemaska Committee or to any person.
- 18. The Council shall conduct the business of Nemaska in a manner that ensures sound financial management by, among other things, carrying out the following duties and responsibilities:
  - (a) Ensuring the planning and budgeting of financial and other resources for local services, programs and capital works projects;
  - (b) Ensuring that the budget and any supplementary budget of Nemaska do not have expenditures exceeding revenues, and contain sufficient detail to provide adequate guidance with respect to expenditures and commitments;
  - (c) Adopting any budget or supplementary budget of Nemaska, as contemplated by section 54;

- (d) Approving the terms and conditions of employment of Officers and Directors, subject to the budget or a supplementary budget, upon recommendation of the Executive Committee, except in cases where such terms and conditions of employment are determined by the Executive Committee pursuant to paragraph 30(h);
- (e) Reviewing the quarterly financial reports prepared by the Treasurer to ensure that the budget and any supplementary budget are being respected and that the approved financial objectives and goals of Nemaska are being achieved;
- (f) Setting policies and procedures to safeguard the resources of Nemaska and to maximize the well-being of the Members, in accordance with the Cree Constitution and with this Law;
- (g) Approving the allocation of adequate resources for the delivery of community services and activities;
- (h) Ensuring that Employees and members of the Council and Nemaska Committees have full financial accountability at all times to Members with respect to the use of Nemaska Funds, including as contemplated by the Cree Constitution and this Law;
- (i) Ensuring that Nemaska meets all financial obligations with third parties;
- (j) Approving the creation of new Employee positions, other than those fixed term positions contemplated by paragraph 30(h), and related terms and conditions of employment, subject to the budget or a supplementary budget, upon recommendation of the Executive Committee;
- (k) Approving the hiring of Officers and Directors, upon recommendation of the Executive Committee;
- (l) Approving funding and financing strategies to maintain programs and services in the community and approving projects to develop and improve such programs and services, upon the recommendation of the Senior Management Committee, the whole in accordance with this Law;
- (m) Approving requests for external funding to be submitted on behalf of Nemaska, such as for projects or programs, on the recommendation of the Senior Management Committee;
- (n) Approving a policy regarding honorariums and other remuneration in relation to Nemaska Committees; and
- (o) Appointing a new auditor in the case of vacancy, as contemplated by section 136;
- (p) Approving and enacting amendments to this Law, on the recommendation of the Executive Committee.

**V. EXECUTIVE COMMITTEE**

- 19. The Council hereby establishes an Executive Committee, pursuant to section 3.15 of the Cree Constitution and subparagraph 6.2(1)(a)(ii) of the Governance Agreement.

20. The Executive Committee shall be composed of the Chief, who by virtue of that office is also the Chairperson of the Executive Committee, the Deputy Chief and a Council member designated by the Council who is not an Employee to the extent possible given the composition of the Council.
21. The Chief shall call, and preside at, the meetings of the Executive Committee. In the absence of the Chief, the Deputy Chief shall preside the meeting.
22. The Director General, the Treasurer and the Corporate Secretary or his or her designate shall participate in the meetings of the Executive Committee, but shall not have voting powers or be considered members thereof, including for the purpose of quorum.
23. In the event of a vacancy on the Executive Committee, the Council shall promptly appoint a replacement member from among its members.
24. The Executive Committee shall meet at least once a month.
25. A quorum at a meeting of the Executive Committee shall consist of two (2) members, provided that at least one of those members is the Chief or the Deputy Chief.
26. The Executive Committee shall act by resolution and its decisions shall be taken by majority vote of its members, each of whom shall have an equal vote. In the case of a tie vote, the Chief, or in his or her absence, the Deputy Chief, shall have a casting vote.
27. The Corporate Secretary or his or her designate shall prepare the minutes of the meetings of the Executive Committee and any required resolutions. The minutes of a meeting of the Executive Committee must be adopted by the Executive Committee and signed by the Corporate Secretary or his or her designate to be valid.
28. The resolutions of the Executive Committee and the minutes of its meetings shall be tabled, for information purposes, at the next Council meeting.
29. The Council may, by means of a law, provide for other rules regarding meetings, voting and procedure of the Executive Committee.
30. The Executive Committee shall be responsible for, among other things, the following:
  - (a) Proposing financial goals and objectives of Nemaska on an annual basis for approval by the Council, and once approved, monitoring the achievement of these goals and objectives regularly;
  - (b) Providing timely assistance to the Treasurer in relation to the preparation of the budget and any supplementary budget to ensure that they meet the financial goals and objectives of Nemaska, and providing any recommendation in relation thereto, as applicable, prior to the presentation of the budget or a supplementary budget to the Council;
  - (c) Approving expenditures or commitments of Nemaska in accordance with its field of authority and maximum transaction amounts determined in **Schedule A** and subject to the budget or any supplementary budget approved by the Council;



- (d) Authorizing reallocations of the excess of any eligible, available credit from one budgetary appropriation to another within the same department, program or service for amounts greater than twenty-five thousand dollars (\$25,000) but less than fifty thousand dollars (\$50,000) provided that such reallocations do not exceed the total budget or any supplementary budget approved by the Council and are reported to the Council as soon as practicable;
- (e) Reviewing the quarterly financial reports prepared by the Treasurer to ensure that the budget and any supplementary budget are being respected and that the approved financial objectives and goals of Nemaska are being achieved;
- (f) Reviewing, analyzing and making recommendations to the Council with respect to the creation of new Employee positions, other than those fixed term positions contemplated by paragraph (h), including terms and conditions of employment for such new positions;
- (g) Reviewing, analyzing and making recommendations to the Council with respect to the hiring of Officers and Directors, and with respect to the terms and conditions of employment of such Employees, on an annual basis, provided that the Executive Committee is not precluded from making such recommendations due to conflicts of interest of its members;
- (h) Approving new fixed term (“temporary”) Employee positions, including terms and conditions of employment, subject to the maximum transaction amounts for the Executive Committee set out in **Schedule A**;
- (i) Reviewing and analyzing proposed expenditures or commitments of Nemaska exceeding two hundred thousand dollars (\$200,000), and as applicable, making recommendations in writing to the Council for its approval, in consideration of the following:
  - i) the viability of the project or program, as applicable;
  - ii) whether or not the expenditure or commitment relates to a responsibility of Nemaska or is in the best interests of the Members;
  - iii) the source of funding and present availability of funds for the expenditure or commitment;
  - iv) any actual or perceived conflict of interest in relation to the expenditure or commitment involving an Employee or a member of the Council or a Nemaska Committee; and
  - v) as applicable, whether or not the request for the proposed expenditure or commitment includes a detailed budget, other relevant information and sufficient supporting documentation.
- (j) Reviewing the financial situation of Nemaska at least on a quarterly basis, and as applicable, recommending to the Council any required adjustment to the budget or any other action required to ensure the sound financial management of Nemaska Funds;
- (k) Reviewing the arrangements of Nemaska with financial institutions on a regular basis with respect to banking, borrowing and other credit facilities, and as applicable, making recommendations to the Council with respect thereto;

- (l) Ensuring that cash management measures are implemented by the Treasurer and making recommendations to the Council with respect thereto;
- (m) Reviewing this Law and all financial policies and procedures of Nemaska on an annual basis and, as necessary, recommending amendments to the Council for approval;
- (n) Unless otherwise provided by means of a law or resolution of the Council, including this Law, ensuring the implementation of the decisions and directives of the Council in relation to financial administration matters.

## **VI. SENIOR MANAGEMENT COMMITTEE**

- 31. The Council hereby establishes a Senior Management Committee, pursuant to section 3.15 of the Cree Constitution and subparagraph 6.2(1)(a)(ii) of the Governance Agreement, composed of the Director General and each of the Directors, including the Treasurer sitting as the Director of Finance, subject to section 32.
- 32. A Director who is also a Council member shall participate in meetings of the Senior Management Committee, but shall not have voting powers or be considered a member thereof for the purpose of quorum.
- 33. The Director General shall be the Chairperson of the Senior Management Committee. The Director General shall call, and preside at, the meetings of the Senior Management Committee. In the absence of the Director General, the Treasurer shall preside the meeting.
- 34. A majority of the members of the Senior Management Committee are a quorum at its meetings provided that the Director General or the Treasurer is present.
- 35. The Senior Management Committee shall act by resolution and its decisions shall be taken by majority vote of its members. In the event of a tied vote, the person duly presiding the meeting may, except where disqualified from voting under sections 150 to 153, cast a second vote to determine the question.
- 36. The Director General shall report regularly to the Executive Committee regarding the activities, decisions and recommendations of the Senior Management Committee. The resolutions of the Senior Management Committee and the minutes of its meetings shall be tabled, for information purposes, at the next Executive Committee meeting.
- 37. The Senior Management Committee shall meet at least once a month.
- 38. The Corporate Secretary, or his or her designate, shall participate in the meetings of the Senior Management Committee and shall prepare minutes of its meetings and any required resolutions, but shall not have voting powers or be considered a member thereof. The minutes of a meeting of the Senior Management Committee must be adopted by the Senior Management Committee and signed by the Corporate Secretary or his or her designate to be valid.

39. The Council may, by means of a law, provide for responsibilities of the Senior Management Committee in addition to those provided for in section 40 and for other rules regarding meetings, voting and procedure of the Senior Management Committee, and the latter may adopt other rules of procedures not incompatible with those established by means of a law, including this Law.
40. The Senior Management Committee shall be responsible for, among other things, the following:
- (a) Providing timely assistance and input to the Treasurer in relation to the initial preparation of the budget and any supplementary budget to ensure that they meet the financial goals and objectives of Nemaska, prior to the presentation of the budget or a supplementary budget to the Executive Committee, for recommendation of the latter to the Council;
  - (b) Providing support to the Treasurer for the implementation and administration of the budget;
  - (c) Reviewing, analyzing and providing recommendations to the Executive Committee with respect to the creation of new Employee positions and related terms and conditions of employment, for the Executive Committee to make decisions with respect thereto pursuant to paragraph 30(h) or to make recommendations to the Council with respect thereto, as applicable;
  - (d) Approving expenditures or commitments of Nemaska in accordance with its field of authority and maximum transaction amounts determined in **Schedule A** subject to the budget or any supplementary budget approved by the Council;
  - (e) Reviewing the quarterly financial reports prepared by the Treasurer for information purposes;
  - (f) Approving the hiring of Employees other than Officers and Directors for an indeterminate term (*i.e.*, on a “permanent basis”), provided that the Senior Management Committee is not precluded from making such decisions due to conflicts of interest of its members;
  - (g) Reviewing financial policies and procedures of Nemaska in relation to administrative and operational matters on an annual basis and, as necessary, recommending amendments to the Executive Committee for the latter to recommend to the Council for approval; and
  - (h) Reviewing, analyzing and making recommendations to the Council with respect to the development of funding and financing strategies to maintain programs and services in the community, as well as projects to develop and improve such programs and services;
  - (i) Reviewing and analyzing requests for external funding to be submitted on behalf of Nemaska, such as for projects or programs, and, as applicable, making recommendations to the Council with respect thereto;
  - (j) Carrying out any specific decisions or directives of the Executive Committee or of the Council assigned to it, and reporting regularly to the Executive Committee and to the Council with respect thereto.

## **VII. TREASURER**

41. The Treasurer is the chief financial officer of Nemaska, and is responsible for the receipt and deposit of Nemaska Funds and for all aspects of the financial administration of Nemaska.
42. The Treasurer shall ensure control and management of Nemaska Funds in a manner that is consistent with prudent financial management practices by, among other things, carrying out the following duties and responsibilities:
  - (a) Ensuring the compilation and preparation of information for the budget and any supplementary budget in a timely manner;
  - (b) Preparing and presenting the budget and any supplementary budget, with sufficient detail to provide adequate guidance with respect to expenditures and commitments, to the Senior Management Committee, the Executive Committee and to the Council in a timely manner, for their review, and for approval by the Council pursuant to section 54;
  - (c) Managing and controlling transactions involving Nemaska Funds, including receipt, collection, expenditure and disbursement thereof;
  - (d) Ensuring the implementation and administration of the budget, with the support of the Senior Management Committee;
  - (e) Ensuring the maintenance of adequate, timely and accurate financial records and reporting systems that record all financial transactions and other financial affairs of Nemaska;
  - (f) Certifying that Nemaska Funds are available for any duly authorized expenditure or financial commitment, as contemplated by the Cree Constitution and this Law;
  - (g) Ensuring that the requirements of Division XI concerning deposits are respected;
  - (h) Ensuring the implementation of appropriate cash management measures, subject to any policy of Nemaska with respect thereto;
  - (i) Ensuring that all accounts payable are paid in accordance with this Law;
  - (j) In conjunction with the Director General, monitoring financial compliance of Nemaska and its departments with funding agreements entered into by Nemaska, including ensuring that funds are used for the purposes for which they were received, and where necessary to ensure compliance, directly reporting non-compliance to the Executive Committee or to the Council, as appropriate in view of the circumstances, as soon as practicable;
  - (k) In conjunction with the Director General, ensuring the production and submission of final or special reports required by funding agreements within the prescribed time limits;
  - (l) In conjunction with the Director General, ensuring that Nemaska Funds are used for the purpose for which they were intended, as provided by the budget, any supplementary budget, a law of Nemaska or resolutions of the Council;

- (m) Reporting on a quarterly basis, or upon request, to the Executive Committee and to the Senior Management Committee, and as necessary in exceptional cases, to the Council, on financial matters, including:
    - i) the status of revenues and expenditures as contemplated by section 79;
    - ii) on any matter that he or she believes should be brought to the Senior Management Committee, the Executive Committee or to the Council, in view of the sound management of Nemaska Funds; and
    - iii) where he or she considers it necessary, adding his or her own conclusions to the record of any such matter before the Senior Management Committee, the Executive Committee or the Council, as applicable.
  - (n) In conjunction with the Director General, reallocating the excess of any eligible, available credit from one budgetary appropriation to another within the same department, program or service for amounts of up to twenty-five thousand dollars (\$25,000) in accordance with section 77;
  - (o) Providing advice to the Senior Management Committee, the Executive Committee or to the Council on financial matters upon request;
  - (p) In conjunction with the Director General, maintaining a detailed inventory of all Nemaska assets having a reasonable estimate of fair market value over five thousand dollars (\$5,000);
  - (q) Ensuring the preparation of the financial statement and submitting it to the Council for approval, as contemplated by Division XXI;
  - (r) Maintaining records of all information required to facilitate the report of the Auditor, and as applicable, providing him or her with access to the documents and information he or she requires;
  - (s) Presenting and explaining the report of the Auditor to the Members at an Ordinary Meeting, as contemplated by section 143;
  - (t) Carrying out any other responsibilities assigned to him or her by this Law, by the Executive Committee or by the Council; and
  - (u) Overseeing all other matters relating to the financial affairs of Nemaska.
43. The Treasurer shall ensure that all financial records and financial documents of Nemaska, including electronic files, are secure and in the case of physical files, that they are not removed from safekeeping without the authorization of the Council, as evidenced by resolution.
44. The Treasurer shall also ensure that all financial records and financial documents of Nemaska, including relevant agreements, are kept for at least seven (7) years.

## VIII. DIRECTOR GENERAL

45. The Director General is the chief operating officer of Nemaska.
46. The Director General shall oversee the management of the human, material and financial resources of Nemaska, and in exercising such oversight he or she shall not obstruct Officers in carrying out their duties that are prescribed by law or through this Law, including any duty to report directly to the Executive Committee or to the Council.
47. The Director General shall, in particular, perform the following duties:
  - (a) Ensuring and overseeing the preparation, as applicable, of Nemaska's program of capital expenditures and the plans, programs and projects intended for the orderly functioning of Nemaska, in collaboration with other Employees, for approval by the Council;
  - (b) Submitting to the Council, for its approval, the programs of capital expenditures, plans, programs and projects prepared by him or her or under his or her supervision;
  - (c) Ensuring that Employees provide, in a timely manner, the information required by the Treasurer for the preparation of his or her quarterly financial reports and for the compilation and preparation of the budget and any supplementary budget of Nemaska;
  - (d) Approving expenditures or commitments of Nemaska in accordance with his or her fields of authority and the maximum amount by transaction provided in **Schedule A** and subject to the budget or any supplementary budget approved by the Council;
  - (e) In conjunction with the Treasurer, ensuring that Nemaska Funds are used for the purposes for which they were intended, as provided by the budget, a supplementary budget, a law of Nemaska or resolutions of the Council;
  - (f) In conjunction with the Treasurer, monitoring financial compliance of Nemaska and its departments with funding agreements entered into by Nemaska, including ensuring that funds are used for the purposes for which they were received, and where necessary to ensure compliance, reporting non-compliance to the Council as soon as practicable;
  - (g) In conjunction with the Treasurer, maintaining a detailed inventory of all Nemaska assets having a reasonable estimate of fair market value over five thousand dollars (\$5,000);
  - (h) In conjunction with the Treasurer, reallocating the excess of any eligible, available credit from one budgetary appropriation to another within the same department, program or service for amounts of up to twenty-five thousand dollars (\$25,000) in accordance with section 77;
  - (i) In conjunction with the Treasurer, ensuring the production and submission of final or special reports required by funding agreements within the prescribed time limits;
  - (j) In coordination with other Employees, as applicable, monitoring financial compliance of Nemaska with contracts entered into by Nemaska and providing reports to the Executive Committee, all as contemplated by Division XIII;

- (k) Making a report to the Council, the Executive Committee, or another Nemaska Committee, as the case may be, on any matter that he or she believes should be brought to it in view of the sound management of Nemaska Funds, the operations of Nemaska and the welfare of its Members; he or she shall, where he or she considers it necessary, add his or her own conclusions to the record of any matter submitted to the Council, the Executive Committee or another Nemaska Committee;
- (l) Ensuring that any person who is a Council member, Employee, a member of a Nemaska Committee and who ceases, for any reason, to hold office, returns promptly to Nemaska any money, keys, books, documents, records or other property of Nemaska that is in his or her possession or control by virtue of that office. This duty shall also apply with respect to any person engaged by Nemaska and who receives any such property of Nemaska in any form, upon ceasing to be engaged by Nemaska.

## **IX. CORPORATE SECRETARY**

- 48. The Corporate Secretary is responsible for the safekeeping of all the books, records and documents of Nemaska and for ensuring the timely preparation of the minutes of all Council meetings, Executive Committee meetings, meetings of the Cree First Nation, including Ordinary Meetings and Special Meetings, as well as related resolutions, in addition to his or her other responsibilities under this Law.
- 49. The Corporate Secretary shall provide a copy of this Law or any resolution of Nemaska related to a matter contemplated herein to any person who pays the reasonable fee fixed by the Council.

## **X. AUDIT COMMITTEE**

- 50. The Council hereby establishes an Audit Committee pursuant to section 3.15 of the Cree Constitution and subparagraph 6.2(1)(a)(ii) of the Governance Agreement, and such Nemaska Committee shall be composed of three Council members.
- 51. Members of the Audit Committee are appointed by resolution of the Council, from among its members who do not sit on the Executive Committee and who are not Employees to the extent possible given the composition of the Council, for a one year, renewable term.
- 52. The role, functions, responsibilities and rules of internal management of the Audit Committee shall be determined in an Audit Charter to be approved by the Council, by resolution.
- 53. The Audit Committee shall begin to carry out its role, responsibilities and functions once all of its members are duly appointed pursuant to section 51 and the Council has approved the Audit Charter.

**PART III  
BUDGETS**

54. The Council shall, by resolution, prior to the beginning of each Fiscal Year, adopt a budget for Nemaska for that Fiscal Year, and may, if it deems necessary in the course of the Fiscal Year, adopt supplementary budgets for Nemaska for that Fiscal Year.
55. Forthwith after adopting a budget or supplementary budget, the Treasurer shall ensure that:
- (a) the budget or supplementary budget is clearly presented and explained to the Members at an Ordinary Meeting;
  - (b) a copy thereof is made available at the head office of the Cree Nation of Nemaska, for inspection by Members at reasonable hours; and
  - (c) a copy thereof is sent to the Cree Nation Government.
56. Where the Council fails to adopt a budget for a Fiscal Year prior to the beginning of that Fiscal Year, the budget and any supplementary budgets of the previous Fiscal Year apply until a new budget is adopted.

**PART IV  
FINANCIAL MANAGEMENT**

**XI. DEPOSITS**

57. The Treasurer shall ensure that at least one (1) account held in the name of the Cree Nation of Nemaska is established at a chartered bank, trust company or other similar financial institution. The Council may authorize the Treasurer to open other bank accounts in the name of the Cree Nation of Nemaska, where necessary and appropriate to manage Nemaska Funds.
58. The Treasurer shall ensure the safekeeping of all Nemaska Funds received and shall ensure the maintenance of adequate, timely and accurate financial records and reporting systems that record all financial transactions of Nemaska.
59. Upon receipt of any Nemaska Funds, the Treasurer shall ensure that:
- (a) all cheques are stamped immediately upon receipt with a stamp that designates the moneys for deposit into an account in the name of the Cree Nation of Nemaska established pursuant to section 57;
  - (b) the funds are deposited into such account within five (5) days of receipt; and
  - (c) a receipt is promptly issued in the correct amount to the payor.
60. Any cash that must be kept in the Cree Nation of Nemaska office shall be kept in a locked and secure location at the end of each business day.



## **XII. EXPENDITURES AND FINANCIAL AUTHORITY**

61. The Cree Nation of Nemaska may not expend moneys or commit itself, by contract or otherwise, to expend moneys, unless
- (a) such expenditure is authorized by or under a law or resolution; and
  - (b) a certificate is issued by the Treasurer or his or her designate stating that moneys are available for such expenditure.
62. Non-compliance by Nemaska with section 61 does not affect the validity or enforceability, with respect to the other party, of Nemaska's commitment to expend moneys, if the other party took reasonable steps to satisfy itself that Nemaska had complied with section 61.
63. Where a law or resolution referred to in section 61 is inconsistent with Nemaska's budget or a supplementary budget, the law or resolution shall so state, but a non-compliance with this section does not affect the validity of the law or resolution.

### Authorization of Expenditures and Commitments

64. For greater certainty, the adoption by the Council of the budget or a supplementary budget does not replace the need for authorization and certification provided under section 61.
65. For the purpose of subsection 61(a), the Council hereby permits only the persons and Nemaska Committees listed in **Schedule A** to authorize expenditures and to make financial commitments on behalf of Nemaska in accordance with the amounts by transaction, responsibilities and the fields of authority set forth in **Schedule A**, the whole subject to section 67.
66. For greater certainty, notwithstanding any other law of Nemaska that does not make explicit reference to this Law, **Schedule A** provides a definitive and exhaustive list of the persons and Nemaska Committees permitted to authorize expenditures and to make financial commitments on behalf of Nemaska, subject to the amounts by transaction, responsibilities and the fields of authority provided therein.
67. Prior to authorizing any expenditure or commitment pursuant to section 65, the person or Nemaska Committee shall ensure that such expenditure or commitment respects the budget or a supplementary budget, meets requirements relating to procurement and the awarding of contracts, as applicable, is permitted by any applicable funding agreement, as the case may be, and that funds are available for such purposes.
68. No person shall split or segment an expenditure or financial commitment for the purpose of permitting a person or Nemaska Committee to authorize expenditures or financial commitments that would otherwise not be permitted under section 65 and **Schedule A**.

### Certification of Available Funds

69. The Treasurer, or in his or her absence, the designate of the Treasurer, shall only issue a certificate contemplated by subsection 61(b) after having confirmed that such expenditure or commitment is authorized by resolution of the Council or under this Law, and that moneys are available for such expenditure.
70. For the purpose of subsection 61(b), with respect to expenditures of fifty thousand dollars (\$50,000) or less, the signature of the Treasurer or in his or her absence, the designate of the Treasurer, on the relevant cheque, or any corresponding authorization for another form of payment, is deemed to constitute a certificate contemplated by section 69.

### Payment

71. No Nemaska Funds may be released or otherwise paid out unless the expenditure has been previously authorized and certified in accordance with this Law and a requisition for payment is provided indicating the budgetary appropriation or appropriations from which it is to be paid, with documentation supporting the chargeable expenditure.
72. Any payment allowed by this Law shall be made for the purpose for which it was intended, shall be effected by cheque, draft, electronic transfer or other similar instrument, and shall be made in accordance with section 73.
73. The Council hereby designates the Treasurer and Director General and may, by resolution, designate up to five (5) other individuals, to sign a cheque or otherwise make any other form of payment on behalf of the Cree Nation of Nemaska, provided that any such payment shall be made by either the Treasurer or the Director General and another individual designated by the Council.
74. Subject to the initial authorization of the expenditures or other approval of expenses in accordance with subsection 61(a) or section 65, as applicable, the Treasurer shall pay, upon receipt, the invoices, accounts or other recurrent amounts owing by the Cree Nation of Nemaska, in relation to the following:
  - (a) public utility services and heating oil and gas, as applicable;
  - (b) salaries and the remittance of various deductions from salaries and any related employer contributions, in accordance with the remuneration policy and other relevant decisions duly approved by the Council;
  - (c) duly approved maintenance and service agreements;
  - (d) mail and messenger expenses;
  - (e) vehicle registration fees and regular maintenance fees for Nemaska vehicles;
  - (f) premiums of insurance policies;
  - (g) reimbursement of petty cash;

- (h) the rental or lease of equipment, machinery or buildings for Nemaska; and
  - (i) contributions to professional associations for Employees.
75. Subject to the initial authorization of the expenditures in accordance with subsection 61(a) or section 65, as applicable, the Treasurer shall also pay, to the relevant party, the following:
- (a) subsidies;
  - (b) money transfers received on behalf of a third party; and
  - (c) other duly pre-approved expenses.

Monitoring Expenditures, Commitments and Budgetary Variations

76. Every person who is responsible for managing an appropriation under the budget or any supplementary budget shall:
- (a) conduct regular monitoring of the budgetary appropriation for which he or she is responsible;
  - (b) maintain a current record of commitments chargeable to that appropriation and promptly provide such record to the Treasurer upon request;
  - (c) report immediately to the Treasurer when he or she anticipates a budget variation that is likely to exceed the budgetary appropriation for which he or she is responsible, or when he or she anticipates that a budgetary appropriation for which he or she is responsible is likely not to be expended, in whole or in part; and
  - (d) justify and explain in writing, in a note to the Treasurer, any budget variation observed or anticipated, accompanied if necessary by a budgetary reallocation request.
77. If a budget variation, including a budget variation contemplated by subsection 76(c), cannot be absorbed in the relevant budgetary appropriation, the excess of any eligible, available credit may be reallocated from one budgetary appropriation to another within the same department, program or service, subject to the following:
- (a) as applicable, such reallocation must first be recommended by the responsible Director, and such recommendations shall, subject to urgent or extraordinary circumstances, be considered by June 1, September 1, December 1 or February 1 of the Fiscal Year;
  - (b) for reallocations of up to twenty-five thousand dollars (\$25,000), the Treasurer and the Director General may reallocate the excess of any eligible, available credit from one budgetary appropriation to another within the same department, program or service, and so inform the Council as soon as practicable;
  - (c) for reallocations greater than twenty-five thousand dollars (\$25,000) but less than fifty thousand dollars (\$50,000), the Treasurer and the Director General must recommend the reallocation to the Executive Committee, and the Executive Committee may reallocate the excess of any eligible, available credit from one budgetary appropriation to another within the same department, program or service, and so inform the Council as soon as practicable.

78. If a budget variation or proposed budgetary reallocation:
- (a) is fifty thousand dollars (\$50,000) or more;
  - (b) cannot be absorbed within the same department, program or service as contemplated by section 77; or
  - (c) as applicable in the case of a budget variation, exceeds the overall budget or supplementary budget,

the Executive Committee shall submit to the Council a proposal for the reallocation of eligible budgetary credits from one department, program or service to another, or a proposal for otherwise addressing the budget variation, in the form of a proposed supplementary budget, for consideration and approval by the Council.

79. On a quarterly basis, the Treasurer, or in his or her absence the designate of the Treasurer, shall report to the Council and the Executive Committee with the following information for the previous period:
- (a) a summary of revenues and expenditures for the previous period, including with respect to capital projects, compared with the budget or a supplementary budget, as applicable, and relevant information regarding cash flow;
  - (b) a cumulative summary of year-to-date revenues and expenditures compared with the budget or a supplementary budget, as applicable;
  - (c) bank balances for all accounts in the name of Nemaska; and
  - (d) a cash flow report for the preceding period showing annual projections for each department and year-to-date revenues and expenditures of each department.

#### Emergency Expenditures

80. In the case of an emergency, the Executive Committee may approve a reasonable expenditure, with regard to the circumstances, for an emergency purpose that was not anticipated in the budget or a supplementary budget.
81. In the event that it is not possible to convene an emergency meeting of the Executive Committee in the case of an emergency, the Treasurer and Director General, or in exceptional circumstances, one of them, may approve an expenditure contemplated by section 80.
82. For the purposes of sections 80 and 81, an “emergency” means a situation posing an immediate threat to public health and safety or a serious, immediate risk to Nemaska assets that must be addressed without delay, such as a serious fire or a significant rupture of a water main.
83. An emergency expenditure under section 80 or section 81 shall be reported to the Council as soon as practicable and, as applicable, the Council may be required to approve a supplementary budget.

### **XIII. MONITORING OF CONTRACTS AND FUNDING AGREEMENTS**

84. Officers and Directors shall monitor contracts under their responsibility on a regular basis, including with respect to the performance of work and services and the delivery of goods, as applicable.
85. Directors and Officers other than the Director General shall report at least on a quarterly basis, or as soon as practicable in the case of a significant issue, to the Director General regarding the contracts under their respective responsibilities with respect to:
  - (a) the status of the delivery of project, service or program;
  - (b) a comparison of budgeted and actual costs;
  - (c) any legal, financial, technical or scheduling issues to date, or that may be reasonably anticipated;
  - (d) any other significant issue regarding the performance of the contract or a Nemaska obligation thereunder; and
  - (e) the manner in which an issue contemplated by paragraph (c) or (d) has been, or will be, addressed, or recommendations to the appropriate Nemaska authority with respect thereto.
86. Section 85 shall apply with the necessary adaptations to the Director General regarding the contracts under his or her responsibility, and he or she shall report to the Executive Committee.
87. The Director General and Treasurer, in collaboration with the relevant Director or Directors, as applicable, shall ensure that funds received by Nemaska pursuant to funding agreements are used in accordance with the limitations and the specific conditions provided therein.
88. The Director General, in collaboration with the relevant Director or Directors and the Treasurer, as applicable, shall ensure that final and special reports required to be produced by Nemaska pursuant to funding agreements are produced and submitted within the prescribed time limits.
89. Nemaska shall conclude contribution agreements with third parties to which Nemaska provides funding for specific activities and projects.
90. The Director General, in collaboration with the Treasurer and the relevant Director or Directors responsible for liaising with the third party, as applicable, shall ensure that the third party respects the terms of the contribution agreement, including with respect to use of funds provided by Nemaska and regarding any final and special reports to be provided to Nemaska.
91. At least on a quarterly basis, or as soon as practicable in the case of a significant issue or concern or where it is necessary to ensure compliance with an agreement or contract, the Director General shall report to the Executive Committee regarding:
  - (a) a summary of the reports received pursuant to section 85;
  - (b) the contracts under his or her responsibility, pursuant to section 86;

- (c) the implementation of sections 87 or 88; and
- (d) recommendations regarding the proposed course of action related to any of the preceding paragraphs.

92. The Executive Committee shall report to the Council at least on an annual basis, or as required in relation to a significant issue or concern or where it is necessary to involve the Council to ensure compliance with an agreement or contract, regarding a report received pursuant to section 91.

#### **XIV. BORROWING POWERS**

93. Nemaska may not borrow money on either a short-term or long-term basis, including in the form of a line of credit, otherwise than in accordance with the applicable provisions of the Cree Constitution, the substance of which has been included in this Law.

94. For the purposes of this Division XIV, money shall be deemed to be borrowed on a short-term basis only if:

- (a) it is borrowed for the purpose of meeting the normal operating expenditures of Nemaska;
- (b) it is to be repaid within one year from the day on which it is borrowed, and in the case of a line of credit, amounts drawn therefrom are to be repaid within one year from the day on which the amounts are drawn down; and
- (c) Nemaska has, prior to borrowing the money, identified the source of revenue from which the money is to be repaid.

95. The Treasurer shall regularly monitor the use and repayment of any amounts drawn from a line of credit for the purpose of short-term borrowing, as contemplated by section 94, and report at least on an annual basis to the Council with respect thereto.

96. All borrowing that is not on a short-term basis shall be deemed to be on a long-term basis.

97. Where a source of revenue has been identified pursuant to subsection 94(c), moneys received by Nemaska from that source shall be applied to the repayment of the loan in question.

98. Each borrowing by Nemaska, whether on a short-term basis or on a long-term basis, must be authorized by a law of Nemaska, which law must specify:

- (a) the amount to be borrowed and the purpose of borrowing; and
- (b) the manner and terms of repayment and the repayment date or dates.

99. A law made under section 98 authorizing short-term borrowing by means of a line of credit must be passed annually.

100. A law made under section 98 authorizing long-term borrowing must be approved by the Electors at a Special Meeting or referendum at which at least twenty per cent of the Electors voted on the matter. This requirement does not apply to a long-term borrowing to fund projects of Nemaska related to community housing.

101. In addition to the information required pursuant to section 98, a law authorizing a long-term borrowing shall specify the following:
- (a) the name and address of the lender;
  - (b) the interest, commissions, premiums and other similar costs related to the long-term borrowing;
  - (c) the source of revenue and the portion of the revenue from that source from which the long-term borrowing is to be repaid and the costs related thereto are to be paid; and
  - (d) the security, if any, given by Nemaska for the repayment of the long-term borrowing and the payment of the costs related thereto.
102. Nemaska shall apply sufficient moneys from the revenue received from the source specified pursuant to subsection 101(c) to repay the long-term borrowing and to pay the costs related thereto.
103. No Council member, Officer, Employee or agent of Nemaska shall knowingly apply or assist in the application of any moneys received by Nemaska from the portion of the revenue specified pursuant to subsection 101(c) for the repayment of a long-term borrowing and the payment of the costs related thereto to anything other than the repayment of the long-term borrowing and the payment of the costs related thereto prior to the time the long-term borrowing is repaid and the costs related thereto are paid.
104. Every person who contravenes section 103 commits an offence pursuant to paragraph 7.11(4) of the Cree Constitution and is liable on summary conviction to a fine not exceeding two thousand dollars (\$2,000) or to imprisonment for a term not exceeding six (6) months or to both.

## **XV. ALIENATION AND DISPOSAL OF NEMASKA ASSETS**

105. Unless otherwise provided by this Law, no asset of Nemaska may be alienated otherwise than in return for valuable consideration. Notwithstanding the foregoing, Nemaska may alienate without valuable consideration assets to any entity related to, affiliated to or directly or indirectly controlled by Nemaska, including to a trust in respect of which Nemaska is a direct or indirect beneficiary or to a partnership of which Nemaska is a direct or indirect member.
106. Subject to the following provisions of this Division XV, Nemaska may alienate or dispose of Nemaska assets that are no longer required or that must be replaced using the most cost-effective method in view of the nature and value of the asset, and where such asset was purchased pursuant to a funding agreement, to any relevant terms or conditions thereof, from among the following:
- (a) public tender;
  - (b) auction;
  - (c) mutual agreement;

(d) donation to a not-for-profit organization; or

(e) scrapping (destruction).

107. Subject to section 106, the Director General and the Executive Committee, as applicable, may alienate or dispose of Nemaska assets other than immovable Nemaska assets in accordance with the following conditions:

(a) Director General – reasonable estimated value of up to five thousand dollars (\$5,000);

(b) Executive Committee – reasonable estimated value of up to twenty-five thousand dollars (\$25,000), upon the recommendation of the Senior Management Committee.

108. Nemaska assets with a reasonable estimated value greater than twenty-five thousand dollars (\$25,000) and immovable Nemaska assets may only be alienated or disposed of with the approval of the Council, as evidenced by resolution.

109. An asset of Nemaska with a reasonable estimated value greater than five thousand dollars (\$5,000) may only be alienated by Nemaska by auction or public tender, unless otherwise provided by resolution of the Council.

110. Any amount received in relation to the alienation or disposal of a Nemaska asset shall be deemed to be Nemaska Funds and remitted promptly to the Treasurer, or, with the prior written consent of the Treasurer, shall be used to offset the cost of purchase of a replacement asset.

111. On a quarterly basis, the Corporate Secretary shall publish, as applicable, a notice concerning the assets with a reasonable estimated value greater than five thousand dollars (\$5,000) that were alienated by Nemaska otherwise than by auction, by public tender or pursuant to a general housing program approved by the Council, by resolution. The notice shall describe each asset and indicate for each the price of alienation and the identity of the purchaser.

## **XVI. COLLECTION OF DEBTS OWED TO NEMASKA**

112. The Treasurer shall seek, or cause to be sought, agreement for a payment plan from each person or entity that owes money to Nemaska.

113. The Executive Committee may initiate legal proceedings to collect debts owed to Nemaska that are greater than five thousand dollars (\$5,000), more than ninety (90) days in arrears and for which the debtor has failed to agree to a repayment plan according to section 112, despite reasonable efforts to conclude such an agreement with the debtor.

114. The Treasurer may set off or designate another person to set off any amount owing to Nemaska against any money owed to the debtor from Nemaska, as permitted by law.



115. A debt or obligation owed to Nemaska, or any part thereof, may be only written off or extinguished:
- (a) with the approval of the Council, as evidenced by resolution; or
  - (b) under the authority of a general policy or directive of the Council.

## **XVII. INVOICING**

116. The Treasurer or his or her designate shall ensure that an invoice is rendered, in a timely manner, for all work, goods or services that are provided by Nemaska in exchange for payment.
117. The Treasurer shall ensure that any invoice of Nemaska is paid within the prescribed time limits, failing which he or she shall take the measures contemplated by Division XVI of this Law regarding collection of debts owed to Nemaska.

## **XVIII. TRAVEL EXPENSES AND CREDIT CARDS**

118. On an annual basis, and further to input from the Treasurer, the Executive Committee shall recommend allowable rates of travel expenses and conditions of reimbursement to the Council, for its approval by resolution. Where there have been no recommended changes, the previous existing rates and conditions shall apply until amended by resolution of the Council.
119. Credit cards of Nemaska are to be provided only to the Chief, Deputy Chief, the Director General and the Treasurer, and these credit cards are to be used solely for Nemaska business purposes and subject to any policy of Nemaska with respect thereto.
120. All statements for a credit card of Nemaska shall be verified by the Treasurer or his or her designate, and by the designate in the case of the statements for the Treasurer, and accompanied by his or her comments and recommendations, prior to their submission for approval pursuant to section 121.
121. The credit card statements and related claims of the Chief, Deputy Chief and Treasurer shall be subject to the approval of the Director General. The credit card statements and related claims of the Director General shall be subject to the approval of the Treasurer.
122. Payment of statements for credit cards of Nemaska shall only be approved where the expenses contained therein are supported with receipts and are attributed to valid expenses incurred for Nemaska business purposes.
123. Any expense contained in a statement of a credit card of Nemaska that is not approved pursuant to section 121 shall be assumed, and paid promptly, by the person who incurred it. Any amount that is not paid promptly shall be considered to be a debt owed to Nemaska, and subject to Division XVI, and notice thereof shall be provided to the Executive Committee as soon as practicable.
124. The Treasurer shall ensure that the credit card statements for all credit cards of Nemaska, the associated claims and supporting documentation and related approvals, are submitted on a quarterly basis to the Executive Committee, for its review.

125. The Executive Committee shall report any serious irregularity regarding credit card use and related claims to the Council as soon as practicable, and the Executive Committee may recommend any appropriate measures to the Council with respect thereto, including the cancellation of the credit card.

**PART V**  
**BOOKS AND FINANCIAL RECORDS**

**XIX. BOOKS AND RECORDS**

126. The Treasurer shall keep books of account and financial records that:
- (a) contain, as a minimum:
    - i) an account of all moneys received and disbursed;
    - ii) an account of revenues and expenditures;
    - iii) record of accounts payable and receivable;
    - iv) an account of assets and liabilities; and
    - v) an account of all other transactions that may affect the financial position of Nemaska;
  - (b) conform with generally accepted accounting principles, subject to the provisions of the Cree Constitution and the conditions, adaptations and interpretations agreed with the Cree Nation Government and/or the Government of Canada from time to time; and
  - (c) permit a comparison between:
    - i) revenues and expenditures as shown in the books of account and financial records, and
    - ii) the projected revenues and expenditures as shown in the budget and any supplementary budget.

**XX. ACCESS TO BOOKS AND RECORDS**

127. The Treasurer shall allow a Council member or an Elector, or any person authorized in writing by a Council member, by an Elector or by the Cree Nation Government, to inspect, at any reasonable time, the books of account and financial records of Nemaska.
128. A person who obstructs any of the parties contemplated by section 127 from inspecting the books of account and financial records of Nemaska at a reasonable time, or who, having control or possession of those books or records, fails to give all reasonable assistance to that party, is guilty of an offence under paragraph 7.3 (2) of the Cree Constitution, and is liable thereunder, on summary conviction, to a fine not exceeding two thousand dollars (\$2,000) or to imprisonment for a term not exceeding six (6) months or to both.

## **XXI. FINANCIAL STATEMENTS AND ACCOUNTABILITY**

129. Within two (2) months after the end of each Fiscal Year, Nemaska shall prepare a financial statement in comparative form, containing, as a minimum:
- (a) a balance sheet;
  - (b) a statement of revenues and expenditures and a comparison of these with the amounts stated in Nemaska's budget and any supplementary budget; and
  - (c) any other information necessary for a fair presentation of the financial position of Nemaska.
130. Within one hundred and eighty (180) days after the end of each Fiscal Year, Nemaska shall distribute free of charge to all its Electors, or publish in a community newspaper, a summary report of the financial position of Nemaska dealing with the following elements:
- (a) latest audited financial statements;
  - (b) auditor's latest report;
  - (c) the remuneration that each Council member receives from Nemaska and its subsidiaries.
131. The Treasurer shall be responsible for overseeing the following:
- (a) the preparation of the financial statement contemplated by section 129;
  - (b) the preparation of the summary report contemplated by section 130;
  - (c) the submission of the financial statements and the summary report to the Council for its approval; and
  - (d) the distribution of the summary report contemplated by section 130.
132. The Council shall adopt, by resolution, a policy or policies regarding:
- (a) the remuneration of elected officials; and
  - (b) honorariums and other remuneration in relation to Nemaska Committees.

**PART VI**  
**AUDIT**

**XXII. APPOINTMENT OF AUDITOR**

133. For each Fiscal Year, the Electors shall, at a Special Meeting or referendum at which at least five (5) per cent of the Electors voted on the matter:
- (a) appoint a duly accredited auditor of Nemaska and fix or provide for his or her remuneration;  
or
  - (b) authorize the Council to appoint a duly accredited auditor and to fix or provide for his or her remuneration.
134. Where no auditor has been appointed under section 133 within three (3) months after the beginning of a Fiscal Year, the Cree Nation Government may appoint an auditor for that Fiscal Year and fix his or her remuneration.
135. The auditor appointed pursuant to section 133 or 134 holds office until he or she is re-appointed, or until a new auditor is appointed thereunder.
136. Where a vacancy occurs during the term of the Auditor, the Council shall forthwith appoint a new auditor for the remainder of the term of the former auditor and shall fix the new auditor's remuneration.
137. The Auditor shall be independent of Nemaska, Council and Nemaska Committee members, Employees, Members and any entity in which Nemaska has control. The Auditor may not accept nor carry out, directly or indirectly through corporations, partnerships, trusts in which he or she has an interest or otherwise, any consultancy or other contract (except for auditing services) for or concerning the Cree Nation of Nemaska, the Council or Nemaska Committee members, Employees, Members or any entity in which the Cree Nation of Nemaska has control for as long as the Auditor is acting in such capacity and, upon his or her appointment, the Auditor shall undertake in writing not to do so for a period of one (1) year following the end of his or her mandate as Auditor.
138. If the Auditor ceases to be independent as contemplated by section 137, as soon as practicable after becoming aware of the circumstances, he or she shall advise the Council in writing of the circumstances and either eliminate the circumstances that resulted in loss of independence or resign as the Auditor of Nemaska.

### **XXIII. DUTY OF AUDITOR**

139. Within four (4) months after the end of the Fiscal Year, the Auditor shall prepare and submit to Nemaska, with a copy to the Cree Nation Government, a report on the financial statement of the Cree Nation of Nemaska, stating whether, in the opinion of the Auditor, the financial statement presents fairly the financial position of Nemaska in accordance with generally accepted accounting principles applied on a basis consistent with that applied in the previous Fiscal Year, subject to the provisions of the Cree Constitution and the conditions, adaptations and interpretations agreed with the Cree Nation Government and/or the Government of Canada from time to time.
140. If the Auditor has not been able to prepare the report within the period mentioned in section 139, the auditor shall notify Nemaska and the Cree Nation Government, of the reasons for the delay.
141. For the purpose of preparing his or her report, the Auditor may, at all reasonable times, inspect the financial records, accounts, books, minutes, vouchers and receipts of the Cree Nation of Nemaska, its subsidiaries and any person or body who administers money on behalf of Nemaska, including a Nemaska Committee or one of its members, insofar as the records or other documents relate to the money being administered on behalf of the Cree Nation of Nemaska.
142. Any person who obstructs the Auditor in the performance of his or her duties or, having control or possession of the records and documentation contemplated by section 141, fails to give the Auditor all reasonable assistance in the performance of his or her duties, is guilty of an offence under section 7.7 of the Cree Constitution, and is liable thereunder, on summary conviction, to a fine not exceeding two thousand dollars (\$2,000) or to imprisonment for a term not exceeding six (6) months or to both.

### **XXIV. PRESENTATION OF AUDITOR'S REPORT AND OTHER REPORTS TO MEMBERS**

143. The Treasurer shall ensure that the Auditor's report is clearly presented and explained to the Members at an Ordinary Meeting.
144. The Treasurer shall ensure that a copy of the Auditor's report is made available at the head office of the Cree Nation of Nemaska, for inspection by Members at reasonable hours, and that a copy thereof is sent to the Cree Nation Government.
145. Directors shall present activity reports and related financial information regarding the activities, programs and budgetary appropriations under their responsibility to Members at an Ordinary Meeting.

**PART VII**  
**ETHICS AND GOOD CONDUCT**

**XXV. GENERAL PRINCIPLES AND OBLIGATIONS**

146. In exercising his or her powers and discharging his or her duties, an Employee or a member of the Council or a Nemaska Committee shall:
- (a) act honestly and in good faith with a view to the best interests of the Cree Nation of Nemaska;
  - (b) avoid or duly disclose any situation in which he or she may be, or be perceived to be, in conflict of interest, in writing or as otherwise provided under this Law; and
  - (c) exercise the care, diligence and skill of a reasonably prudent person.
147. For the purpose of this Law, a conflict of interest arises in any situation where:
- (a) a person's interest comes into conflict with the interests of Nemaska, including with respect to a person's pecuniary interest as contemplated in Division XXVI, or
  - (b) as a result of his or her interest, a person may be reasonably perceived to come into conflict with the interests of Nemaska, or
  - (c) a person's ability to act in the best interests of Nemaska may be compromised, or
  - (d) a person's ability to act in the best interests of Nemaska may be reasonably perceived to be compromised.
148. For the purpose of this Law, the interest of
- (a) a corporation, person, body, partnership or joint venture in which an Employee or a member of the Council or a Nemaska Committee is involved in a manner described at paragraphs 157(b) and (c), and
  - (b) of a member of the immediate family of an Employee or a member of the Council or a Nemaska Committee, are deemed to be an interest of the Employee or a member of the Council or a Nemaska Committee, as the case may be.
149. In particular, an Employee and a member of the Council or a Nemaska Committee shall not:
- (a) act or attempt to act, or fail to act, in any way, in carrying out the duties of office, so as to further his or her private interests or further improperly those of another person;
  - (b) make or participate in making a decision in his or her official capacity if in the making of the decision there is the opportunity to further, directly or indirectly, his or her private interests or further improperly those of another person;

- (c) use his or her position to influence or attempt to influence another person's decision so as to further his or her private interests or further improperly those of another person;
- (d) solicit, elicit, accept or receive any benefit, whether for himself or for herself, or for another person, in exchange for taking a position on a matter that may be brought before the Council or a Nemaska Committee on which he or she sits, or otherwise make or participate in making a decision, if in the making of the decision there is the opportunity to further, directly or indirectly, his or her private interests or further improperly those of another person;
- (e) accept any gift, hospitality or other benefit, whatever its value, that may impair his or her independence of judgment in carrying out the duties of office, or that may compromise his or her integrity, including any gift, hospitality or other benefit valued at more than five hundred dollars (\$500);
- (f) use the resources of Nemaska or any body, enterprise or entity owned or controlled by Nemaska for personal purposes or for purposes other than activities related to the duties of office; and
- (g) use or communicate, or attempt to use or communicate, whether during or after his or her term of office or of employment, as the case may be, of information obtained in or in connection with the carrying out of the duties of office or employment that is not generally available to the public so as to further his or her private interests or those of another person.

## **XXVI. PECUNIARY INTERESTS**

- 150. A Council member shall disclose to the Council any pecuniary (that is, financial) interest that he or she has, or may reasonably be perceived to have, in any matter before the Council and shall not vote or take part in deliberations of the Council on that matter, and he or she shall be physically excluded from the meeting space during such deliberations and vote.
- 151. The disclosure required by section 150 shall be made:
  - (a) at the meeting at which the matter is first considered and prior to any deliberation and vote of the Council on such matter;
  - (b) if the Council member was not, at the time of the meeting referred to in paragraph (a), interested in the matter, at the first meeting after he or she becomes so interested;
  - (c) if the Council member becomes interested in a matter after a decision has been made in regard to such matter, at the first meeting after he or she becomes so interested; or
  - (d) if an individual who is interested in a matter later becomes a Council member, at the first meeting after he becomes a Council member.
- 152. Where a disagreement arises as to whether a Council member has a pecuniary interest in a matter before the Council, the Council shall decide by vote whether the Council member has such an interest or may reasonably be perceived to have such an interest, and the Council member in question may not take part in that vote, and he or she shall be physically excluded from the meeting space during such vote and related deliberations.

153. Sections 150 to 152 shall apply to Officers and Nemaska Committee members with the necessary adaptations.
154. The minutes of the meeting of the Council or Nemaska Committee at which a disclosure is made or a decision of the Council or Nemaska Committee is made pursuant to this PART VII must mention the name of the person concerned and describe the general nature of the disclosed pecuniary interest and the matter before the Council or Nemaska Committee in which he or she has, or may reasonably be perceived to have, such an interest.
155. An Employee, including an Officer, shall disclose in writing to his or her supervisor or to the Director General any pecuniary interest that he or she has, or may reasonably be perceived to have, in any matter, contract or transaction of Nemaska in which he or she is involved and shall not take part in deliberations, decisions or the preparation of recommendations on that matter, contract or transaction. In the case of the Director General, this disclosure shall be made to the Executive Committee.
156. The disclosure required by section 155 shall be made at the earliest possible opportunity when the Employee becomes involved and interested in a matter, contract or transaction, or may reasonably be perceived to be involved or have an interest therein.
157. For the purpose of this Law, a person has a pecuniary (that is, financial) interest in a matter:
- (a) if he or she has or will have a financial benefit from that matter or he or she has a reasonable expectation to derive a financial benefit, advantage or other valuable benefits from that matter;
  - (b) if he or she
    - i) is a shareholder in a corporation that does not offer its shares to the public, or is a director or officer of such a corporation unless it is a corporation in which Nemaska has a direct or indirect interest and his or her appointment is related to such interest,
    - ii) has a substantial interest in, or is a director or officer of, a corporation that offers its shares to the public, or
    - iii) is a member of a body, whether incorporated or not, that has a financial benefit in that matter or that has a reasonable expectation to derive a financial benefit, advantage or other valuable benefits from that matter; or
  - (c) if he or she is a partner of a partnership or associated in a joint venture, or is in the employ of a partnership or joint venture, or is in the employ of another person or body, whether incorporated or not, that has a financial benefit in that matter or that has a reasonable expectation to derive financial benefit, advantage or other valuable benefits from that matter.
158. The financial interest of a member of the immediate family of an Employee or a member of the Council or a Nemaska Committee is deemed to be a financial interest of the Employee or a member of the Council or a Nemaska Committee, as the case may be.



159. For the purpose of this Law, a member of the immediate family of an Employee or a member of the Council or a Nemaska Committee means his or her spouse, and his or her parents, children, brothers, sisters, grandparents, grandchildren and any other person who normally resides in the same home as him or her.
160. Sections 157 and 158 shall apply with the necessary adaptations to circumstances in which a person may be reasonably perceived to have a financial interest in a matter, whether or not he or she in fact has such an interest.

## **PART VIII**

### **COMPLIANCE AND ENFORCEMENT**

#### Reports of Financial Irregularities and Breaches

161. Any person may inform and provide relevant details to the Chief, or to another member of the Executive Committee, by signing an attestation that he or she has reason to believe that:
  - (a) an expenditure, liability or other transaction of Nemaska is not authorized by or under this Law;
  - (b) there has been a theft, misuse or other irregularity in relation to Nemaska Funds or regarding accounts, assets, liabilities and financial obligations of Nemaska;
  - (c) a person has failed to comply with a law or policy of Nemaska regarding conflicts of interest;  
or
  - (d) another provision of this Law has been contravened.
162. If an Employee or a member of the Council or a Nemaska Committee becomes aware of any of the circumstances described under section 161, that person shall report it in writing to the Chief, or to another member of the Executive Committee if the circumstances involve the Chief.
163. If a report is made pursuant to section 161 or 162, the Chief or another member of the Executive Committee to whom it is made shall inquire into the circumstances and report the findings to the Executive Committee as soon as practicable.
164. The Executive Committee may make further inquiry into any findings reported to it under section 163, and whether or not such inquiry is made, it shall make a report to the Council respecting these reported circumstances, including its recommendations to the Council.
165. All reasonable steps shall be taken by the members of the Executive Committee and the members of the Council to ensure that the identity of the person who makes a report under section 161 or 162 is kept confidential to the extent possible.

166. A person who makes a report under section 161 or 162 shall not be subjected to any form of reprisal by Nemaska or by an Employee or a member of the Council or a Nemaska Committee as a result of making that report.
167. The Executive Committee shall take all necessary measures to ensure that section 166 is not contravened and shall report any contravention or suspected contravention to the Council.
168. The Council shall ensure:
  - (a) that Employees and members of Nemaska Committees are aware of their duty to report under section 162;
  - (b) that reports made under section 161 or 162, and any records prepared during any related inquiry, are recorded and safeguarded;
  - (c) the fair treatment of a person against whom a report has been made;
  - (d) that inquiries into reports made under section 161 or 162 are undertaken in a manner that respects the requirements of paragraph (c) and sections 165 and 166.

#### Enforcement

169. The violation by an Employee or a member of the Council or a Nemaska Committee of any provision of this Law may entail the imposition by the Council, as it deems appropriate and with due regard for all the circumstances including the nature and seriousness of the violation, one or several of the following sanctions:
  - (a) a reprimand;
  - (b) in the case of Employees, disciplinary measures up to and including dismissal, in accordance with applicable Nemaska policies, as amended from time to time;
  - (c) in the case of a third party providing services to the Cree Nation of Nemaska in a capacity substantively similar to an employee of Nemaska, the termination of the relevant contract or agreement, subject to its terms; or
  - (d) in the case of elected officials, suspension or dismissal as a member of a Nemaska Committee and replacement by another member of the Council.
170. The Council may also, as it deems appropriate and with due regard to the nature and seriousness of the violation, authorize the initiation of civil legal action against any person who expends, or who authorizes or approves the expenditure of, Nemaska Funds or who purports to make any financial commitment on behalf of Nemaska in contravention of this Law, or who otherwise contravenes this Law, and which results in financial loss or damage to Nemaska, in addition to any criminal or penal proceedings that may be initiated with respect to such person.

171. The minutes of the Council meeting at which one or several of the sanctions or decisions of the Council provided by sections 169 or 170 are approved shall mention the name of the Employee or the member of the Council or a Nemaska Committee and describe the circumstances of the violation and the sanction imposed or other decision taken by the Council. The Council shall ensure that such meeting minutes, or the relevant portions thereof, are treated as confidential.

**PART IX**  
**FINAL PROVISIONS**

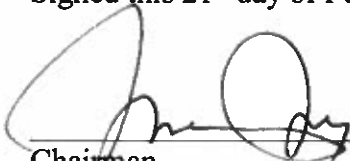
**XXVII. ENACTMENT AND PUBLICATION**

172. This Law shall be enacted at the Council meeting and shall be in force as of April 1, 2019.
173. Within one (1) week of the enactment of this Law, the Corporate Secretary shall post a copy of this Law in a public place in the office of the Cree Nation of Nemaska.

**XXVIII. COMING INTO FORCE**

174. This Law shall come into force on the day on which it is posted, whether or not it is posted within the time set out in section 173.

Signed this 21<sup>st</sup> day of February 2019, in Nemaska.

  
Chairman

  
Corporate Secretary

**SCHEDULE A**

Subject to section 67 of this Law and to a law of Nemaska regarding the awarding of contracts and the calling of tenders that is not inconsistent with this Law, only the persons and Nemaska Committees listed in the table below may approve expenditures and commitments in accordance with the limitations set out therein.

For greater certainty, and notwithstanding any other law of Nemaska that does not make explicit reference to this Law, **Schedule A** provides a definitive and exhaustive list of persons and Nemaska Committees authorized to make financial commitments and expenditures on behalf of Nemaska, their respective fields of authority and maximum spending limits.

No person shall split or segment an expenditure or financial commitment for the purpose of permitting a person or Nemaska Committee to authorize expenditures or financial commitments that would otherwise not be permitted under section 65 and this **Schedule A**.

<b>Nemaska Position/Function</b>	<b>Field of Authority and Responsibilities</b>	<b>Maximum Transaction Amount</b>
<b>Executive Committee</b>	<p>Expenditures and commitments submitted by the Treasurer, Director General or the Senior Management Committee above their respective maximum authority, including expenditures and commitments of the Legislative Department submitted by the Treasurer that are above his or her maximum authority</p> <p>Expenditures and commitments submitted by Directors in relation to the activities of their respective departments and fields of authority that are above their maximum transaction limit and that of the Director General and the Senior Management Committee</p>	Up to \$200,000

<b>Executive Committee</b>	<p>New fixed term (“temporary”) Employee positions, including terms and conditions of employment</p> <p>Other expenditures and commitments required for the sound administration of Nemaska, its programs and services</p>	Up to \$200,000
<b>Senior Management Committee</b>	Expenditures and commitments submitted by Directors in relation to the activities of their respective departments and fields of authority that are above their maximum transaction limit	\$50,001 to \$100,000
<b>Director General</b>	Purchase of services, goods, materials and equipment for Nemaska, and commitments related thereto	Up to \$50,000
	Expenditures and commitments submitted by a Department Director in relation to his or her department or field of authority, above maximum transaction limit of latter.	Up to \$50,000
	Other expenditures and commitments required for the sound administration of Nemaska, and its programs and services	Up to \$50,000

<b>Director General</b>	In exceptional circumstances and in the absence of the Treasurer, the Director General can also authorize the financial commitments and expenditures included in the field of authority and responsibilities of the Treasurer.	Up to \$50,000
<b>Treasurer</b>	<p>Expenditures and commitments relating to financial administrative management</p> <p>Expenditures and commitments relating to the activities of the Finance Department, including in relation to travel and other expenses of Department personnel</p> <p>Expenditures and commitments related to the activities of the Legislative Department, including in relation to travel expenses of Department personnel, professional services, temporary employees and public relation matters.</p>	Up to \$50,000
	In exceptional circumstances and in the absence of the Director General, the Treasurer can also authorize the financial commitments and expenditures included in the field of authority and responsibilities of the Director General.	

<p><b>Department Director</b></p>	<p>Expenditures and commitments relating to the activities of the Department of the Director, including in relation to travel and other expenses of Department personnel</p> <p>As applicable, expenditures and commitments relating to external Councils and committees for which the Director is responsible, as assigned by resolution of the Council, such as:</p> <ul style="list-style-type: none"> <li>• the Youth Council;</li> <li>• the Elders Council;</li> <li>• the Local Justice Committee;</li> <li>• the Local CTA Committee; and</li> <li>• the Nemaska Women's Association.</li> </ul>	<p>Up to \$10,000</p>
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