



FIRST NATIONS
FINANCIAL MANAGEMENT BOARD
LE CONSEIL DE GESTION FINANCIÈRE
DES PREMIÈRES NATIONS

First Nations Financial Management Board

Corporate Plan 2016-2017

Prepared on: May 9, 2016

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Executive Summary

Under the provisions of the *First Nations Fiscal Management Act* (“FMA”) the First Nations Financial Management Board (“FMB”) is Canada’s only legislated body that develops and publishes standards for First Nations’ financial administration laws, financial management systems, financial performance and local revenue financial reporting. Upon request, the FMB certifies First Nations’ compliance to its financial performance and financial management system standards.

The FMB supports First Nations seeking to achieve economic independence and prosperity by voluntarily implementing FMB Financial Management System Standards (“FMSS”). FMB certification standards are a comprehensive suite of industry respected internal management practices that implement principles of effective fiscal stewardship, sound governance, accountable leadership and capacity development. Through the implementation of their Financial Administration Laws, First Nations acquire the knowledge base and financial systems to develop and support their own community and economic development plans. Effective economic plans, supported by sound financial management systems, strengthen the confidence of stakeholders, participants, capital markets and lending institutions, including the First Nations Finance Authority (“FNFA”). Access to capital opens the door to economic opportunities in the form of equity participation, joint ventures, partnerships, new business development, jobs and training.

The magnitude of the economic opportunity and benefits to First Nations through the FMA participation is significant. A report prepared for the FNFA in 2010 forecasts that the own-source revenues for First Nations across Canada totals \$4.4 billion to \$5.7 billion in 2015¹. These revenues could provide an estimated combined borrowing room of \$5.5 billion to \$7.1 billion that First Nations could invest in community infrastructure and economic opportunities through the FMA².

The number of First Nations participating in the FMA continues to grow (see Figure 1 below). There is a continuing trend of uptake by First Nations of scheduling to the FMA (blue), passing Financial Administration Laws (red), and obtaining Financial Performance Certification (green). At present, one hundred seventy-seven (177) First Nations have elected to be added to the Schedule of the FMA, an increase of thirty (30) First Nations over the last year.

¹ Don R. Allen & Associates Ltd. *Analysis and Forecast of First Nations Government Own-Source Revenues*, March 10, 2010

² Estimation technique uses current FNFA borrowing pool as benchmark: cash flow for debt servicing @ 12.5% of revenue, and securitization @ 10x

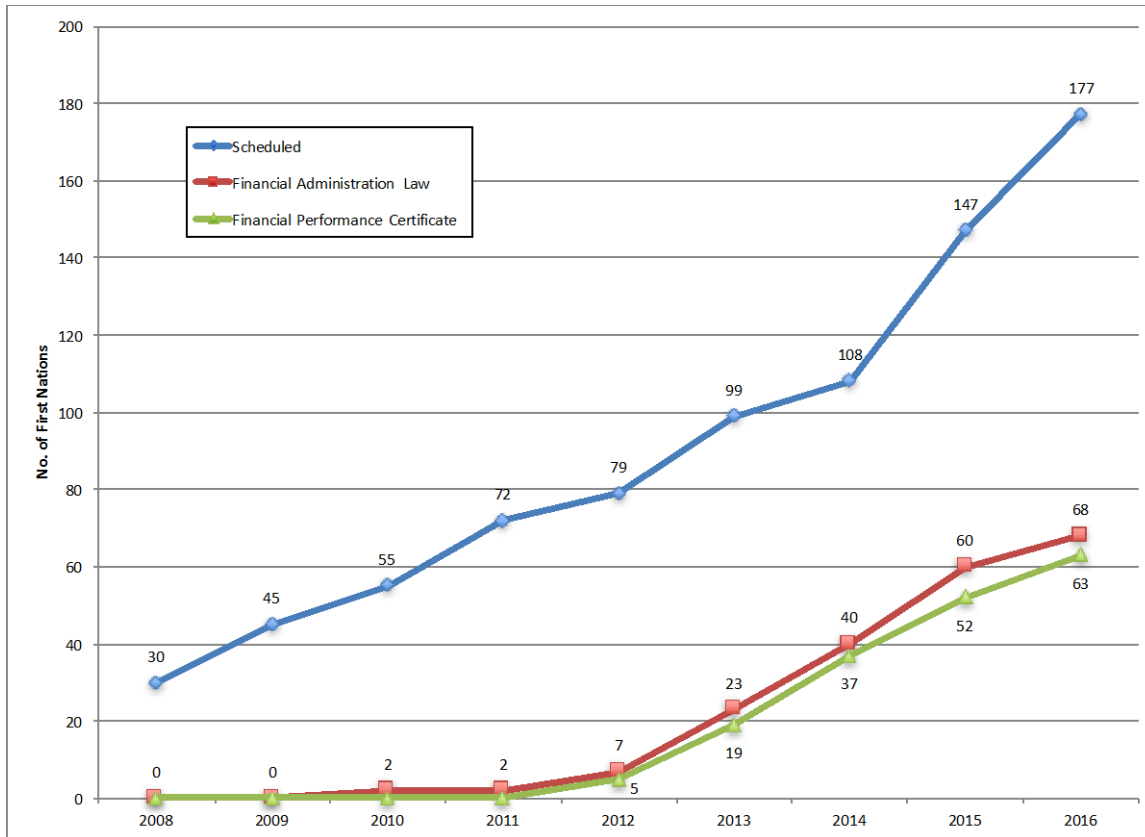


Figure 1 - Count of First Nations Scheduled to the FMA, Financial Administration Laws (“FALs”), and Financial Performance Certificates

The FMA’s mandate is broad in its scope of potential services and assistance to First Nations. FMB services are currently directed toward:

- Market Development, Financial Administration Laws, Stakeholder Relations
- Standards Development
- Certification (Financial Performance and Financial Management Systems), and
- Capacity Development and Intervention

(the “**Core Services**”)

All FNFA borrowing First Nations’ commit to achieve Financial Management Certification (“FMSC”). In 2016/2017 the FMB will continue to provide guidance and technical support for First Nations to fully develop and implement the FMB’s FMSS. These include work plans, self-assessment tools, and a suite of sample financial policies and procedures.

In addition to supporting the FMB’s Core Services, the proposed budget for 2016/2017 will enable FMB to address the following strategic issues:

- **Expanding national presence:** the FMB is receiving recognition and interest from a growing number of First Nations across Canada. The pie charts (below) illustrate how the geographic proportion of Letters of Cooperation received by the FMB has broadened across Canada over the past three (3) years. The FMB will continue to expand its national focus in 2016/2017. However, the rate and magnitude of the diversification across Canada, in the absence of an eastern Canada satellite office, due to this year’s budget constraints will have a limiting effect on total growth.

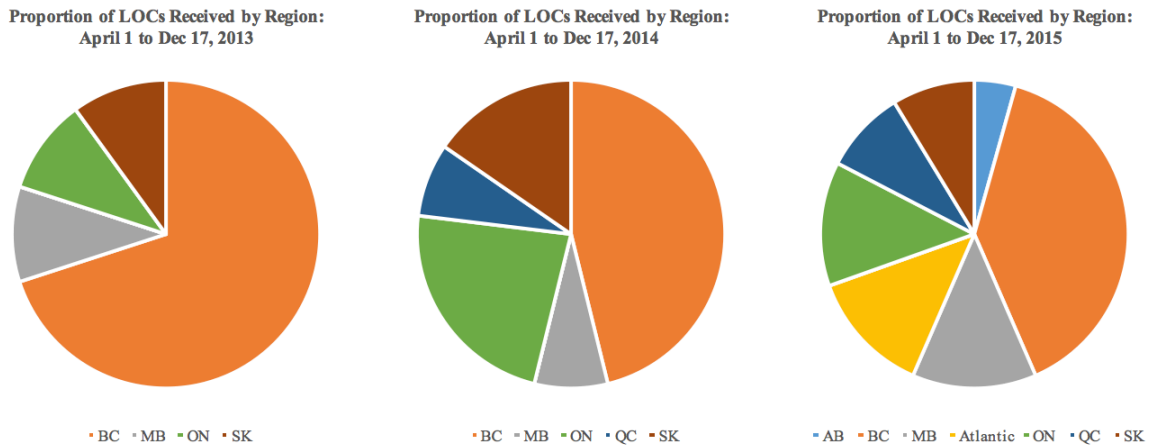


Figure 2 - Geographic proportion of LOCs received by FMB over 3 years

- **Shared services:** the FMB recognizes that many participating First Nations do not have the capacity or needed resources to implement all aspects of FMB certification. In 2016/2017, the FMB will conduct research into options for a shared First Nations administrative service model. This will include aggregated accounting functions, financial and other reporting services. This will occur in part, by coordinating delivery of shared services by private sector service providers.

This research into options for a shared First Nations’ administrative service model will include a benchmarking of best practices in existing models within First Nations, other levels of governments and the private sector. Existing research in this domain will be leveraged as will the FMB’s client experiences. The research will assess potential costs, benefits, risks and risk mitigation strategies of:

1. Possible shared services, which range from part to full finance and accounting functions such as treasury and cash management, accounts payable, accounts receivable, general ledger, financial reporting and more sophisticated services such as productivity/profitability analysis; and

2. Possible service provider models, which combine technological platforms such as cloud computing or proprietary technology with varying levels of advisory services. The options range from full service professional advisory firms such as MNP LLP to specialized firms such as ADP to shared service administrative bodies such as the Matawa First Nations Management.

The research will also draw upon the lessons learned from the FMB's potential work with clients in intervention that could include a shared service model. This may take the form of a potential pilot project that will span several years with specific milestones and deliverables.

From this research and analysis, recommendations will be outlined for potential shared administrative service arrangements including potential costs, benefits, risks and risk mitigation strategies that the FMB's clients can leverage.

The research project will require approximately 200 person hours within the Capacity Development and Intervention team, which excludes the potential pilot project resource requirements. The research will be completed by March 31, 2017 (which would include any initial findings from the potential pilot project).

- o **Leveraging technology:** Participating First Nations' capacity development needs currently exceed the resource capacity of the FMB. This disparity will continue to increase, particularly as the FMB implements innovative market development strategies. To compensate, the FMB will focus on technology to communicate its services and to deliver client support. Through technology the FMB anticipates that it will be better positioned to respond to First Nations needs and to:
 - a) communicate who we are and the services we deliver
 - b) interact with clients through a website redesign
 - c) guide clients through the certification process
 - d) develop significant financial management tools for all clients, and in particular to remote communities³
 - e) provide continuing education and learning modules, which could include webinars
 - f) support clients through self-management tracking tools

The development and implementation cost of an interactive technology platform is significant. Initial projections are in the range of two-hundred fifty thousand dollars (\$250,000) ("Technology Initiative"). The FMB intends to submit a request that this year's surplus funds be approved by Canada for this dedicated purpose. In order to fund this total

³ Where access to reliable high-speed internet is a barrier, alternative means of delivering these tools offline will be used (e.g. USB)

amount an additional top-up of sixty thousand dollars (\$60,000) will be allocated from the proposed 2016/2017 Budget. Through technology, we expect that savings will be generated in a number of areas, including, reduction in the need for general information presentations, record management for clients, accelerated response time, communication with remote communities, reduced travel costs, immediate access to FMB specialist and accelerated completion time to achieve Financial Management Systems certification. Technology will also assist in overcoming the challenge of knowledge and continuity loss that can occur where there is turnover at the Council and staff levels.

In event that surplus funds are not approved for the above Technology Initiative, the FMB will be constrained in its ability to support its expanding client base, particularly First Nations communities situated in remote locations.

- **Additional FMB services within the scope of the FMA:** In response to interest from First Nations, the FMB is taking preliminary steps to explore the full scope of opportunities that its mandate/purpose contemplates. For example, positioning FMB certification as a means by which a First Nation could more quickly and easily access Ottawa trust funds (i.e. Indian Monies) or move from third party default management to co-management and ultimately to FMB certification and sustained independent financial management. Discussions with Indigenous and Northern Affairs Canada (“INAC”) on the scope and required budget have been initiated to explore how FMS may be used as criteria to determine whether a First Nation could qualify for an enhanced funding agreement. As the FMB continues to consider and explore how it could potentially provide support in these areas, it will communicate opportunities for consideration and feedback by INAC.

Strategic Partnerships Initiative (“SPI”)

SPI is a Federal Government initiative designed to facilitate in-depth community-based discussions around modeled options for First Nations economic participation in large-scale resource development projects and to increase financial capacity of First Nations.

The FMB provides administrative support and financial management oversight to the SPI initiative. In addition, the FMB encourages First Nations to participate in the FMB FAL and certification processes to prepare for and effectively participate in major development projects.

Since 2014/15, SPI activities have been funded separately through INAC. A separate multi-year budget to 2017/18 was initially approved and is renewed annually based on deliverables. Day to day SPI activities are administered through a Steering Committee comprised of participating SPI First Nation’s. Particulars of SPI activities will be set out in a separate FMB report, to be approved by the Board, in accordance with INAC’s requirements for the SPI program.

Ongoing discussions

As First Nations continue to develop their economies and assume effective management over their lands and resources, their financial management needs will also grow in scope and complexity. The legislative purposes of the FMB can potentially support First Nations taking a greater role in moving beyond the *Indian Act* whether on a comprehensive basis through modern treaties or sectoral self-government initiatives such as the land management initiative. The FMB will continue to work with self-governing First Nations to explore ways to access capital through the FMA that currently is not an option for self-governing First Nations.

The FMB will continue discussions with the newly appointed Minister of INAC regarding opportunities where the Minister believes the FMB could further focus its efforts to support First Nations within the scope of FMA. For example, intervention/default management, enhanced funding agreements, and reform of the *First Nations Financial Transparency Act*.

Budget and Financial Plan

In 2015/2016 the FMB received funding in two (2) envelopes:

- a) \$4,591,300 A-Base Funding (funding envelope 1)
- b) \$ 652,150 A-Base Mid-Year Funding (funding envelope 2)
\$5,243,450

2016/2017 A-Base Funding Request - Requested amount: \$4,591,300

The FMB initially contemplated a significant A-Base budget increase to support planned growth and services. As a result of informal discussions with Canada the FMB will defer its request for an increase in budget to 2017/2018. The 2016/2017 budget proposed is therefore based on A-Base funding envelope 1 (\$4,591,300). While the FMB is confident that it will be able to deliver its mandate and Core Services under this year's budget, significant constraints will be placed on funding availability to support projected growth in 2016/2017. In particular, capacity development funding historically made available to participating clients for FAL development and FMSS implementation, will be curtailed⁴. The FMB will look for ways to minimize this impact.

⁴ The 2016/2017 budget currently supports \$70,000 of capacity development when the anticipated demand is expected to be in the range of \$440,000 (2015/2016 actual capacity development support funding provided to clients was \$487,567).

Impacts of no increase in 2016/2017 Budget

Without a 2016/2017 budget increase, certain other planned initiatives will be delayed and in some instances placed on hold. These initiatives include: employee policy handbook, improvements to the suite of sample policies, research projects, and FMS workshops. The FMB will continue to look for opportunities to conduct these initiatives, wherever feasible.

Expanding Client Management Responsibilities

The success of the FMA is now manifesting itself through expanding client needs and expectations placed on FMB. For example, research and awareness of best practices, evolving standards and expectations by attestation and regulatory bodies is becoming a regular aspect of day-to-day operations. These changes are placing new demands on the FMB that will be needed to be resourced. The FMB is undertaking a more detailed review of these requirements in order to engage in a dialogue with INAC to consider how these matters can be brought into the budgeting approvals. The FMB anticipates it will seek support through the submission of a mid-year funding request. Should this materialize the request will be limited to support for material additional services and expenditures outside the current proposed budget envelope.

In future, consideration could be given to advance the A-Base budget in the form a flexible funding arrangement. This could potentially provide greater continuity in delivery of the FMB's mandate and facilitate a more seamless implementation of FMB core activities.

The financial plan for the FMB is presented in Table 1 below - Projected budget of \$4,591,300

Table 1 - Financial plan

Activity	Actual 2014/15 (audited)	Actual 2015/16 (unaudited)	Budget 2016/17	Budget 2017/18	Budget 2018/19	Budget 2019/20	Budget 2020/21
Salary & Benefits	1,404,090	1,813,262	2,200,705	2,569,587	2,854,828	3,161,642	3,426,442
Client Service Delivery	986,255	807,364	349,510	650,938	736,502	789,917	845,146
Policy Development	541,046	554,222	152,100	211,730	224,249	240,524	261,681
Operations & Management	1,155,452	1,218,238	1,052,785	1,103,311	1,147,397	1,150,435	1,189,357
Board of Director Fee & Expense	526,259	489,117	593,100	621,000	621,000	621,000	621,000
Travel	170,991	168,239	173,100	207,774	243,765	281,113	303,296
Capital	109,737	26,735	70,000	70,000	70,000	70,000	70,000
Total	4,893,830	5,077,177	4,591,300	5,434,340	5,897,741	6,314,631	6,716,922

Mandate

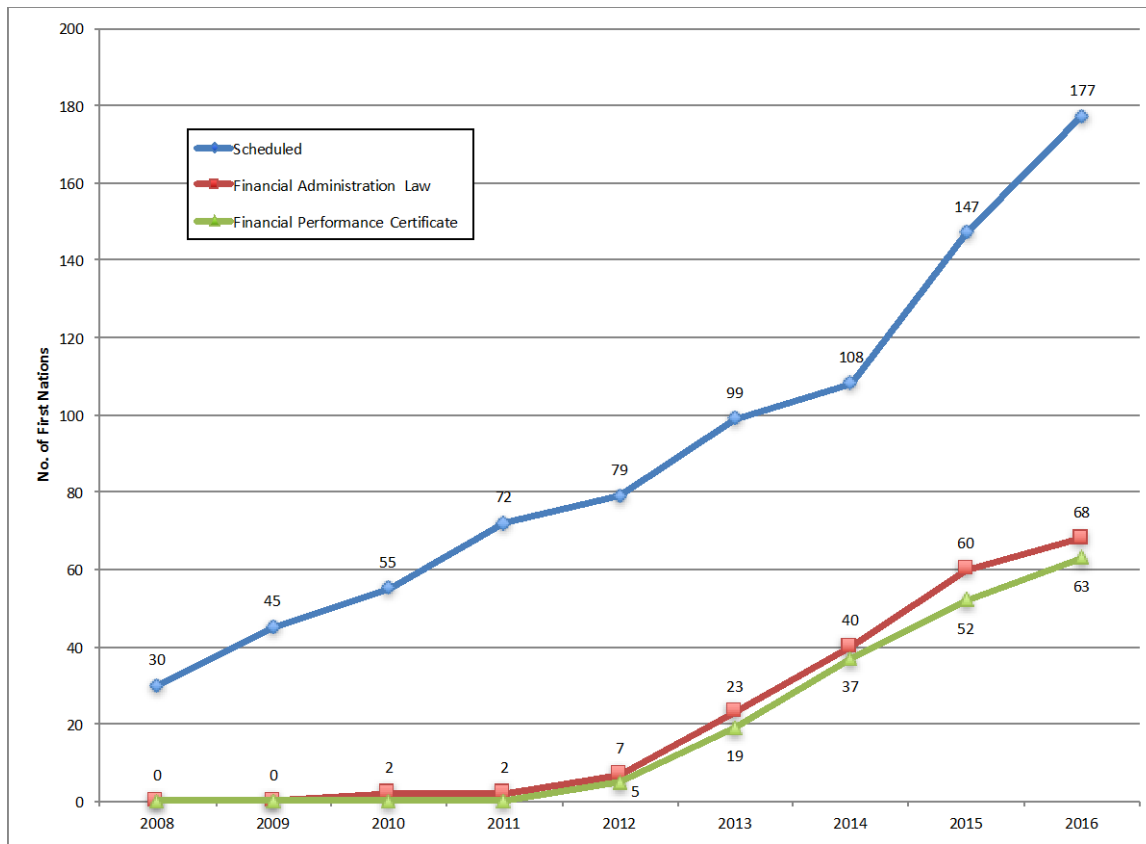
The FMB will provide the tools and guidance that will instill confidence in First Nations' financial management and reporting systems to support economic and community development.

Sections 49 and 55 of the FMA establish the following legislative mandates and purposes for the FMB:

- Assist First Nations in developing the capacity to meet their financial management requirements;
- Develop and support the application of general credit rating criteria to First Nations;
- Provide review and audit services respecting First Nation financial management;
- Provide assessment and certification services respecting First Nation financial management and financial performance;
- Provide financial monitoring services respecting First Nation financial management and financial performance;
- Provide co-management and third party management services;
- Assist First Nations in their dealings with other governments respecting financial management, including matters of accountability and shared fiscal responsibility;
- Assist First Nations in the development, implementation and improvement of financial relationships with financial institutions, business partners and other governments, to enable the economic and social development of First Nations;
- Provide advice, policy research, and review and evaluative services on the development of fiscal arrangements between First Nations' governments and other governments; and,
- Set standards respecting:
 - The form and content of Financial Administration Laws;
 - Approvals of Financial Administration Laws;
 - Design and implementation of First Nation Financial Administration Laws and Financial Management Systems;
 - Certification of Financial Performance; and,
 - Local Revenue Financial Reporting.

Corporate Profile

The FMB operates as a shared governance institution under Parts 3 and 6 of the FMA, which came into effect 1 April 2006. The FMA is an optional initiative – in order to participate a First Nation must pass a Council Resolution to request that the Governor in Council (“GIC”) add their community’s name to the FMA Schedule. As presented in Figure 3 below, there are currently one hundred seventy-seven (177) First Nations that have done so and are now listed on the FMA Schedule.⁵ These communities are the primary client base of the FMB.



*as of March 2016

Figure 3 – Count of First Nations scheduled to the FMA, with a FAL, and/or with a Financial Performance Certificate

The FMA sets out the purposes, functions and powers of the FMB and establishes an at-arms-length relationship between the FMB and the federal government. Accordingly, the FMB is not an agent of the Crown and has the capacity, rights, powers and privileges of a natural person.

⁵ <http://laws-lois.justice.gc.ca/eng/acts/F-11.67/page-33.html#h-41>

Corporate History

The FMA was originally drafted in 2001. The British Columbia First Nations Summit supported the draft legislation and began sponsoring the FMB in 2002. An FMB advisory panel was established in 2002 to support the legislative process and the development of FMB. The FMA had all party support in both the House of Commons and the Senate during the legislative process of 2004 and 2005. It received Royal Assent on 23 March 2005 and came into force 1 April 2006.

In order to provide access to non-taxing First Nations and to support the FMA regime, the GIC made regulations on 29 September 2011 that enabled the securitization of various other revenue streams in addition to property tax revenues.

In addition to those on the FMA Schedule, there has been interest by non-scheduled and non-taxing First Nations in potentially securitizing their non-taxation revenues. Others simply wish to improve their financial management system and work with the FMB.

Organizational Structure

The FMB operates under a shared governance model that makes the Board of Directors of the FMB accountable to the Minister of Indigenous and Northern Affairs Canada as the responsible authority for ensuring that the FMB fulfills its legal and regulatory mandate. Under this model, the Board of Directors consists of a minimum of nine (9) and a maximum of thirteen (13) directors, including a Chairperson and Vice-Chairperson. A majority of the members (10) are named by the GIC and up to three (3) members are appointed by AFOA Canada.

The FMB Board is an active Board that provides more than oversight of the mandate of the organization. The Board has direct involvement in the day-to-day involvement in certain aspects of management. For example, the Board is actively engaged in establishing and approving compliance with its certification standards. Committees of the Board also provide guidance and direction to staff based on Board Members expertise in applicable areas. In this regard the FMB has developed and will continue to expand a matrix that identifies the optimal composition for the Board of Directors based on required skills and expertise to support the work of the Board and needs of the FMB. This tool is intended to help inform merit based GIC appointments to the demanding work of the Board.

To date, the Board of Directors has formed five (5) active committees:

- Audit and Risk Management Committee;
- Governance and Human Resources Committee;
- Standards, Approvals, and Certification Committee;

- Capacity Development Committee; and,
- Intervention Committee.

The current Organizational Chart and Board Committees of the FMB are shown in Figure 4 on the following page.

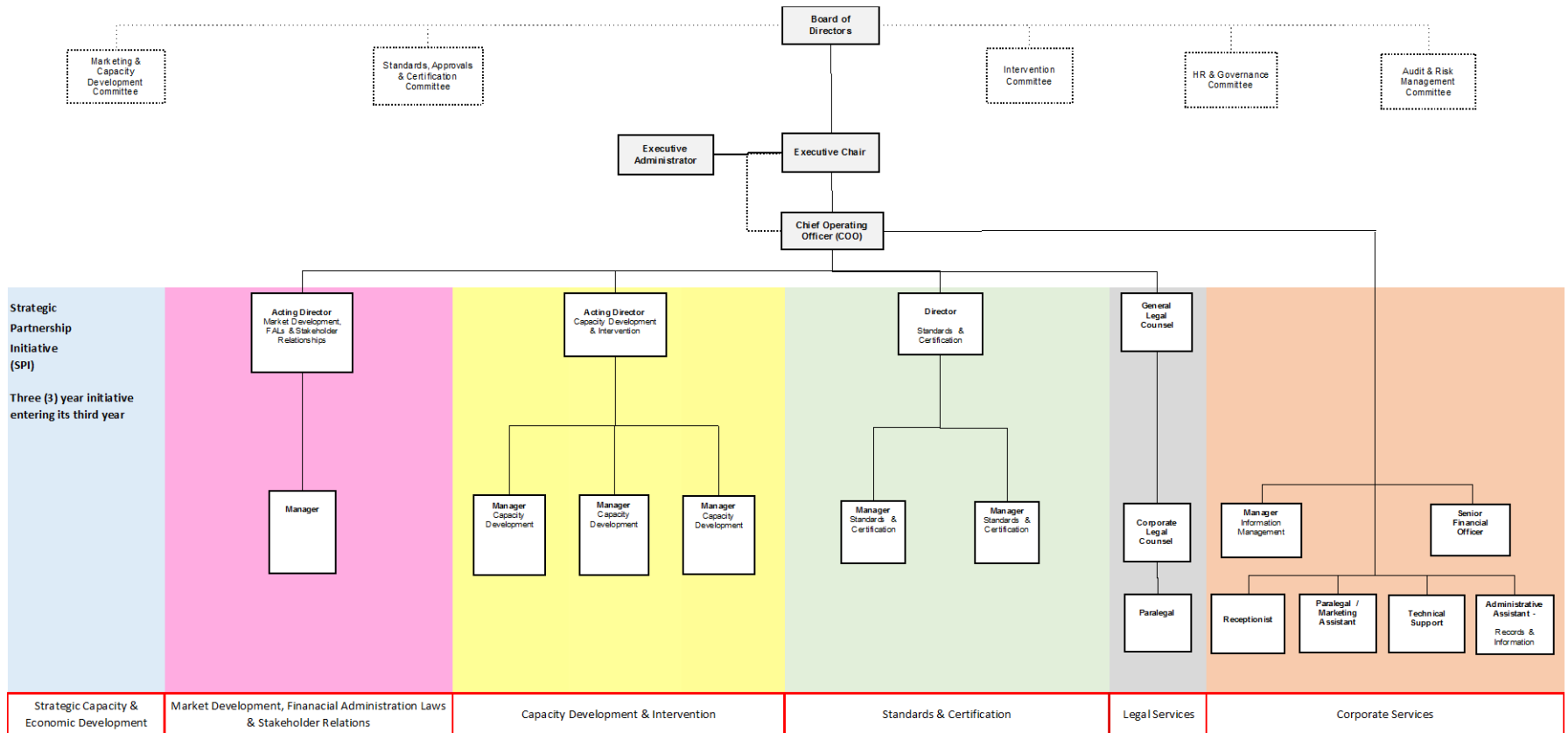


Figure 4 - FMB Organizational Chart for 2016/17

NOTE: Current FMB headcount is 19 as the Chief Operating Officer and General Legal Counsel is a combined position

Increasing First Nation awareness of and voluntary participation in the FMB certification process as well as requests for other available FMB support services (primarily under the section 49 of the FMA) are placing increasing demands on FMB staff. In order to fully meet these increasing demands the FMB anticipates that it will request annual increases to its budget requirements over the next five (5) years.

The FMB has the legislated mandate to deliver both capacity development and certification services to First Nations. In order to establish clear separation between FMSC support and FMSC testing functions the makeup and composition of these separate business lines has been restructured. The two business lines are: Standards and Certification and Capacity Development and Intervention. After this reorganization is complete the two (2) business lines will have no cross staffing, different roles and responsibilities, and separate board committees (with no overlapping committee members). This is an improved and more consistent approach to other certification bodies.

The FMB Management Team

Executive Chair

The Executive Chair provides leadership by defining the vision of the FMB and is responsible for providing executive oversight of the decisions of the Board of Directors. The Executive Chair also provides guidance to the COO in the implementation of the Board approved Corporate Plan.

Chief Operating Officer

The Chief Operating Officer (“COO”) is responsible for the management of the day-to-day operations including human resources and monitoring, corporate services and the FMB’s performance. This includes developing for Board approval the annual Corporate Plan, Business Plan, Annual Report and coordination and delivery of Special Projects. The COO oversees execution of these activities supporting these Plans and Projects and regularly reports to the Board of Directors, through the Executive Chair.

Acting Director, Market Development, Financial Administration Laws and Stakeholder Relations

The Acting Director, Market Development, Financial Administration Laws and Stakeholder Relations, is a member of the senior management team reporting to the COO and is responsible for managing and monitoring the ongoing relationship with scheduled and non-scheduled First Nations, overseeing the marketing efforts to engage new First Nation clients, and working with First Nation clients to develop FMB approved FALs.

Acting Director, Capacity Development and Intervention

The Acting Director, Capacity Development and Intervention, is a member of the senior management team reporting to the COO and is responsible for overseeing the capacity development activities and working with First Nation clients as they design and implement their FMS. The Acting Director is also responsible for the delivery of client education and performing the duties of the Intervention Officer as required by the regulations.

Director, Standards and Certification

The Director, Standards and Certification, is part of the senior management team reporting to the COO. The Director is responsible for reviewing and overseeing all activities related to standards and certification.

General Legal Counsel

General Legal Counsel is responsible for overseeing the Legal Services business line. General Legal Counsel provides all legal advice and support to management and the Board of Directors, as well as the legal expertise for the intervention function and legislative review and amendments.

Principle Business Activities

The FMB is part of the regulatory regime established by the FMA that enables First Nations to finance public infrastructure by pledging either (a) property tax revenue; and/or, (b) other revenues to repay the loan. First Nations interested in participating must first apply to be added to the FMA schedule. Figure 5 below describes the scenario of a First Nation pledging property tax or other revenues to repay an infrastructure or economic development loan.

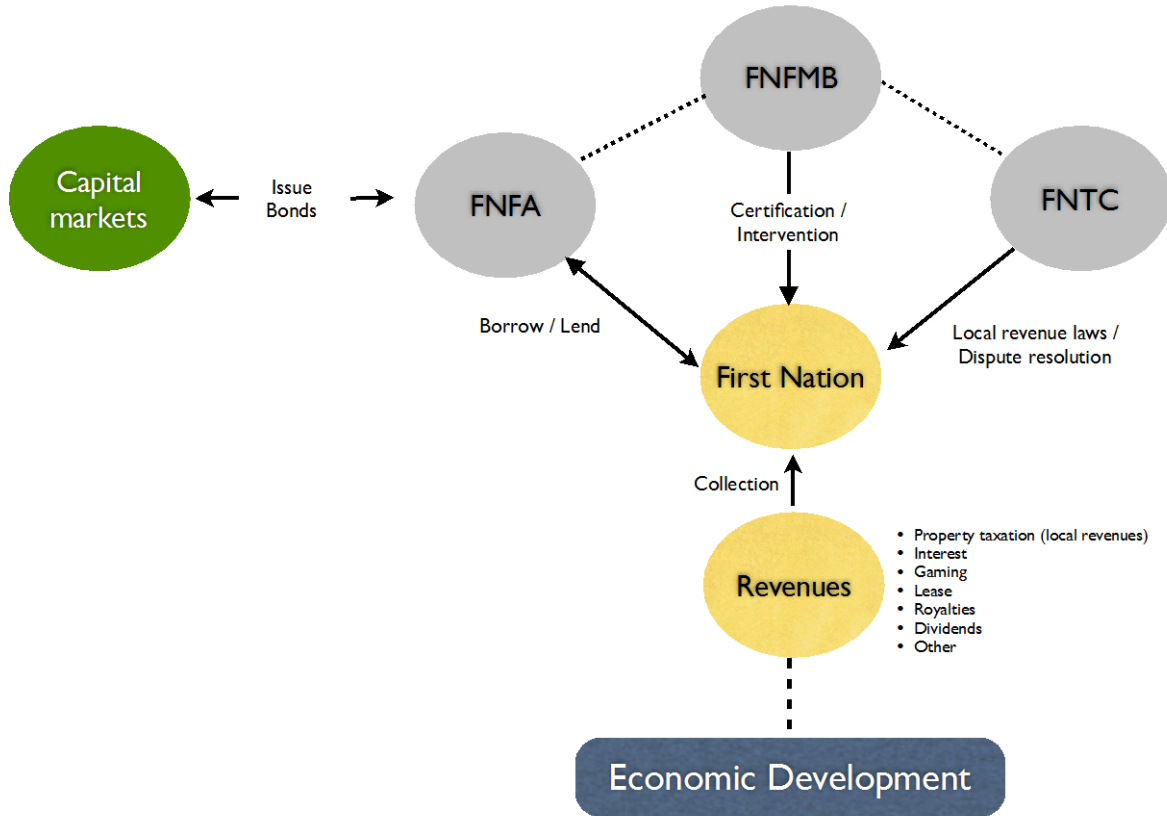


Figure 5 – An overview of the FMA regulatory regime

In the property tax scenario, investment and economic development on First Nations’ lands creates a tax base. Lessees pay property taxes to a First Nation in return for the provision of services. The First Nations Tax Commission (“FNTC”) regulates the property tax system (including property taxation, assessment, rates and expenditure laws).

In order for First Nations to pledge property tax or other own source revenues for loans through the FMA legislative program, the First Nation must become a “borrowing member” of the FNFA. Before a First Nation is eligible to be considered for membership in the FNFA, the FMB must issue a Financial Performance Certificate to the First Nation indicating that it meets the standards set by the FMB. For these purposes, the FMB has issued Financial Performance Procedures and Standards for the purposes of issuing a First Nation Financial Performance Certificate. This certificate may be used by a First Nation to support its application to become a borrowing member of the FNFA.

The institutions formed under the FMA agree to the value and need for FMSC. Outside of FMB’s policy requiring FMSC a number of First Nations choose to independently implement their FAL and work towards achieving a FMSC. FMB’s standards currently require that a First Nation commit to obtain a FMSC within thirty-six (36) months after the First Nation receives proceeds for the first time from a debenture (or equivalent instrument) issued by the FNFA or before it may obtain a second loan from the FNFA. This thirty-six (36) month requirement is an ambitious timeline for most First Nations participants and may on a case by case basis require extension.

A First Nation will not be issued a Financial Management System Certificate or a Financial Performance Certificate by the FMB unless the First Nation’s law respecting financial administration has first been reviewed and given compliance approval by the FMB. The First Nation’s law must meet the requirements of the Financial Administration *Law Standards* before it will be given a compliance approval. The FMB has issued the *Financial Administration Law Standards* and two sample FALs to guide First Nations who are applying for approval of their law respecting financial administration.

Pursuant to section 142 of the FMA, the Governor-in-Council approved “Financing Secured by Other Revenues Regulations”, which enables a First Nation to use certain “other revenues” to secure financing from the FNFA. The regulation contemplates that a First Nation with both property tax revenues and other revenues can use either or both for borrowing. The regulation was developed by Canada in a collaborative effort with the FMA institutions. The FMB Certification and Intervention functions are an integral part of the process to borrow from the FNFA using “other revenues”.

The FMA provides the FMB with authority to initiate steps that could place a First Nation in co-management or third party management in three circumstances. First, the FNTC may, in certain circumstances relating to First Nation tax laws, direct the FMB to impose co-management or third party management over the First Nation's local revenues. Second, the FNFA has the parallel power to direct the FMB to require a First Nation to enter co-management or third party management if a borrowing member First Nation has not met its payment obligations. Third, the FMB can self-initiate intervention, if in their opinion, there is serious risk that a First Nation will default on an obligation to the FNFA. In addition to these powers, the FMB has the authority to 'review and report' prior to initiating an intervention. This permits remediation steps to be coordinated and implemented by a First Nation in order to avoid an intervention. FMB certification coupled with its intervention authority is intended to support capital market assessments and their confidence to invest in bonds issued by the FNFA. The oversight framework of the FMA was reviewed by rating agencies and investment banks, and during this review the standards and certification processes were examined, which contributed to the achievement of the investment grade credit rating given the FNFA.

- The FMB Financial Performance Certificate has been relied upon in certain instances as a proxy in INAC risk based general assessment ("GA"). The GA works by taking an annual snapshot of a First Nations' past performance and identifies strengths and emerging risks that may have an impact on its future performance. Within the GA process each First Nation is assessed and rated as having a low, medium or high-risk level. The GA includes factors such as governance, operating environment, planning and financial management. FMB's Financial Performance Certificate can be used in place of the financial management aspect of the GA. Discussions with INAC are currently underway to assess how the FMB Financial Management System Certificate could also be used as a proxy within the GA process.

Business Lines

There are six (6) FMB business lines. Activities that are mapped to the business lines are presented in Figure 6 below.

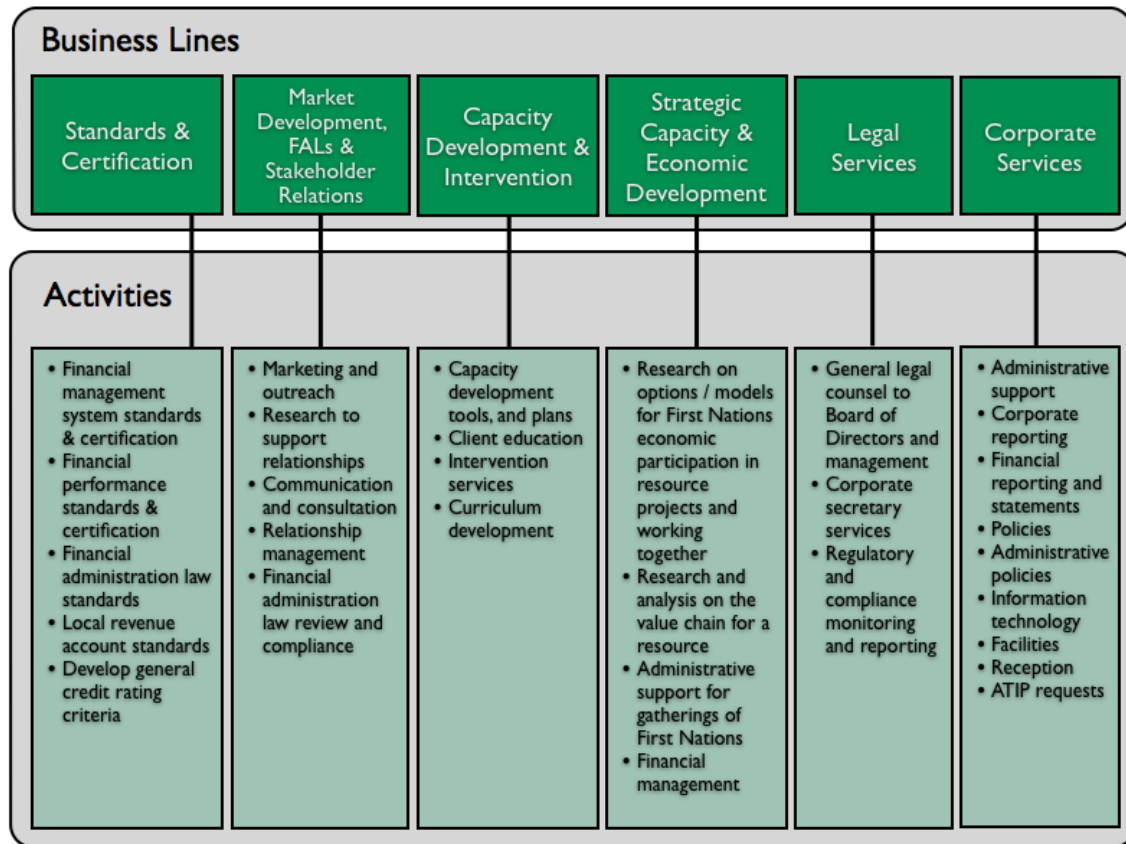


Figure 6 – Activities by Business Line

Market Development, FALs, and Stakeholder Relations

This business line is responsible for primary interaction between the FMB and its clients, but it also has an expanded function of introducing the FMB to the greater public. This includes the marketing and outreach efforts to grow and maintain the FMB client base, client visits, follow-up, presentations on the FALs, and attending and hosting gatherings. This business line, supported by internal legal counsel, conducts the FAL reviews (final reports and recommendations to the Board of Directors regarding compliance with the FAL Standard proceeds through the Legal Department). In addition, this business line provides support to the FMB clients to ensure that the FMB engagement approaches respond to their First Nation community needs, that motivation in the community is maintained and that support is available to assist the FMB clients.

The FMB works with other governments and organizations as described in Table 2 presented below.

Table 2 - Other governments or institutions working with FMB

Other government or organization	Relevance to FMB
First Nations Tax Commission	Interdependent policy related to certification and intervention protocol. Development of Local Revenue Account Financial Reporting Standards.
First Nations Finance Authority	Interdependent policy related to certification and intervention protocol.
AFOA Canada	Collaborative approach to capacity development.
TULO Centre for Indigenous Economics	Collaborative approach to capacity development.
Canadian Executive Service Organization	Collaborative approach to capacity development.
University of New Brunswick	Collaborative approach to capacity development
Nicola Valley Institute of Technology	Collaborative approach to capacity development.
Canadian Public Sector Accounting Board	FMB Standards need to remain consistent with the Public Sector Accounting Standards.
CANDO	A national organization involved in economic development.
Indigenous and Northern Affairs Canada	Reporting requirements, risk assessment, co-management and third party management.
Finance Canada	Interests in improved financial management of tax collection agreements.
Lands Advisory Board	Framework Agreement on Land Management includes financial administration requirements.
Financial Institutions and Capital Markets	Regulatory regime established by the fiscal institutions will address interests of lenders / investors in First Nation bonds.
Natural Resources Canada	Responding to First Nations requests re: resource projects
First Nations Energy and Mining Council	Responding to First Nations requests re: resource projects

Capacity Development and Intervention

The business line works with First Nations to build capacity in areas of their financial management systems that do not yet meet the FMB standards. Capacity Development and Intervention will develop curriculum, client tools and templates, support First Nations as they develop and implement their financial management systems. As capacity development will have a crucial role for First Nations facing and/or attempting to work their way out of intervention, this business line will manage the operational activities in any future intervention scenarios.

Standards and Certification

The Standards and Certification business line establishes standards for FALs, financial management systems, financial performance and reporting of local revenues, and providing certification services in relation to those standards where applicable. The business line has been actively updating standards that will support the delivery of key services to First Nations.

The workload and staffing complement of the Standards and Certification business line has grown in recent years, as the number of First Nations seeking FMB certification services has increased. Nearly forty percent (40%) of those First Nations that are scheduled to the FMA now have achieved Financial Performance Certification as presented in Figure 7 below.

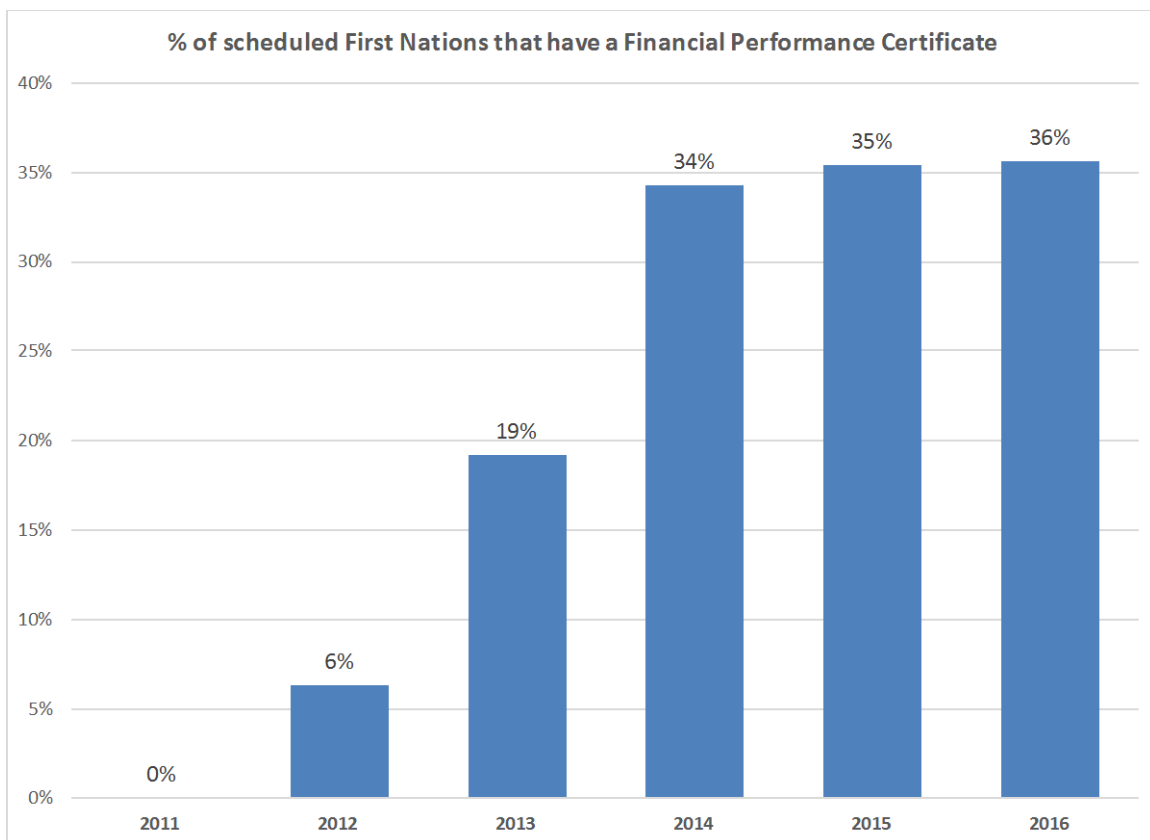


Figure 7 – Proportion of FMA scheduled First Nations that have a Financial Performance Certificate

In the 2015/16 year, the FMB was also able to issue its first two FMS Certificates to First Nations that were able to demonstrate that they had implemented their FAL and met the FMB’s FMS Standards.

The FMS Certification responsibilities of the business line will continue to increase substantially as many of the sixty-seven (68) First Nations with FALs work towards implementing them and achieving FMS certification.

Legal Services

Legal Services is overseen by the General Counsel. This business line is responsible for providing all legal advice and services to FMB management and the Board of Directors, much of which had previously been provided externally. The business line also manages all legal issues surrounding the FMB's intervention authority and procedures, as well as legislative amendments. Finally, Legal Services monitors the FMB's compliance with all relevant legislation and regulations, and provides corporate secretary services to the FMB.

Corporate Services

Corporate Services is overseen by the Chief Operating Officer. This business line is responsible for the activities that are carried out internally to provide the operational support and administrative resources to enable the other business lines to carry out objectives in an economical, efficient, and effective manner. These activities include management functions, finance, human resources, reporting, information technology and evaluation.

Strategic Capacity and Economic Development

The Strategic Capacity and Economic Development business line is overseen by the Chief Operating Officer and where applicable the General Counsel. This business line is responsible for responding to First Nations that have requested the strategic engagement of the FMB to assist with capacity and economic development initiatives in areas of Canada where First Nations are interested in participating economically in the extraction of resources within their respective territories. The mandate for the FMB to undertake these activities is provided for in section 49(c) of the FMA, *"to assist First Nations in the development, implementation and improvement of financial relationships with financial institutions, business partners and other governments, to enable the economic and social development of First Nations."*

Strategic Issues

The following are some strategic issues for the FMB this year:

- Expanding national presence;
- Shared services;
- Leveraging technology; and
- Additional FMB services within the scope of the FMA.

Expanding national presence

The FMB continues to receive recognition and interest from First Nations across Canada. The current assumption is that the FMB conducts its operations from Vancouver, British Columbia. The FMB has a national scope, which means there is a need for a planned and projected growth strategy in order to be able to effectively respond to the diversity of First Nations needs and circumstances across the country.

The feasibility of basing resources in different regions is currently under review and this will likely impact the forecasted resource requirements and client base over the next five (5) years. *Figure 8* below illustrates how the clientele of the FMB changed from 2013 to 2015 to include a greater proportion of First Nations from provinces in central and eastern Canada. The metric used in *Figure 8* below is Letters of Cooperation (“LOCs”) received by the FMB.

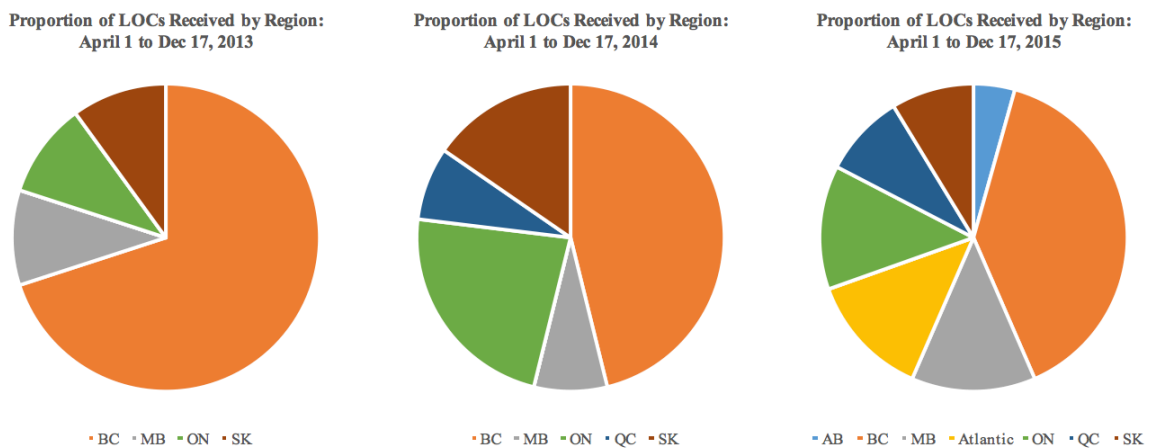


Figure 8 – Proportion of LOCs received by region

The FMB will continue to expand this focus, but the rate and magnitude of the diversification across Canada will be constrained by the FMB’s 2016/2017 budget. However, in order to adequately respond to and support the growing clientele in central and eastern Canada, the FMB anticipates establishing an office location in Ottawa in 2017/2018.

Shared services

The FMB recognizes that many participating First Nations do not have the capacity or needed resources to implement all aspects of FMB certification. In 2016/2017, the FMB will conduct research into options for a shared First Nations administrative service model. This will include aggregated accounting functions, and financial and other reporting.

There are examples within Canada where First Nations rely on governance and/or administrative support and services from regional or tribal organizations. Some tribal councils or regional organizations provide administrative services to multiple First Nations as a shared resource. Examples include the Matawa Tribal Council in Ontario and the First Nations Health Authority in British Columbia.

Implementing all of the requirements of a FAL that meets the FMB FAL Standards may be more of an aspiration than a practical reality for some First Nations due to the size and circumstance of their First Nation and its administration. Some First Nations, particularly remote communities and those with smaller administrative budgets, are significantly challenged to find the time, capacity and resources to take the necessary steps to successfully implement their FAL and therefore meet the FMS Standards. These First Nations could benefit greatly from a shared resource that could provide support in strengthening their financial management systems and accessing capital.

Many First Nations are also challenged to respond to economic opportunities within their traditional territories. Again, this can be due to their size, remoteness or particular circumstance. For projects or opportunities that could impact multiple First Nations, it is likely more advantageous for the First Nations to work together, as opposed to in competition. However, these First Nations may have historical or political issues that are difficult to overcome. These First Nations could greatly benefit from a shared resource that could act as a facilitator and thinking partner in considering participation in economic opportunities.

The FMB will undertake research in 2016/2017 to examine the feasibility of, and the critical mass required, for a First Nations administrative service model that would provide a shared resource to access for support in developing their respective financial management systems, considering economic opportunities and accessing capital. The research in 2016/17 will consider the potential principles and terms of reference, as well as the business model options and how the FMB could support the shared resource. The planned research outline is attached for information as Appendix "E".

Leveraging technology

Participating First Nations capacity development needs currently exceed the resource capacity of the FMB. There are approximately 40 First Nations that are actively working towards FMS Certification and who require varying levels of support and guidance. This disparity will continue to increase, particularly as the FMB expands its national presence. With no increase in staffing certification and capacity development clients will have fewer opportunities to interact with the FMB. To help compensate, the FMB intends to meet increasing demand, in part, by leveraging technology. Specifically, to

- a) communicate who we are and the services we deliver,
- b) provide online tools that will assist clients to meet their community aspirations of community independence, and
- c) guide clients through the certification process through an interactive website redesign, online education, webinars, and self-management through online tracking tools.

The FMB has taken preliminary steps to engage with firms specializing in online branding, marketing and education. The cost of an initial technology platform is significant. A project outline, outside of this Corporate Plan will be forthcoming. The FMB is not however requesting a budget increase to support the proposed technology platform, as the FMB intends to submit a request that this year's surplus funds be approved by Canada for this purpose. The FMB recognizes that not all communities have sufficient internet connectivity for live or video interaction. Where access to reliable high-speed internet is a barrier, alternative means of delivering these tools offline will be used to effectively support these communities (e.g. USB).

In the event that surplus funds are not approved for this purpose, the FMB will not be in a position to implement the technological solution and will be hindered in being able to meet all of the expectations of participating First Nations to achieve timely certification and borrowing objectives.

Additional FMB services within the scope of the FMA (contingent on additional resources)

As the number of First Nations participating in the FMA grows and the benefits of their participation are demonstrated, First Nations are seeing new areas where the FMA can further support First Nations to take greater control over their affairs and capitalize on economic opportunities. A few examples include:

- **Enhanced Funding Agreements:** the FMB, upon request by the First Nation, could possibly perform a review and provide an opinion of the First Nation's financial management system against certain FMS standards (that would be selected by INAC) for the purposes of qualifying the First Nation for an enhanced funding agreement.
- **Wealth Management:** First Nations also see the FMB's standards and services as necessary tools to manage the economic revenues from their participation in projects.
- **Default Management:** the FMB believes that the certification process is an integral part of the pathway out of third party management into co-management and ultimately sustained economic independence. This could significantly increase the demands placed on FMB resources, which are not contemplated in this year's budget. For information, the FMB and INAC will continue to explore a potential role for FMB to provide support through the certification process.
- **Indian Moneys:** FMB certification could be relied upon as an indicator of First Nations capacity to effectively manage Indian Moneys. This could also increase the number of FMS clients and demands placed on limited FMB resources, which are not contemplated in this year's budget. Sections 49 (purposes) and 55 (standards) of the FMA sets out nine (9) mandate areas. In response to the interest from First Nations, the FMB is exploring the full scope of opportunities that its mandate/purpose contemplate. A component of the work is advocacy (i.e. political, communications, etc.) and a component is technical (i.e. standards, certification, intervention, etc.).

Further discussions with INAC and First Nations on each of the areas above will occur over 2016-2017.

Assessment of year end results

The 2015/16 FMB Corporate Plan set out a number of performance measures for each business line. The tables included in Appendix B present the progress made to date for each performance measure.

Analysis of external environment

A number of external environment strategic issues have been identified in Table 3 below:

Table 3 - External environment strategic issues and actions

Strategic Issue	Description	Action
Building capacity and/or meeting the required timeframe for Financial Management System Certification	<ul style="list-style-type: none"> Currently, most, if not all, Financial Administration Laws contain 'coming into force' provisions within a 36-month timeframe. This creates a legal obligation to fully implement the law and establish a functioning financial management system. Certification requires dedication and significant time commitment. Building capacity requires human and financial resources. Turnover in employees within First Nation finance administration regime. 	<ul style="list-style-type: none"> Prepare self-assessments and work plans to determine where resources are required. Employ a risk-based approach to FMS Certification. Undertake research into the viability of a First Nations shared administrative model. Employ a new service delivery model to better coordinate capacity development and FMS Certification services.
Business development	<ul style="list-style-type: none"> Being listed on the FMA schedule does not necessarily indicate a willingness to develop a FAL or to get certified The FNFA wants to see 100 borrowing members by March 31, 2020 FMB provides services to First Nations in different circumstances 	<ul style="list-style-type: none"> Communicate the benefits of FMB certification and the FMA regime. Capitalize on the momentum the FMB and FMA are gaining in other provinces (ON, MB, NB, NS, SK, QC).
Competition	<ul style="list-style-type: none"> Some First Nations are choosing conventional lenders, which do not require certification and have offered competitive rates. Other groups have profited from providing refinancing or debt restructuring services to First Nations. Some First Nations have pursued certification from other standard-setting organizations 	<ul style="list-style-type: none"> Communicate the other benefits of FMB certification besides borrowing, and that FMB services are free of charge. Ensure that the FMB's certification requirements are relevant and aligned with market expectations (i.e. what is required for First Nations to access capital elsewhere).

		<ul style="list-style-type: none">• As the FNFA borrowing pool grows, rates will become even more favourable relative to other lenders.
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Assessment of corporate resources

Table 4 below summarizes corporate strengths and weaknesses.

Table 4 – Assessment of Corporate Resources

Strategic Issue	Description	Action
<p>How will the FMB support First Nations efforts in capacity development?</p>	<ul style="list-style-type: none"> • 50 First Nations have enacted a FAL, achieved Financial Performance Certification, and have become FNFA Borrowing Members, and are now working towards achievement of Financial Management System Certification. • A First Nation's FAL needs to be updated to the current FMB FAL Standards prior to FMS Certification. • Each FMS Certification requires a significant commitment of resources on the part of the FMB. 	<ul style="list-style-type: none"> • The new service delivery model will better coordinate capacity development and FMS certification services. • Provide direct financial support to First Nations to implement their FMS work plans. • Capacity development team with assigned First Nation clients will provide better client support and more focused basis to achieving FMS.
<p>How will the FMB respond to requests to enhance services in the future?</p>	<ul style="list-style-type: none"> • The FMB may be able to provide additional services, consistent with its legislative mandate, such as support for First Nations to exit remedial management, and services to self-governing First Nations. 	<ul style="list-style-type: none"> • Continue discussions with INAC re: how FMB could provide additional services re: default / remedial management & Indian Monies. • Continue discussions with INAC, FMA institutions, provincial governments and First Nations to develop option(s) for self-governing First Nations to participate in the FMA. • Continue to research and explore further areas within the FMB mandate and build out the FMB team in response to demand.

Objectives, Strategies and Performance Measures

The objective of the FMB is to provide tools and services to First Nations that will enable them to exercise greater control over their economic future and maximize the benefits of the FMA and other self-government initiatives aimed at supporting economic development. More specifically, the services offered by the FMB are meant to achieve the following objectives:

- Increase First Nation access to lower cost of capital through market accepted standards and certification processes;
- Strengthen First Nation financial administration by promoting sound, stable, and transparent financial stewardship of First Nation assets;
- Promote financial relationships between First Nations and other governments that are appropriate, effective, efficient, and mutually beneficial; and,
- Respond to private sector requirements for investment on First Nation lands.

The FMB has six (6) business lines to achieve these objectives. The business lines and the objectives for each are presented in Table 5 below. For comparative purposes 2015/2016 Year End Results by business unit are provided in Appendix B.

Table 5 – FMB Business Lines and Activities

Department	Activities
Standards and Certification	<ul style="list-style-type: none"> • Develop and maintain standards for financial administration laws, financial performance, financial management systems, and local revenue financial reporting • Develop and maintain procedures for certification of First Nations against the FMB standards • Certify First Nations against FMB standards
Market Development, FALs, and Stakeholder Relations	<ul style="list-style-type: none"> • Develop new markets for FMB services and increase the FMB client base • Perform outreach and develop and maintain relations with stakeholders • Support First Nations in developing financial administration laws
Capacity Development and Intervention	<ul style="list-style-type: none"> • Develop procedures for intervention • Intervene on a First Nation's financial administration in accordance with the FMA • Support First Nations through the FMB certification process • Develop and deliver financial management capacity development tools and services
Legal Services	<ul style="list-style-type: none"> • Provide legal counsel to the FMB Board of Directors and management • Monitor FMB compliance with all relevant legislation and regulations • Provide compliance approval of First Nations financial administration laws • Provide corporate secretary services and oversee access to information requests
Corporate Services	<ul style="list-style-type: none"> • Provide internal financial management services • Provide internal administrative support services

Strategic Capacity and Economic Development	<ul style="list-style-type: none"> • Respond to First Nations seeking an equitable share of wealth from major resources • Work with other FMB business lines to assist First Nations in developing financial management systems to manage money generated from major projects
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Market Development, FALs and Stakeholder Relations

The 2016/17 performance measures for this business line is presented in Table 6 below:

Table 6 – Market Development, Financial Administration Laws and Stakeholder Relations Activities and Performance Measures

Activities	Performance Measure
<ul style="list-style-type: none"> • Respond to First Nation requests for presentations and materials on FMB products and services. 	Presentation to 40 First Nations
<ul style="list-style-type: none"> • Outreach to First Nations • Revisit and/or renew signed Letters of Cooperation with FMB clients that are not active • Coordinate efforts with the Strategic Capacity and Economic Development Business Line 	Obtain 32 Letters of Cooperation
<ul style="list-style-type: none"> • Host relevant events and attend / present at conferences and forums 	4 events hosted
<ul style="list-style-type: none"> • Review financial administration laws submitted to the FMB for comparison to FMB standards and provide compliance reports to First Nations 	10 to 15 new FAL compliance approvals
<ul style="list-style-type: none"> • Update existing FALs to meet changes in FMB standards 	2 to 4 updated FAL reviews

Capacity Development and Intervention

The 2016/17 performance measures for this business lines are presented in Table 7 below.

Table 7 – Capacity Development and Intervention Performance Measures

Activities	Performance Measure
<ul style="list-style-type: none"> • Support First Nations in completing Phase I of their FMS implementation through the completion of a FMS self-assessment and the development of an FMS implementation work plan 	10 to 15 client self-assessments 10 to 15 client Financial Management System implementation work plans
<ul style="list-style-type: none"> • Support First Nations in completing Phase 2 of their FMS implementation through the completion of their policy drafting 	6 to 8 clients with a full suite of completed policies submitted to the FMB

<ul style="list-style-type: none"> Support First Nations in completing Phase 3 of their FMS implementation through the completion of the FMS certification readiness assessment 	4 to 6 client FMS certification readiness assessments
<ul style="list-style-type: none"> Provide funding to First Nations to support their efforts in implementing their FMSS 	\$70,000 in support funding to First Nations
<ul style="list-style-type: none"> Continue discussions with INAC related to how FMB services can be integrated into the General Assessment and Default Management processes 	Develop and present to INAC and FMA institutions, FMB views and recommendations of how FMB services could potentially be integrated into the General Assessment and Default Management processes
<ul style="list-style-type: none"> Development of client tools and templates in relation to the FMSS implementation 	Consolidation of sample policies Creation of 2 video tutorials Creation of a standardized FMS client presentation

Standards and Certification

The 2016/17 performance measures for this business lines are presented in Table 8 below.

Table 8 – Standards and Certification Activities and Performance Measures

Activities	Performance Measure
<ul style="list-style-type: none"> Develop timelines with individual First Nations to assist in achieving Financial Performance Certification Upon request, conduct Financial Performance Certification reviews 	10 to 15 Financial Performance Certification reviews
<ul style="list-style-type: none"> Upon request, conduct Financial Management System Certification reviews 	2 to 4 Financial Management System Certification reviews

Legal Services

The 2016/17 performance measures for this business lines are presented in Table 9 below.

Table 9 – Legal Services Activities and Performance Measures

Activities	Performance Measure
<ul style="list-style-type: none"> Collaborate with FNFA and FNTC regarding an evaluation of the timeframe and requirement for FMS Certification and reach agreement on any required ongoing monitoring activities outside of intervention 	Signed protocol agreement with FNFA respecting FMS Certification requirements
<ul style="list-style-type: none"> Engage with Canada regarding amendments to federal privacy and access to information legislation that would enable the FMB to collect and retain all necessary information from First Nations obtained in the normal course of certification activity that would not otherwise be subject to access to information in the absence of engaging with the FMB 	Develop and present to Canada, FMB views and recommendations to resolve potential privacy concerns arising through FMB certification activities
<ul style="list-style-type: none"> Continue work with INAC and other FMA institutions to develop substantial FMA legislative amendments 	Develop and present to INAC and FMA institutions, FMB views and recommendations for substantive legislative changes
<ul style="list-style-type: none"> Continue work with INAC and other FMA institutions to develop options for self-governing and modern treaty First Nations to access the FMA 	Develop and present to INAC and FMA institutions, FMB views and recommendations self-governing and modern treaty First Nations options to access the FMA
<ul style="list-style-type: none"> Continue work with INAC and other FMA institutions with respect to preparedness and readiness for any potential interventions 	Develop and present to FMA institutions, FMB views and recommendations to resolve outstanding issues from mock intervention on “other revenues”.

Corporate Services

The 2016/17 performance measures for this business lines are presented in Table 10 below.

Table 10 – Corporate Services Activities and Performance Measures

Activities	Performance Measure
<ul style="list-style-type: none"> Make preparations for strategic planning session to provide input for the Annual Corporate Plan 	Annual Corporate Plan published on FMB's website (in both official languages) within 30 days of being approved
<ul style="list-style-type: none"> Request First Nations clients that to provide a 'testimonial' as a case study, and prepare text and graphic design of annual report 	Annual Report published on FMB's website (in both official languages) within 180 days of the financial year end

Activities	Performance Measure
<ul style="list-style-type: none"> • Provide notice, undertake logistics for Annual General Meeting • Prepare presentation and materials for Annual General Meeting 	2015/2016 Annual General Meeting held within 15 months following the preceding AGM
<ul style="list-style-type: none"> • Low corporate risk profile 	Low risk rating from INAC General Assessment

Financial Plan

In 2015/2016 the FMB (A-Base) received funding in two (2) funding envelopes:

- a) A-Base: \$4,591,300 (funding envelope 1)
- b) A-Base Mid-Year Funding: \$652,150 (funding envelope 2)

2016/2017 A-Base Funding Request - Requested amount: \$4,591,300

The FMB initially contemplated a significant A-Base budget increase to support planned growth and services. As a result of discussions with Canada the FMB will defer its request for an increase in budget to 2017/2018.

The 2016/2017 budget proposed is based on A-Base funding envelope 1 (\$4,591,300). This will place a significant constraint on funding requirements to support planned growth in 2016/2017 and in particular capacity development funding historically made available to participating clients for their FAL development and FMS certification. FMB believes it will still be able to meet the goals set out in this Corporate Plan and will look for ways to minimize this impact.

Without a budget increase, other planned initiatives have been placed on hold. These initiatives include: employee policy handbook, improvements to the suite of sample policies, research projects, and FMS workshops. The FMB plans to submit a mid-year funding request in Q2 seeking mid-year funding for these initiatives.

In future, Canada may wish to consider to advance the A-Base budget in the form of a flexible funding arrangement as this could potentially provide greater continuity in the FMB’s mandate.

Table 11 on the following page shows the financial plan of the FMB by activity.

Table 11 – Financial plan

Activity	Actual 2014/15 (audited)	Actual 2015/16 (unaudited)	Budget 2016/17	Budget 2017/18	Budget 2018/19	Budget 2019/20	Budget 2020/21
Salary & Benefits	1,404,090	1,813,262	2,200,705	2,569,587	2,854,828	3,161,642	3,426,442
Client Service Delivery	986,255	807,364	349,510	650,938	736,502	789,917	845,146
Policy Development	541,046	554,222	152,100	211,730	224,249	240,524	261,681
Operations & Management	1,155,452	1,218,238	1,052,785	1,103,311	1,147,397	1,150,435	1,189,357
Board of Director Fee & Expense	526,259	489,117	593,100	621,000	621,000	621,000	621,000
Travel	170,991	168,239	173,100	207,774	243,765	281,113	303,296
Capital	109,737	26,735	70,000	70,000	70,000	70,000	70,000
Total	4,893,830	5,077,177	4,591,300	5,434,340	5,897,741	6,314,631	6,716,922

Number of Staff Positions

Table 12 below outlines the number of staff positions.

Table 12 – Number of staff positions

Activity	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of staff positions	19	19	21	23	25	26

Appendix A: Summary of 2016/2017 Strategies and Performance Measures

This appendix will summarize Tables 6 - 10.

Table 13 – Summary of Performance Measures for 2016/2017

Business Line	Activities	Performance Measure
Standards and Certification	<ul style="list-style-type: none"> Develop timelines with individual First Nations to assist in achieving Financial Performance Certification Upon request, conduct Financial Performance Certification reviews 	<ul style="list-style-type: none"> 10 to 15 Financial Performance Certification reviews
	<ul style="list-style-type: none"> Upon request, conduct Financial Management System Certification reviews 	<ul style="list-style-type: none"> 2 to 4 Financial Management System Certification reviews
Market Development, FALs, and Stakeholder Relations	<ul style="list-style-type: none"> Respond to First Nation requests for presentations and materials on FMB products and services including: standards, capacity development tools, procedures and policies, self-assessments and workshops 	<ul style="list-style-type: none"> 40 presentations
	<ul style="list-style-type: none"> Outreach to First Nations that are scheduled to the FMA but not current FMB clients Revisit and/or renew signed Letters of Cooperation with FMB clients that are not active Coordinate efforts with the SPI activities 	<ul style="list-style-type: none"> Obtain 32 Letters of Cooperation
	<ul style="list-style-type: none"> Host relevant events and attend / present at relevant conferences and forums 	<ul style="list-style-type: none"> 4 events hosted
	<ul style="list-style-type: none"> Review financial administration laws submitted to the FMB for comparison to FMB standards and provide compliance reports to First Nations 	<ul style="list-style-type: none"> 10 –15 new FAL compliance approvals
	<ul style="list-style-type: none"> Update existing FALs to meet changes in FMB standards 	<ul style="list-style-type: none"> 2 – 4 updated FAL reviews
Capacity Development and Intervention	<ul style="list-style-type: none"> Support First Nations in implementing their FALs and assist in developing and implementing their financial management systems. 	<ul style="list-style-type: none"> 10 to 15 clients completed FMS Phase I 6 to 8 clients completed FMS Phase II 4 to 6 clients completed Phase III

Business Line	Activities	Performance Measure
	<ul style="list-style-type: none"> Provide funding to First Nations to support their efforts in implementing FMB standards 	<ul style="list-style-type: none"> Allocate \$70,000 budget to a minimum of 14 to 21 First Nations (10 to 15 FALs and 2 to 4 FMS implementations) Respond to requests from existing client base of approximately 70 remaining First Nations who are seeking funding
	<ul style="list-style-type: none"> Develop work plans with individual First Nations to assist in implementing Financial Administration Laws and achieving Financial Management System Certification 	<ul style="list-style-type: none"> 10 to 15 Financial Management System Certification work plans
	<ul style="list-style-type: none"> Support First Nations in the completion of a 'self-assessment' of the financial management system 	<ul style="list-style-type: none"> 8 to 10 self-assessments
	<ul style="list-style-type: none"> Continue discussions with INAC related to how FMB services can be integrated into the General Assessment and Default Management processes 	<ul style="list-style-type: none"> 1 meeting with INAC on this initiative
	<ul style="list-style-type: none"> Collaborate with FNFA and FNTC regarding an evaluation of the timeframe and requirement for FMS Certification and reach agreement on any required ongoing monitoring activities outside of intervention 	<ul style="list-style-type: none"> Signed protocol agreement with FNFA respecting FMS Certification requirements
Legal Services	<ul style="list-style-type: none"> Engage with Canada regarding amendments to federal privacy and access to information legislation that would enable the FMB to collect and retain all necessary information from First Nations obtained in the normal course of certification activity that would not otherwise be subject to access to information in the absence of engaging with the FMB 	<ul style="list-style-type: none"> Develop and present to Canada, FMB views and recommendations to resolve potential privacy concerns arising through FMB certification activities
	<ul style="list-style-type: none"> Continue work with CANADA and other FMA institutions to develop substantial FMA legislative amendments 	<ul style="list-style-type: none"> Develop and present to INAC and FMA institutions, FMB views and recommendations for substantive legislative changes

Business Line	Activities	Performance Measure
	<ul style="list-style-type: none"> Continue work with INAC and other FMA institutions to develop options for self-governing and modern treaty First Nations to access the FMA 	<ul style="list-style-type: none"> Develop and present to INAC and FMA institutions, FMB views and recommendations for options to access the FMA
	<ul style="list-style-type: none"> Continue work with INAC and other FMA institutions with respect to preparedness and readiness for any potential interventions 	<ul style="list-style-type: none"> Develop and present to FMA institutions, FMB views and recommendations to resolve outstanding issues from mock intervention on "other revenues".
Corporate Services	<ul style="list-style-type: none"> Make preparations for strategic planning session to provide input for the Annual Corporate Plan 	<ul style="list-style-type: none"> Annual Corporate Plan published on FMB's website (in both official languages) within 30 days of being approved
	<ul style="list-style-type: none"> Request First Nations clients that to provide a 'testimonial' as a case study, and prepare text and graphic design of annual report 	<ul style="list-style-type: none"> Annual Report published on FMB's website (in both official languages) within 180 days of the financial year end
	<ul style="list-style-type: none"> Provide notice, undertake logistics for Annual General Meeting Prepare presentation and materials for Annual General Meeting 	<ul style="list-style-type: none"> 2015/2016 Annual General Meeting held within 15 months of the preceding AGM
	<ul style="list-style-type: none"> Low corporate risk profile 	<ul style="list-style-type: none"> Low risk rating from INAC General Assessment

Appendix B: FMB Year-End Results 2015/2016

Standards and Certification

Table 14 – Assessment of 2015/16 Results: Standards and Certification

Performance Measure	Fiscal Year ended 31 March 2016	Achievement
10 to 15 Financial Performance Certification reviews	<ul style="list-style-type: none"> 19 reviews performed 12 Financial Performance Certificates awarded 	Exceeded
10 to 15 Financial Management System Certification work plans	<ul style="list-style-type: none"> 22 Financial Management System work plans developed 	Exceeded
8 to 10 financial management system self-assessments	<ul style="list-style-type: none"> 10 self-assessments prepared 	Met
4 to 6 Financial Management System Certification reviews	<ul style="list-style-type: none"> 3 reviews performed 1 FMS Certificate awarded 	Met
Review FMS standards and certification process, and review approach with INAC.	<ul style="list-style-type: none"> Completed – final FMS Certification methodology developed and approved for use, and reviewed with INAC. 	Met
Completion of steps outlined in 2014/15 research work plan respecting standards and policy development in public sector accounting specific to First Nations	<ul style="list-style-type: none"> Response issued in August 2015 to PSAB Discussion Paper. Steps in work plan completed. 	Met

Market Development, FALs, and Stakeholder Relations

Table 15 – Assessment of 2015/16 Results: Market Development, FALs and Stakeholder Relations

Performance Measure	Fiscal Year ended 31 March 2016	Achievement
20 presentations to First Nations	<ul style="list-style-type: none"> 40 presentations delivered 	Exceeded
4 FMB hosted events	<ul style="list-style-type: none"> Ulnooweg – October 6-7, 2015 CANDO – Toronto – October 27-29, 2015 Matawa – December 2, 2015 AFOA Canada – Montreal – February 16-19, 2016 FMB FMS Conference – March 1-2, 2016 	Exceeded

Capacity Development and Intervention

Table 16 – Assessment of 2015/16 Results: Capacity Development and Intervention

Performance Measure	Fiscal Year ended 31 March 2016	Achievement
Review capacity development approach with INAC	<ul style="list-style-type: none"> INAC Yukon regional office: June 26, 2015 INAC Ontario regional office: July 10, 2015 INAC Atlantic regional office: October 5, 2015 	Met
Meet with INAC to discuss work related to: General Assessment, Readiness Assessment, Intervention, audit review and FSO responsibilities	<ul style="list-style-type: none"> INAC BC Region – November 2015 INAC Headquarters – December 2015 	Met
10 First Nations funded to support certification efforts	<ul style="list-style-type: none"> 26 First Nations funded 	Exceeded

Legal Services

Table 17 – Assessment of 2015/16 Results: Legal Services

Performance Measure	Fiscal Year ended 31 March 2016	Achievement
10-15 Financial Administration Law reviews	<ul style="list-style-type: none"> • 8 new FAL reviews • 12 updated FAL reviews 	Exceeded
Resolve outstanding issues from mock intervention on “other revenues”	<ul style="list-style-type: none"> • Legal opinion obtained re: outstanding issues from mock intervention, and a meeting with FNFA is planned before March 31, 2016 	Met

Corporate Services

Table 18 – Assessment of 2015/16 Results: Corporate Services

Performance Measure	Fiscal Year ended 31 March 2016	Achievement
Prepare annual Corporate Plan	<ul style="list-style-type: none"> • Corporate Plan prepared and submitted 	Met
Prepare Annual Report	<ul style="list-style-type: none"> • Annual Report prepared and published 	Met
Hold Annual General Meeting	<ul style="list-style-type: none"> • 2014-2015 Annual General Meeting held on October 29, 2015 	Met
Data and document management	<ul style="list-style-type: none"> • Implementation of records management system and document archival 	Met
Achieve low rating from INAC General Assessment	<ul style="list-style-type: none"> • Letter from INAC received March 11, 2016 	Met