

2024--2025

CORPORATE PLAN



First Nations
**FINANCIAL
MANAGEMENT
BOARD**

**CONSEIL
DE GESTION
FINANCIÈRE** des
Premières Nations

COVER ART

About the Painting: “One with the Land”

“The two Great Ancestors appear over the land. They watch over the land, helping out people spiritually. Surrounded by all the grandfather rocks that are full of good medicine. As the two parents watch over the sunset, the kids play a hand game. Both gray jay and brother rabbit show up for the event.”

About the Artist: John Douglas Rombough

John Rombough is a Chipewyan *Dëne Sų́łnė́* Indigenous artist in Sioux Lookout, Ontario and is an enrolled citizen of Lutsel K'e Dene First Nation. Carol and Lyall Rombough adopted him, and he was raised on Dixon Road in Breadalbane, Prince Edward Island. He attributes his early interest in art to the environment he was raised in. As a young adult, Rombough was reunited with his birth father, Alfred Catholique and spent time reconnecting and rediscovering his cultural and spiritual identity in the beautiful community of Lutsel K'e, located on the shores of Great Slave Lake in the Northwest Territories, which also included a lot of time on the traditional territory of the *Dëne Sų́łnė́*.



John Rombough is recognized as a contemporary woodland visual Indigenous artist who embraces his Chipewyan *Dëne Sų́łnė́* culture. He studied at Holland College and completed an Aboriginal artistic training program at the En'owkin Centre in Penticton, British Columbia. He is best known for his original acrylic paintings, which depict his historic Chipewyan *Dëne Sų́łnė́* culture and traditional territory with a keen focus on ancestral beings. Rombough's work evokes traditional woodland teachings and medicine concepts tied intrinsically to the land, water, air, animals, and ancestors. His paintings are instrumental in conveying a message of Chipewyan *Dëne Sų́łnė́* nationhood, which embraces encouragement, leadership, strength, willpower, determination and connection to land, spirit and traditional ways of living and knowing.



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Statistics presented in this report are as of January 31, 2024.

“Our successes we’re able to demonstrate, talk about – this isn’t just the institutions, this is all of you. All of you who have dedicated your lives, your careers, your time; identified educational paths to build and improve your communities, to build and improve the lives of our people from coast to coast to coast. Thank you.

– FNTC Deputy Chief Commissioner David Paul, Maliseet Nation in Tobique, New Brunswick, speaking at opening of *First Nations Leading the Way 6*



THE FIRST NATIONS FISCAL MANAGEMENT ACT

The *First Nations Fiscal Management Act* (FMA) is federal legislation outside of the *Indian Act* that provides an optional pathway for First Nations to enhance their social and economic development. The FMA has established – and provides legislated authority for – four First Nations-led institutions offering complementary services and support to interested First Nations:

- 📁 The **First Nations Financial Management Board** (FMB), which supports First Nations in developing and being certified for high standards of financial management and accountability
- 📁 The **First Nations Finance Authority** (FNFA), which provides First Nations with access to borrowing to advance their social and economic development objectives and priorities
- 📁 The **First Nations Tax Commission** (FNTC), which enables First Nations to collect property and other taxes for community development and services
- 📁 The **First Nations Infrastructure Institute** (FNII), which provides the skills and processes necessary to ensure First Nation communities and Indigenous organizations can efficiently and effectively plan, procure, own, and manage infrastructure assets on their lands

FMB’s Role Under the FMA

Upon request, the FMB supports First Nations to establish and implement their own financial administration laws and strengthen their financial management capabilities, procedures, and practices in line with standards established by the FMB. This enables a participating First Nation to demonstrate to its citizens, prospective lenders, investment partners, and others its commitment to transparency, accountability, and strong governance throughout its financial management systems. With FMB certification of its financial performance, a First Nation can, through the FNFA, leverage financing on terms similar to those available to other levels of government in Canada.

FMB’s certification of First Nations, whether at the Financial Performance (FP) or Financial Management Systems (FMS) level, also give a Nation’s citizens and partners confidence that the Nation is well-run, transparent, and accountable. The certifications are based on international finance and governance standards and adapted to meet the needs of First Nations.

FMB MANDATE

The FMA sets out the broad powers, duties, and functions of the FMB, within which FMB plans, designs, and delivers its programs and services in support of First Nations wishing to participate.

Under Parts 3 and 6 of the FMA, the FMB operates as a national, not-for-profit shared governance institution. The FMA establishes an arm's 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. More specifically, the FMA establishes the following mandate for the FMB:

- 📁 Assist First Nations and other specified Indigenous entities in:
 - developing the capacity to meet their financial management requirements;
 - developing and implementing laws and by-laws respecting financial administration;
 - their dealings with different levels of governments respecting financial management, including matters of accountability and shared fiscal responsibility; and
 - the development, implementation, and improvement of financial relationships with financial institutions, business partners, and different levels of governments, to enable the economic and social development of First Nations and those other entities.

- 📁 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 monitoring and reporting services respecting financial management systems and financial performance.
- 📁 Provide First Nations and other specified Indigenous entities with monitoring and reporting services respecting the implementation of laws and by-laws respecting financial administration and the compliance of those laws and by-laws with applicable standards.
- 📁 Provide services respecting the co-management and third-party management of local revenues and other revenues.
- 📁 Provide advice, policy research and review and evaluative services on the development of fiscal arrangements between different levels of governments and First Nations, as well as on the development of fiscal arrangements between different levels of governments and other specified entities.

- 📁 Develop, implement, test, and evaluate, as well as conduct research with respect to proposals and pilot projects related to the purposes set out in the other paragraphs of this section.
- 📁 Assist First Nations, other specified Indigenous entities, other levels of government, and public and private organizations in the development and implementation of fiscal and economic proposals that contribute to responding to the Truth and Reconciliation Commission of Canada's Calls to Action and to implementing the United Nations Declaration on the Rights of Indigenous Peoples.
- 📁 Collect data, publish statistical information, and conduct research and analysis on matters related to the purposes set out in the Act.

Working with the FMB is optional for interested First Nations across Canada, and the FMB provides its financial management, capacity-building and certification services at no charge to all participating First Nations.

The FMB's services are funded by the Government of Canada through annual A-Base funding arrangements for ongoing core operations, as well as funding provided for Proposal-Based initiatives in support of communities the FMB serves.

The FMB is headquartered on Squamish Nation reserve land in West Vancouver and has offices in Winnipeg, Ottawa, and Montréal.






VISION

Empowering Economic Self-Determination for all First Nations.

MISSION

Driving economic reconciliation at the request of First Nations through strong financial governance standards, reporting, capacity-building, and the development of innovative solutions for economic inclusion through:

-  **Fiscal relationships**
-  **Strategic partnerships**
-  **Evidence-based solutions**



VALUES

The FMB is a First Nations-led organization. The following core values guide the way the FMB carries out its work.

INTEGRITY

WE HONOUR OUR COMMITMENTS, OUR INDIGENOUS VALUES AND OUR TEACHINGS.

COLLABORATION

WE WORK TOGETHER AS A TEAM AND WITH PARTNERS TO ADVANCE SHARED OBJECTIVES.

RESPONSIVENESS

WE ARE TIMELY IN OUR RESPONSE TO THE REQUESTS AND NEEDS OF OUR FIRST NATION CLIENTS AND COLLEAGUES.

INNOVATION

WE DEVELOP AND IMPLEMENT PRACTICAL SOLUTIONS.

Ambitious Leadership Means Brighter Future for Gambler First Nation

Gambler First Nation is a small but mighty force when it comes to economic development. The Ojibway community is one of the smallest First Nations in Manitoba by population, with 352 citizens. But it's big when it comes to the Nation's drive to identify and seize opportunities for sustainable economic development.

In recent years, Gambler became active in road construction, food supply, and mining. Today the community is working hard to build on success. Their ambitious spirit stems from Chief David LeDoux's can-do leadership style. It's an approach that sometimes catches others by surprise, as he recalls from a recent trip to B.C. to purchase a road construction business.

"We went there after we purchased the first paving company," he says. "I met with another chief there and he was in shock that we would travel to B.C. to look for businesses to buy. Sometimes it's a surprise to people when we show up. But as First Nations we can do this; we are not stuck in our territory. We used to roam the land and now we are looking at all provinces for more opportunities for economic development."

Gambler First Nation recently bought a 20 per cent stake in Manitoba's first potash mine. The project is set to be world's lowest carbon footprint potash mine, powered by Manitoba Hydro's green energy. It will use an environmentally friendly mining technique that injects a heated mixture of water and salt underground to dissolve the potash deposits. The resulting mixture is pumped to the surface and crystallized.

The Nation is located approximately eight kilometers west of the village of Binscarth and 27 kilometers southwest of the Town of Russell, situated along the Assiniboine Valley. It offers breathtaking views, fresh air, and a peaceful environment for citizens and visitors.

The community recently received FMS Certification from the FMB. "FMS Certification gives us the confidence to go forward," says Chief LeDoux. "If your finances are in order, the world is your oyster. I want to work with First Nations that understand money and the importance of looking after things the way they should be looked after."



New FMA Amendments: Changes Support Modernization of Act, Closure of Infrastructure Gaps

Important amendments to the *First Nations Fiscal Management Act* received Royal Assent on June 20, 2023. Among notable changes, these amendments support efforts to close the infrastructure gap and unlock the Indigenous economy.

The amendments reflect what the FMA Institutions have heard from the First Nations communities we serve. By establishing the First Nations Infrastructure Institute (FNII) as a fourth institution of the FMA, the amendments support interested First Nations in building and maintaining cost-effective, efficient, and sustainable infrastructure assets. This is vital to addressing the huge infrastructure gap between Indigenous and non-Indigenous communities in Canada, estimated at up to \$350 billion.

Like its sister FMA institutions, FNII is a First Nations-led centre of excellence. It was able to hit the ground running following Royal Assent because the groundwork for FNII's institutional design took place in advance, guided by a development board comprised of First Nations leaders from across the country.

The transformative potential of the FMA amendments is also reflected in an expanded mandate for the FMB. The amendments enable us to provide financial management supports to Tribal Councils and Modern Treaty Nations and Self-Governing groups.

The FMA amendments provide the FMB and its sister FMA institutions with enhanced data-collection abilities. This allows the institutions to monitor growth and enhance their capacity for evidence-based planning and decision-making.

Minor process and structure changes address the FMB's organizational needs:

- 📁 The position of chairperson has changed from part-time to full-time. This ensures that in the future the FMB is able to continue to attract highly qualified Indigenous leaders to this position.
- 📁 Virtual participation in annual meetings is now permitted, providing flexibility for participation from across Canada.

The FMA amendments are an important part of the changes needed to unlock Indigenous economies.



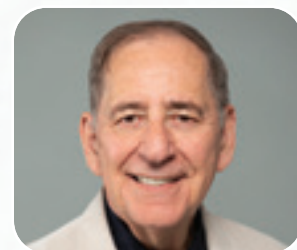
FMB Executive Chair Harold Calla (centre), FNFC Chief Commissioner Manny Jules (left), and Chair of the First Nations Infrastructure Institute (FNII) Development Board Allan Claxton (with FNFA CEO Ernie Daniels joining virtually) appeared before the Senate Indigenous Peoples Committee on June 6, 2023, to testify about the need for Bill C-45. The bill to amend to the First Nations Fiscal Management Act received Royal Assent on June 20, 2023.



BOARD OF DIRECTORS

The Board of Directors is comprised of no fewer than nine and no more than 13 members from across Canada, including a Chairperson and a Vice-Chairperson. The Governor in Council (GiC), on the recommendation of the Minister of Crown-Indigenous Relations, appoints the Chairperson and a minimum of five and up to nine other Directors. AFOA Canada appoints up to three additional Directors.

At the time of writing, 11 of the 13 possible Board positions have been filled, with up to two vacant positions available to be filled through the GiC appointment process.



Harold Calla

Executive Chair
GIC Appointment
British Columbia
November 30, 2024



Mike McIntyre

GIC Appointment
Nova Scotia
January 24, 2029



Jean Vincent

GIC Appointment
Québec
January 24, 2029



Kelly Ballard

AFOA Appointment
British Columbia
June 30, 2027



Caroline Davis

GIC Re-Appointment
Ontario
March 24, 2025



Deanna Muise

GIC Appointment
Alberta
June 24, 2024



Dillon Johnson

Vice-Chair
GIC Re-Appointment
British Columbia
October 16, 2026



Paul Rochon

GIC Appointment
Ontario
January 24, 2029



Katherine Stevens

AFOA Appointment
British Columbia
June 30, 2027



Norm Grdina

GIC Re-Appointment
British Columbia
March 21, 2026



Louis LeDoux

AFOA Appointment
Saskatchewan
February 23, 2025



Leonard Odjick

Elder Advisor
Québec

MESSAGE FROM EXECUTIVE CHAIR, HAROLD CALLA

More than 60 per cent of *Indian Act* First Nations are now scheduled to the FMA. The FMB and our sister FMA institutions have the critical mass needed to effect real change.

Of the 364 Nations scheduled, 281 have a Financial Administration Law and 64 have achieved FMB's highest level of financial certification, FMS Certification. These numbers reflect the growing momentum of activity under the FMA. As well, 143 First Nations have entered into 10-Year Grant agreements. In response to the needs of Nation clients, our team has grown in key areas, now numbering 122 members in locations across Canada.

As this 2024–2025 Corporate Plan shows, we are getting results. And we have put forth practical, implementable proposals to open more opportunities for Nations as they work to build better futures.

The successes highlighted in this report reflect our commitment to listen to First Nations, respond with the appropriate supports, and expand our services and reach as required to meet Nations' needs.

Growing Demand

In some cases, growth in demand for the services of continuing pilot projects – such as Support Services and the Default Management Prevention (DMP) program – exceeds what we can deliver with project-based funding. As the 2024–2025 Corporate Plan highlights, we continue to work with funders to address these shortcomings, so we no longer have to say 'no' to First Nations that seek our support in capacity building for administrative governance.

Many First Nations, especially small and isolated Nations, struggle to secure the professional services, such as bookkeeping and accounting, that they need to achieve their goals, including the standards required for FMB certifications. The FMS Support Services program supports Nations in attaining these professional services and advancing on the path to strong financial governance and eligibility to borrow funds through the First Nations Finance Authority. The program allows for aggregated solutions that reduce costs.

Some Nations seek support in getting out – and staying out – of default management. FMB's Default Management Prevention program assists First Nations in making the changes needed and getting back on track in building a brighter future. Although technically still a pilot project, the DMP program has evolved into one of the FMB's core services and has achieved positive results that the existing approach did not achieve.



Harold G. Calla
CPA, FCGA, CAFM

Squamish Nation
British Columbia



New Fiscal Relationship

At the request of the Assembly of First Nations and the Government of Canada, the FMB is also involved in efforts to establish a new fiscal relationship with Indigenous Peoples. Canada has stated that this new fiscal relationship should ensure that Indigenous governments have the fiscal resources needed to provide services to their citizens that are comparable to public services available to other Canadians. There is still a huge gap to be addressed in meeting that goal, but the FMB and our sister FMA institutions have demonstrated that Indigenous-led institutions are the way forward.

The Government of Canada has also committed to achieving a “nation-to-nation, government-to-government” relationship with First Nations. Being recognized as governments means First Nations must have access to the same kinds of mechanisms that other forms of government have, including fiscal powers that are currently lacking. The RoadMap Project, as we highlight in this report, offers a framework for developing and implementing the new structures and tools needed to close this gap.

RoadMap to the Future

RoadMap aligns with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), which Canada brought into legal force through legislation in 2021. The implementation of UNDRIP requires Canada to fulfill its promise to support the creation of the mechanisms, organizations, and institutions required to achieve a new fiscal relationship with First Nations – a government-to-government relationship that responds to the UNDRIP Action Plan. The FMA institutions have shown that Indigenous-led institutions have a central role to play in achieving this new relationship.

Achieving a new fiscal relationship means Canada needs to change the status quo; it needs to devolve the functions of federal departments into First Nations organizations and institutions. First Nations need to be respected as governments with the same kinds of authority and opportunities as other levels of government. We need new fiscal models

that allow First Nations to move beyond the pay-as-you-go system of federal transfers and enable Nations to also leverage their revenues, in support of their communities, through the tools and services of Indigenous-led institutions.

Over the past year, we've discussed the RoadMap Project with First Nations leaders across Canada through a series of workshops and presentations called the RoadMap Roadshow. This outreach shares RoadMap's proposals to advance economic development and self-government and gather feedback as we refine the solutions. The RoadMap Roadshow will continue in 2024–2025.

While the FMA institutions and the Nations we work with have made important progress, significant gaps remain – in access to capital, investment opportunities, and other areas vital to economic development. These gaps must be addressed if we are to achieve this new fiscal relationship and advance economic reconciliation. Closing the gaps requires new Indigenous-led initiatives, institutions, and organizations designed and mandated to achieve the same level of success as the FMA institutions.

Prosperity for First Nations and All Canadians

Getting this right isn't only about enabling First Nations to move beyond the colonial system of managing poverty to an Indigenous-led framework for generating wealth; it also means building prosperity for all Canadians.

Some of the measures needed will require changes to existing legislation, which is a normal part of the legislative process. For example, the important FMA amendments that became law in June 2023 support efforts to close the infrastructure gap and unlock the Indigenous economy.

The sustainability and growth of the Canadian economy will increasingly depend on Indigenous participation in the economy, pursuant to UNDRIP. As the Supreme Court of Canada has repeatedly affirmed, Indigenous economic inclusion is not optional. To ensure this inclusion, barriers must be removed and gaps must be closed.

Improved Community Outcomes

This past year, the FMB gathered and analyzed data showing the significant achievements of First Nations while working with the FMB, specifically in the areas of improved community outcomes and financial health of First Nations governments.

The correlation results are striking:

- 📄 First Nations communities working with the FMB saw significantly higher levels of formal education attainment.
- 📄 Nations with FMS Certification saw a significantly higher level of residential housing quality.
- 📄 There was a higher level of own-source revenue according to a First Nation's level of engagement with the FMB.

These findings reflect the success of the FMA institutions: We deliver for client Nations, we get results, and we are here to stay.

Community-informed Action

This coming fiscal year, the FMB will establish an Indigenous Advisory Committee (IAC) to provide community-informed feedback and recommendations to our Board of Directors on emerging and ongoing First Nations concerns. This feedback will relate to FMB programs and services, and First Nations' priorities for Indigenous economic and financial policy. The IAC is another way FMB prioritizes active listening and responsiveness in our work serving First Nations.

Being responsive also requires that we expand our work as needed to address emerging needs. As this Corporate Plan highlights, that includes working to address a growing challenge First Nations face: issuing audited financial statements. The FMB will study the various reasons behind this serious challenge in 2024–2025 and collaborate with Nations, other organizations and the Government of Canada to identify reasons and find solutions.



Collaboration for Economic Development

The FMB is among a number of Indigenous organizations that play important roles in supporting Indigenous economic development and embrace collaboration in getting the best results for communities. This year we've committed to playing a lead role in enhancing that collaboration through a new body. The Indigenous Economic Council (IEC) will be a secretariat for like-minded Indigenous economic development institutions and organizations. By combining our strengths and insights to better support Indigenous economies, we can promote efficiencies, coordinate advocacy, align activities toward a common strategy, and better support Indigenous private sector growth.

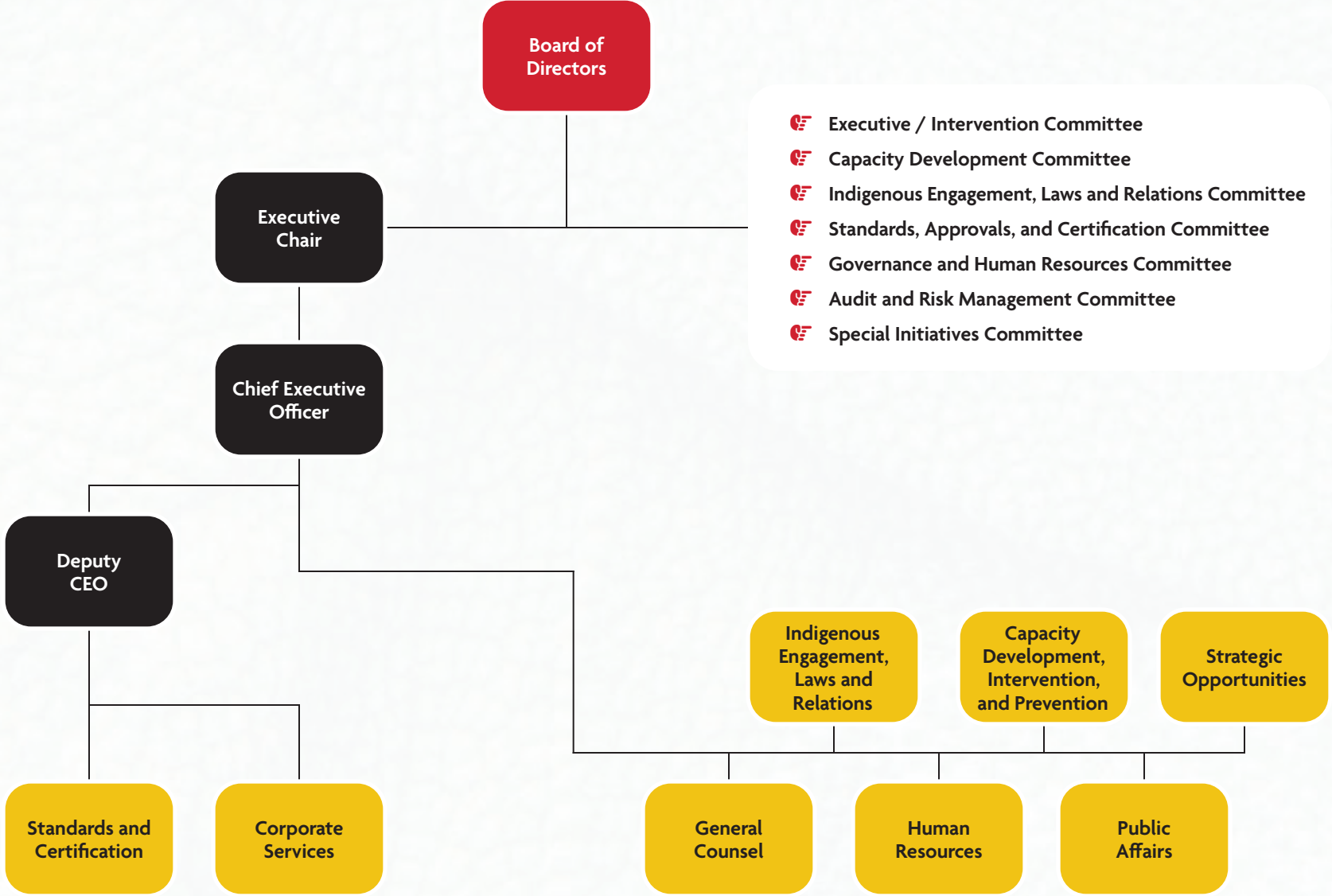
I am encouraged to see Canada taking some steps to support greater First Nations economic participation. For example, in the Fall Economic Statement, the federal government announced plans for an Indigenous Loan Guarantee to enable Indigenous communities to have increased access to affordable capital. This move is designed to unlock opportunities for Indigenous equity ownership in resource projects.

As this Corporate Plan shows, First Nations and First Nations organizations are increasingly coming together to support one another in creating new opportunities and new solutions to longstanding challenges. With additional substantive actions by the Government of Canada to establish a new fiscal relationship that delivers on its commitments to Indigenous Peoples – using a whole-of-government approach to change – we can all move beyond the economic harms of our colonial past and start to realize the true potential of the Indigenous economy and Canada.

Over the coming year, FMB teams, programs, and services will continue to focus squarely on supporting First Nation governments in achieving their economic development and administrative governance goals, as they work to meet the needs of their communities in a manner consistent with their values.

ORGANIZATIONAL STRUCTURE

The Executive Chair and the Board provide direction to the Chief Executive Officer, who works closely with the Deputy Chief Executive Officer. The FMB's Board committee and organizational structures are set out below.





2024–2025 EXECUTIVE SUMMARY

This Corporate Plan charts a course for the FMB for 2024–2025 and beyond, taking into account:

- 📄 Progress in the advancement of FMB's ongoing mission and goals
- 📄 Delivery on specific priorities and commitments set out in the 2023–2024 Plan
- 📄 Emerging issues, challenges, and opportunities identified in FMB's environmental scan
- 📄 Authorities and resources made available to the FMB
- 📄 Continuing support and collaboration with FMB's partner institutions under the FMA

The FMB's work over the coming years reflects four strategic priorities.

1 PREPARING AND
SUPPORTING NATIONS

2 MAINTAINING FMB'S
IMPACT

3 BUILDING FMB'S
CAPACITY

4 COLLABORATING ON
FISCAL & ECONOMIC
OPPORTUNITIES

Key initiatives for 2024–2025 and beyond include the following major commitments and strategic directions:

- 📁 **Expand FMS Support Services program:** The FMB will expand the FMS Support Services outreach program, which has proven successful in breaking down barriers that have prevented First Nations from accessing services and support under the FMA, for example because of the community’s isolation, small size, and/or inability to attract qualified staff.
- 📁 **Continue implementation of the RoadMap for advancing First Nation financial jurisdiction and capacity:** The FMB will continue to promote and implement its collaborative effort to provide a path for Canada and First Nations to achieve greater Indigenous self-governance through Indigenous-led institutions.
- 📁 **Secure future of default management:** The FMB will proceed to secure permanent funding for its Default Management Prevention (DMP) program, by which the FMB helps First Nation governments build their financial management capacity and de-escalate from their default management position. The funding will allow the FMB to expand the DMP program over time to all interested First Nations.
- 📁 **Expand FMB services:** With the recent approval of FMA amendments, the FMB will continue to expand and clarify its mandate in support of the communities we serve. The FMB will also continue to collaboratively work on initiatives designed to facilitate the offering of certification services to modern treaty and self-governing Nations.
- 📁 **Support new fiscal relationships between First Nations and Canada:** Since its inception in 2018, 143 First Nations have seen the benefits of a long-term funding arrangement with Canada and have signed on to a 10-Year Grant funding arrangement. The FMB will continue to support the 10-Year Grant initiative through its Memorandum of Understanding (MOU) with Indigenous Services Canada (ISC), including expansion of the program to health authorities and tribal councils.

📁 **Establish First Nations statistics and data capacity for informed policy decisions:** Under amendments to the FMA, the FMB and the other FMA institutions are provided with enhanced data collection roles and abilities that will allow them to monitor growth and enhance evidence-based planning and decision making around organizational objectives.

📁 **Obtain stable and sustainable long-term funding for FMB:** The FMB will continue to pursue new funding arrangements with Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) and ISC that will offer more stability and enable FMB to plan and make longer-term commitments for more complex and significant initiatives.

📁 **Promote and integrate Indigenous perspectives in sustainability standards:** The FMB will support domestic and global efforts to ensure that Indigenous perspectives, sensibilities, and circumstances are integrated in new standards for the reporting of impacts of Environmental, Social and Governance (ESG) arrangements and commitments.

📁 **Continue FMB’s oversight role with the Atlantic First Nations Water Authority:** The FMB will continue to enhance its role in the provision of independent oversight for the Atlantic First Nations Water Authority (AFNWA), which is responsible for water and wastewater services to over 4,500 on-reserve households and businesses in Atlantic Canada. The FMB provides the services of an independent economic oversight and monitoring agency to oversee the economic activities of the AFNWA. This arrangement will be showcased as a model for First Nations-led initiatives that transfer responsibility from the federal government while ensuring adequate funding.

📁 **Enhance organizational strength of the FMB:** The FMB will continue to pursue transformational change within the organization to ensure that it keeps pace with client demand for FMB’s services and continues to strengthen its collaboration with FMA institutions and government partners.

Addressing Emerging Needs: Audited Financial Statements

Through active listening in our work with First Nation clients and other First Nations, the FMB can quickly identify emerging challenges and work with our partners to develop solutions that meet Nations’ needs. In 2023–2024, we identified the difficulty some First Nations have in issuing audited financial statements. This could be an impediment to their success in achieving their administrative governance goals and FMB’s financial certifications.

Reasons gleaned from preliminary discussions with First Nations include:

- 📁 Challenges of adopting and implementing new accounting standards
- 📁 Difficulty securing or retaining high quality, reliable bookkeeping services to assist with month-end financial accounting and reporting
- 📁 Difficulty moving from bookkeeping to financial statements that are ready to audit in a timely manner
- 📁 Lack of separate financial statements or availability of records of government business enterprises
- 📁 Difficulty finding an auditor (cost and availability)

The Risks

Financial statement audits are essential for FMA participation and borrowing, in addition to a First Nation’s commitment to transparency and accountability to its citizens. The longer this problem continues, the greater the risk to Nations and the programs designed to support them in achieving their goals. Risks to Nations include the opportunity costs of not being able to seize new development opportunities and partnerships. This growing problem could pose significant risks for funding partners. The lack of timely audited financial statements creates uncertainty and mistrust, and impedes informed decision-making.

FMB Action

Further information is needed to better understand the various reasons behind this growing challenge and develop solutions in consultation with First Nations. To this end and as a priority area of focus, in 2024–2025 the FMB will:

- 📁 further engage with First Nations to determine the full extent of the problem and the main reasons behind it;
- 📁 engage with the auditor practitioner community, CPA firms, provincial regulators of audit services, and our funders to better understand the reasons behind this problem and solutions being explored, developed, or implemented by others;
- 📁 explore resource/funding needs to position FMB to develop and implement solutions – in the meantime, the FMB will rely upon prior year unused funding (deferred revenue) to engage independent consultants to assist with some elements of this work;
- 📁 pursue increased funding for Support Services program to better meet First Nations’ demand for bookkeeping / accounting support services;
- 📁 explore policy matters related to this challenge; and
- 📁 explore creation of a First Nations Auditor General (FNAG) which could provide high-quality and cost-effective financial statement audit services and advice to First Nations’ upon request. The FMB will study the potential for a FNAG function, beginning by looking to the 2017 research paper prepared for the Assembly of First Nations on this topic. The FMB will also consider its authority under section 49(e) of the FMA, which allows the FMB to provide review and audit services respecting First Nation financial management.

Addressing this growing challenge in a timely manner is important for both First Nations and Canada.



FMB staff from Eastern Canada attended a team-building event at Mādahōki Farm in Ottawa in August 2023.

CORE FUNCTIONS

Indigenous Engagement, Laws, and Relations

Committed to ensuring that all interested First Nations can enjoy the benefits of FMB services and support under the FMA, the Indigenous Engagement, Laws, and Relations (IELR) function actively reaches out to, and engages with, interested First Nations across Canada to:

- 📁 make them aware of the nature and benefits of participation as a scheduled First Nation under the FMA, and
- 📁 provide information, operational guidance, and support in their development of a Financial Administration Law (FAL) or Financial Administration By-Law (FAB) (as applicable).

FMB's IELR function also engages with participating First Nations to review, assess, and provide legal opinions and recommendations on FAL compliance approval to the Board of FMB and, as applicable, FAB compliance opinions for recommendation for Ministerial approval. In addition, the FMB's IELR function supports First Nations on their journey to Financial Performance (FP) Certification, Financial Management Systems (FMS) Certification, and eligibility for ISC's 10-Year Grant Program.

IELR supports and conducts outreach to new client segment following the expansion of FMB's mandate with the FMA amendments of 2023. The IELR team also supports client engagement on the RoadMap Project and other initiatives.

Capacity Development, Intervention, and Prevention

For First Nations pursuing FMS Certification, the FMB's Capacity Development, Intervention, and Prevention (CDI) function provides capacity-building assistance and support in the form of special tools, services, training, and guidance. These supports are designed to encourage, equip, and enable First Nations to establish strong financial management capacities, processes, and practices that meet FMB-established standards. The FMB's CDI function also assists First Nations to get—and stay—out of default management. The FMB's CDI function maintains capacity, procedures, and readiness to intervene when required under the FMA to respond to adverse financial management situations facing participating First Nations.

Standards and Certification

In support of its financial management capacity development and support offerings to First Nations, FMB's Standards and Certification (SAC) function develops and maintains standards of practice, and related certification procedures and criteria, for First Nation governments and not-for-profit organizations. Adherence to these standards and protocols is a requirement for receipt of FMB's FP and FMS Certification. In addition, the FMB's SAC function provides support and compliance opinions for First Nations seeking eligibility for participation in ISC's 10-Year Grant Program.

Strategic Opportunities

With a commitment to supporting First Nations across Canada in the advancement of jurisdiction in financial and economic matters and in their ability to fulfill their social and economic development objectives, FMB's Strategic Opportunities (SO) function advocates for, and supports, the establishment of relationships with financial institutions, business partners, and other governments based on effective and meaningful Indigenous-Crown principles. This includes advancing initiatives that explore and accelerate the responsible devolution of federal government services as well as the identification and initiation of new First Nation service organizations in support of identified community priorities. This is achieved in collaboration with ISC, CIRNAC, and other federal government departments.

INTERNAL SERVICES

General Counsel

The FMB's General Counsel is responsible for provision of advice and support for legislative amendments and regulation development; monitoring of FMB's compliance with all relevant legislation and regulations; and provision of legal advice and related policy research and development support.

Public Affairs

The Public Affairs function of the FMB delivers a diverse array of activities in external relations and communications, including events planning; management of internal and external communications products and services; and delivery of intergovernmental affairs services and support.

Corporate Services

The FMB's Corporate Services function is responsible for a wide range of services related to the ongoing operation of the organization, including records and information management; financial accounting, planning and reporting; administrative support to all business functions, including office and facilities management; development and maintenance of organizational policies and procedures; support for information technology (IT) security, project management, network administration, help desk, and digital media services; and delivery of payroll, employee benefits, and compensation management services.

Human Resources

The FMB's Human Resources (HR) function provides employment-related services, including recruitment and performance management; employee training and onboarding; development and maintenance of HR-related policies and procedures; and development of employee well-being initiatives.



Working with the FMB is optional for interested First Nations across Canada, and the FMB provides its financial management, capacity-building and certification services at no charge to all participating First Nations.

WHAT FMB DOES AND HOW IT WORKS



First Nations Elders and youth had opportunities to work together at First Nations Leading the Way 6.

FOCUS

The primary focus of the FMB is to support interested First Nations in building their fiscal and financial management capacity. The FMB achieves this by working with First Nations to encourage and support them in getting scheduled under the FMA; developing and adhering to a Financial Administration Law (FAL) (for First Nations under the FMA) or, as applicable, a Financial Administration By-Law (FAB) (for First Nations under the *Indian Act*); achieving FMB's Financial Performance (FP) Certification and subsequent Financial Management Systems (FMS) Certification; maintaining and continually improving ongoing financial management practices; and participating in other financial management initiatives offered by the FMB and our partners within the FMA framework.



PROCESS

Delivery on the FMB's mandate involves the following key elements and processes:

1. PROMOTE AND FACILITATE FIRST NATION SCHEDULING AND PARTICIPATION UNDER THE FMA

The FMB reaches out to interested First Nations to encourage and assist them in becoming a scheduled First Nation under the FMA so that they can enjoy the benefits of the legislation. The FMB maintains a continuing supportive relationship with scheduled First Nations, to identify and respond to their emerging needs and opportunities, and to assist them in the subsequent stages of law/by-law development and FP and FMS Certification.

2. DEVELOP, UPDATE, AND PROMOTE FINANCIAL ADMINISTRATION STANDARDS AND CERTIFICATION CRITERIA

The FMB develops – and continually reviews, updates, refines, and promotes – acceptable standards and best practices for financial administration by First Nation governments and other relevant entities. This includes development of criteria and processes for the FMB to assess a First Nation's financial performance and financial management, as a condition for FMB's FP and FMS Certification.

3. ASSIST WITH FAL AND FAB DEVELOPMENT, AND COMPLIANCE ASSESSMENT

The FMB provides information, tools, models, templates, training, and operational guidance to support First Nations in their development and implementation of FALs and FABs that comply with FMB-established standards and criteria. The FMB also reviews FALs and FABs developed by First Nations to give legal opinions on whether they comply with the standards. The FMB provides approvals for FALs and offers recommendations to the CIRNAC Minister for FABs.

4. SUPPORT CAPACITY DEVELOPMENT FOR FAL AND FAB IMPLEMENTATION

The FMB provides various forms of support to First Nations in their development, strengthening, and exercise of capacity to develop and implement FALs and FABs and to progress toward FMB's FMS Certification.

5. REVIEW AND APPROVE FP AND FMS CERTIFICATIONS

The FMB reviews the implementation of, and adherence to FALs by First Nations, testing them against FMB-established standards. Upon request, the FMB conducts reviews of a First Nation's financial performance or financial management system, leading to the FMB approval of FP and FMS Certificates.

6. SUPPORT PARTICIPATION IN ISC'S 10-YEAR GRANT PROGRAM

The FMB supports First Nations seeking participation in ISC's 10-Year Grant Program, including analysis, assessment, and provision of a legal and financial performance compliance opinion on the First Nation's eligibility for participation in the program; and follow-up, monitoring, and reporting, as well as capacity development support for First Nations approved for participation in the program.

7. SUPPORT CAPACITY DEVELOPMENT FOR DEFAULT MANAGEMENT PREVENTION PROGRAM

The FMB develops and promotes strong governance and financial management practices for adoption by First Nations to assist them in getting out and staying out of default management. This includes providing support to First Nations to enable them to develop their own capacity to avoid and manage default.

8. ADVANCE SOCIAL AND ECONOMIC DEVELOPMENT, AND OTHER FMA INSTITUTIONS

With a broad and ongoing commitment to promoting and supporting First Nations in setting and achieving their social and economic development goals, the FMB works with other FMA institutions and related partners in advancing First Nation jurisdiction and capacity.



ENVIRONMENTAL SCAN

The strategic direction and initiatives set out in this Corporate Plan take into account a number of major factors and trends that influence challenges and opportunities facing First Nations and the FMB. Most significant among these are the following:

- 📄 **First Nation interest in the FMA and in FMB Certification:** Continuing and growing interest on the part of First Nations across Canada in exploring and taking advantage of the benefits of being scheduled under the FMA and in developing and receiving formal certification for proven commitments and capacities in financial management as supported and recognized by the FMB.
- 📄 **Appreciation of the value of FP and FMS Certification:** Expanding awareness of the nature, application, and benefits of formal FP and FMS Certification of First Nations by the FMB, and the ability of certified First Nations to secure loans and investments under favourable terms in support of their development goals.
- 📄 **New sustainability standards applicable to financial and economic management:** Growing interest in, and support for, the development, recognition, and application of new dimensions of Environmental, Social and Governance (ESG) sustainability standards applicable to financial management and economic development, with special emphasis on factors unique to First Nations and their historical, geographic, and cultural context.
- 📄 **Demand for statistical and data capacities and competence:** Growing need for, and benefits of, strong statistical analysis capabilities supported by access to sophisticated and reliable financial, economic, social, and other critical data for financial and economic planning and decision-making on the part of First Nation governments and related enterprises and community institutions.

Enhanced First Nation jurisdiction and authority: Increasing recognition on the part of Canada of the appropriateness and benefits of strengthened First Nation jurisdiction in financial and economic affairs, and of the need and benefits of broadening eligibility and authorities under the FMA to meet the needs and interests of a wider range of First Nation communities and entities.

Maturation and growth of the FMB: Continuing growth in the demand for FMB services, not only in quantity but in level of sophistication and robustness, reflecting the increasingly sophisticated range of financial and economic initiatives being pursued by First Nations.

First Nation challenges in issuing audited financial statements on time: Some First Nations face challenges in preparing audited financial statements, including securing the services of an auditor. Timely financial statement preparation and reporting are essential for FMA participation and borrowing, in addition to a First Nation's commitment to transparency and accountability to its citizens.

Increasing need for Support Services: Some First Nations, especially small and remote Nations, struggle to attract and retain the qualified staff and contract services, such as in bookkeeping, that would enable them to develop and implement financial management laws and practices that meet FMB standards.

Appointments to the Board: Two current vacancies on the Board of Directors, and expiration of the terms of four more Board members before the end of March 2025, requiring actions to fill the positions.



RISK ASSESSMENT AND MITIGATION

The FMB undertakes regular assessments of risks to which it may be exposed and maintains an active Risk Register used by the Board and the management team to take stock of evolving risks, develop and update effective prevention and mitigation strategies and measures, support implementation of risk responses, and guiding and monitoring evaluation activities to support continual readiness and system improvement.

The Risk Register addresses the full suite of potential issues, factors, and circumstances that may present challenges to the ability of FMB to deliver on its mandate and commitments and/or threaten the viability and integrity of FMB operations and capacities, including such considerations as:

- Adequacy and reliability of FMB resourcing
- Exposure to legal liabilities
- Compliance with legal and statutory obligations
- Attraction and retention of requisite human resources
- Adequacy of consultation and engagement with clients and partners
- Alignment of FMB policies and practices with professional standards and best practices
- Integrity of internal operations and practices, and adequacy of safeguards
- Continuity of operations and adequacy of succession plans, including at the Board level
- Security of information, technologies, and facilities
- Contingency plans to address areas of uncertainty

The five-year Special Examination of FMB's books, systems, and practices, mandated under the FMA, includes a review of FMB's approach to risk prevention and mitigation. The most recent Special Examination was completed in May 2023. (See [page 52](#) for further information on the Special Examination.)

STRATEGIC PRIORITIES

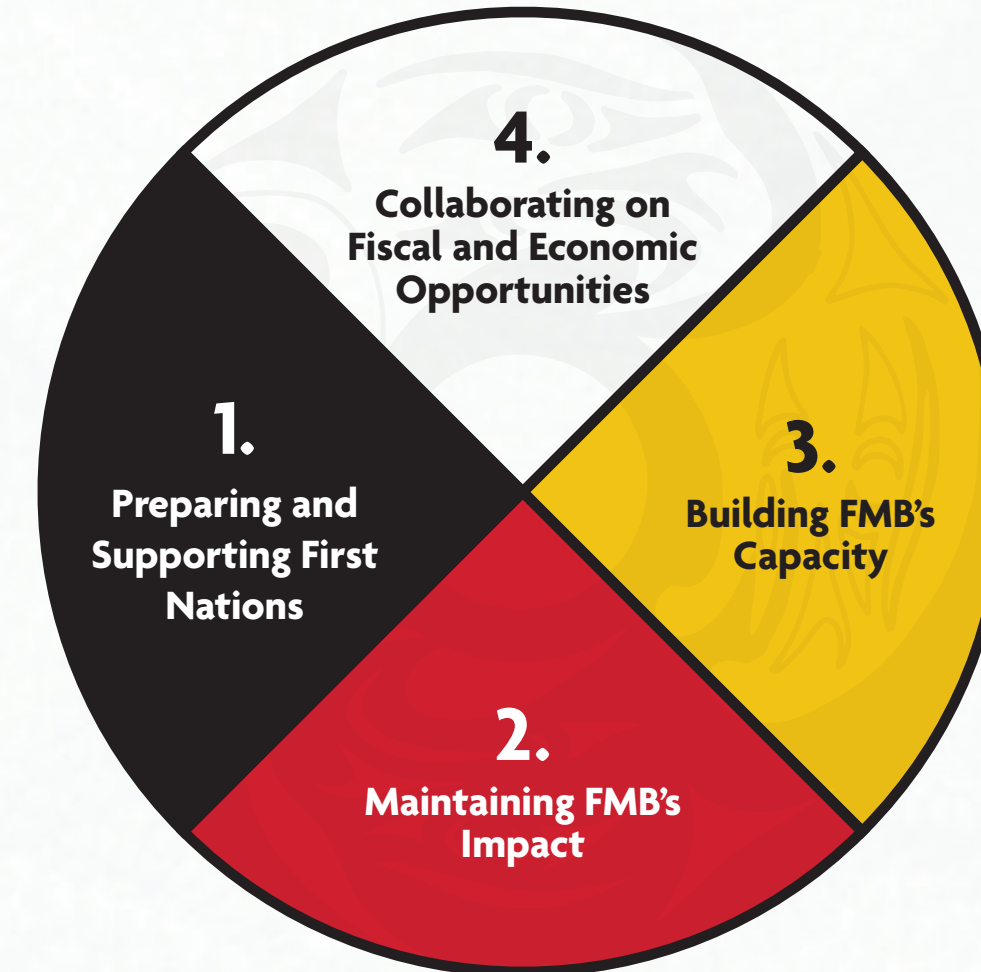


Executive Chair Harold Calk speaks at the Economic Reconciliation Roundtable on February 8, 2024 in Ottawa.

The operating, business, and political environments facing First Nations are changing quickly. First Nations are becoming regional economic leaders. There is growing recognition of the importance of First Nations to the Canadian economy. Increasingly, the business community recognizes the need for economic reconciliation, including the alignment of business decision-making and practices with UNDRIP.

First Nations often ask the FMB for support as they navigate new challenges. Continuing gaps and emerging needs call for the creation of new measures, initiatives, and institutions. The RoadMap Project offers a framework of solutions and has been well-received by Nations coast to coast to coast.

These solutions and related areas of focus, along with insights from our ongoing environmental scan and emerging trends, are reflected in the four strategic priorities that will guide the FMB's work in the coming year and beyond.



PRIORITY ONE: PREPARING AND SUPPORTING NATIONS

The FMB works with First Nations according to their unique needs and schedule to deliver on our core business of supporting strong financial and administrative practices. With staff working in community, we build supportive, trusting relationships with Nations as they work to achieve their goals, responding to each Nation's needs through Support Services, the DMP program, NFR 10-Year Grant eligibility reviews, and other supports. These relationships evolve according to the Nation's unique journey, with continuing supports such as evergreen FMS Certification services provided.

Strategic goals to guide our work in preparing Nations include:

- 1.1 Support First Nations in advancing to formal FMS Certification.
- 1.2 Continue to provide services through the FMS Support Services pilot project.
- 1.3 Conduct FAL, FP, and FMS reviews (for Certification and 10-Year Grant Eligibility) upon request.

Some highlights from our most recent year to January 31st, 2024.

18

New FALs for a total of 281 Nations that have enacted a FAL – 77% of all scheduled Nations

7

FAL Nations updated their FAL for FMS Certification

3

Client events hosted by FMB's IELR and CDI teams: Empowering Nations workshops (Thunder Bay, Ontario; Rama, Ontario; and Edmonton, Alberta) to showcase the value of FMS Certification

Supporting Nations from FAL to Certification

As part of our commitment to support First Nations in advancing to formal FMS Certification, the FMB will continue to actively pursue its mandate to promote participation under the FMA and support the development and certification of financial management capacities for all interested First Nations. As of 2023–2024, the regional distribution of participating First Nations reflects a combination of the actual distribution of eligible First Nations across Canada as well as the historical evolution of interest in the FMA. Building on a solid base in B.C. and the Prairie Provinces, the FMB has made considerable progress in recent years in engaging with First Nations in Ontario, Québec, Atlantic Canada and the North – regions that are targeted for strong and well-focused outreach in the coming planning period.

Our work conducting FAL, FP, and FMS reviews, upon request, continues. There are now FP- and FMS-certified First Nations in all regions of Canada, reflecting FMB's commitment to Canada-wide outreach and engagement, supported by program delivery and coordination through its four offices across the country (Vancouver, Winnipeg, Ottawa, and Montréal). While B.C. and the Prairie Provinces currently account for a majority of First Nations with full FMS Certification, those in other provinces and the North now account for fully one-quarter of all FMS-certified First Nations.



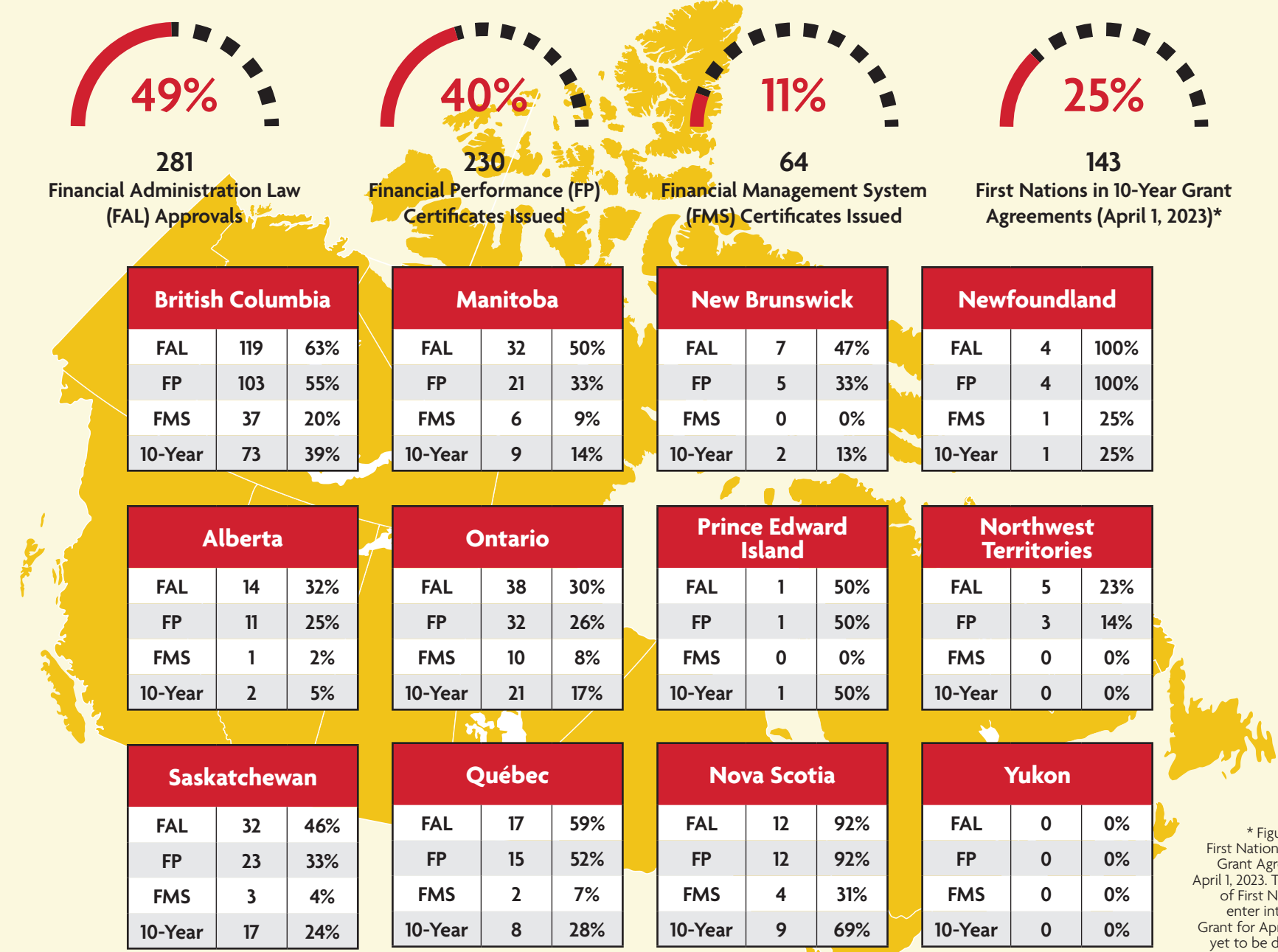
FIGURE 1: FMB Milestone Achievements – Most Recent Five Years, as of 2023–2024

| Fiscal Year | 2019–2020 | 2020–2021 | 2021–2022 | 2022–2023 | 2023–2024 |
|--|-----------|-----------|-----------|-----------|-----------|
| Letters of Cooperation (LOCs) Signed | | | | | |
| Annual | 25 | 18 | 13 | 25 | 19 |
| Cumulative | 294 | 312 | 325 | 350 | 369 |
| Financial Administration Law (FAL) Approvals | | | | | |
| Annual | 33 | 16 | 15 | 22 | 18 |
| Cumulative | 210 | 226 | 241 | 263 | 281 |
| Financial Performance (FP) Certificates Issued | | | | | |
| Annual | 27 | 15 | 9 | 22 | 13 |
| Cumulative | 171 | 186 | 195 | 217 | 230 |
| Financial Management System (FMS) Certificates Issued | | | | | |
| Annual | 19 | 9 | 4 | 7 | 6 |
| Cumulative | 38 | 47 | 51 | 58 | 64 |
| First Nations in 10-Year Grant Agreements | | | | | |
| Annual | 27 | 6 | 13 | 13 | 14* |
| Cumulative | 111 | 117 | 130 | 143 | 157* |

* 2023–2024 data is for First Nations for whom FAL and FP compliance opinions were issued. The number of First Nations who enter into a 10-Year Grant Agreement at April 1, 2024 is yet to be determined.



FIGURE 2: FMB Milestone Achievements – Number and % of Eligible Indian Act First Nations in Canada and by Province / Territory, as of 2023–2024



* Figure 2 shows First Nations in 10-Year Grant Agreements at April 1, 2023. The number of First Nations who enter into a 10-Year Grant for April 1, 2024, is yet to be determined.

FMS Support Services

Supporting small and remote First Nations in building financial administration capacity

A growing number of First Nations across Canada are now scheduled under the FMA, with many working toward receiving FMB Certification for their financial management laws and practices. This positions them for better access to loans and investments under more favourable terms. However, some First Nations – notably smaller and remote Nations, comprising a significant portion of all First Nations people – struggle to attract and retain the qualified staff that would enable them to develop and implement financial management laws and practices that meet FMB standards.

Many First Nations are pursuing certification under the FMA for better loan access; however, smaller and remote communities require assistance attracting qualified staff. The FMB initiated the FMS Support Services to address, offering remote financial and administrative support, training, and coaching. Launched as a pilot project in 2021–2022, the service offering assists with various financial aspects and has expanded to service 26 communities. Both the financial administrative support and human resource component have been well received by communities.

The client-centred model allows First Nations to select their priority needs and identify short and long-term goals, including a pathway to FMS Certification.

The FMB has scaled up the FMS Support Services program in response to First Nation needs and has onboarded 26 clients across Canada, exceeding timeline and partner expectations. While scaling up this service offering, the FMB is capturing success stories, gathering data on remote accounting and training hours, and continuing to assist Nations with administrative improvement initiatives.

The pilot project's success is attributed to hiring professionals with previous experience in First Nation government, underlining the importance of “in-community experience.” This expertise fosters client trust, offering cultural sensitivity and knowledge that builds FMS Support Services' success. The Support Services initiative is currently funded through ISC proposal-based funding. In 2024–2025, the FMB will work with funders to address the growing demand for the Support Services initiative.

The vision of FMS Support Services is:

“To build upon existing strength by empowering communities to action administrative excellence and resilience.”

B.E.A.R. (Building Excellence; Actioning Resiliency)



Sheshegwaning First Nation: A Support Services Success Story

Located amongst the lush forests of western Manitoulin Island, Sheshegwaning First Nation, comprised of the Odawa of the Anishinaabe Nation, is a Nation breaking trails. They were one of the five first Nations selected to participate in the FMS Support Services pilot launch.

An FMB Financial Specialist engaged in the development of a workplan with the Nation, based on their needs and priorities. The client onboarding process identified areas of focus, training, and support. A schedule was developed to meet those needs over the course of two years.

At the onset of client engagement with the Sheshegwaning First Nation finance staff, it was evident that they had high capacity with its financial systems. Also, when FMS Support Services first onboarded the client, the Nation was preparing itself for FMS Certification testing. The Financial Specialist supported the Executive Director to complete the required multiyear financial management plan.

FMS Support Services was able to support this client in getting over the finish line for FMS Certification. The First Nation's finance staff, departmental managers and Council were able to engage in budgeting preparation and review, multi-year financial planning, quarterly reporting and variance analysis.

The finance staff were constantly implementing new processes for system improvements. The Financial Specialist was able to support the Nation to improve its ERP Accounts Payable and Payroll system by completing the data entry to enhance its electronic payment methods, both for the Nations vendors and its employees. This improvement also resulted in issuing paystubs by email, meaning an end to years of providing paper paystubs. The Finance Coordinator was always looking for ways to reduce redundancies, save costs and improve workflows.

Sheshegwaning First Nation has achieved the ultimate phase of the FMS Support Services pilot with independence, autonomy, and capacity to execute excellent financial management systems. We honour them in their achievements and the wealth knowledge of their administration and Nation. We thank them for allowing us to be a part of their journey.



SHEHEGWANING VISION:

“Generate wealth through successful integration of policy, capacity and partnership development”

PRIORITY TWO: MAINTAINING FMB'S IMPACT

The FMB is committed to maintaining and building upon the trust and impact we have established with First Nations and Canada over the past 16 years. First Nations' needs are always our priority; we take direction from our Nation clients.

The FMB will continue to invest in a strong, capable, adaptable, and values-driven staff that gets results for Nations, and bring entrepreneurial awareness and two-eyed seeing to all aspects of our work.

Goals to guide our efforts in maintaining impact include:

- 2.1 Continue to provide capacity development services to First Nations.
- 2.2 Continue to thrive as an Indigenous-led institution by establishing an Indigenous Advisory Committee.
- 2.3 Co-develop 10-year grant eligibility criteria for eligible Indigenous not-for-profit organizations.

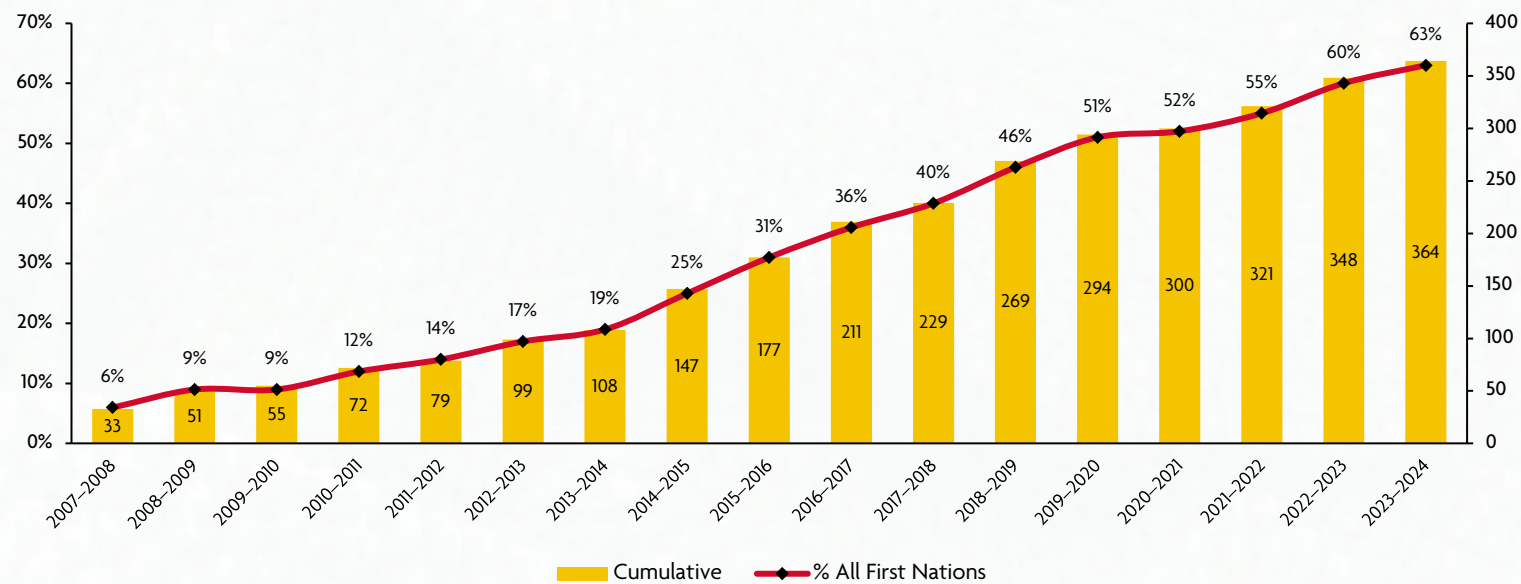
FMA Participation by First Nations

Since establishment of the FMB in 2006, the number of First Nations who have chosen to be scheduled under the FMA has grown tenfold. Following the major milestone achieved in 2019–2020 – when more than half of all First Nations in Canada were scheduled under the FMA – the year 2023–2024 saw continued expansion of First Nation interest in the FMA as a powerful tool for economic growth and community development. The number of First Nations across Canada that have opted to be scheduled under the FMA continues to grow each year, and now represents more than 60% of the 579 eligible *Indian Act* First Nations across Canada.

FIGURE 3: First Nations in Canada Scheduled Under the FMA, Most Recent Five Years, as of 2023–2024

| Fiscal Year | 2019–2020 | 2020–2021 | 2021–2022 | 2022–2023 | 2023–2024 |
|--------------------------|-----------|-----------|-----------|-----------|-----------|
| Annual | 25 | 6 | 21 | 27 | 16 |
| Cumulative | 294 | 300 | 321 | 348 | 364 |
| % Eligible First Nations | 51% | 52% | 55% | 60% | 63% |

FIGURE 4: First Nations in Canada Scheduled Under the FMA as a % of Eligible *Indian Act* First Nations in Canada, Cumulative, 2007–2008 to 2023–2024



Capacity Development

First Nations rely on governance to define and achieve their goals and objectives. Through good governance, a First Nation's leadership can build success for the community. Examples of actions to lead to success:

- Creation of a finance and audit committee that provides recommendations to leadership
- Best practices based on an internationally recognized internal control framework

FMB's Capacity Development and Intervention team supports First Nations in achieving their goals and building sustainable governance and finance practices.

Strong financial practices support First Nations to prioritize and achieve their financial goals. Creation of best practices in human resources management to support a First Nation in attracting and keeping employees, who in turn assist the Nation in achieving their financial goals – all while ensuring information management practices are implemented to support good record-keeping.

In 2024–2025, FMB's Capacity Development team will continue to:

- support clients to be ready for FMS Certification;
- encourage and support Nations to share their success stories;
- continue to provide services to Nations experiencing default;
- continue to provide services to Nations requiring back-office accounting support; and
- collaborate with other FMA institutions to build alignment.

**Workshops delivered in
2023–2024:**

1,110

To First Nations that have enacted their Financial Administration Law

181

To Nations specifically working with a 10-Year Grant

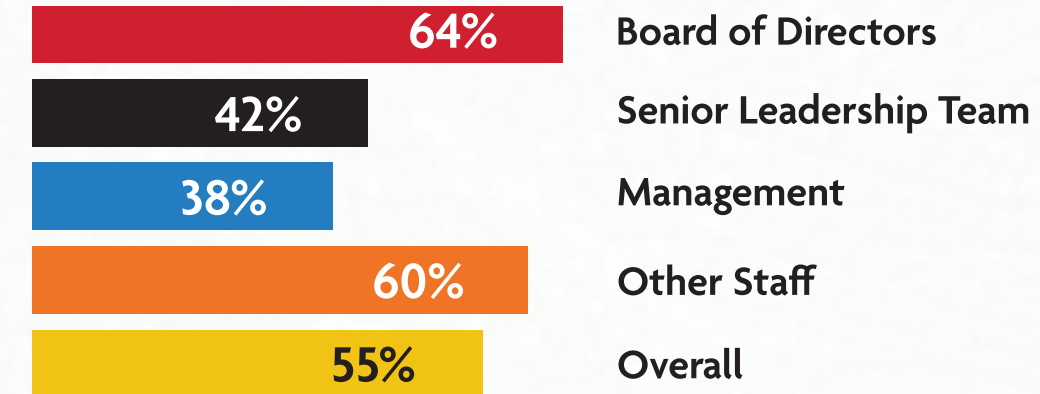
62

To Nations that have achieved FMS Certification, for the Nation's want of continuous improvement to their financial administration systems

Indigenous Representation Within FMB

As indicated in Figure 5 below, the FMB strives to have Indigenous representation at all levels of the organization.

FIGURE 5: Percentage of Indigenous Representation Within FMB Staff, by Level, 2023–2024



Indigenous Advisory Committee

Feedback from First Nations has always been foundational to the FMB's work and success. To increase our ability to gather and act upon feedback from Nations, a new Indigenous Advisory Committee (IAC) is being established in early 2024–2025. This client-based body will provide community-informed feedback and recommendations to FMB's Board of Directors related to the implementation of Board directives.

Reporting to the Board, the IAC will keep the Board informed on the following items:

- emerging and ongoing First Nations concerns;
- First Nations priorities for Indigenous economic and financial policy; and
- feedback on FMB programs and services.

Membership in the IAC will consist of representatives from FMA First Nations, with a total of nine advisors to reflect the geographic and political diversity of these Nations.



Default Management Prevention Program

Helping First Nations get out – and stay out – of default management

Started in 2016, with five First Nations in the pilot phase, the FMB's very successful Default Management Prevention (DMP) now bridges crucial gaps for 24 First Nations in or near third-party management.

The FMB's default management prevention process is recognized as being more effective than the current federal default management program. With assistance from the FMB's DMP program, First Nation governments have access to FMB's capacity development resources to assist in achieving de-escalation from default management. The FMB's Capacity Development and Intervention team helps these communities reach their goals and supports them in building sustainable governance and finance practices.

- 📁 All five of the original DMP pilot project participants have been taken out of third-party management since participating in the program
- 📁 Many of the DMP pilot project participants are looking to use the 10-Year Grant pathway to de-escalate from default
- 📁 Two Nations have achieved FP Certification
- 📁 One Nation has met the 10-Year Grant FP eligibility requirements

The DMP program is currently funded through ISC proposal-based funding. The FMB will continue to advocate for the transfer of funding for the DMP program from ISC proposal-based funding to CIRNAC A-Base funding to recognize that the DMP program has evolved beyond a pilot project and has become one of the FMB's core services. Increased, long-term funding for the DMP program will allow the FMB to expand this program over time to all interested First Nations.

New Fiscal Relationship, 10-Year Grant

Enabling First Nations to secure longer-term funding

In 2018, as part of the New Fiscal Relationship (NFR) initiative, Indigenous Services Canada (ISC) established the 10-Year Grant Program for interested First Nations. The 10-Year Grant is a funding mechanism that provides more flexibility and predictability in how a First Nation government uses its funding to address the Nation's needs and priorities. The 10-Year Grant allows First Nations to do the following:

- 📁 Better manage finances over a longer period to meet changing community needs
- 📁 Keep unspent funds (i.e., no clawbacks of surplus funds at year-end)
- 📁 Reduce the amount of reporting and resources needed to manage finances
- 📁 Permit easy transition to the FMA

Given the greater autonomy and flexibility offered by 10-Year Grants, First Nations must demonstrate that they meet the necessary standards for fiscal management and accountability. The FMB's governance and finance practices were selected by ISC and the Assembly of First Nations (AFN) as the framework to be used in the 10-Year Grant. As part of a 2018 MOU between the FMB, the Minister of Indigenous Services, and the Minister of Crown-Indigenous Relations, the FMB accepted the role of evaluating whether a First Nation government that expresses interest in a 10-Year Grant meets the eligibility criteria.

The FMB provides advice, tools, and support to help First Nations develop and implement financial administration laws (whether under the FMA or the *Indian Act*) and to achieve minimum financial performance ratios based on FMB-established standards. The FMB assesses compliance with the criteria for program eligibility and monitors the performance of First Nations who have entered into 10-Year Grant agreements to ensure their continued adherence to the program's requirements. To date, 143 First Nations have entered into 10-Year Grant funding agreements with ISC and are now enjoying the benefits of the 10-Year Grant Program funding provisions.

The supports provided by the FMB under the 10-Year Grant Program have become integral to the FMB's core services offerings and are relied upon by both ISC and First Nations. The FMB's 10-Year Grant work continues to be funded through ISC proposal-based funding. To continue providing these services to First Nations in the program and to support the expanding number of First Nations interested in the program, the FMB will seek to ensure a reliable, long-term funding commitment from CIRNAC to make these activities part of FMB's A-Base funding.

The FMB has also been working with the New Fiscal Relationship Secretariat on the proposed expansion of the 10-Year Grant. Expanding the 10-Year Grant to tribal councils and other Indigenous NPOs using the FMB's standards as part of the eligibility criteria will require further co-development as well as the creation of new tools and templates.

Work to advance the New Fiscal Relationship more broadly continues. In 2024–2025, the FMB will continue to be an active participant in joint discussions with ISC and the AFN at strategic and technical level New Fiscal Relationship consultative tables.

Expanded Use of the FMA Regime

The value and potential of the FMA regime extends far beyond its initial lending and taxing purposes. In addition, we now also provide support to the New Fiscal Relationship 10-Year-Grant framework. In partnership with the AFN and Canada, the FMB led in the development of grant eligibility criteria and accepted the invitation to provide an opinion on whether a First Nation seeking 10-year grants meet the criteria. The FMB's success in areas such as the Default Management Prevention pilot project, Support Services pilot project, and data collection is rooted in trusting relationships with First Nations, built over the past 16 years, and FMB's proven processes and systems.

This evolution of FMB's programs and services reflects our responsive and nimble approach to meeting the needs of First Nations. Success also grows from the optionality of FMB's offerings, and our commitment to work with Nations according to their timelines and readiness.

With more than 50% Indigenous staff and highly efficient programs, the FMB delivers better results at lower costs. In the future, the expansion of FMB's work could also be impactful in areas such as risk management in the monetization of some of the transfers First Nations receive from the federal government, allowing Nations to build more infrastructure in their communities sooner.

Recognition of the FMB as a centre of excellence has led to invitations to apply our proven measures in new ways that also benefit First Nations. This includes our role as economic regulator for the Atlantic First Nations Water Authority (AFNWA). In time, the AFNWA model may be replicated by other groups of First Nations choosing to work together and build their own utilities; we welcome interest in additional regulator roles in the future.



PRIORITY THREE: BUILDING FMB'S CAPACITY

In recent years, the FMB has pursued the strategic objective of transformational change within the organization. This change, coupled with increasing demand for FMB's services and the need to be responsive to requests from other FMA institutions and government partners, has seen the FMB grow at a tremendous pace.

The FMB has proven it is ready and willing to respond to this increased demand. We are attracting and retaining talent in a highly competitive labour market. Since April 1, 2021, the FMB has grown from an organization of 57 employees to 122 at the date of this report. The FMB is committed to cultivating an Indigenous-focused workplace culture that is effective, collaborative, rewarding, and fun. The FMB will strive to become the Indigenous economic and financial development workplace of choice.

One of the FMB's key priorities is the expansion of FMB's internal capacity and administrative support systems to build the organization we need to accomplish our long-term strategic objectives.

This work is guided by key goals including:

3.1

Continue to implement FMB's IT Strategic Plan and IT modernization.

3.2

Continue to implement FMB's FMS Certification workplan. Complete the drafting, review, and approval of all required policies and related instruments.

3.3

Implement relevant recommendations from the 2022–2023 Special Examination.

IT Strategic Plan and Technology Modernization

FMB is committed to the highest standards in technology tools, security, training, and innovation to support all business lines in delivering results for First Nations. During 2022–2023, the FMB completed a comprehensive review of IT systems, which resulted in the development of a five-year IT Strategic Plan that will enable the FMB to build a high quality, responsive, and cost-effective IT environment with reliable technology services that facilitate collaboration and support effective and efficient administration.

During 2023–2024, the FMB embarked on its long-term IT strategy. As well, significant enhancements were made to strengthen the level of FMB's cybersecurity maturity based on findings identified in the 2021–2022 IT security assessment.

During 2024–2025, the FMB will begin implementing some of the more resource-intensive areas of its IT Strategic Plan, including systems selection, implementation, and integration work. As directed by the Board of Directors, the FMB will also implement relevant IT-related recommendations from the 2022–2023 Special Examination.

Special Examination of the FMB

The FMB is required under the FMA to carry out a Special Examination of its operations to determine if its books, records, systems, and practices were maintained in the manner required. This is to be conducted at least once every five years and at any other time required by FMB's Board of Directors or the Minister. These Special Examinations are required to be carried out by FMB's external auditor.

During the 2022–2023 fiscal year, the FMB engaged its external auditor, KPMG LLP (KPMG), to conduct the Special Examination. KPMG provided an objective assessment of FMB's internal systems and practices for meeting our responsibilities as a First Nations institution according to the FMA. KPMG found there is "reasonable assurance that: assets are safeguarded and controlled; human, physical and financial resources are managed economically and efficiently, and operations are carried out effectively." A summary of the special examination report is available on our [website](#) and was provided to the Minister of CIRNAC on May 16, 2023.

While KPMG found "no significant deficiencies" in our systems and practices, they did note some areas that we could improve and provided recommendations on how to do so. During 2024–2025 management will continue to implement the recommendations from the report, as directed by the Board of Directors. Based on preliminary research conducted by the FMB, we will need to increase our annual spending by approximately \$7.0 million over the short-term to allow FMB's IT, HR and Finance functions to be properly staffed in ways that are comparable to other national federally funded service delivery organizations. This can only be accomplished through a significant and sustained increase in A-Base funding.

As an organization that has grown significantly in the past five years in terms of the number of First Nations served, staff size, and moving towards adequate resourcing for our operations, we will continue to work hard to have our systems and practices keep pace with this growth.

FMB's Commitment to Good HR Principles and Practices

Doing the right thing for FMB staff

The FMB remains steadfastly committed to upholding exemplary HR principles and practices that prioritize staff well-being and success. This includes:

- ensuring a living wage for our employees to meet their everyday needs;
- continuously monitoring market salaries and adjusting salary ranges as needed;
- guaranteeing gender balanced pay; and
- continuously review and strengthen employee pension and benefit plans.

To foster a positive work environment and promote employee satisfaction, we are dedicated to implementing the following measures:

- creating a high-quality work environment that prioritizes both physical and mental wellbeing;
- developing strategies to empower and instill confidence in FMB employees;
- maximizing the capacities and abilities of work teams by promoting empowerment;
- promoting an inclusive work environment;
- demonstrating an unwavering commitment to employee well-being, pay equity, and fairness; and
- prioritizing employee career and skills development.

PRIORITY FOUR: COLLABORATING ON FISCAL AND ECONOMIC OPPORTUNITIES

The FMB and our sister FMA institutions are committed to building success through collaboration. An example is the annual gathering of First Nations Chiefs, councillors, and senior staff at the *First Nations Leading the Way* conference. In 2023, this meeting attracted more than 500 attendees. The FMB also collaborates with other national Indigenous organizations to advance economic reconciliation and open new opportunities for economic development.

This collaboration has ramped up with the establishment of the new Indigenous Economic Council, a collective of like-minded Indigenous economic development institutions and organizations.

The FMB is also in collaboration with NACCA, other national Indigenous economic organizations and the Assembly of First Nations to launch an Indigenous-led First Nations Procurement Organization (FNPO). The goal of the new FNPO is to support First Nation businesses to participate in federal government procurement opportunities.

This priority area covers a broad area of FMB's work, falling under nine strategic goals. The following first three of these goals focus on building success through collaboration.

4.1

Work with other National Indigenous Organizations to develop a national Indigenous Economic Council.

4.2

Continue to Advance the recommendations of the 2019 Interim Report of the Joint Advisory Committee on Fiscal Relations.

4.3

Host *First Nations Leading the Way* Conference.

Indigenous Economic Council

The Indigenous Economic Council (IEC) will be a secretariat for like-minded Indigenous economic development institutions and organizations.

Historical and current structural barriers are holding back the growth and development of First Nations economies across Canada. These barriers include legislation that undermines the factors of production that support other sectors of the Canadian economy. These challenges create a complex economic environment for First Nations governments, businesses, and individuals. These factors combine to produce risk and uncertainty for businesses, entrepreneurs, and financing institutions, stifling growth and segregating First Nations communities from mainstream economies.

There is no single organization driving the conditions for First Nations economic development. Instead, a wide array of Indigenous institutions and organizations currently provide capacity support, tools, capital, and training to First Nations individuals, businesses, and governments across Canada. These organizations are part of a new framework for nation-building.

FMB will continue to lead the coordination of national Indigenous organizations (NIOs) with the goal of developing a permanent collaborative working relationship. By working together for a common purpose through a secretariat, these organizations can combine their strengths and experience to better support First Nations economies. As a forum for Indigenous thought-leadership, the IEC will accomplish the following objectives:

- 📁 Identify best practices
- 📁 Seek answers to common problems through research and statistics
- 📁 Coordinate advocacy for policy that promotes trade and investment and the removal of barriers
- 📁 Align the policies and activities of its members towards a common strategy
- 📁 Support Indigenous private sector growth
- 📁 Empower Indigenous public sector innovation to support investment
- 📁 Support Indigenous businesses to engage with external markets and investors
- 📁 Promote efficiencies among member organizations

In 2023–2024, we worked with partners to create a model for the Indigenous Economic Council and bring together founding members. Together we secured funding for standing up the IEC, leading the initiative together with our partner, NACCA. Work to advance the IEC will continue in 2024–2025, including an Economic Reconciliation Forum (with a projected 250 attendees) for May 2024.



First Nations Leading the Way 6 Taking Control of Our Destiny

First Nations Leading the Way 6 in Gatineau, Québec, was our largest and most successful national gathering yet, with more than 500 attendees.

Hearing about First Nations' journeys toward prosperity and self-determination, learning what's new in services and programs, and checking in with special guests were all highlights of *First Nations Leading the Way 6*.

Under the theme of 'Taking Control of our Destiny,' the forum showcased First Nations at the forefront of expanding fiscal and economic jurisdiction. The conference highlighted achievements in using First Nations-led agreements and legislation to improve economies through greater fiscal independence, improved financial management, debenture financing, and sound land governance.

The diverse presentation and discussion sessions provided an opportunity for participants to learn more about how the First Nation institutions and the Lands Advisory Board can support and enhance innovations in fiscal relations with the Crown, such as ISC's

10-Year Grant Program that facilitates longer-term planning and investments for community services and development projects.

First Nation leaders shared their journey in working with the FMA institutions and LAB, inspiring other attendees as they work towards achieving their own economic development goals.

New elements this year included the participation of Elders and youth delegates, which brought new insights and energy to the event.

Another special feature was a delegation from Australia that shared their experiences and goals as part of our ongoing collaboration.

Delegates also enjoyed entertainment from performers of our host Nation, Kitigan Zibi, and areas nearby.

Our 7th edition will bring the conversation to Edmonton and will continue to build on the success of previous *First Nations Leading the Way*. Save the dates have been sent out for the week of November 26, 2024.



Images from First Nations Leading the Way 6 in Gatineau, Québec.

FMB's collaboration with First Nations in Australia grows with FNLTW delegation, MOU

Indigenous Peoples in Canada and Australia share a similar history marked by the dispossession of their lands and waters, the denial of their rights, as well as systematic exclusion from the economy and from opportunities for wealth creation.

The sharing of information, insights, and experiences between First Nations in each country has grown in recent years, building upon the visit by an FMB delegation to Australia in 2022 at the invitation of Indigenous leaders there. In November 2023, a delegation of leaders from First Nations institutions in Australia took part in *First Nations Leading the Way* (FNLTW) in Gatineau, Québec. Their participation included a keynote address by Professor Peter Yu of the First Nations Portfolio at the Australian National University. He noted that Australia has never had a coherent national approach to support Indigenous wellbeing, despite the inherent rights of Indigenous peoples in Australian law. “We know as Indigenous Peoples that our quest for self-determination will not be realized if we continue to be impoverished by the colonizers,” he said. “We value our emerging partnership with First Nation leadership and organizations in Canada; you have inspired us in developing a framework for reconciliation; we trust that we will have mutual benefits.”

A unique international agreement between key Indigenous-led organizations in Australia and Canada that prioritizes Indigenous collaboration and diplomacy, signed on at the end of FNLTW on November 16, seeks to address the entrenched economic exclusion and lack of opportunity of Indigenous Peoples in the two countries.

The Memorandum of Understanding (MOU) was signed by First Nations financial institutions in Canada – the First Nations Financial Management Board and the First Nations Finance Authority; and key Australian Indigenous-led organizations – the Australian National University’s First Nations Portfolio, First Australians Capital, The Indigenous Land and Sea Corporation, and the National Native Title Council.

The agreement is a unique and historic move to encourage closer ties and collaboration between First Nations organizations, committed to advancing economic reconciliation in Australia and Canada.

Formalizing an already strong relationship between the organizations developed over the past two years, the agreement commits the parties to working together on matters of shared concern, including collaborative research, the exchange of knowledge and ideas, as well as facilitating staff exchange and other reciprocal opportunities in both countries.

The MOU is a unique example of Indigenous-led international collaboration and diplomacy. It will be an important platform for advancing collaboration to improve better economic opportunities for Indigenous peoples, and broader economic reconciliation in the two countries.

The agreement adds an outward-looking, international dimension to struggles in both countries of Indigenous Peoples, to confront and address barriers to economic exclusion and participation.

Executive Chair Harold Calla, centre right, with the Australian delegation attending First Nations Leading the Way 6 in November 2023.



Modernizing Funding Formula for First Nation Governance

The 2019 Interim Report of the Joint Advisory Committee on Fiscal Relations (JACFR) states that “Nation-to-Nation relationships necessarily include fiscal relationships that provide First Nations with the ways and means to finance their autonomous functions and advance the well-being of their nations, communities and citizens pursuing the way of life that creation intends for them.” FMB Executive Chair Harold Calla was a technical expert for JACFR.

The FMB will advance the recommendations contained in the 2019 Interim Report of the Joint Advisory Committee on Fiscal Relations (JACFR) through a prioritized list of JACFR and RoadMap initiatives that support real, systemic change in the fiscal relationship between Canada and First Nations. To build on this work, the FMB is seeking support for the piloting of a formula-based, data-driven transfer model for a new fiscal relationship, including developing a transfer model that is based on the real cost of First Nation governance and accountability to First Nation citizens.

In 2023–2024, the FMB conducted research and proposed an alternative for funding First Nation governance.

Over the coming year, the FMB will continue working with the Government of Canada to address the insufficient funding levels for First Nations governance and modernize the way funding is allocated.





The FMB is focused on supporting First Nations in moving from managing poverty to creating sustainable wealth for their communities. This work advances economic reconciliation; the Calls to Action from the Truth and Reconciliation Commission (2015); and the United Nations Declaration on the Rights of Indigenous Peoples (2007).

In the past year, this effort was seen with policy work toward a New Fiscal Relationship in collaboration with the Assembly of First Nation and public servants at ISC. We are also preparing to pilot a new approach to financing badly needed infrastructure with the leadership of Attawapiskat First Nation near James Bay, Ontario.

We submitted recommendations to the Governments of Canada and British Columbia that would implement their respective UNDRIP action plans in measurable and impactful ways. Toward Canada's corporate sector, we seized every opportunity to urge the increase of Indigenous Peoples at all levels (as per TRC Call to Action #92) and influence financial and economic regulatory standard setters toward the recognition of Indigenous rights (as per UNDRIP). In all our public policy work, we promote the enormous benefits of supporting Indigenous inclusion in the economy for First Nations, regional economies, and the whole of Canada. Prosperous Indigenous economies are the key to accessing critical minerals that will support the energy transition and reduce Canada's dependence on volatile foreign powers.

Strategic goals to guide our work in advancing economic reconciliation, the TRC Calls to Action, and UNDRIP include:

4.4

Respond to invitations to comment within the financial, accounting, and regulatory sectors.

4.5

Engage with regulators and professional bodies to promote responses to Call To Action #92.

4.6

Promoting the mutual benefit of economic reconciliation through speaking and media engagements.

RoadMap Project: Advancing Economic Reconciliation

The RoadMap Project provides a pathway for First Nations and Canada to achieve greater Indigenous self-governance through Indigenous-led institutions. RoadMap offers a means to deliver on the promise of UNDRIP by supporting First Nations as they move from managing poverty to creating wealth.

As Indigenous governing bodies prepare themselves to enter a New Fiscal Relationship with other levels of government, RoadMap focuses on six key areas of support:

- 📁 Reliable data to guide decision-making for First Nations and all levels of government
- 📁 Sustainable infrastructure through institutional support and fiscal tools
- 📁 Economic development through capacity support and an Indigenous Development Bank
- 📁 Options to expand jurisdiction and fiscal powers
- 📁 Strength through First Nations working together to provide services and build economies
- 📁 Good governance through tools to support strong institutions of governance, capacity support, a leadership and training program, and risk management

The 2023–2024 fiscal year saw the FMB pursue the RoadMap Project through:

- 📁 Engagement of First Nations governments, communities, organizations, and thought leaders on RoadMap
- 📁 Advancement and advocacy of RoadMap's policy proposals
- 📁 Proposed legislative and policy changes to support new fiscal options for First Nations, including the expansion of the FMA
- 📁 Establishing the FMB Statistical Initiative, an Indigenous-led statistical initiative specializing in Indigenous fiscal and economic data, statistics, and policy research
- 📁 Foundational pieces towards the creation of the Indigenous Economic Council



For the 2024–2025 year, the FMB will continue the RoadMap Roadshow to bring RoadMap to First Nations across the country and gather feedback as we refine its proposals. The FMB will also continue to advance RoadMap's proposed solutions, including:

- 📁 Establishment of the FMB Statistical Initiative
- 📁 Legislative changes to promote First Nations' capacity to manage lands and provide greater resources for organizations such as the Lands Advisory Board
- 📁 Monetization of federal transfers and expanding own-source revenue for infrastructure financing
- 📁 Establishment and resourcing of the Indigenous Economic Council
- 📁 Establishment of the Indigenous Development Bank under federal legislation
- 📁 A new fiscal framework where the role of ISC diminishes and that of First Nations rises
- 📁 Establishment of the Indigenous Investment Commission (IIC): an Indigenous-led organization that provides pooled investment management services for Indigenous governments, trusts, and institutions
- 📁 Establishment of First Nations Procurement Organization

The FMA institutions have demonstrated impressive results in delivering on their respective mandates, showing that Indigenous-led institutions are the way forward in closing remaining gaps and advancing economic reconciliation. In some areas, expanded roles for institutions like the FMB can address gaps, while in other areas new measures, initiatives, and institutions – such as the Indigenous Development Bank and Indigenous Investment Commission – will be required.

Strategic goals to guide our work in new Indigenous institutions, organizations, and pilots include:

4.7

Continue to provide independent economic oversight services to AFNWA.

4.8

Continue to advocate for the creation of an Indigenous Investment Commission and Indigenous Development Bank.

4.9

Develop business case for new national Indigenous Technical Advisory Group.

Economic Regulator – Atlantic First Nations Water Authority (AFNWA)

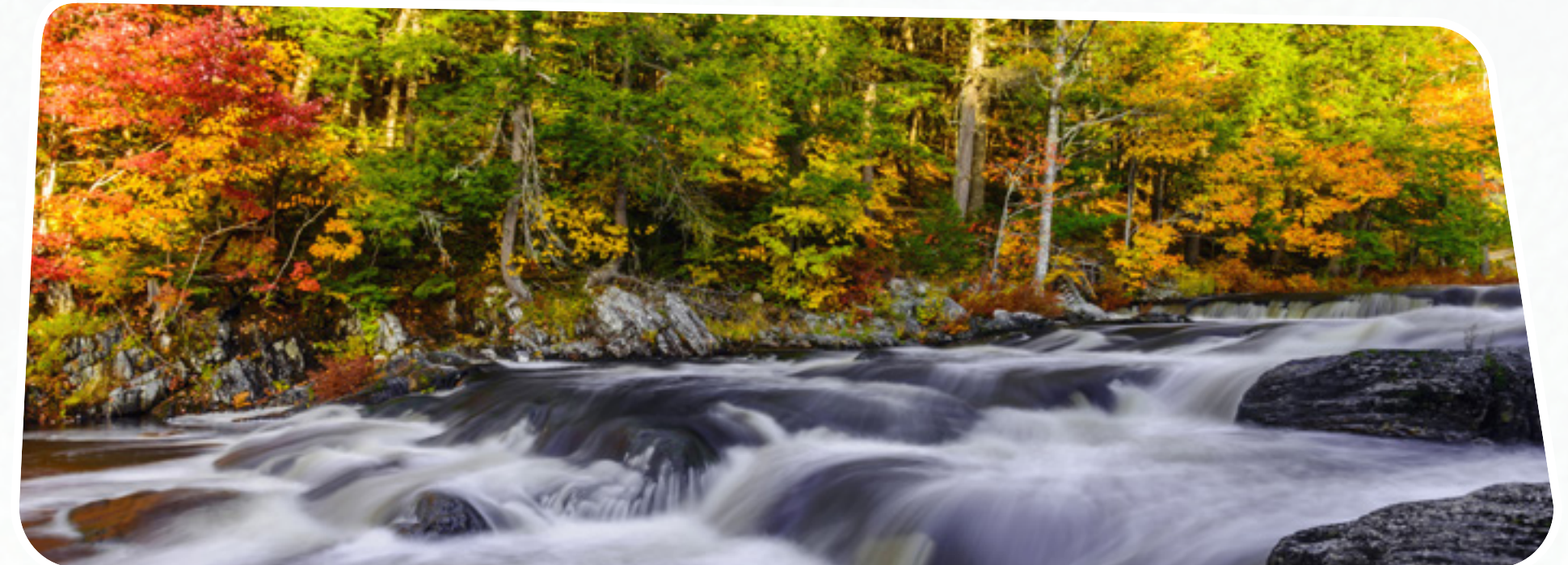
The FMB is proud to support the development of the Atlantic First Nations Water Authority (AFNWA). Based on the track record of FMB's successful implementation of other initiatives in the past, the FMB was engaged by the AFNWA to provide economic oversight of water and wastewater service delivery – a role supported by ISC.

The goal is for the AFNWA to assume responsibility for water and wastewater services to over 4,500 on-reserve households and businesses—a total of 60% of First Nations who live on-reserve in Atlantic Canada. AFNWA's 10-year plan, recognized by the federal government in 2022, aims to close serious deficiencies in water and wastewater services.

The FMB will define and provide the services of an independent economic oversight and monitoring agency to oversee the economic activities of the AFNWA. This arrangement will be showcased as a model for First Nations-led initiatives that transfer responsibility from the federal government while ensuring adequate funding.

The economic oversight of the AFNWA includes 19 specific areas across financial and budgetary planning to compliance requirements and variance analysis, which are defined in multiple sections and subsections of the agreement.




The FMB will continue to provide independent economic oversight services to the AFNWA in 2024–2025. FMB's partnership with the AFNWA is currently funded through ISC proposal-based funding and will continue to be funded by ISC in 2024–2025.



Indigenous Investment Commission

A significant gap exists in investment services and related financial benefits available to Indigenous governments and organizations, including those with significant asset portfolios and pending settlements. For example, the Royal Bank of Canada estimates that there are \$20 billion of investment assets held in trusts for Indigenous people. Canada-wide, an additional \$20–\$100 billion is anticipated in future years via outstanding land claims, settlements, and resource developments. However, despite these current and anticipated assets, Indigenous investments continue to receive a far poorer return compared to that for other levels of government. The average 10-year return for three public pension funds is above 9.2%, while the average for Indigenous funds held in trust by the Government of Canada is just 1.7%.

To address this disparity, the FMB has proposed creation of the Indigenous Investment Commission (IIC), which could act as an investment asset management regime for First Nations, similar to the Caisse de Dépôt et Placement du Québec and other provincial asset managers. The IIC would support First Nations to collectively:

-  pool their investments and achieve economies of scale to receive better rates of return and greater diversification;
-  invest back into their communities; and
-  create their own pension plans, enabling them to provide benefits to Band employees, similar to worker pension arrangements for other governments.

In 2022–2023 the FMB began a scoping study, supported by CIRNAC Proposal-Based funding, to engage in research and outreach, and create an actionable plan for the establishment of the IIC. KMPG was hired to work with FMB on the scoping study, and it was completed in October of 2023. The final report can be found on the FMB website.

Next steps for the IIC involve the development of a steering committee – a collective of interested parties to help move the idea forward. The cost of the next steps has been estimated to be close to \$3.7 million, to be funded by CIRNAC, pending their approval. An initial \$0.5 million market research proposal, submitted in early 2024 will begin a piece of these next steps.

Indigenous Development Bank

The chronic lack of access to adequate capital restricts economic development for First Nation communities. Structural and systemic barriers have created this financing gap for Indigenous businesses and entrepreneurs on reserve. This is because restrictions on asset ownership under the *Indian Act* limit the ability of First Nation businesses and entrepreneurs to leverage on-reserve assets to secure loans and investments with mainstream lenders and investors.

One solution to bridge this capital gap is the proposed establishment of the Indigenous Development Bank (IDB). Just as the Asian Development Bank transformed economies in Asia and supported numerous Asian countries to climb out of extreme poverty, the IDB would reshape the economic landscape for Canada's Indigenous population.

The IDB can provide five essential financing products to meet these needs:

- 1.** Economic development infrastructure loans to Indigenous entrepreneurs, Indigenous government businesses, and non-Indigenous businesses to develop on-reserve business-owned infrastructure such as resorts, stores, or manufacturing centres
- 2.** General business loans to Indigenous entrepreneurs and Indigenous government businesses
- 3.** Capital injection loans to the National Aboriginal Capital Corporations Association and its network of Aboriginal Financial Institutions (AFIs)
- 4.** High-value loans for commercially viable infrastructure and major projects, backed by federal/provincial government loan guarantees
- 5.** Innovative blended finance solutions that allow participation by the capital markets in sustainable finance initiatives that promote Indigenous economic development

The FMB undertook an initial pre-scoping study in 2023 to advance the creation of the IDB. This scoping study outlined key background information, engaged with other organizations, and provided a plan for the next steps in the establishment of the IDB.

In fiscal 2024–2025, FMB will continue to advocate for the IDB and bring together those who can help shape the mandate and push for the creation of the IDB.

Indigenous Council on Financial Reporting and Standard Setting

Standards for Environmental, Social and Governance (ESG) factors as well as diversity, sustainability and climate change are currently being developed quickly across the accounting, securities, and corporate sectors. These standards are being given the force of law either directly in legislation (e.g., diversity reporting requirements under the Canada Business Corporations Act) or by reference (e.g., adoption of Chartered Professional Accountants of Canada accounting and audit standards by securities regulators).

In addition, with the adoption of the federal United Nations Declaration on the Rights of Indigenous Peoples Act, 2021, and similar provincial legislation (e.g., British Columbia), there are now legal requirements to comply with UNDRIP across Canada. This includes, most notably, compliance with Article 19 of UNDRIP that includes a requirement to: “consult and cooperate in good faith with the Indigenous peoples concerned through their own representative institutions to obtain their free, prior, and informed consent before adopting and implementing legislative or administrative measures that may affect them.” However, despite these requirements few, if any, initiatives focused on financial regulation or financial standards include specific reference to Indigenous Peoples, let alone meaningful consultation on their development. Moreover, few individual First Nations have the time, resources, and expertise to engage in these kinds of consultations.

To address this, the proposed Indigenous Council on Financial Reporting and Standards Setting (ICFRSS) – part of FMB’s RoadMap Project framework of solutions – would:

- 📁 provide expert, Indigenous-based feedback as standards and regulations are being developed;
- 📁 act as an Indigenous intermediary between financial regulatory bodies at the federal and provincial level, and Indigenous governments;
- 📁 consult and cooperate with Finance Canada and provincial counterparts; and
- 📁 be a forum for collaboration with standard-setting and regulatory bodies in the banking, insurance, securities and pension fields.

Indigenous Technical Advisory Group

There are often technical, operational, and legal issues associated with new accounting standards that must be analyzed by a public sector entity after they are issued by the standard setter but before they are effective and adopted by the entity. First Nation governments do not currently have a dedicated technical forum to discuss these issues or exchange and share ideas and solutions. This is in contrast to well-resourced and long-established advisory forums used by municipal and provincial governments and by the Canadian Council of Legislative Auditors.

By establishing a new Indigenous Technical Advisory Group (ITAG), the FMB can centralize and reduce the aggregate cost of this work, which is currently being borne and replicated by each individual First Nation (likely with assistance from an auditor at additional cost). This would lead to faster adoption of new standards, improved quality of financial reporting, and fewer qualified audit opinions.

First Nations Statistics and Data for Informed Policy Decisions

The recent amendments to the FMA provide the FMB and our sister FMA institutions with enhanced data-collection abilities. This allows the institutions to monitor growth and enhance their capacity for evidence-based planning and decision-making around organizational objectives.

The FMB will take on an advanced data collection and analysis role with the following objectives:

- 📁 Collect First Nations economic and fiscal datasets and collate into a relational database
- 📁 Provide economic and fiscal information that Indigenous and other levels of governments can trust – in a format that is intuitive and easy to access
- 📁 Enable formula-based transfers and equalization frameworks
- 📁 Better inform policy decisions through evidence-based research for Indigenous governments and federal and provincial governments alike
- 📁 Facilitate collaboration among FMA institutions in the areas of First Nations economic and fiscal data, statistics, and policy research



LONG-TERM FUNDING CHALLENGES

Stable and sustainable multi-year funding is needed to enable FMB's long-term planning and management of organizational growth. The FMB receives an annual A-Base funding arrangement for ongoing core operations from Crown Indigenous Relations and Northern Affairs Canada (CIRNAC) and individual proposal-based funding arrangements for specific projects and initiatives from Indigenous Services Canada (ISC).

The FMB's funding commitments from CIRNAC and ISC have not kept pace with the increasing demand and support for FMB services. FMB's growth continues to be highly dependent on the use of non-recurring prior year carry-forward funding (i.e. deferred revenue).

At the current level of funding and due to long-term funding uncertainty, the FMB will not be able to carry out all the priorities and activities identified in this 2024–2025 Corporate Plan. The FMB's 2024–2025 budget has been restricted to the level of available funding, while also retaining some funding as a contingency for fiscal 2025–2026 to ensure continuity of operations – particularly for the DMP and FMS Support Services initiatives, where there is no ongoing funding commitment from CIRNAC or ISC. As a result, over \$7.6 million of activities and their related expenditures were omitted from the 2024–2025 budget, and are described on page 77 in the section, [Activities Not Included in the 2024–2025 Budget](#).

The FMB has actively pursued new funding arrangements with CIRNAC and ISC, including a permanent sustained increase in A-Base funding, that will offer more stability in the long term. The delay in stabilizing FMB's recent growth through a new long-term funding commitment has resulted in delays in having the necessary systems and specialized human resources in place, which in turn creates both a retention and burnout risk for key employees. Further, this delay has required the FMB to defer many of its strategic activities, including the remediation of some key findings in FMB's Special Examination conducted in 2022–2023. Lack of long-term funding puts at risk FMB's ability to carry out its expanded role under the FMA amendments made in 2023.

The FMB will continue to pursue new funding arrangements with CIRNAC and ISC that will offer more stability in the long term and enable the FMB to plan and make longer-term commitments for more complex and significant initiatives. In the meantime, the FMB will adjust its operating plans and future growth to remain within its financial constraints. Due to continued funding uncertainty, the FMB has elected to delay certain projects and growth contained within this Corporate Plan, and further, our ability to respond to new opportunities in the short-term will be constrained.



Lack of Long-Term Funding Commitment for DMP and FMS Support Services Puts These Services to First Nations at Risk

Default Management Prevention (DMP) and the New Fiscal Relationship 10-Year Grant (NFR 10-Year Grant) program, which both began as pilot programs but have now demonstrated their ongoing usefulness and success, have become core FMB service offerings. First Nations and Canada rely on these programs, yet these initiatives continue to be funded through short-term, proposal-based funding arrangements.

In 2023–2024 the program funding committed by ISC for DMP, FMS Support Services, and NFR 10-Year Grant came to an end. *Continuation of these initiatives in 2024–2025 is entirely dependent on the use of non-recurring prior year carry-forward funding.* No funding has been committed by ISC or CIRNAC for the continuation of these programs beyond using up any carry-forward funding. FMB has requested that these client service offerings be funded through an increase in A-Base funding and a reduction in proposal funding. We understand that a proposal for continued funding for these initiatives, including the proposal to have these initiatives incorporated into an increased A-Base

funding envelope, has been included in ISC’s 2024 federal budget submissions, however the outcome of Budget 2024 is not known at the time of writing this Corporate Plan.

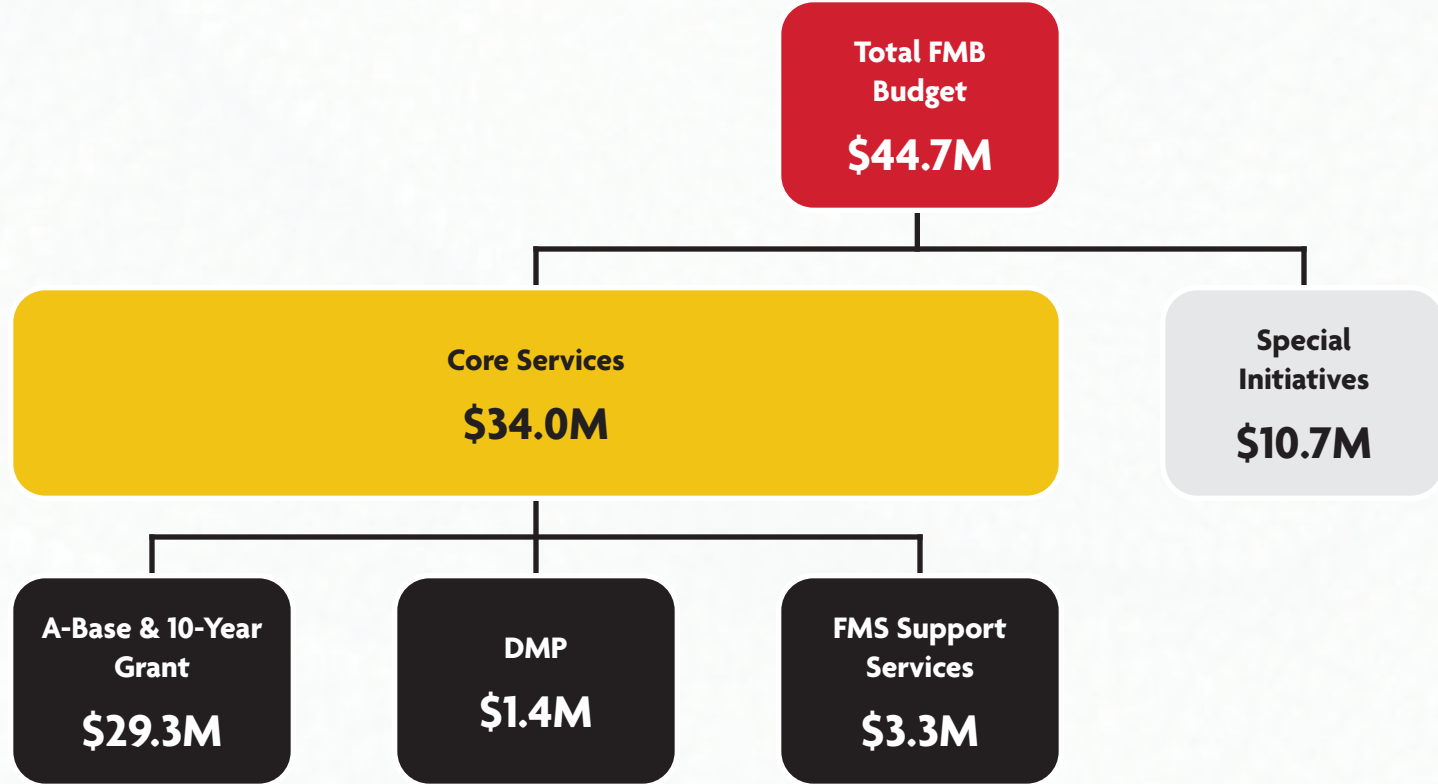
Within the overall FMB 2024–2025 budget, the budgets for DMP and FMS Support Services take a conservative approach, balancing long-term funding uncertainty with maintaining the current level of service to First Nations. Not all carry-forward funding will be expended in fiscal 2024–2025 to provide a contingency for future program operations, in the event that Budget 2024 does not provide for these programs. The ability to use this carry-forward funding in 2025–2026 will be subject to receiving approval from ISC, as currently any remaining funding at March 31, 2025 will be repayable under the terms of the current funding agreement. Without this approval and a new long-term funding commitment, these successful initiatives cannot be expanded to respond to the growing demand from First Nations, and the FMB may be at risk of having to terminate the two programs on March 31, 2025.

2024–2025 BUDGET

The FMB’s total planned expenditures for the 2024–2025 fiscal year are \$44.7 million. This includes \$34.0 million for Core Operations and \$10.7 million related to Special Initiatives. In this Corporate Plan, the **Core Operations** budget is presented first, followed by the **Special Initiatives** budget. The budgets are presented separately to align with how these activities are funded.

- Core Operations** are those activities that are generally funded by CIRNAC A-Base funding and ISC DMP, NFR 10-Year Grant, and FMS Support Services funding
- Special Initiatives** represent one-time or pilot projects that are generally dependent on ad-hoc, or annual proposal-based funding. Special Initiatives includes activities such as the annual First Nations Leading the Way Conference, FMB’s work with the Atlantic First Nations Water Authority, and research and engagement related to establishing the Indigenous Investment Commission.

FIGURE 6: FMB Budget Structure



2024–2025 BUDGET FOR CORE OPERATIONS: \$34.0 MILLION

The Core Operations budget of \$34.0 million includes expenditures generally funded by FMB's A-Base funding and related to FMB's workforce, operations, and other expenditures that allow the FMB to carry out the activities under its mandate. Core operations also includes expenditures for activities related to DMP, NFR 10-Year Grant, and FMS Support Services, currently funded by ISC.

The Core Operations budget of \$34.0 million represents an increase of close to 14% compared to FMB's Core Operations budget in 2023–2024 (\$29.9 million). The growth in core operations is primarily focused on three of the strategic priorities set out in this Corporate Plan: **Preparing and Supporting Nations, Maintaining FMB's Impact, and Building FMB's Capacity.**

The 2024–2025 budget for core operations reflects the current level of CIRNAC and ISC funding available to the FMB for fiscal 2024–2025 for these activities. The \$34.0 million core operations budget does not represent the full level of expenditure that would be required for the FMB to carry out all the activities set out in this 2024–2025 Corporate Plan. The Core Operations budget balances future funding uncertainty with maintaining the current level of service to First Nations. While the budget is highly dependent on the use of non-recurring prior year carry-forward funding (i.e. deferred revenue) from 2023–2024, not all available funding will be expended in fiscal 2024–2025 to ensure a contingency is available for future operations. As shown in Table 1 that follows, in 2024–2025 the FMB anticipates spending all 2023–2024 carry-forward funding from A-Base and NFR 10-Year Grant, while projected unspent funding from 2024–2025 A-Base is forecast to be \$1.6 million as at March 31, 2025. As further shown in Table 1, the FMB plans to retain \$2.6 million from 2023–2024 DMP funding and \$1.0 million from 2023–2024 FMS Support Services funding at March 31, 2025. The ability to continue to use this DMP and FMS Support Services carry-forward funding in 2025–2026 will be subject to receiving approval from ISC, as currently, any remaining funding at March 31, 2025 will be repayable under the terms of the current funding agreement.

To fully carry out all the core operations priorities and activities identified in this 2024–2025 Corporate Plan, the FMB would need to expend \$41.6 million, meaning that \$7.6 million of expenditures were deferred or omitted from the 2024–2025 budget. Omitted activities include the expanded staffing and resources required to allow all interested First Nations to participate in the DMP or FMS Support Services initiatives, as well as the staffing and resources required for the expansion of FMB's FMA mandate to serve tribal councils, health authorities and other not-for-profit organizations. These activities are detailed in the section that follows on page 77, [Activities Not Included in the 2024–2025 Budget](#).

TABLE 1: 2024–2025 Core Operations Budget with Funding by Source and Expenditures by Object

| Funding by Source | Core Services, NFR 10-Year Grant (Note 1) | DMP | Support Services | TOTAL |
|---|---|---------------------|---------------------|----------------------|
| CIRNAC A-Base & Core | \$ 20,046,187 | — | — | \$ 20,046,187 |
| CIRNAC A-Base & Core – Carry-forward [Projected] (Note 2) | 9,182,849 | — | — | 9,182,849 |
| ISC Program Funding | — | — | — | — |
| ISC Program Funding – Carry-forward [Projected] (Note 2) | 1,691,081 | 4,017,089 | 4,290,463 | 9,998,633 |
| Total Funding Available | \$ 30,920,117 | \$ 4,017,089 | \$ 4,290,463 | \$ 39,227,669 |
| Expenditures by Object | Core Services, NFR 10-Year Grant (Note 1) | DMP | Support Services | TOTAL |
| Salaries & Benefits | \$ 18,379,125 | \$ 1,234,399 | \$ 1,728,659 | \$ 21,342,183 |
| Direct Client Service Delivery (Note 3) | 228,283 | 30,000 | — | 258,283 |
| Advisory & Professional Fees | 2,136,677 | — | 1,226,292 | 3,362,969 |
| Program Travel | 1,611,901 | 173,784 | 252,754 | 2,038,439 |
| Operations & Administrative Costs | 5,447,396 | — | 60,000 | 5,507,396 |
| Board Fees & Travel | 863,000 | — | — | 863,000 |
| Capital | 659,395 | — | — | 659,395 |
| Total Expenditures | \$ 29,325,777 | \$ 1,438,183 | \$ 3,267,705 | \$ 34,031,665 |
| Projected Unexpended Funding at March 31, 2025 [from 2023–2024 Sources] | — | \$ 2,578,906 | \$ 1,022,758 | \$ 3,601,664 |
| Projected Unexpended Funding at March 31, 2025 [from 2024–2025 Sources] | 1,594,340 | — | — | 1,594,340 |
| Total Projected Unexpended Funding at March 31, 2025 | \$ 1,594,340 | \$ 2,578,906 | \$ 1,022,758 | \$ 5,196,004 |
| Expenditures Deferred or Omitted (Note 4) | \$ 5,530,219 | \$ 1,073,817 | \$ 1,049,295 | \$ 7,653,331 |

Note 1: Includes expenditures funded by CIRNAC A-Base funding and NFR 10-Year Grant funding from ISC.

Note 2: Carry-forward funding represents the projected carry-forward from the prior year unspent funding (excess of program funding over program budget).

Note 3: Direct client service delivery includes FAL funding to First Nations and contracted services for the DMP program.

Note 4: Expenditures deferred or omitted are expenditures not included in budget 2024–2025 due to funding constraints, but required to fully carry out FMB's Corporate Plan.

Assumptions and Estimates in the 2024–2025 Core Operations Budget

The FMB's 2024–2025 Core Operations Budget includes the following key assumptions and estimates:

- 📌 **Carry-forward and expenditure of unexpended funding:** CIRNAC and ISC have informed the FMB that projected unexpended funding from fiscal 2023–2024 can be carried forward and spent in 2024–2025 on the same terms as for 2023–2024. These amounts are shown as carry-forward funding in the 2024–2025 budget and will be subject to change based on the actual financial results for the 2023–2024 fiscal year.
- 📌 **Core service levels:** The 2024–2025 budget assumes law and certification activity levels similar to 2023–2024. Current funding levels will constrain FMB's ability to adequately respond to any significant increase in demand by First Nations or not-for-profit organizations for compliance opinion and certification services.
- 📌 **Special Initiatives:** The costs, and any funding, related to special initiatives have been excluded from 2024–2025 Core Operations budget and are shown in a separate budget for **Special Initiatives**. In 2024–2025 this includes the Atlantic First Nations Water Authority, First Nations Leading the Way Conference, Indigenous Economic Council, Indigenous Council on Financial Reporting and Standard Setting, Indigenous Development Bank, Indigenous Investment Commission, and Project Eureka, among others.
- 📌 **Contributions to Intervention Reserve Fund:** The 2024–2025 budget does not contemplate any increase to the FMB's Intervention Reserve Fund. The FMB has contributed \$500,000 and has authority to contribute up to \$1,150,000.

CORE OPERATIONS ACTIVITIES NOT INCLUDED IN THE 2024–2025 BUDGET

To fully carry out all core operations priorities and activities identified in this 2024–2025 Corporate Plan, the FMB would need to expend an additional \$7.6 million on top of the \$34.0 million core operations budget. This \$7.6 million would support activities under FMB's strategic priorities: **Preparing and Supporting Nations, Maintaining FMB's Impact, and Building FMB's Capacity**. Not being able to do these activities impacts the FMB's ability to be responsive to requests from First Nations, Indigenous not-for-profit organizations and FMB's government partners. The expansion of services to First Nations under the FMB's DMP and FMS Support Services initiatives are particularly at risk from these constraints.

| Priority One: Preparing & Supporting Nations, highlights include: | Priority Two: Maintaining FMB's Impact, highlights include: | Priority Three: Building FMB's Capacity, highlights include: |
|---|---|--|
| <ul style="list-style-type: none"> 📌 The creation and staffing of new positions to expand FMB's FAL, certification, and capacity development services to more First Nations will be deferred. 📌 Resources to carry out projects, including expansion of FMB's data and statistics role will be constrained. 📌 The expansion of the successful FMS Support Services initiative to more First Nations will be deferred. 📌 In-person travel and relationship-building within First Nation communities will be constrained. | <ul style="list-style-type: none"> 📌 The addition of new staff resources to begin supporting tribal councils, health authorities and other not-for-profit organizations under FMB's expanded FMA mandate and in anticipation of the expansion of the 10-Year Grants to those entities, will be deferred. 📌 Growth of the DMP initiative to serve more First Nations will be deferred. | <ul style="list-style-type: none"> 📌 New positions that need to be created to grow FMB's IT, HR, and Finance functions in ways that respond to the recommendations contained in the recent Special Examination report and that are comparable to other national federally funded service delivery organizations will be deferred. 📌 The ability to continue to respond to and implement the other recommendations from the Special Examination will be constrained. 📌 Employee engagement and cultural activities will be limited. |

CORE OPERATIONS: FIVE-YEAR FINANCIAL OUTLOOK

The five-year financial outlook presents FMB's planned expenditures over the next five fiscal years and illustrates anticipated core funding shortfalls in the situation where there is no change to FMB's current annual funding levels. The five-year plan for core operations includes expenditures generally funded by FMB's A-Base funding and expenditures for activities related to DMP, NFR 10-Year Grant, and FMS Support Services, currently funded by ISC.

Unlike the expenditure budget for 2024–2025, which omitted \$7.6 million of expenditures due to funding constraints, the budgets for 2025–2026 and beyond represent the required level of expenditures for the FMB to operate according to its mandate and carry out the strategic priorities set out in this Corporate Plan.

At the current rate of funding, and at the expenditure levels projected in the five-year financial plan, the FMB will have utilized all available A-Base carry-forward funding by the end of 2025–2026. Without stabilization and increases to FMB's A-Base funding, the FMB will experience a core operations funding shortfall of \$12.7 million in 2025–2026, and this could increase to \$32.5 million by fiscal 2028–2029.

Assumptions in the five-year financial outlook:

- 📎 Expenditures in Years 2 to 5 reflect the required level of expenditures for the FMB to operate according to its mandate and to carry out the strategic priorities set out in this Corporate Plan.
- 📎 CIRNAC annual funding level reverts to A-Base level of \$12.9 million in 2027–2028, following the end of the five-year CIRNAC operating funding boost.
- 📎 ISC funding for DMP, NFR 10-Year Grant, and FMS Support Services resumes in 2025–2026 at the recent average annual level of funding. For DMP this is estimated at \$1.5 million; 10-Year Grant, \$1.3 million; and FMS Support Services, \$1.7 million.
- 📎 Unexpended funding in any fiscal year is assumed to be carried forward and spent in the following year on the activity for which it was received (e.g., funding received for DMP is spent only on DMP). Any carry-forward amounts are shown separately from in-year funding in Table 2.

TABLE 2: Five-Year Funding and Expenditure Forecast

| Funding by Source | Year 1: 2024–2025 | Year 2: 2025–2026 | Year 3: 2026–2027 | Year 4: 2027–2028 | Year 5: 2028–2029 |
|--------------------------------------|----------------------|------------------------|------------------------|------------------------|------------------------|
| CIRNAC A-Base & Core | \$ 20,046,187 | \$ 20,046,187 | \$ 20,046,187 | \$ 12,991,301 | \$ 12,991,301 |
| CIRNAC A-Base & Core – Carry-forward | 9,182,849 | 1,594,340 | — | — | — |
| ISC Program Funding | — | 4,500,000 | 4,500,000 | 4,500,000 | 4,500,000 |
| ISC Program Funding – Carry-forward | 9,998,633 | 3,601,664 | 1,515,679 | 196,450 | — |
| Total Funding Available | \$ 39,227,663 | \$ 29,742,191 | \$ 26,061,866 | \$ 17,687,751 | \$ 17,491,301 |
| Expenditures by Object | Year 1: 2024–2025 | Year 2: 2025–2026 | Year 3: 2026–2027 | Year 4: 2027–2028 | Year 5: 2028–2029 |
| Salaries & Benefits | \$ 21,342,183 | \$ 27,124,014 | \$ 29,388,700 | \$ 31,949,604 | \$ 33,182,361 |
| Direct Client Service Delivery | 258,283 | 474,589 | 474,589 | 474,589 | 474,589 |
| Advisory & Professional Fees | 3,362,969 | 4,154,376 | 3,771,453 | 4,054,232 | 3,825,540 |
| Program Travel | 2,038,439 | 3,823,538 | 3,849,019 | 3,874,019 | 3,874,019 |
| Operations & Administrative Costs | 5,507,396 | 5,402,562 | 5,853,120 | 6,460,166 | 6,822,268 |
| Board Fees & Travel | 863,000 | 1,027,000 | 1,041,560 | 1,056,702 | 1,072,450 |
| Capital | 659,395 | 485,006 | 693,323 | 160,147 | 771,199 |
| Total Expenditures | \$ 34,031,665 | \$ 42,491,085 | \$ 45,071,764 | \$ 48,029,459 | \$ 50,022,426 |
| Net Surplus (Shortfall) | \$ 5,196,004 | \$ (12,748,894) | \$ (19,009,898) | \$ (30,341,708) | \$ (32,531,125) |

DMP: Five-Year Financial Outlook

The FMB receives funding from ISC specific to the DMP initiative, which must be spent on DMP activities as set out in the funding agreement. This section breaks out DMP from core operations over the five-year period. As with the core operations five-year outlook, the assumption is that ISC funding for DMP resumes in 2025–2026 at the current average annual level of funding of \$1.5 million. It also assumes that any unspent funding at the end of the fiscal year can be carried forward and spent in the following year, which will be subject to receiving approval from ISC.

Unlike the expenditure budget for 2024–2025, which omitted \$1.1 million of DMP expenditures due to funding constraints, the budgets for 2025–2026 and beyond, represent the required level of expenditures for FMB to continue to expand the DMP program to more First Nations.

Based on the five-year projection, with no changes in funding levels, the FMB will expend all available carry-forward funding by the end of 2027–2028 and experience a \$1.3 million shortfall in DMP funding that year. This annual funding shortfall will increase to \$1.7 million at the end of the five-year period. Without new funding in place in the coming year, or ISC’s approval to continue to allow for carry-forward of unspent funding from 2023–2024, this program will come to an end during 2025–2026.

TABLE 3: Five-Year Financial Outlook DMP

| | Year 1: 2024–2025 | Year 2: 2025–2026 | Year 3: 2026–2027 | Year 4: 2027–2028 | Year 5: 2028–2029 |
|--------------------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| Carry-forward Funding, Opening | \$ 4,017,089 | \$ 2,578,906 | \$ 1,515,679 | \$ 196,450 | — |
| In-Year Funding | — | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Planned Expenditures | 1,438,183 | 2,563,227 | 2,819,229 | 3,088,121 | 3,175,179 |
| Carry-forward Funding, Ending | 2,578,906 | 1,515,679 | 196,450 | — | — |
| Funding Shortfall | — | — | — | \$ (1,391,671) | \$ (1,675,179) |

FMS Support Services: Five-Year Financial Outlook

The FMB receives funding from ISC specific to the FMS Support Services initiative, which must be spent on FMS Support Services activities as set out in the funding agreement. This section breaks out FMS Support Services from core operations over the five-year period. As with the five-year outlook, the assumption is that ISC funding for FMS Support Services resumes in 2025–2026 at the current average annual level of funding of \$1.7 million. It also assumes that any unspent funding at the end of the fiscal year can be carried forward and spent in the following year, which will be subject to receiving approval from ISC.

Unlike the expenditure budget for 2024–2025, which omitted \$1.0 million of expenditures for FMS Support Services due to funding constraints, the budgets for 2025–2026 and beyond, represent the required level of expenditures for the FMB to continue to expand the FMS Support Services program to more First Nations.

Based on the five-year projection, with no changes in funding levels, the FMB will expend all carry-forward funding in 2024–2025, and will experience a \$1.8 million shortfall in funding in 2025–2026, with the annual funding shortfall increasing to \$3.1 million at the end of the five-year period. Without new funding in place in the coming year, or ISC’s approval to continue to allow for carry-forward of unspent funding from 2023–2024, this program will come to an end during 2025–2026.

TABLE 4: Five-Year Financial Outlook FMS Support Services

| | Year 1: 2024–2025 | Year 2: 2025–2026 | Year 3: 2026–2027 | Year 4: 2027–2028 | Year 5: 2028–2029 |
|--------------------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Carry-forward Funding, Opening | \$ 4,290,463 | \$ 1,022,758 | — | — | — |
| In-Year Funding | — | 1,700,000 | 1,700,000 | 1,700,000 | 1,700,000 |
| Planned Expenditures | 3,267,705 | 4,544,440 | 4,628,337 | 4,715,591 | 4,806,334 |
| Carry-forward Funding, Ending | 1,022,758 | — | — | — | — |
| Funding Shortfall | — | \$ (1,821,682) | \$ (2,928,337) | \$ (3,015,591) | \$ (3,106,334) |

Core Operations Staffing Projections for 2024–2025 and Beyond

To carry out the work set out in the 2024–2025 Corporate Plan, the FMB will increase the number of full-time positions to a total of 133 in the 2024–2025 fiscal year. This is forecasted to increase to 187 by the end of the five-year period, as presented in Table 5 below.

TABLE 5: Staff Projections

| | Year 1: 2024–2025 | Year 2: 2025–2026 | Year 3: 2026–2027 | Year 4: 2027–2028 | Year 5: 2028–2029 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Core Operations | 113 | 145 | 151 | 157 | 157 |
| DMP | 7 | 14 | 15 | 16 | 16 |
| FMS Support Services | 13 | 14 | 14 | 14 | 14 |
| Total | 133 | 173 | 180 | 187 | 187 |

SPECIAL INITIATIVES IN 2024–2025

The FMB's 2024–2025 Corporate Plan includes a number of new initiatives, as well as the continuation or expansion of current projects. These Special Initiatives support our fourth strategic priority – Collaborating on Fiscal and Economic Opportunities. The FMB has identified an estimated \$10.7 million of spending on Special Initiatives in 2024–2025 requiring renewed or new sources of funding outside of FMB's core operations.

Special Initiatives are activities generally funded by proposal-based funding relating to one-time or discretionary projects. The initiatives set out in this Special Initiatives section of the 2024–2025 Corporate Plan will be dependent on the FMB receiving support and approval from CIRNAC and ISC, including financial support through proposal-based funding. Special Initiatives are not included in the core operating budget presented in the previous sections. Progress will be made towards some of these emerging initiatives in 2024–2025 using A-Base funding.

The Special Initiatives shown in Table 6 represent ongoing initiatives that have an established budget or estimated cost. Emerging initiatives shown in Table 7 are new on the horizon and specific activities or costing that has not yet been determined.

TABLE 6: 2024–2025 Special Initiatives - Ongoing

| Initiative | Estimated Cost 2024–2025 | Status | 2024–2025 Funding Status |
|--|--------------------------|---|--|
| <i>First Nations Leading the Way (FNLTW)</i> | \$ 1,800,000 | The 7 th annual <i>First Nations Leading the Way</i> Conference hosted by the FMA Institutions & LAB is tentatively scheduled for November 2024. The FMB is the conference organizer and manages the budget and funding. The conference is anticipated to continue on an annual basis. This initiative is historically funded by CIRNAC. | None committed. Funding proposal will be advanced to CIRNAC for this work in 2024–2025. Some deferred revenue expected from 2023–2024. |
| Atlantic First Nations Water Authority (AFNWA) | \$ 981,050 | FMB continues its role acting as economic regulator for AFNWA and will continue for the foreseeable future. This initiative is funded by ISC. | Not committed. Funding proposal will be advanced to ISC for this work in 2024–2025. Some deferred revenue expected from 2023–2024. |
| Project Eureka | \$ 200,000 | Ongoing commitment stemming from participation in Project Eureka to establish ISSB in Canada. FMB committed \$1.0M over five years to CPA Canada, with \$0.2M paid annually. The timing of the cash calls is determined by CPA Canada. The five-year commitment ends in 2026–2027. This is a flow-through amount. | Commitment letter from CIRNAC for the \$1M pledge. \$0.2M advanced annually. |
| Indigenous Economic Council (IEC) | \$ 4,500,000 | FMB's goal is to secure long-term funding for standing up the IEC as an independent entity from the FMB. Stand-up costs have been estimated between \$3–10 million. Activities in 2024–2025 will include a partner forum in May 2024. | Funding proposal for \$4.5M submitted in 2023–2024, with significant portion of the activities to be completed in 2024–2025. |
| Indigenous Development Bank (IDB) | \$ 2,700,000 | Estimated expenditures related to continuing to advance the development of the IDB. Specific activities are yet to be determined. | Not committed. Funding proposal will be advanced to CIRNAC for this work in 2024–2025. |
| Indigenous Investment Commission (IIC) | \$ 500,000 | FMB's goal is to secure long-term funding for standing up the IIC as an independent entity from the FMB. Phase 1 of the scoping study was completed in 2023–2024. Stand-up costs have been estimated between \$3–10 million. | Additional \$0.5M of funding anticipated in 2024–2025 for market research to determine demand, with \$0.1M advanced in 2023–2024. |
| Total | \$ 10,681,050 | | |

TABLE 7: 2024–2025 Special Initiatives – Emerging

| Emerging Initiative | Status |
|--|---|
| Indigenous Technical Advisory Group (ITAG) | Unlike other levels of government, First Nations finance officers do not have a dedicated forum to discuss the technical application issues associated with the adoption and implementation of new accounting and reporting standards. The FMB plans to engage and consult with First Nation finance officers in 2024–2025 to determine the level of interest and support for an ITAG. A business case will be developed to support a separate funding proposal. |
| Indigenous Council on Financial Reporting and Standards Setting (ICFRSS) | The FMB will continue to advance the concept of an ICFRSS; part of FMB's RoadMap Project framework of solutions. Future projects and funding needs are yet to be determined. |
| Governance Modernization (next phase) | In 2023–2024 the FMB conducted a research study, at the request of ISC, on advancing First Nations governance modernization. In 2024–2025, the FMB will continue to be an active participant in joint discussions with ISC and the AFN at strategic and technical level New Fiscal Relationship consultative tables. Future projects and funding needs are yet to be determined. |
| First Nations Auditor General | A First Nations Auditor General could provide high-quality and cost-effective financial statement audit services and advice to First Nations' finance and audit committees upon request. The FMB will explore the potential for a First Nations Auditor General function, beginning by looking to the 2017 research paper prepared for the Assembly of First Nations by the Canadian Audit and Accountability Foundation, Establishing a First Nations Auditor General. Further, the FMB will look to explore its authority under section 49(e) of the <i>First Nations Fiscal Management Act</i> , which allows FMB to provide review and audit services respecting First Nation financial management. |
| New Operational Reporting Model Initiative | There is a need to explore how a new reporting model and system of data transmission between First Nations and government funders could be developed. This work would examine the need for a common government chart of accounts, financial statement taxonomy, and use of XBRL reporting. |

PROGRESS REPORT ON 2023–2024 GOALS AND ACHIEVEMENTS



The FMB's 2023–2024 Corporate Plan set out specific tasks, priorities, and commitments for implementation in 2023–2024 and beyond. In 2023–2024 these were framed under 23 action areas in support of four broad themes:

- A. Deliver ongoing programs and services** – to meet immediate needs and priorities of FMB's clients
- B. Establish new program and services** – to keep pace with evolving demands and opportunities
- C. Explore new horizons and opportunities** – to advance the economic and social development of First Nations by creating dialogue and financial inclusion in the relationship between First Nations and financial institutions, business partners and government
- D. Enhance organization strength and capacities** – to ensure the FMB can deliver on its commitments effectively and efficiently and with competence, nimbleness, and integrity

Progress against those tasks, priorities, and commitments has been measured as at January 31, 2024 in the table that follows.

STRATEGIC PLAN GOAL A: DELIVER ONGOING PROGRAMS AND SERVICES

| Goal Number | Goal Description | Anticipated Level of Completion (by March 31, 2024) | |
|-------------|---|---|---|
| 1 | Promote and Facilitate Scheduling and Participation Under the FMA | | |
| 1A | Continue outreach and engagement with First Nations across Canada to promote understanding of the opportunities under the FMA and how to work with FMB to develop, demonstrate and receive formal recognition for their financial management commitment and capacity. | On target to complete | ✓ |
| 1B | Work with First Nations to provide community consultations on the FAL development process with First Nation citizens in support of the principles of Free, Prior and Informed Consent. | On target to complete | ✓ |
| 2 | Develop, Update, and Promote FMB's Standards | | |
| 2A | Conduct a review of current standards for NPOs based on client feedback, reviews to date and best practices to identify any proposed policy changes or amendments. | On target to complete | ✓ |
| 2B | Conduct a review of local revenue financial reporting standards and identify any proposed policy changes or amendments. | On target to complete | ✓ |
| 2C | Identify any proposed policy changes or amendments to FMB's standards to better reflect the implementation of UNDRIP and evolving needs of First Nation governments and their citizens. | Complete | ✓ |

| Goal Number | Goal Description | Anticipated Level of Completion (by March 31, 2024) | |
|-------------|--|---|---|
| 3 | Assist with FAL and FAB Development and Compliance Assessment | | |
| 3A | Continue to support First Nations in the development of their FAL or FAB through engagement of the full suite of FMB offerings: <ul style="list-style-type: none"> • Presentations to First Nation Chief & Council, Administration and Community. • Support Chief, Council, and administration in preparing documents for formal review. • Provision of operational guidance in collaboration with First Nation's legal counsel to answer questions on customization. | On target to complete | ✓ |
| 4 | Support Capacity Development for FAL and FAB Implementation | | |
| 4A | Continue to provide capacity development support, based on client-driven requests. | On target to complete | ✓ |
| 4B | Facilitate approximately 10-13 First Nations in advancing to formal FMS Certification. | On target to complete | ✓ |
| 5 | Review and Approve FP and FMS Certifications | | |
| 5A | Continue to provide timely FP and FMS review and certification services upon request. | On target to complete | ✓ |
| 6 | Support Participation in ISC's 10-Year Grant Program | | |
| 6A | Convene two webinars (one English, one French), explaining the 10-Year Grant eligibility criteria. | Complete | ✓ |
| 6B | Continue to respond to expressions of interest by First Nations in the 10-Year Grant program through: <ul style="list-style-type: none"> • Presentations to First Nation government representatives. • Providing compliance opinion services related to FAL, FAB and financial performance for initial eligibility. | On target to complete | ✓ |
| 6C | Continue to provide capacity development support, specific to the provisions required to be completed through the agreed-upon procedures. | On target to complete | ✓ |
| 6D | Continue to provide agreed-upon procedures review services to demonstrate ongoing eligibility of First Nations in the 10-Year Grant programs as requested by ISC. | On target to complete | ✓ |

| Goal Number | Goal Description | Anticipated Level of Completion (by March 31, 2024) | |
|-------------|--|---|---|
| 6E | Continue to provide financial performance monitoring services in accordance with the monitoring framework. | Complete | ✓ |
| 6F | Work with ISC to establish eligibility criteria for the expansion of the 10-Year Grant to tribal councils and health authorities. | On target to complete | ✓ |
| 7 | Support Capacity Development for the Default Management Program | | |
| 7A | Strengthen and improve the client toolbox specific to default support. | On target to complete | ✓ |
| 7B | Review and approve FP and FMS Certifications. | On target to complete | ✓ |
| 8 | Advance Social and Economic Development with other FMA Institutions | | |
| 8A | Build strength in working together with other First Nations institutions. | On target to complete | ✓ |
| 8B | Work with other FMA institutions to have FMA amendments passed by government. Communicate recent FMA amendments to Board. Take necessary actions to implement amendments within the FMB. Develop a working draft to describe and track a new round of future legislative amendments. | On target to complete | ✓ |
| 8C | Take a leading role in the planning, promotion, and delivery of the First Nations Leading the Way Conference. | On target to complete | ✓ |
| 8D | Continue to work, upon request, with FMA partners and other interested parties to advance emerging priorities of the FMB constituency through strategic engagements with government partners as well as by presenting at specific events. | On target to complete | ✓ |
| 9 | Maintain Intervention Readiness | | |
| 9A | Complete mock-intervention, to ensure the Intervention Committee is intervention-ready. | Complete | ✓ |
| 9B | Continue to work with FNFA to better articulate the measures that are in place to monitor and address emerging issues within the FNFA borrowing pool. | On target to complete | ✓ |
| 9C | Continue to work with counsel to review and update intervention manual and practices in support of intervention. | Complete | ✓ |

STRATEGIC PLAN GOAL B: ESTABLISH NEW PROGRAMS AND SERVICES

| Goal Number | Goal Description | Anticipated Level of Completion (by March 31, 2024) | |
|-------------|--|---|---|
| 10 | Support Canada and the AFN in Establishing a New Fiscal Relationship for First Nations | | |
| 10A | Continue to be an active participant in joint discussions with ISC and the AFN at strategic and technical level New Fiscal Relationship consultative tables. | On target to complete | ✓ |
| 10B | Advance the recommendations of the 2019 Interim Report of the Joint Advisory Committee on Fiscal Relations (JACFR) through a prioritized list of JACFR and RoadMap initiatives that support real, systemic change in the fiscal relationship between Canada and First Nations. | On target to complete | ✓ |
| 10C | Work with the AFN on a strategy for repeal of the <i>First Nations Financial Transparency Act</i> that would make use of the FMB's standards and/or certification and the First Nation Gazette. | On target to complete | ✓ |
| 10D | Assist with advocacy for simpler reporting for First Nations and better alignment with assurance and reporting standards used in the public sector. | On target to complete | ✓ |
| 11 | Promote and Advance the FMA RoadMap Vision & Strategy | | |
| 11A | Continue execution of the RoadMap Roadshow. | On target to complete | ✓ |
| 11B | Engage with and listen to First Nations throughout the rollout of RoadMap and RoadMap consultations, collecting feedback in the form of data and statistics. | On target to complete | ✓ |
| 11C | Continued engagement with other FMA institutions on advancement of RoadMap, including RoadMap Roadshow. | On target to complete | ✓ |
| 11D | Advancing RoadMap through the <i>First Nations Leading the Way</i> Conference. | Complete | ✓ |
| 11E | Continued development and rollout of communications materials and products to help advance RoadMap vision and strategy. | On target to complete | ✓ |
| 11F | Use <i>First Nations Leading the Way</i> and similar events across the country to engage with rights holders on implementation of RoadMap. | Complete | ✓ |
| 11G | Conduct internal training of staff on the plans, provisions, and implications of the RoadMap proposals and initiatives, to enable them to engage with and respond to interested First Nations on the initiatives. | Complete | ✓ |

| Goal Number | Goal Description | Anticipated Level of Completion (by March 31, 2024) | |
|-------------|---|---|---|
| 11H | Design and implement measures to gather Free, Prior and Informed Consent of rights-holders for implementation of RoadMap initiatives in ways that can be measured and demonstrated and integrate this into FMB's outreach and engagement efforts. | Complete | ✓ |
| 11I | Continue to advance proposals in RoadMap such as the Indigenous Economic Council (IEC). | On target to complete | ✓ |
| 12 | Extend Services to Modern Treaty & Self-Governing First Nations and Not-For-Profit Organizations (Subject To Expanded Legislative Mandate & Resources) | | |
| 12A | Implement new services and related policies, tools and guidelines for support to the new client segment, including: <ul style="list-style-type: none"> Development of Sample Corporate By-Laws and Policies for Indigenous not-for-profit organizations. Development of Standards and Procedures for the review of Financial Administration Laws of modern treaty and self-governing First Nations. | On target to complete | ✓ |
| 12B | Begin to actively market and promote compliance opinion services for Indigenous not-for-profit organizations. | On target to complete | ✓ |
| 12C | Continue to work through policy matters and recommend regulatory changes to expand access of FMB services to Indigenous not-for-profit organizations. | On target to complete | ✓ |
| 12D | Design and begin to implement new capacity development services for modern treaty and self-governing Nations and not-for-profit organizations. | On target to complete | ✓ |
| 12E | Develop and implement an engagement and service delivery strategy for new services offered under FMA section 50.1 as well as 141 and 141.1 to generate demand and interest by these new client segments. | Deferred / On Hold | ○ |
| 12F | Continue to work with counsel for FMA partners along with external counsel to advance practical solutions that ensure access to the FMA beyond First Nations recognized under the <i>Indian Act</i> . | On target to complete | ✓ |
| 13 | Pilot FMS Support Services | | |
| 13A | Continue to provide services through the FMS Support Services pilot project. | On target to complete | ✓ |
| 13B | Implement new and expanded services to an additional 11 First Nations, within available resources. | On target to complete | ✓ |

| Goal Number | Goal Description | Anticipated Level of Completion (by March 31, 2024) | |
|-------------|---|---|---|
| 14 | Provide Ongoing Services for FMS-Certified First Nations | | |
| 14A | Continue to provide post-certification support to First Nations that have achieved FMS Certification, including assistance with their updating of laws and practices to align with evolving standards and best practice. | On target to complete | ✓ |
| 15 | Build FMB's Data and Statistical Capacities | | |
| 15A | Build and integrate FMB's databases to allow for the execution of FMB's Data and Statistical Initiative. | On target to complete | ✓ |
| 15B | Collaborate with FNTC and federal statistical, financial, and economic agencies in expanded and strengthened economic analysis in support of First Nation plans and initiatives as well as the identification, promotion, and support of ways to advance financial and economic jurisdiction for First Nations. | On target to complete | ✓ |
| 16 | Establish FMB's Role as an Economic Regulator | | |
| 16A | Provide independent economic oversight services to the AFNWA. | On target to complete | ✓ |
| 16B | Develop and implement a longer-term and ongoing work plan for delivery of AFNWA regulatory services and launch an inaugural assessment cycle as the economic regulator of AFNWA. | On target to complete | ✓ |
| 16C | Work with community partners and ISC to identify other areas of regulatory responsibility that the FMB might develop in the future. | On target to complete | ✓ |

STRATEGIC PLAN GOAL C: EXPLORE NEW HORIZONS AND OPPORTUNITIES

| Goal Number | Goal Description | Anticipated Level of Completion (by March 31, 2024) | |
|-------------|--|---|---|
| 17 | Promote Indigenous Perspectives in Financial, Accounting, Sustainability, and Other Standards | | |
| 17A | Oversee the development and issuance of comment letters in response to exposure drafts and consultation papers issued by standard setters and regulators. | Complete | ✓ |
| 17B | Continued advocacy for the creation and resourcing of the Indigenous Council on Financial Reporting and Standards Setting (ICFRSS). | On target to complete | ✓ |
| 17C | Continue to respond to proposed standards and consultation papers to promote Indigenous involvement and perspectives. | Complete | ✓ |
| 17D | Ensure that Indigenous perspectives are considered and direct engagement with rights-holders is proactively sought, where required. | On target to complete | ✓ |
| 17E | Support FMB's CEO in Special Adviser role to the ISSB Chair. | On target to complete | ✓ |
| 17F | Continue engagement and thought leadership stemming from FMB's participation at COP-15. | On target to complete | ✓ |
| 17G | Conduct research to identify root causes of qualified annual financial statement audit reports and identify recommendations on how to reduce the frequency of qualifications. | Complete | ✓ |
| 17H | Conduct research to identify root causes of the high frequency of annual financial statements not being issued by First Nations in accordance with deadlines contained in a FAL and recommendations on how to improve the timeliness of financial reporting. | On target to complete | ✓ |
| 17I | Support the FNTC on the development of a First Nation Resource Charge concept. | On target to complete | ✓ |
| 17J | Work with Natural Resources Canada (NRCan) on revenue sharing between Canada and First Nations. | Deferred / On Hold | ○ |

| Goal Number | Goal Description | Anticipated Level of Completion (by March 31, 2024) | |
|-------------|---|---|---|
| 18 | Advance Indigenous Interests in Economic, Social, Government, and Business Policies & Practices | | |
| 18A | Continue to engage with leaders in the financial community and public sector. | On target to complete | ✓ |
| 18B | Continue to promote Indigenous interests through both traditional media and social media. | On target to complete | ✓ |
| 18C | Scope out the proposal for an Indigenous Investment Commission and Indigenous Development Bank as called for in RoadMap. | Complete | ✓ |
| 18D | Create a new Indigenous Advisory Committee made up of FMB clients to keep FMB informed of emerging concerns of Nations and provide feedback on FMB programs and services. | On target to complete | ✓ |
| 18E | Broaden international Indigenous relationships, such as with First Nations in Australia and New Zealand. | On target to complete | ✓ |

STRATEGIC PLAN GOAL D: ENHANCE ORGANIZATIONAL STRENGTH AND CAPACITIES

| Goal Number | Goal Description | Anticipated Level of Completion (by March 31, 2024) | |
|-------------|--|---|---|
| 19 | Enhance Indigenous Culture and Profile Within the Organization | | |
| 19A | Work with the Board of Directors to develop a new Vision Statement and changes to the existing Mission and Values that reflects FMB's insights and sensibilities about Indigenous history, aspirations, and context. | Complete | ✓ |
| 19B | Establish and strengthen Indigenous culture learning opportunities both internal and external to the FMB, including hiring practices, training initiatives, and cultural protocols in community visits. | On target to complete | ✓ |
| 19C | Continue to attract Indigenous candidates. | On target to complete | ✓ |
| 19D | Prioritize use of Indigenous vendors, suppliers, and consultants. | On target to complete | ✓ |
| 19E | Continue to work with post-secondary schools, Indigenous organizations, and government to provide learning opportunities to Indigenous students through summer student programs, internships and practicums. | On target to complete | ✓ |
| 19F | Continue to prioritize Indigenous culture within team-building activities. | On target to complete | ✓ |
| 19G | Identify and support ongoing professional development ideas that showcase and enhance Indigenous culture within FMB. | On target to complete | ✓ |

| Goal Number | Goal Description | Anticipated Level of Completion (by March 31, 2024) | |
|-------------|---|---|---|
| 20 | Strengthen FMB's Information Technology Management, Security, and Capacities | | |
| 20A | Create a project plan and begin implementation of recommendations contained in the IT systems review report. | On target to complete | ✓ |
| 20B | Create a project plan and begin implementation of FMB's new IT Strategic Plan. | On target to complete | ✓ |
| 20C | Strengthen FMB's cybersecurity program through development and implementation of cybersecurity policies and procedures and provision of ongoing cybersecurity training to FMB staff. | On target to complete | ✓ |
| 21 | Strengthen FMB's Planning & Management Procedures, Practices, and Capacities, including Financial Management | | |
| 21A | Begin implementation of recommendations from the 2022–2023 Special Examination. | In progress | Ⓧ |
| 21B | Continue to work towards the creation of a new and accessible compendium of internal policies and procedures and deliver internal training on policies and procedures. | On target to complete | ✓ |
| 21C | Continue to review and update FMB's Board manual and develop ongoing professional development materials for continuous Board support, orientation, training, evaluation, and development. | On target to complete | ✓ |
| 21D | Develop a new five-year strategic plan. | In progress | Ⓧ |
| 21E | Advance a change in approach to the GiC appointment process for FMB Board members. | On target to complete | ✓ |
| 22 | Strengthen FMB's HR Policies, Practices, Facilities, and Capacities | | |
| 22A | Establish a Diversity, Equity, and Inclusion (DEI) Committee focused on ensuring FMB fosters a diverse and inclusive working environment, including sensitivity toward unconscious biases in hiring and promotion processes, in line with the CFA DEI Code implementation plan. | Complete | ✓ |
| 22B | Continue to promote and grow FMB's Health and Wellbeing Committee and the convening of mental health and well-being events for staff. | On target to complete | ✓ |
| 22C | Update FMB's Whistleblower Policy. | On target to complete | ✓ |

| Goal Number | Goal Description | Anticipated Level of Completion (by March 31, 2024) | |
|-------------|--|---|---|
| 22D | Strengthen support for staff to be involved in external community events and activities. | On target to complete | ✓ |
| 22E | Create an annual merit increase process that will align with performance and allow staff to move up the salary range. | On target to complete | ✓ |
| 22F | Create a benchmark for employee engagement. | On target to complete | ✓ |
| 22G | Continue to develop and provide staff with training opportunities, including soft skills, cultural, DEI, team, and management training. | On target to complete | ✓ |
| 22H | Create an Occupational Health & Safety policy, processes, and training to promote occupational health and safety to protect employees from work-related risks to their health, safety, and well-being. | On target to complete | ✓ |
| 22I | Strengthen the professional development process for tracking and monitoring to ensure staff are using their professional development funds and employee files are updated on completion of courses, certificates, and degrees. | On target to complete | ✓ |
| 22J | Launch an employee recognition program including an employee referral program. | On target to complete | ✓ |
| 22K | Continue to pursue Pre-Approved Training Office status with other provincial CPA bodies and strengthen mentorship practices to build FMB's reputation as a centre of excellence. | On target to complete | ✓ |
| 22L | Update office space forecast to plan for future growth of employees within all regions, including the exploration of a new office location in the Atlantic region. | Complete | ✓ |
| 23 | Secure Adequate and Sustainable Long-Term Funding for FMB | | |
| 23A | Continue to advocate with CIRNAC and ISC for long-term, sustainable funding for the FMB, supported by a clear and comprehensive financial plan. | On target to complete | ✓ |
| 23B | Continue to advocate for FMB's DMP and 10-Year Grant programs to be funded through long-term, core funding. | On target to complete | ✓ |
| 23C | Continue to prepare and submit ad hoc funding proposals as new initiatives arise. | On target to complete | ✓ |

ACRONYMS

| | |
|---------------|--|
| AASOC | Auditing and Assurance Standards Oversight Council |
| AcSOC | Accounting Standards Oversight Council |
| AFI | Aboriginal Financial Institution |
| AFN | Assembly of First Nations |
| AFNWA | Atlantic First Nations Water Authority |
| AFOA | AFOA Canada (the association representing Aboriginal financial officers) |
| ANU | Australian National University |
| CDI | Capacity, Development, Intervention & Prevention |
| CEO | Chief Executive Officer |
| CFA | Chartered Financial Analyst |
| CIRANO | Centre interuniversitaire de recherche en analyse des organisations |
| CIRNAC | Crown-Indigenous Relations and Northern Affairs Canada |
| CPA | Chartered Professional Accountant |
| DEI | Diversity, Equity and Inclusion |
| DMP | Default Management Prevention (program) |
| ESG | Environmental, Social and Governance |
| FAB | Financial Administration By-Law |
| FAL | Financial Administration Law |
| FMA | <i>First Nations Fiscal Management Act</i> |
| FMB | First Nations Financial Management Board |
| FMS | Financial Management Systems |
| FNAG | First Nations Auditor General |
| FNFA | First Nations Finance Authority |
| FNII | First Nations Infrastructure Institute |
| FNLTW | <i>First Nations Leading the Way</i> |

| | |
|---------------|---|
| FNTC | First Nations Tax Commission |
| FP | Financial Performance |
| GiC | Governor in Council |
| HR | Human Resources |
| ICFRSS | Indigenous Council on Financial Reporting and Standards Setting |
| IDB | Indigenous Development Bank |
| IELR | Indigenous Engagement, Laws and Relations |
| IFRS | International Financial Reporting Standards |
| IIC | Indigenous Investment Commission |
| IPSASB | International Public Sector Accounting Standards Board |
| IRCSSC | Independent Review Committee on Standard Setting in Canada |
| ISC | Indigenous Services Canada |
| ISSB | International Sustainability Standards Board |
| IT | Information Technology |
| JACFR | Joint Advisory Committee on Fiscal Relations |
| LOC | Letter of Cooperation |
| NPO | Not-for-Profit Organization |
| NRCan | Natural Resources Canada |
| OSC | Ontario Securities Commission |
| OSFI | Office of the Superintendent of Financial Institutions |
| PSAB | Public Sector Accounting Board |
| SAC | Standards and Certification |
| SEC | Securities and Exchange Commission |
| SO | Strategic Opportunities |
| UNDRIP | <i>United Nations Declaration on the Rights of Indigenous Peoples</i> |

2024-2025 CORPORATE PLAN

West Vancouver Head Office:

100 Park Royal, Suite 300
West Vancouver, BC V7T 1A2

Winnipeg Office:

125 Garry Street, Suite 850
Winnipeg, MB R3C 3P2

Ottawa Office:

340 Albert Street, Suite 1310
Ottawa, ON K1R 7Y6

Montréal Office:

1410 rue Stanley, Suite 1015
Montréal, QC H3A 1P8

Toll Free: 1.877.925.6665
Telephone: 604.925.6665
Fax: 604.925.6662

fnfmb.com



**CONSEIL
DE GESTION
FINANCIÈRE** des
Premières Nations