

GOVERNING FOR SUCCESS



First Nations
**FINANCIAL
MANAGEMENT
BOARD**



KEY LEARNING OBJECTIVES



What is governance?



What is a Council's
role in governance?



**WHAT IS
GOVERNANCE?**

WHAT IS GOVERNANCE?

The process of how groups organize



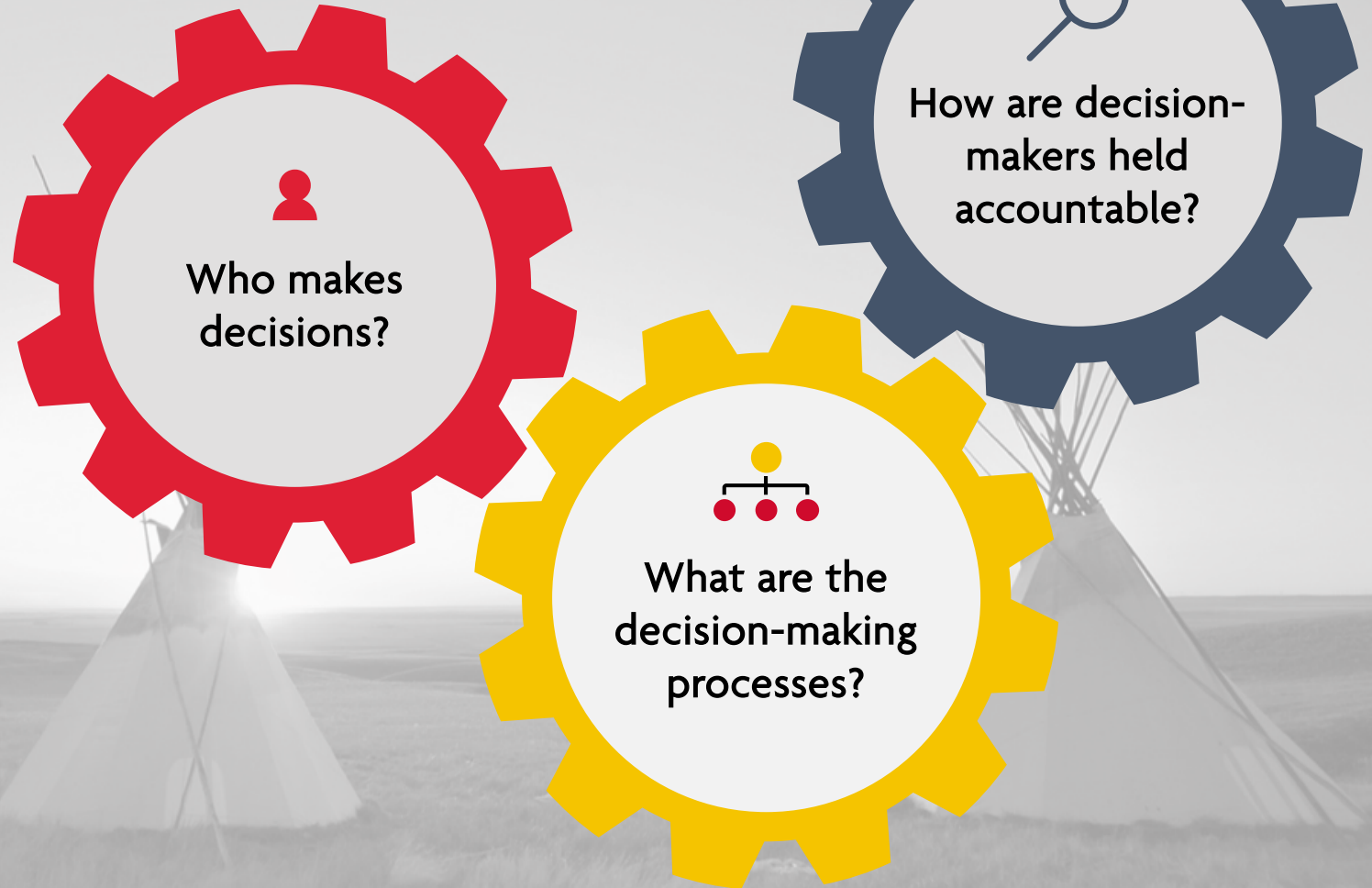
How power is used within a group, and how groups make and act upon decisions

- Authority
- decision-making
- Accountability



WHAT IS GOVERNANCE?

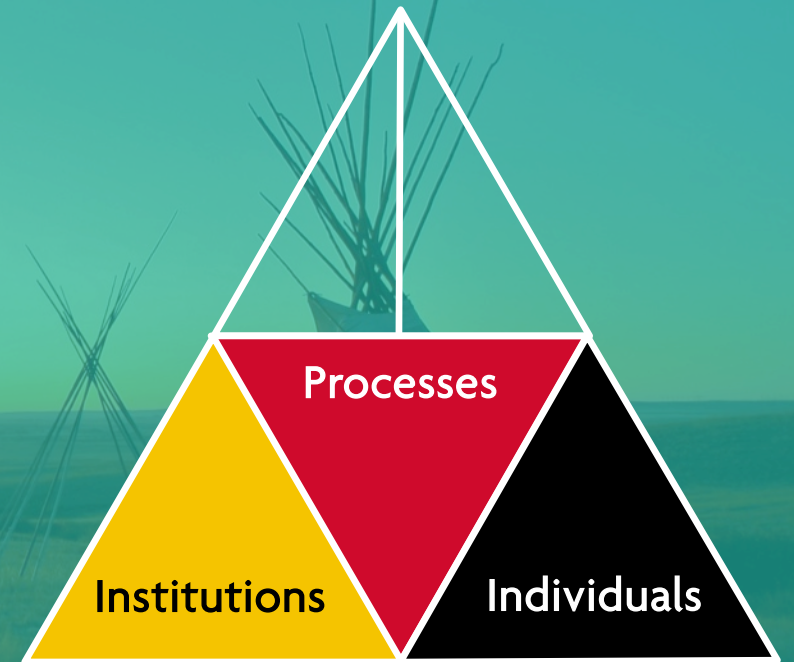
GOVERNANCE INVOLVES



WHAT IS GOOD GOVERNANCE?

An organization practices good governance when all the **institutions, processes, and individuals** of an organization are working together to meet the needs of the society.

NEEDS OF THE SOCIETY



WHY IS GOVERNANCE IMPORTANT?

Governance systems give organizations the ability to:

Through good governance, a Council can lead its Nation to success.

Organize
themselves

Act

Make
decisions

Achieve outcomes
that are good for
the organization



GOOD GOVERNANCE IS EFFECTIVE

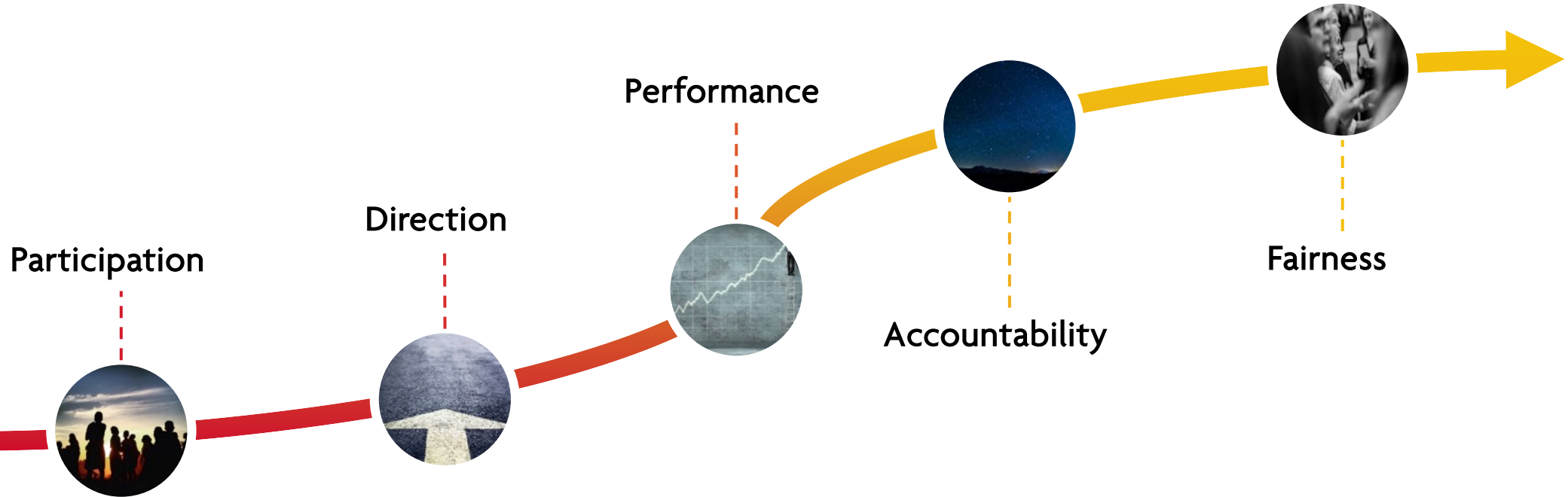
All First Nations governments have the *right* to choose their own paths but good governance provides Nations with the *tools* to pursue their own paths.



What does good governance mean to **you**?



PRINCIPLES OF GOOD GOVERNANCE





Since power comes from the people, good leaders try to create common ground when making decisions on behalf of the Nation.

PRINCIPLES OF GOOD GOVERNANCE PARTICIPATION



Do the people have
a voice in decision-
making?

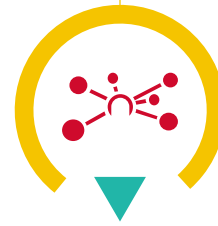


Does the leadership consult
and inform the membership
about the direction and
activity of the Nation?



Nations find success when they define and plan a shared, long-term pathway for community well-being.

PRINCIPLES OF GOOD GOVERNANCE DIRECTION



Does the Nation have a shared sense of its identity, needs, and desires?



Does it know what direction it wants to go or how to get there?



A Nation performs by achieving the goals of the community through effective and sustainable processes.

PRINCIPLES OF GOOD GOVERNANCE PERFORMANCE



Is the Nation making progress towards the community's goals?



Does the Nation deliver services to its members effectively?



Nations practice good governance when the decision-makers are accountable for their actions to the community they serve.

PRINCIPLES OF GOOD GOVERNANCE ACCOUNTABILITY



Does the leadership report regularly to the membership?



Does the membership have access to financial statements, meeting minutes, as well as financial and strategic plans?



Fairness characterizes a Nation when it makes decisions for the good of the whole, not just a select few. Fair Nations apply laws, policies, and processes impartially and without favoritism.

PRINCIPLES OF GOOD GOVERNANCE FAIRNESS



Are there laws, policies, and processes in place to guide the decisions and actions of the Nation?



Does the Nation apply rules the same way for everyone?

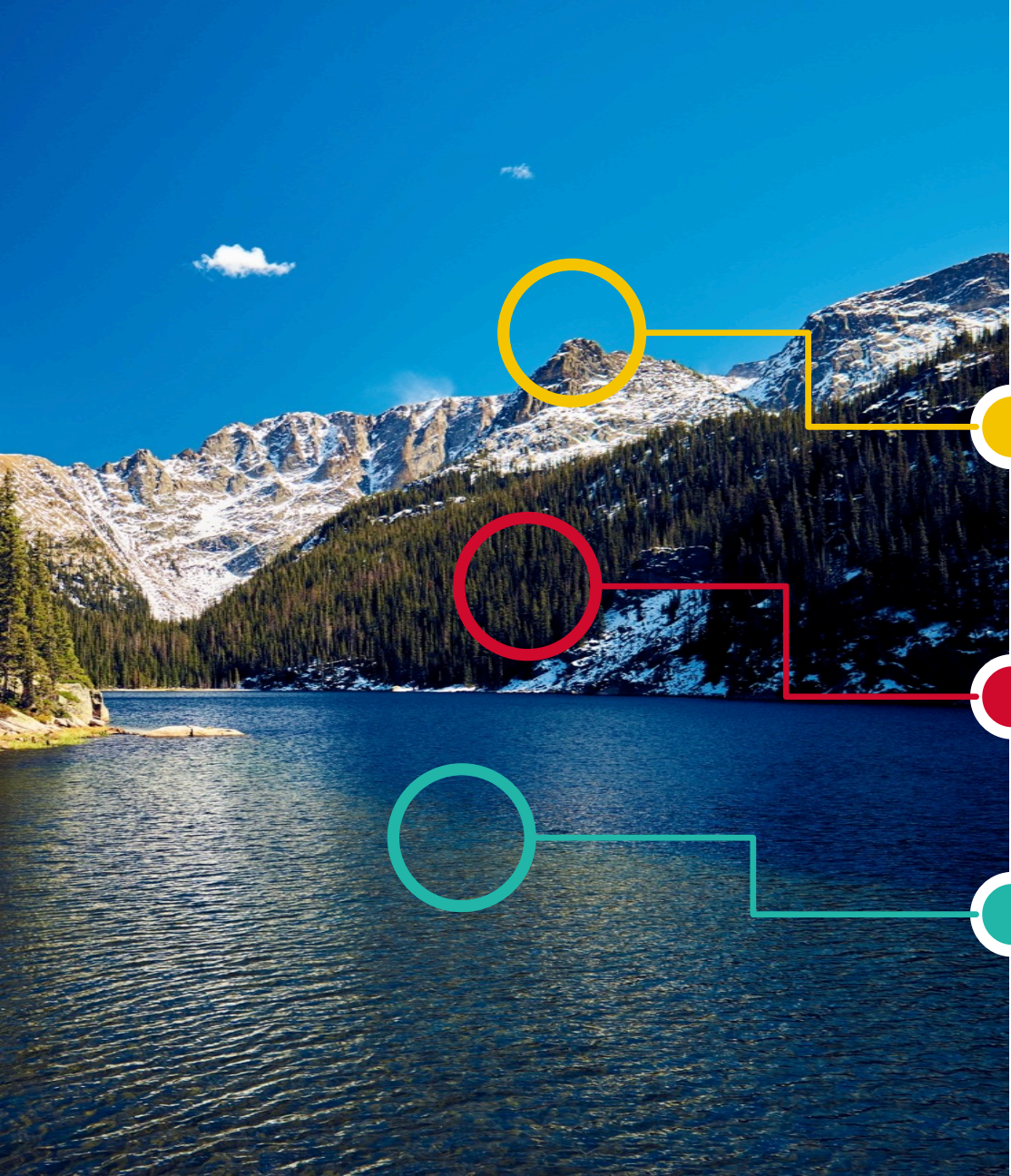
**WHAT IS
COUNCIL'S ROLE IN
GOVERNANCE?**

COUNCIL'S ROLE IN GOOD GOVERNANCE

The View from Above



GOOD GOVERNANCE MODEL



Chief and Council

- Soaring and taking in the big picture
- Identify a collective vision
- Set strategic direction

Management

- Develop specific strategies to make leadership's vision a reality

Administrative Staff and community members

- Staff implement strategies
- Members receive and assess services and provide feedback to leadership



GOOD GOVERNANCE MODEL



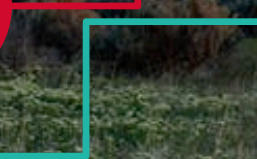
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COUNCIL'S ROLE IN GOOD GOVERNANCE

Council has legal and functional responsibilities in the governance of a First Nation

LEGAL



Authority



Fiduciary Duty



Duty of Care

FUNCTIONAL



Strategic Direction



Care of Assets



Delivery of Services

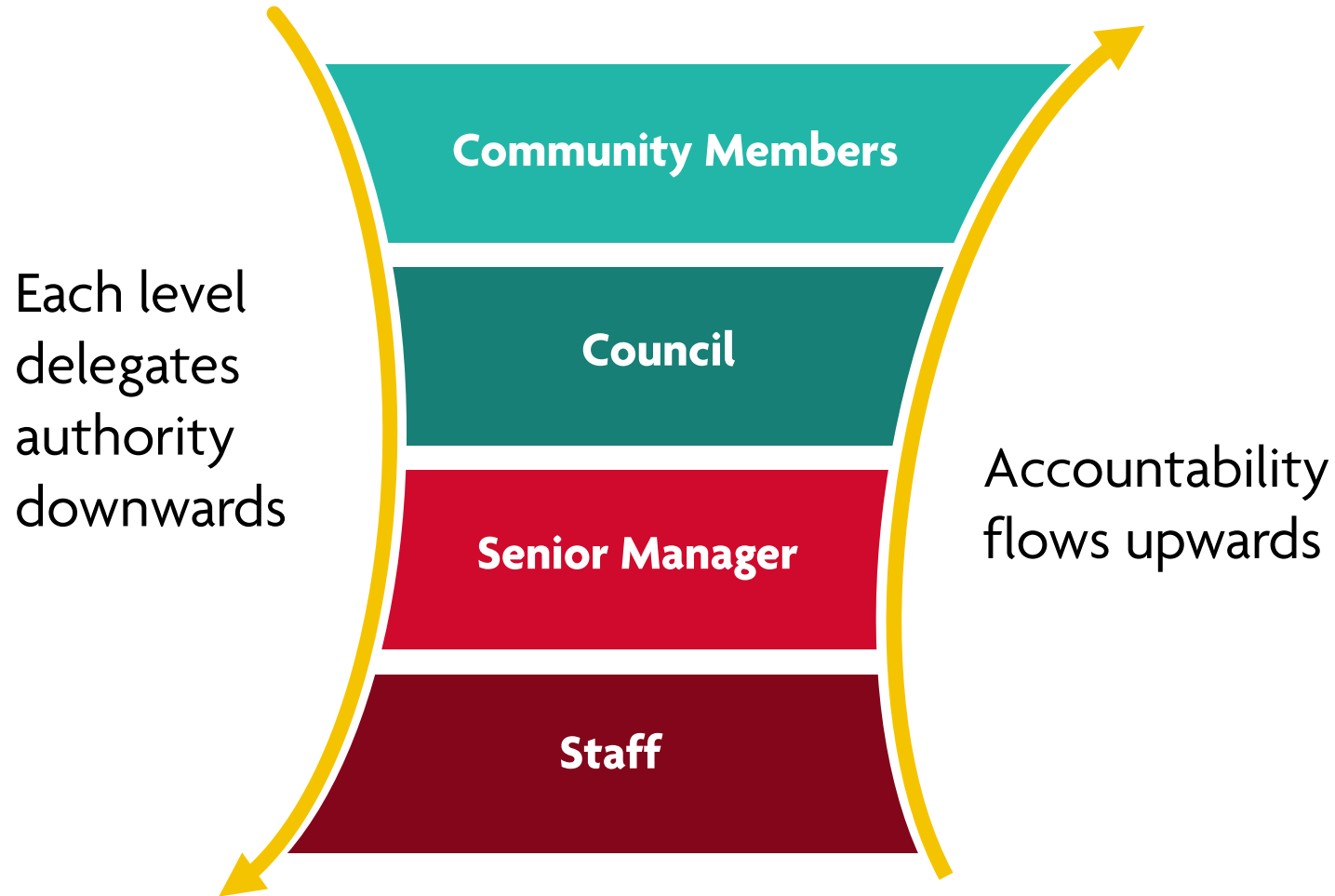


WHERE DOES COUNCIL GET ITS AUTHORITY?

A First Nation's members are the source of power and authority.

The membership delegates political power to its leadership when it elects them to look after the interests of the Nation as a whole.

AUTHORITY STRUCTURE



WHAT IS COUNCIL'S FIDUCIARY DUTY?



Fiduciary duty means that Council has the legal responsibility to always act in the best interests of the First Nation, not in their personal best interests.



A First Nation trusts its elected leaders to govern the community, achieve the goals of the First Nation, and to wisely manage its resources.

COUNCIL'S FIDUCIARY DUTY AND CONFLICTS OF INTEREST



Councillors have the legal duty to avoid or manage conflicts of interest.

Conflict of interest occurs when a Councillor is in a position in which the duty to act in the best interests of the First Nation conflicts with personal interests.

In a real or perceived conflict, a Councillor must declare the conflict and remove him/herself from the decision.

A large teepee stands on a dark, silhouetted hill against a dramatic sky filled with golden, glowing clouds. The teepee's structure is visible, with many long poles radiating from the top. The overall mood is contemplative and serious.

WHAT IS COUNCIL'S DUTY OF CARE?

Councillors have the duty to use an appropriate level of care when carrying out business on behalf of the Nation. It is the same care that a reasonably prudent person would show under similar circumstances.

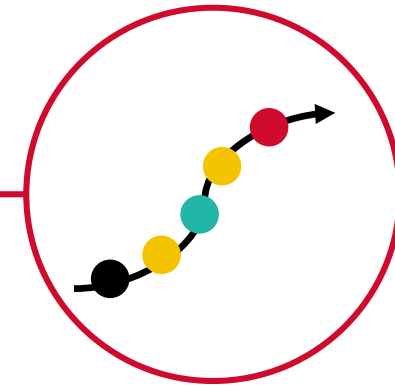
WHAT IS COUNCIL'S ROLE IN MANAGING THE AFFAIRS OF THE FIRST NATION?



The membership elects the Council to represent their interests and achieve their goals.



Councillors need to consider the interests of the community as a whole.



Council sets out the long-term vision of the First Nation administration.

SERVICE DELIVERY

- A First Nation government delivers a range programs and services to its members.
- Council ensures that the administration delivers these programs and services fairly, effectively, and in a timely manner.





WHAT IS COUNCIL'S ROLE IN OVERSIGHT OF THE ADMINISTRATION?



Set the strategic direction

Protect and care for community assets

Make decisions on behalf of the membership,
through regular meetings, resolutions, and minutes

Ensure timely and effective service delivery

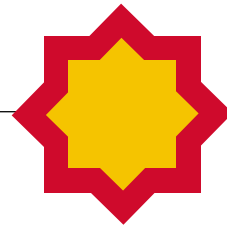
Develop policies that govern the work of the
administration



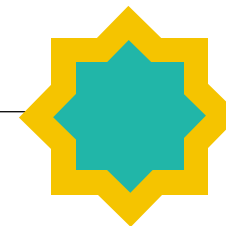
WHAT IS THE CHIEF'S ROLE?

The Chief is at the head of the governing body of a Nation, and the leader of Council. The role of the Chief is to represent the First Nation as the spokesperson and figurehead, and to act as the chairperson of Council.

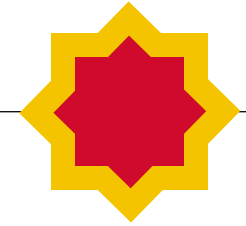
The Chief oversees the processes of Council and helps Council to:



Be an effective team



Fulfill its duties



Focus on the high-level
and long-term needs of
the community

WHAT IS THE DIFFERENCE BETWEEN **GOVERNANCE** AND **ADMINISTRATION**?

Council sets the direction,
and the administration
completes the work.

A Council's role is to ensure
that good work gets done, not
to do the work themselves.

Council sets the strategic
direction and focuses on the
important, long-term, and
impactful decisions of the
Nation.

Council delegates the day-to-day
administrative work to their
employee, the Senior Manager,
and the Senior Manager uses the
administrative staff to pursue
Council's long-term vision.

GOVERNANCE & ADMINISTRATION

COUNCIL GOVERNS



ADMINISTRATION MANAGES



WHO DOES
WHAT?

Sets the strategic direction

Completes the work

Long-term and impactful decisions

Day-to-day and routine decisions

Reports to community

Reports to Council

WHAT IS THE ROLE OF THE SENIOR MANAGER?

The Senior Manager is accountable only to Council and has full authority and responsibility for all staff operations.

The Senior Manager should report to Council regularly.



Supporting Council's vision and direction



Directing and managing staff



Recommending policies, procedures, and strategies to Council

WHAT DOES IT MEAN FOR COUNCIL TO PROVIDE EFFECTIVE OVERSIGHT?

Evaluate the
performance of the
Senior Manager



Give authority to the Senior
Manager over all staff
operations

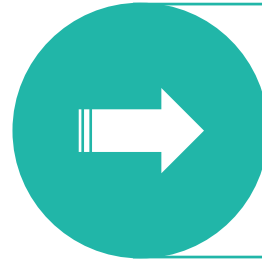


Provide clear
direction





KEYS TO SUCCESS



Give clear direction

Measure progress



Have clear roles and responsibilities



QUESTIONS? Let's chat.

First Nations Financial Management Board

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