

**Kitselas Policy Manual**

**Financial and Administrative Organization - Budgets**

Unit	Policy	Approved
<b>Purpose</b>	<p>The purpose of this Policy is the establishment of a financial framework which supports the sound financial management of Kitselas First Nation (KFN)</p> <p>Under this Policy, the Committee to the Council's mandate is to ensure that program revenues and expenditures are matched and that program deficits are avoided or addressed.</p>	<p>Approved by motion by Chief and Council on December 14, 2010</p>
<b>General Objective</b>	<ol style="list-style-type: none"> <li>1. To introduce a budget framework which supports the overall achievement of KFN goals/objectives</li> <li>2. To develop and maintain an annual budget process</li> <li>3. To Conduct quarterly budget reviews</li> <li>4. To address and avoid unplanned deficits</li> <li>5. To ensure that an action plan is developed to address any existing deficits</li> </ol>	
<b>Application</b>	<p>This Policy applies to the Kitselas Committee to the Council, KFN employees, departments and institutions</p>	
<b>Authority</b>	<p>The authority to undertake this Policy is grounded in the Kitselas Committee to the Council Act (KBC 2010-01) as well as all other Acts addressing finances and/or accountability.</p>	
<b>Criteria</b>	<p>The Committee to the Council, with the assistance of the Finance Department, will:</p> <ol style="list-style-type: none"> <li>1. Assemble, review and recommend an annual budget to KFN Chief and Council               <ol style="list-style-type: none"> <li>1.1. Review departmental budgets</li> <li>1.2. Ensure departmental budgets match all revenue and all expenses within department / programs</li> <li>1.3. Ensure departments establish and track income and expenses by line item (i.e. program)</li> <li>1.4. In conjunction with the Band Manager, combine</li> </ol> </li> </ol>	

departmental and administrative budgets to form an overall KFN budget and submit to Chief and Council within the annual budget schedule (established to ensure adequate time is available for discussions prior to commencement of the fiscal year)

2. Conduct quarterly budget review
  - 2.1. The Finance Department will prepare a quarter budget update, by department, which incorporates a forecast of expenditures and revenue to Fiscal Year End (FYE)
  - 2.2. The Committee will meet with each department to review their current and projected financial situation to FYE
  - 2.3. Note any deviations against annual budget and make recommendations
  - 2.4. The Committee may recommend, to KFN Chief and Council, reallocations between departments, where possible.
  - 2.5. Submit a summary report to Chief and Council in a timely manner
3. Deficits
  - 3.1. No program or administrative budget will go into a deficit unless the over-expenditure is planned and a recovery plan has been developed
  - 3.2. Existing program and administrative deficits must develop a recovery plan as part of their annual budget and progress against recovery plan will be reviewed quarterly