

# FIRST NATIONS FINANCIAL MANAGEMENT BOARD

CHIEF JOSEPH BEVAN, SUZANNE TROTTIER

**THE FIRST NATIONS FINANCIAL MANAGEMENT BOARD (FMB) IS AN INDIGENOUS LED AND RUN NON-PROFIT ORGANIZATION SUPPORTING COMMUNITIES ACROSS CANADA. SINCE 2006 FMB HAS BEEN PARTNERING WITH INDIGENOUS COMMUNITIES TO BUILD THE CAPACITY NEEDED AS THEY LOOK TO BUILD STRONG AND SUSTAINABLE FUTURES FOR THEIR MEMBERS. SOME IMPORTANT THINGS TO KNOW ABOUT THE FMB:**

- » Our services come at no cost to First Nations.
- » We are led by Indigenous people to support Indigenous Communities.
- » We are a non-profit, national Indigenous organization governed by an independent Board.
- » We provide services at the request of Indigenous communities

In October 2016, at the request of INAC Minister Bennett, the FMB began working with five First Nations who were under INAC's third-party management. The communities volunteered to become participants in an FMB Default Management Prevention Pilot Project (DMPPP). Under this project, the FMB is working with the participating Nations to sustainably build capacity. This will support them in making informed decisions and creating a roadmap for community recovery and prosperity.

Some of the DMPPP-participating Nations are involved in major projects in their traditional territories, such as infrastructure development, roads and housing, or large-scale resource development. These Nations also have administrative and political challenges similar to those faced by many governments across Canada.

Through the DMPPP, each Nation has access to dedicated FMB resources to develop their capacity. Two of the five Nations participating in the DMPPP have de-escalated from third-party management to co-management over the last three months, and a third Nation will de-escalate by September 2017. This is a huge success, since they have all been in default management off-and-on for over fifteen years. The benefits of participating in the DMPPP are:

**INFORMED DECISION-MAKING** This means taking the "personality" out of decision-making and replacing it with agreed-upon, clear and documented processes. Having clear processes leads to fewer questions and criticisms from staff and community members, which helps your Nation run smoothly.

**GOAL ACHIEVEMENT** Good governance and finance practices create a roadmap for your Nation. When everyone is following the same map, you can reach the destination more quickly. Our framework helps you build that map. When day-to-day operations run smoothly, Council has more time to deal with major projects and to achieve the Nation's strategic goals.

**ACCOUNTABILITY AND TRANSPARENCY** Good governance and finance practices help Council make informed decisions and make it easier to be transparent about how each decision is made.

**RISK MANAGEMENT** Good governance and finance practices show how you have taken steps to manage situations that could impact the Nation's finance and social health. This boosts confidence in your Nation.

**ACCESS TO LOW COST BORROWING** FMB can help a Nation access a First Nations Finance Authority (FNFA) loan. FNFA loans enable a community to finance projects on the same, beneficial terms enjoyed by various levels of government in Canada. FNFA can save your Nation money, freeing up funds for other projects and services.

**ACCESS TO SHARED SERVICES** The DMPPP has demonstrated the value of working together to provide common services through a collective structure, whether basic bookkeeping or complex negotiations and investment analysis. This allows Nations to have supports that they could not have accessed individually. By working together as a group, they can share information, learn from their experiences, and support each other in achieving their objectives. Shared services still means that decision-making authority and autonomy would stay with the individual Nation.

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The FMB supports our Nations in building capacity and accessing shared services. It has been instrumental in supporting a group of thirty-five First Nations in northern British Columbia to access the information required to make informed business decisions whether to participate in major projects. At the request of these Nations, the FMB assisted in exploring the value chain produced by these projects, as well as where equity ownership is desired. FMB also assisted in exploring unique financing options, to access the capital necessary to achieve an equity ownership position in major projects.

These thirty-five Nations recognized that, in addition to accessing capital for equity ownership, their communities require strengthened capacity to support informed business decisions concerning every aspect of a major project that may impact their traditional lands. From 2014 to 2016, the First Nations Major Projects Coalition (the Coalition) was established with support from the FMB.

Now operating as a separate entity from the FMB, the Coalition is a non-political, business-focused organization developed by First Nations for First Nations. The Coalition has focused much of its efforts on the technical expertise needed to participate in major projects. The direction for this technical work comes from the Nations participating in the Coalition and is designed to address community level information needs including:

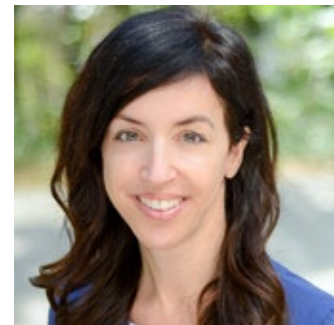
**ECONOMIC MODELS** Ownership model toolkit, including checklist required for negotiation with project proponents, wealth management, benefit sharing models, and unique financing arrangements (including the use of government loan guarantees to access capital for equity ownership).

**ENVIRONMENTAL MODELS** A First Nation led Environmental Stewardship Framework to assess impacts to land from proposed major projects, including: cumulative impacts, monitoring, compliance, and a basis for a Nation-led project impact assessment to be conducted.

**PROJECT IDENTIFICATION AND CAPACITY SUPPORT** Coordination and capacity support to assist a group of First Nations in applying the Coalition's technical expertise to a major project. The Coalition is currently supporting a group of Nations interested in owning a major hydroelectric facility.

The FMB welcomes the opportunity to explore the participation of other First Nations in initiatives which support building strong futures for their communities.

**JOSEPH BEVAN** is chief councillor of the Kitselas First Nation, located in northern B.C. After several years as a councillor with the Kitselas First Nation he was first elected as Chief in 2013 and was re-elected in June 2015 and June 2017. Chief Bevan has extensive experience in the financial and accounting sector and he has worked for more than twenty years with the private sector, government and non-government organisations. He is actively working to bring economic opportunities to Kitselas while at the same time maintaining a respect for the environment. Drawing from his vision and experience, Chief Bevan also serves as Chair of the First Nations Finance Authority and Chair of the First Nations Major Projects Coalition."



**SUZANNE TROTTIER** is a member of the Métis Nation of Manitoba. She is a Chartered Financial Analyst (CFA) and holds a Masters of Business Administration (MBA) in Finance from the University of Western Ontario. Suzanne is the Director of Capacity Development and Intervention with the First Nations Financial Management Board (FMB). Along with her team, she provides capacity development support to First Nation governments seeking to become Financial Management System Certified with the FMB. Prior to her current role, she was a Partner at BASE Partners who provide advisory support to First Nations pursuing economic and social development initiatives; the Quebec Regional Coordinator of Financing and Restructuring with the First Nations Inuit Health Branch of Health Canada; and Vice-President in Corporate Finance with Ernst & Young (EY) in their Montreal, Toronto and Winnipeg offices.



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The background of the top half of the page is a collage of three images: a traditional Indigenous teepee on the left, a young person in traditional regalia in the center, and a large wooden carving of a face on the right. The text is overlaid on a dark, semi-transparent band across the middle of this collage.

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## **WHY WORK WITH US?**

- Strengthen financial management skillsets
- Build transparency and accountability in financial management
- Capacity development resources
- Gain access to financing through the First Nations Finance Authority (FNFA)

## **OUR SERVICES AT NO COST:**

- Support to develop a Financial Administration Law (FAL)
- Financial Performance Certification
- Financial Management Systems Certification
- Tools and Support

## **INVITE US TO YOUR COMMUNITY**

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