



Affaires indiennes
et du Nord Canada

Indian and Northern
Affairs Canada

Year End Reporting Handbook

Funding Agreements covering Fiscal
Year period 2011-2012

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Canada

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MAIN CHANGES IN THE HANDBOOK FOR YEAR-END 2011/2012

This document is now known as the *Year End Reporting Handbook* (YERH) as opposed to the previous version, which was called the Year-End Financial Reporting Handbook (YEFRH).

This handbook addresses the requirement of fulfilling the needs of **all INAC Recipients** including recipients Other than First Nations, Tribal Councils and First Nation Political Organizations. In the past, the YEFRH was designated solely for the First Nations, Tribal Councils and First Nation Political Organizations. INAC aims to standardize recipient reporting requirements to reduce administrative burden where possible while maintaining its accountability to Parliament as per Treasury Board Secretariat's (TBS) policy and directives on transfer payments.

This handbook is designed to be used in conjunction with INAC funding agreements as it relates to financial reporting requirements. The handbook reflects the changes in the various Canadian Accounting Standards, known as Generally Accepted Accounting Principles (GAAP). In order to be consistent with the Canadian Institute of Chartered Accountants (CICA) handbook, GAAP will be referred to as the "Canadian Accounting Standards".

Key changes:

- Addresses the reporting requirements for **all Recipients**;
- Modifies the reports numbering;
- Modifies the structure of the document;
- Clarifies reporting requirements;
- Adds Unexpended Funding Plans and Reports requirements;
- Clarifies requirements for Schedules of Salaries, Honoraria, Travel Expenses and Other Remuneration.

1.0 CONTEXT AND BACKGROUND

Indian and Northern Affairs Canada (INAC) receives and reviews financial information in conjunction with non-financial information and undertakes compliance activities at least annually. This activity is undertaken to gather information on whether funds provided are expended for the purposes intended, that terms and conditions of funding agreements are met, and that the recipient's financial situation is sufficiently stable in order to assure continued delivery of funded programs/services. Reporting on the use of public funds to community members and to Canadians remains an essential element of the management control framework for transfer payments. All governing bodies are ultimately accountable to their stakeholders. As such, INAC must demonstrate to the Canadian public, through the Minister, Parliament and the Auditor General of Canada that all funds, including those transferred to First Nations and other Recipients are spent in accordance with the terms of funding agreements.

The YERH is a supporting document of INAC funding agreements. It outlines and provides complementary information on the reporting requirements mentioned in *Schedule "DIAND 4" Schedule of Reporting Requirements and Due Dates* of the funding agreements. The handbook must be read in conjunction with the Recipient's funding agreement.

This handbook replaces the *Year-end Financial Reporting Handbook for First Nations, Tribal Councils and First Nation Political Organizations* dated February 2010. All recipients of funding agreements for fiscal year starting April 1st, 2011 to March 31st, 2012 must comply with reporting requirements outlined in this handbook.

Other stakeholders may be part of the management of contribution funding such as a recipient's auditor or Agencies receiving part of the funding provided to a recipient. Where this is the case, it is strongly recommended that recipients provide the YERH to their auditors and to any Agencies to which they have transferred contribution funding in order to assist them in understanding the Recipient's and their funded Agencies' annual financial reporting requirements.

1.1 General Assessment (GA) – Risk Assessment of the recipient

The spirit of the Treasury Board Secretariat Policy on Transfer Payments is for departments to manage their transfer payment agreements based on risk assessment and to allow the flexibility to departments to request reports based on the level of risk while reducing administrative burden when possible. In the same spirit, INAC aims to over time align its reporting requirements to reduce them based on the General Assessment.

The General Assessment (GA) is a new tool that supports the management of transfer payments and recipient funding agreements. The tool was designed, in part, to respond to the requirement in the government-wide *Policy on Transfer Payments* that there be a more citizen-focused, risk-based approach to how we manage transfer payments.

The GA tool works by taking an annual “snapshot” of the recipient's past funding performance and assesses strengths and emerging risks that may have an impact on its future performance. In the GA process each funding recipient is assessed on an annual basis, at a minimum, and is rated as having either a “low”, “medium” or “high” level of risk.

Once through the process, each recipient receives a rating along with reasons for the rating and recommendations, where needed, for managing significant risk. All recipients go through the GA process, including new applicants.

1.2 Unexpended Funding

Starting April 1st, 2011, new INAC funding agreements will include a requirement to provide the department with an Unexpended Funding Plan in order for recipients to be able to use unexpended funding in specific circumstances as per TBS Policy on Transfer Payments.

Where such plan is required under a funding agreement, it must be prepared in accordance with section 7.9 of this handbook. Reporting requirements against this plan are also defined in the same section.

As part of INAC's reduction in reporting burden to Recipients, the handbook requirements reflect the minimum / essential requirements using a risk based approach and respecting accountability.

2.0 SCOPE OF HANDBOOK

This handbook applies to all recipients receiving transfer payment funding from INAC.

3.0 ACCOUNTING STANDARDS

The Public Sector Accounting Board (PSAB) has eliminated local government standards in the Public Sector Accounting Handbook and this affects First Nations, Tribal Councils and First Nations Political Organizations. As a result, there is now one common reporting model for local, territorial, provincial and federal governments (*Common Government Reporting Model*). This change, effective for fiscal years beginning on or after January 1, 2009, applies to First Nations with fiscal years

beginning April 1, 2009.

The YERH does not detail public sector Canadian Accounting Standards requirements. It details specific annual financial reporting requirements for purposes of accountability for Federal Transfer Payments. Audited financial statements are required to be submitted in accordance with PSAB standards which is a consistent standard used by all governments in Canada. This standard requires that each First Nation provide a Statement of Financial Position, a Statement of Operations, a Statement of Cash Flow and a Statement of Net Assets. While each First Nation statement of financial position may have greater detailed information that reflects the nature of the First Nation's structure and activities, each of them will, in accordance to PSAB standards, be providing consistent consolidated financial information that at a minimum includes the following major line items or its equivalent (where applicable):

Financial Assets: cash and/or cash equivalents, investments, accounts receivable, equity in commercial enterprises, long-term investments, inventories for resale

Financial Liabilities: short-term debt or equivalent, trust funds, accounts payable, deferred revenue, long-term debt

Non-Financial Assets: tangible capital assets, inventories/supplies, prepaid expenses

Net Assets or Net Debt

By requiring submission of audited financial statements as prescribed by PSAB, the Department promotes consistent reporting from not only First Nations, but also from all governments. It also limits the reporting burden on Recipients by having general purpose financial statements prepared under PSAB rules along with special purpose detailed reporting (Program/Service/Activity Revenues and Expenditures Schedules; Schedule of Federal Government Funding; Statements of Receipt and Expenditure of Indian Moneys; Schedules of Salaries, Honoraria, Travel Expenses and Other Remuneration) suffice for the annual reporting requirements of the Department rather than the Department requiring a second financial report be prepared and reinforces the concept of good governance through consistent accountability to members and the public.

3.1 First Nations

The CICA Public Sector Accounting Handbook (PSA Handbook) applies to all forms of governments in Canada and as such, First Nations are considered governments from an accounting perspective.

The CICA Financial Reporting by First Nations Study Group discussed, researched and consulted on the appropriate Canadian Accounting Standards for First Nations. The *Financial Reporting by First Nations Report* has been published. This report recommends that First Nations adopt full accrual accounting and the Common Government Reporting Model as prescribed by the PSAB.

3.2 Tribal Councils and First Nation Political Organizations

Tribal Councils and First Nation Political Organizations must adhere to the PSA Handbook accounting recommendations of the Common Government Reporting Model **unless** Canadian Accounting Standards definitions and recommendations deem them to be profit-oriented enterprises or not-for-profit organizations. It is the Recipients' responsibility, with the help of their auditor, to determine which of the CICA recommendations are relevant to their organization.

3.3 Agencies

In some instances, INAC may provide transfer payments to a Recipient that in turn further distributes payments to an Agency for the delivery of programs and services funded under the terms and conditions of a funding agreement. Where the Recipient has transferred funding to an Agency, the Recipient remains accountable to INAC for the performance of its obligations as set out in the funding agreement.

Therefore, where the Recipient has transferred funding to an Agency, the Recipient must require the Agency to provide its financial statements to the Recipient. Also, upon written request from INAC to the Recipient, a copy of the Agency's financial statements must be made available to INAC.

4.0 REFERENCES

Financial Administration Act of Canada

Indian Act

Indian Bands Revenue Money Regulations

Indian Oil and Gas Act

Canadian Institute of Chartered Accountants (CICA) Handbooks

Treasury Board of Canada Secretariat Policy and Directives on Transfer Payments

Funding Agreement between the Recipient and INAC

INAC Manual for the Administration of Band Moneys

Financial Reporting by First Nations Report prepared by PSAB and Aboriginal Financial Officers Association of Canada (AFOA)

Recipient Reporting Guide

5.0 DEFINITIONS

For purposes of this handbook:

“Agency” means an authority, board, committee or other entity authorized to act on behalf of the Council where the Council is a First Nation **OR** an authority, board, committee, Member First Nation or other entity authorized to act on behalf of the Council where the Council is a Tribal Council **OR** an authority, board, committee or other entity authorized to act on behalf of the Recipient.

“Block contribution funding” means a Contribution for a group of programs, services and/or activities for which funding is provided under a funding agreement and for which any unexpended funding may be retained by the Recipient if conditions specified in the funding agreement are met.

“Common Government Reporting Model” means the reporting model to be used for local, provincial, territorial and federal governments as defined by the Canadian Institute of Chartered Accountants / Public Sector Accounting Board (CICA/PSAB standards). This model replaced and harmonized all previous government reporting models such as the Local Government standards and Senior Government Standards.

“Contribution” means funding provided under a funding agreement for programs, services or activities for which expenditures must be accounted, ineligible expenditures must be reimbursed to Canada, and unexpended funding must be reimbursed to Canada unless otherwise specified in the funding agreement.

“First Nation” means a “band” within the meaning of the *Indian Act*.

“First Nation Political Organization” means an organization established by a number of First Nations with common interests who voluntarily join together with a view to carrying on political or related activities. These organizations are typically led by the Chiefs of member First Nations and/or by individuals chosen by member First Nations to represent their community in the organization.

“Fixed Contribution Funding” means a Contribution for a program, service or activity for which any unexpended balances may be retained by the Recipient if conditions specified in the funding agreement are met.

“Flexible contribution funding” means a Contribution for a program, service or activity for which any unexpended balances may be retained by the Recipient, if conditions specified in the funding agreement are met, until the earliest of the end of that program, service or activity, the expiry of the funding agreement, and the early termination of the funding agreement.

“General Reporting Model” means the reporting model to be used for Profit-Oriented Organizations and Not-for-Profit Organizations, as defined by the Canadian Institute of Chartered Accountants / Generally Accepted Accounting Principles.

“Program/Service/Activity” means a program, service, activity or project for which funding is provided under a funding agreement.

“Recipient” means an entity that has received a transfer payment under a funding agreement through which INAC transfer’s funding.

“Set contribution funding” means a Contribution for a program, service or activity for which any unexpended funding or any ineligible expenditure must be reimbursed to Canada.

“Transfer Payments” means a monetary payment, or a transfer of goods, services or assets made, on the basis of an appropriation, to a third party, including a Crown corporation, that does not result in the acquisition by the Government of Canada of any goods, services or assets. Transfer payments are categorized as grants, contributions and other transfer payments. Transfer payments do not include investments, loans or loan guarantees.

“Tribal Council” means an organization established by a number of First Nations with common interests who voluntarily join together to provide advisory and/or program services to Member First Nations.

“Unexpended funding (surplus)” means the amount by which total funds allocated by the program exceed the amount of funds expended by the Recipient in the delivery of the program obligations and objectives as set out in the funding agreement.

6.0 FINANCIAL REPORTING REQUIREMENTS

This section details the components of the financial reports, identified in the funding agreement *Schedule "DIAND 4" Schedule of Reporting Requirements and Due Dates*, the Recipient must provide to INAC . The number in brackets (7.X) refers to the section of this handbook where details on how the document must be presented can be found. Where the word "AUDITED" follows the description of the component, that component must be independently audited according to the requirement set out in the funding agreement.

6.1 First Nations, Tribal Council and First Nation Political Organizations (using the Common Government Reporting Model)

The Recipient shall provide INAC with the financial reports package listed below that applies to the Recipient as indicated in *Schedule "DIAND 4" Schedule of Reporting Requirements and Due Dates* of the funding agreement

F-0080 – Annual Audited Financial Statements package, comprised of:

General Purpose Financial Statements:

- Annual Audited Financial Statements, (7.1 a)) - AUDITED;
- Auditor's Management Letter (7.7);

Special Purpose Reporting:

- Program/Service/Activity Revenues and Expenditures Schedules (7.2);
- Funding Reconciliation (7.3);
- Schedule of Federal Government Funding (7.4) – AUDITOR'S ATTESTATION;
- Statement of Receipt and Expenditure of Indian Moneys (7.5) - AUDITED;
- Schedules of Salaries, Honoraria, Travel Expenses and Other Remuneration, for Elected and Senior Unelected Officials (7.6) – AUDITOR'S ATTESTATION.

OR

F-0081 – Annual Unaudited Schedule of Revenue and Expenditure package, comprised of:

- Program/Service/Activity Revenues and Expenditures Schedules (7.2);
- Schedule of Federal Government Funding (7.4) – AUDITOR'S ATTESTATION;

- Statements of Receipt and Expenditure of Indian Moneys (7.5) - AUDITED;
- Schedules of Salaries, Honoraria, Travel Expenses and Other Remuneration (7.6) – AUDITOR’S ATTESTATION;

6.2 Recipients Other than First Nations, Tribal Councils and First Nation Political Organizations (using the General Reporting Model)

The Recipient shall provide INAC with the financial reports package listed below that applies to the Recipient as indicated in *Schedule “DIAND 4” Schedule of Reporting Requirements and Due Dates* of the funding agreement

F-0190 – Annual Audited Financial Statements package, comprised of:

General Purpose Financial Statements:

- Annual Audited Financial Statements, (7.1 b)) - AUDITED;

Special Purpose Reporting:

- Program/Service/Activity Revenues and Expenditures Schedules (7.2);
- Funding Reconciliation (7.3).

OR

F-0191 – Annual Audited Schedule of Revenue and Expenditure package, comprised of:

- Program/Service/Activity Revenues and Expenditures Schedules (7.2) - AUDITED;
- Auditor’s report (7.8).

OR

F-0192 – Annual Unaudited Schedule of Revenue and Expenditure, comprised of:

- Program/Service/Activity Revenues and Expenditures Schedules (7.2).

7.0 FINANCIAL REPORTING DESCRIPTION

7.1 Annual Audited Financial Statements

a) First Nations, Tribal Councils and First Nation Political Organizations (using the Common Government Reporting Model)

The Recipient shall provide INAC with consolidated Audited Financial Statements in accordance with Canadian Accounting Standards, using the *Common Government Reporting Model*. They will be audited in accordance with Canadian Auditing Standards.

The Annual Audited Financial Statements must at least include the following:

- Auditor's report;
- Consolidated Statement of Financial Position;
- Consolidated Statement of Operations (including budget figures);
- Consolidated Statement of Changes in Net Debt;
- Consolidated Statement of Cash Flows;
- Notes to financial statements.

b) Recipients using the General Reporting Model (other than First Nations)

The Recipient shall provide INAC with consolidated Audited Financial Statements in accordance with Canadian Accounting Standards and CICA Handbook. They shall be audited in accordance with Canadian Auditing Standards.

The Audited Financial Statement must at least include the following:

- Auditor's report;
- Balance Sheet;
- Income Statement (including budget figures);
- Statement of Retained Earnings;
- Statement of Cash Flow;
- Notes to financial statements.

7.2 Program/Service/Activity Revenues and Expenditures Schedules (see Annex A for examples)

Important information: These individual schedules are not required to be audited unless identified in section 6.

A separate schedule of Revenues and Expenditures must be provided for each Program/Service/Activity for which funding is provided through a funding agreement. More specifically, the Program/Service/Activity Revenues and Expenditures Schedules must:

- be presented on an accrual basis (Revenues/Funding received during the statement period less expenditures incurred excluding amortization):
 - Revenues are accounted for between April 1st, 2011 and March 31st, 2012 in which the transactions or events occur giving rise to the revenues for monetary transactions.
 - Expenditures are accounted for between April 1st, 2011 and March 31st, 2012 in which the goods and services are acquired and a liability is incurred, or transfers are due for monetary transactions but do not include non-monetary transactions e.g. amortization expenses.
- present the information for the Programs/Services/Activities identified as a Set or Flexible Contribution in the funding agreement separately and individually from the information for the Programs/Services/Activities identified as Fixed Contribution or Block Contribution;
- disclose all revenues/funding received by source and expenditures incurred by object for each Program/Service/Activity specified in the funding agreement;
- include a revenue section that outlines funding/revenue from all sources including funds received from other government departments, private enterprises and other sources;
- present unexpended funds;
- detail opening and closing balances of deferred funding;
- disclose budget figures and comparative figures;
- be approved by an authorized representative of the recipient, indicated by a signature on the submitted package;
- clearly disclose all amounts due to / from INAC. Repayable unexpended funding balances or unallowable expenditures must be disclosed as accounts payable. Claims eligible for reimbursement under the terms and conditions of the funding agreement must be disclosed as accounts receivable;

- include any additional information to the schedules/financial statements, if relevant.

7.3 Funding Reconciliation

INAC must be able to reconcile funds from the Government of Canada provided to the Recipient. The following reconciliation must be submitted as part of the Audited Financial Statement package:

INAC funding per Financial Statement	\$ x
less: prior year deferred revenue - detailed by Program/Service/Activity	(\$ x)
add: current year deferred revenue - detailed by Program/Service/Activity	<u>\$ x</u>
INAC funding per funding confirmation	<u>\$ x</u>

In addition, the following information must be included in the funding reconciliation:

- amounts due to / from INAC;
- detailed explanation of the discrepancies between the amounts stated in the agreement and INAC's funding amounts reflected in the financial statements;
- cross references to the corresponding page/notes in the Financial Statements;
- for Block Funded Programs/Services/Activities, details regarding transfers of INAC funding between Block Funded Programs/Services/Activities; and
- other adjustments as applicable.

Annex G provides a best practice example of a more informative reconciliation which details the amounts for clarification to users.

7.4 Schedule of Federal Government Funding (Annexes H, I, J and K)

a) Scope and Background

All Recipients that are First Nations, Tribal Councils and First Nation Political Organizations must provide INAC with a Schedule of Federal Government Funding and INAC will publicly disclose this information. This

public disclosure will inform Canadians of the many programs and services delivered by the Recipient that are supported by federal funds.

The following funds are to be included in the Schedule:

- Funds directly received from all federal government departments; and
- Funds that have flowed through another organization and that have ultimately been transferred to a Recipient. This funding must be traceable to a federal government funding source.

The amounts transferred to recipients for Comprehensive, Specific and other claims settlements are not to be included in the Schedule.

All Recipients that are First Nations, Tribal Councils and First Nation Political Organizations must report on and report on their use of federal government funding in the format described in sections 7.4 b). The option described in Section 7.4 c) is considered the minimum level of disclosure respecting the use of public funds.

b) Disclosure with Consolidated Financial Statements

If a Recipient prefers full disclosure to the public of its consolidated financial statements prepared in accordance with the YERH (F-0080 and F-0081) instead of preparing a separate schedule of Federal Government Funding, then the Recipient must accompany its financial statements with, in the case of a First Nation, a Band Council Resolution approved and signed at a duly convened meeting of Council giving consent to the Government of Canada to publicly disclose its consolidated financial statements.

The information requirements set out in Sections 7.2.2, 7.5 and 7.6 are not mandatory for public disclosure using this option. The choice to omit this information must be identified, in the case of a First Nation, through a Band Council Resolution approved and signed at duly convened meeting of Council.

c) Instructions for Preparing the Schedule

The schedule contained in Annex H must be prepared in the following manner:

- 1) Amounts must be broken down by each individual federal government department that funds the Recipient.

- 2) For the purposes of this Schedule, amounts relating to each of the federal government departments may be presented using the federal government program and service categories set out in Annexes I through K. A similar level of detailed program reporting framework may also be used if it is considered a more accurate description of the Recipient's activities.
- 3) For federal government departments that are not detailed in Annexes I through K, only the total amounts relating to that federal government department need to be presented. Recipients who wish to expand on the detail or explanation of the funding and related expenditures may do so. This expanded detail may include reporting by types of expenditures under each program area or explanatory notes to the Schedule.
- 4) The Schedule must contain all of the following categories:
 - Column A - Federal Funding Received: Total federal government funding received in the current year for that specific program or service category. In instances where funding is provided to a Recipient under a Block Contribution Funding, the amount should be presented in the program or service area where it has been budgeted/allocated by the Recipient.
 - Column B - Unexpended Federal Funding - Beginning of Year: Total of unexpended amounts of federal government funding received in prior years. This amount may include surplus amounts retained by Recipients, amounts due to the federal government that have not yet been reimbursed at the beginning of the year or deferred revenue at the beginning of the year, where permitted under the funding agreement.
 - Column C - Adjustments/Transfers: Amounts of funding received that have been transferred from/to eligible programs and services where permitted under the funding agreement. This column may also include amounts that have been reimbursed to / by the federal government.
 - Column D - Total Funding Available: Total of "Federal Funding Received", "Unexpended Federal Funding - Beginning of Year" and "Adjustments/Transfers".
 - Column E - Expenditures are to be presented using either the "Federal Funding Expended" or the "Total Expenditures from All Sources" options detailed below. This presentation must be

consistently applied to all programs and the option should be clearly identified.

- Option 1 - When using the “Federal Funding Expended” option to present expenditures, the “Federal Funding Expended” must be equivalent to the total federal government funding spent in the program or service area. When using this option, the total amount of “Federal Funding Expended” must never exceed the “Total Federal Funding Available”.
 - Option 2 - When using the “Total Expenditures from All Sources” option to present expenditures, the “Total Expenditures from All Sources” must be equivalent to the Recipient’s total yearly expenditures for each program and service area in which federal government funding was received. When using this option, there are instances where the “Total Expenditures from All Sources” will exceed the “Total Federal Funding Available” since some own-source revenue may have been used to fund the program or service.
- Column F - Unexpended Federal Funding - End of Year: Total of unexpended amounts of federal government funding at the end of the year i.e. “Total Federal Funding Available” minus “Federal Funding Expended”. This amount must include any surplus amounts retained by Recipients, any amounts due to the federal government at the end of the fiscal year and any deferred revenue. When using the option of “Total expenditures from All Sources” detailed above, this column is not required.

- 5) The Schedule must be accompanied by one of the following auditor’s attestations:
- a separate auditor’s report; or
 - an auditor’s review engagement report.

Note that the inclusion of an auditor’s attestation does not limit in any way the Government of Canada’s capacity to publicly disclose the Schedule of Federal Government Funding.

7.5 Statements of Receipt and Expenditure of Indian Moneys (Funds Held in Trust) (Annexes B and C)

There are two categories of Funds Held In Trust (FHIT) – 1) those held by INAC in the Government of Canada’s Consolidated Revenue Fund (CRF); 2) those held in private trusts outside of the CRF. These two types of trusts should be disclosed separately in the Recipient’s financial statements. Payroll deductions and employer's share for employee benefits should be held in private trusts and be disclosed separately in the Recipient’s financial statements.

FHIT withdrawn from the CRF in accordance with sections 64, 66 and 69 of the *Indian Act* must be accounted for and reported on in the financial statements. A “Statement of Receipt and Expenditure of Indian Moneys - Capital Trust Moneys” (see Annex B) or a “Statement of Receipt and Expenditure of Indian Moneys - Revenue Trust Moneys” (see Annex C) must be completed. This requirement is based on the *Indian Bands Revenue Moneys Regulations*.

FHIT withdrawn from the CRF can only be withdrawn based on the *Indian Act* and the *Indian Bands Revenue Moneys Regulations* by way of a Band Council Resolution (BCR). First Nations submit BCRs to INAC requesting the release of their Band Capital and Revenue Trust funds. These funds are to be expended for the purposes outlined in the BCR. The BCR should be used as the source document to ensure the expenditures reported in Annexes B and C have been expended for the purposes intended and in the appropriate program/service/activity area. Where First Nation Trust Funds have been released to a First Nation, the level of detail contained in the audited financial statements must be sufficient to enable the reader to confirm that these moneys were used for the purpose for which they were authorized.

Therefore, withdrawals from Trust funds must be separately identified as being a source of revenue within the particular program/service/activity schedule (see Annex A). It should be noted that INAC provides recipients with a monthly statement of accounts detailing the transactions of their FHIT in the CRF.

These schedules (Annexes B and C) must be audited by the auditor and where applicable, form part of the audited financial statements submitted to INAC.

7.6 Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration (Annexes D - E - F)

7.6.1 Auditor's Attestation

The schedules described in this section (Annexes D-E-F) must be accompanied by one of the following auditor's attestations:

- an auditor's report; or
- an auditor's review engagement report.

7.6.2 Requirement for Schedules of Salaries, Honoraria, Travel and Other Remuneration

At a minimum, the schedules must include the information described below in the *Elected or Appointed Officials* (Annex D) and *Unelected Senior Officials* (Annexes E - F) sections.

7.6.3 Elected or Appointed Officials (Annex D)

A "Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration" must be prepared in accordance with Annex D.

The amounts to be disclosed must be from all sources within the Recipient's financial reporting entity including amounts from, but not limited to, economic development and other types of business corporations.

The amounts included in this schedule must have been paid on behalf of, earned or accrued by elected or appointed officials and could include amounts such as travel expenses, debt write-offs, salaries and benefits from other employment in the reporting entity, and dividends or other such amounts received from businesses included in the recipient's reporting entity.

For the purposes of this section, the elected or appointed officials are:

- The elected Chief and members of Council;
- In organizations with a Board of Directors, either the elected and/or appointed representatives in charge of the organization; and
- In instances where additional amounts are earned or accrued by any other elected Chiefs and member of Councils that are not elected officials of the reporting entity, then the amounts earned or accrued by these individuals should also be disclosed.

7.6.4 Unelected Senior Officials (Annexes E - F)

A “Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration”, must be prepared in accordance with either Annex E or Annex F.

NOTE: Those annexes shall **NOT** include information on elected or appointed officials as required in subsection 7.6.2.

Option 1 - Annex E

The schedule in Annex E must disclose salary, honoraria, travel and other remuneration that have been earned or accrued by the Recipient’s unelected officials such as Executive Directors, Band Managers, Senior Program Directors and Managers by virtue of the position held.

Option 2 - Annex F

This option may only be used when approved salary ranges are in place. The schedule in Annex F requires disclosure for each position of the approved salary range and the actual expenses for honoraria, travel and other remuneration that have been paid on behalf of, earned or accrued by the Recipient’s unelected officials such as Executive Directors, Band Managers, Senior Program Directors and Managers by virtue of the position held.

7.7 Auditor’s Management Letter

The CICA Handbook assurance recommendation 5220.07 states that “The auditor should communicate to the audit committee or equivalent, significant weaknesses in internal control which the auditor identifies during the course of the financial statement audit”. This communication is either referred to as an “Auditor’s Management Letter” or an “Internal Control Letter”. These letters and the recommendations contained therein are valuable management tools to help build recipient financial and administrative capacity.

It is strongly recommended that the “Auditor’s Management Letter” or “Internal Control Letter” be provided to INAC in all instances. However, this becomes a mandatory reporting requirement in the following cases:

1. Where, under default provisions of a funding agreement, the Recipient has been required to provide a Management Action Plan or where a Third Party funding agreement Manager has been appointed;
2. When a Recipient is in default of its funding agreement and INAC has notified the Recipient that a Management Action Plan is required. INAC will request the “Auditor’s Management Letter” or “Internal Control Letter” upon

notification to the Recipient or the requirement for the Management Action Plan.

7.8 Auditor's report

An auditor's report is a formal opinion, or disclaimer thereof, issued by an independent external auditor as a result of an external audit or evaluation performed on financial information of a Recipient. The report is subsequently provided to a "user" (such as an individual, a group of persons, a company, a government, or even the general public, among others) as an assurance service in order for the user to make decisions based on the results of the audit.

There are four common types of auditor's reports, each one presenting a different situation encountered during the auditor's work. The four reports are as follows:

- **Unqualified Opinion report**

This type of report is issued by an auditor when the financial statements presented are free from material misstatements and are represented fairly in accordance with the Canadian Accounting Standards. This means that the company's financial condition, position, and operations are fairly presented in the financial statements.

- **Qualified Opinion report**

A Qualified Opinion report is issued when the auditor encounters one of two types of situations which do not comply with Canadian Accounting Standards but the rest of the financial statements are fairly presented.

This type of opinion is very similar to an unqualified or "clean opinion", but the report states that the financial statements are fairly presented with a certain exception which is otherwise misstated. The two types of situations which would cause an auditor to issue this opinion over the Unqualified opinion are: Single deviation from Canadian Accounting Standards or Limitation of scope.

- **Adverse Opinion report**

An Adverse Opinion is issued when the auditor determines that the financial statements of an audit are materially misstated and, when considered as a whole do not conform to Canadian Accounting Standards

- **Disclaimer of Opinion report (previously known as Denial)**

A Disclaimer of Opinion, commonly referred to simply as a Disclaimer, is issued when the auditor could not form, and consequently refuses to present, an opinion on the financial statements.

7.9 Unexpended Funding – Plans and reports (Annexes L and M)

New requirement for funding agreements covering fiscal year period 2011-2012 (April 1st, 2011 to March 31st, 2012)

Where a funding agreement allows for retention by the Recipient of Unexpended Funding, the following instructions must be followed:

- **Unexpended Funding Plan**

Where the funding agreement requires a plan for unexpended funding to be submitted to INAC for acceptance, the plan must outline the intended purposes for which the surplus will be used and outline the activities to be undertaken with the Unexpended Funding.

The Plan must be sufficiently detailed (including goals and objectives) for the department to be able to identify that proposed activities will contribute to support objectives of any of INAC funded program activities or to support any of INAC strategic outcomes and/or are supporting activities identified in a departmentally already accepted plan such as a recipient Management Action Plan.

In order to avoid unnecessary administration burden, INAC encourages Recipients to use their already developed plans such as Fiscal Plan for acceptance by the Department which need to clearly identify activities to be funded with the Unexpended Funding. However, where such a plan does not exist, the example provided in Annex L of this handbook can be used as a reference to help prepare the Plan.

- **Reports on Unexpended Funding**

Where an Unexpended Funding Plan is required, the Recipient must provide expenditure reports at the end of each fiscal year that identifies the use of the unexpended funding against the Plan(s).

Reports must at least include:

1. financial expenditures against budgeted plan; and
2. a narrative on how funds were spent outlining achieved results including a description of the activities undertaken and deliverables completed in the funding period as compared with the submitted plan.

Where surpluses are to be used for the purpose of delivering any one or more of

INAC programs, services and activities, the recipient will continue to use the same program/financial reports as described in this YERH and Recipient Reporting Guide to account for the unexpended funding.

Reports on the plan for unexpended funding can take alternate formats as best fit the Recipient's regular operations as long as it provides sufficient information to account for funds provided by the department (i.e. could be an already established community report on results where use of unexpended INAC funding is clearly identified). A draft reporting sample is attached to Annex L of this handbook.

ANNEX A

**Example 1
Revenues and Expenditures Schedule (unaudited)**

Sample First Nation
Revenues and Expenditures Schedule
Program/Service/Activity XXX
For the Year Ended March 31, 2012

	Budget 2011-12 <u>\$</u>	2011-12 <u>\$</u>	2010-11 <u>\$</u>
Revenue			
Government of Canada:			
- INAC			
- Other departments			
Band trust funds released			
- Revenue trust moneys			
- Capital trust moneys			
Province			
User fees			
Plus: Deferred revenue beginning of year			
Less: Deferred revenue end of year			
 Total Revenues	 _____	 _____	 _____
Expenditures			
Wages and salaries			
Hydro			
Maintenance and repairs			
Materials and supplies			
Professional fees			
Telephone			
 Total Expenditures	 _____	 _____	 _____
Unexpended Funding (Deficit)	 _____	 _____	 _____
 Cumulative Unexpended Funding - beginning of year	 _____	 _____	 _____
 Cumulative Unexpended Funding - end of year	 _____	 _____	 _____

Example 2 - Suggested format for the Social Development Program Revenues and Expenditures schedule. Please note the separate accounts for the revenues/funding (by source) and the expenditures (by object).

Each program NCBR, Assisted Living, Income Assistance, Child and Family Services and Family Violence Prevention Program require individual schedules.

Example 2
 Recipient's Name
 Revenue and Expenditure Schedule
 Income Assistance
 For the Year Ended March 31, 2012

	Budget 2011-12 \$	2011-12 \$	2010-11 \$
Revenues			
INAC Funding			
Social Services - Basic Needs			
Social Services - Special Needs			
Social Services - Service Delivery			
Plus: Deferred revenue beginning of year			
Less: Deferred revenue end of year			
Total INAC funding	_____	_____	_____
Other Funding			
Band trust funds released			
Revenue trust moneys			
Capital trust moneys			
Province			
User fees			
Plus: Deferred revenue beginning of year			
Less: Deferred revenue end of year			
Total Other funding	_____	_____	_____
Total Funding	_____	_____	_____
Expenditures			
Income Support Assistance			
Basic Needs			
Special Needs			
Children out of Parental Homes (non-child in care)			
Income Support Expenditures			
Total Maintenance Expenditures	_____	_____	_____

Administration

Salaries and wages

Travel

Office Supplies

Utilities

Other (specify)

Total Administration Expenditures

Total Expenditures

Operating Unexpended Funding (Deficit)

Cumulative Unexpended Funding

- **beginning of year**

Cumulative Unexpended Funding

- **end of year**

Example 3 - Suggested format for the Education Program Revenues and Expenditures schedule. Please note the separate accounts for the revenues (by source) and the expenditures (by object).

Example 3
 Recipient's Name
 Revenue and Expenditure Schedule
 Program/Service - Education
 For the Year Ended March 31, 2012

	Budget 2011-12 \$	2011-12 \$	2010-11 \$
Revenue			
Government of Canada:			
- INAC Funding			
Education - Band Operated Schools			
Education - Minor Capital Program			
Education - Provincial Tuition			
Education - Special Education			
Education - Transportation			
Education - Post Secondary Education			
- Other departments			
Band trust funds released			
Revenue trust moneys			
Capital trust moneys			
Province			
User fees			
Plus: Deferred revenue beginning of year			
Less: Deferred revenue end of year			
Total Revenues	_____	_____	_____
Expenditures			
<u>Band Operated Schools</u>			
Certified Teacher's Salaries & Benefits			
Support Staff Salaries & Benefits			
Materials/Supplies			
Minor Capital			
Other (specify)			
Band Operated School	_____	_____	_____

<u>Provincial Tuition</u>			
Tuition Payments			
Other (specify)			
Provincial Tuition Expenditures	_____	_____	_____

<u>Special Education</u>			
Special Education Expenditures			
Other (specify)			
Special Education Expenditures	_____	_____	_____

<u>Transportation</u>			
Transportation Expenditures			
Other (specify)			
Transportation Expenditures	_____	_____	_____

<u>Post Secondary</u>			
Tuition			
Supplies			
Living Allowances			
Salaries and wages			
Travel			
Office Supplies			
Other (specify)			
Post Secondary Expenditures	_____	_____	_____

Total Expenditures	_____	_____	_____
---------------------------	-------	-------	-------

Operating Unexpended Funding (Deficit)	_____	_____	_____
---	-------	-------	-------

Cumulative Unexpended Funding - beginning of year	_____	_____	_____
---	-------	-------	-------

Cumulative Unexpended Funding - end of year	_____	_____	_____
---	-------	-------	-------

Example 4 – Suggested format for project funding.

Example 4

Recipient's Name
 Revenue and Expenditure Schedule
 Project
 For the Year Ended March 31, 2012

Project: Community Infrastructure – FN Water Management Strategy

	Budget 2011-12 \$	2011-12 \$	2010-11 \$
Project Funding			
Government of Canada:			
- INAC Funding			
- Other departments			
Own source Funding			
User fees			
Plus: Deferred funding beginning of year			
Less: Deferred funding end of year			
Total Project Funding	_____	_____	_____
Project Costs Incurred			
Wages and salaries			
Hydro			
Maintenance and repairs			
Materials and supplies			
Professional fees			
Total Project Costs Incurred	_____	_____	_____
Operating Unexpended Funding (Deficit)	_____	_____	_____
Cumulative Unexpended Funding - beginning of year	_____	_____	_____
Cumulative Unexpended Funding - end of year	_____	_____	_____

ANNEX F

**Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration
Unelected Senior Officials
(Option 2)**

Recipient's Name
For the Year Ended

Name of individual	Position Title	Number of Months *	Approved Salary ¹ Range		Honoraria ² Expense	Other Remuneration ³	Travel Expenses
			From	To			

* The number of months during the fiscal year that the individual was on staff

This option may only be used when approved salary ranges are in place.

1 - Salary is a fixed amount of money agreed every year as pay for an employee.
 2 - Honoraria are ex gratia payments made to a person for their services in a volunteer capacity or for services for which fees are not traditionally required.
 3 - Other remuneration represents any amount paid for remuneration that is a benefit but not part of a salary or an honorarium like bonus, the personal use of a vehicle supplied by the recipient, pension contributions, health benefits, etc.

ANNEX G
 Recipient's Name
 Funding Reconciliation Detail
 For the Year Ended March 31, 2012

<u>INAC Funding</u>	<u>First Nation Programs</u>	<i>INAC *</i>	<i>Stmt.</i>
<u>Description</u>	<u>Schedule Name</u>	<u>Amount</u>	<u>Amt</u>
Teacher Salaries	Community School	XXXX	XXXX
Tuition Agreements	Provincial Tuition Education Admin	XXXX <hr/> XXXX	XXXX XXXX
New Paths Projects	Community School	XXXX	XXXX
Basic Needs	Social Services	XXXX	XXXX
Children out of Parental Homes	Social Services	XXXX	XXXX
Special Needs	Social Services	XXXX	XXXX
In Home Care	Social Services	XXXX	XXXX
National Child Benefit Reinv.	Social Services	XXXX	XXXX
Band Op Special Ed	Community School	XXXX	XXXX
Instructional Services	Community School	XXXX	XXXX
Student Transport	Community School	XXXX	XXXX
Advice & Assistance	Education Admin	XXXX	XXXX
Service Delivery	Social Services	XXXX	XXXX
Roads & Bridges	Ops & Maintenance	XXXX	XXXX
Water Systems	Ops & Maintenance	XXXX	XXXX
Comm. Buildings	Ops & Maintenance Community School	XXXX <hr/> XXXX	XXXX XXXX
Reconciling Statement Amount			XXXX
Reconciling INAC Amount		<u>XXXXX</u>	
Reconciled Funding Totals		<u>XXXXX</u>	<u>XXXXX</u>
* Funding per the INAC Funding Confirmation			

ANNEX H
Schedule of Federal Government Funding
Format

Federally Funded Programs and Services Directly / Indirectly Funded by the Government of Canada	Federal Funding Received A	Unexpended Federal Funding Beginning of Year B	Adjustments / Transfers C	Total Federal Funding Available A + B + C = D	Federal Funding Expended	Unexpended Federal Funding End of Year
					E (OPTION 1)	D – E = F (OPTION 1)
					Total Expenditures from All Sources (OPTION 2)	N/A (OPTION 2)
Indian and Northern Affairs Canada <ul style="list-style-type: none"> - Claims and Indian Government - Community Development - Economic Development - Education - Indian Government Support - Land Management - Social Development - Indian Registration - Governance and Institutions of Government - Northern Affairs - Other Sub-total for INAC						
Health Canada <ul style="list-style-type: none"> - Children and Youth - Mental Health and Addictions - Chronic Disease and Injury Prevention - Communicable Disease Control - Environmental Health and Research Component - Primary Care - Non-Insured Health Benefits - Health Governance and Infrastructure - Capital - Treatment Centre - Aboriginal Health Transition Fund - Headquarter projects Sub-total for Health Canada						

**Schedule of Federal Government Funding
Format**

<p>Canada Mortgage and Housing Corporation</p> <ul style="list-style-type: none"> - Non-Profit On-Reserve Housing - Residential Rehabilitation Assistance Program (RRAP) Homeowner and Persons with Disabilities Programs - RRAP Rental (including Secondary and Garden Suites) - RRAP Conversions - Home Adaptations for Seniors Independence Program - Shelter Enhancement Program - Housing Internship Initiative for FN and Inuit Youth <p>Sub-total for CMHC</p>						
Human Resources and Skills Development						
Fisheries and Oceans Canada						
Canadian Heritage						
Public Safety Canada						
Industry Canada						
Natural Resources Canada						
Department of Justice Canada						
Privy Council Office						
National Defense						
Canada Revenue Agency						
Other						
<u>Grand Total</u>						

ANNEX I
Schedule of Federal Government Funding
INAC Programs and Services Categories

The following eleven program and service categories may be used to account for the INAC funding provided to recipients. These categories are based on the accountability structure in INAC's Recipient Reporting Guide 2011-2012. These categories are to be used by all recipients regardless of the type of funding agreement.

1- Claims and Indian Government: Costs associated with the negotiation, settlement and implementation of specific claims and comprehensive land claim agreements as well as special claims and self-government agreements. This category includes:

- Researching of claims
- Negotiation (Claims and Self-Government) process
- Implementation of claim agreements
- Other specific projects

2- Community Development: Costs to acquire, construct, operate and maintain basic community facilities and services such as water and sewage, roads, electrification, schools, community buildings and fire protection. Also costs associated with ensuring that these facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments. This category includes:

- Infrastructure - includes Housing Support, Water & Sewer and Other Facilities
- Education Facilities
- Acquisition & Construction of Infrastructure - includes Housing Support, Water & Sewer and Other Capital
- First Nations Water Management Strategy
- Gathering Strength - Infrastructure Facilities
- Implementing Immediate Investment in FN Housing on Reserve (Lot Servicing)
- Safe Drinking Water
- Acquisition & Construction of Education Capital
- School Construction (only Alberta)
- Off Reserve Housing
- Community-Based On-Reserve Housing
- Housing Service Delivery
- Implementing Immediate Investment in FN Housing on Reserve (New Constructions / Renovations)
- Gathering Strength - Housing
- Recreation Programs
- Community Capital Facilities Service Delivery
- Technical Services
- Comprehensive Community Based Planning

- Other specific projects

3 - Economic Development: Costs associated with economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects. Also costs to pursue economic objectives in areas such as the employment of community members, the development of community-owned and community member businesses, the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, and research and advocacy. This category includes:

- Community Economic Development Program
- Community Economic Opportunities Program
- Aboriginal Business Canada Programs
- Other specific projects

4 - Education: Costs to support First Nation and Inuit communities in expressing, preserving, developing and promoting their cultural heritage, through the establishment and operation of First Nation and Inuit cultural education centres and programs. Costs to provide eligible students living on reserve and eligible Inuit with elementary/secondary education programs and services including instructional services in federal, provincial, band-operated schools, or a private/independent school (recognized by the province in which the school is located as an elementary/secondary institution), and student support services such as transportation, accommodation, guidance and counseling services. Costs associated with INAC's First Nations and Inuit Youth Employment Strategy to develop and enhance essential employability skills, such as communication, problem solving, and working with others, expose youth to a variety of career options, and promote the benefits of education as being key to labor market participation. Also, costs to support eligible First Nation and Inuit students to access education opportunities at the post-secondary level and supports the development and delivery of college and university level courses for First Nation and Inuit students, and research and development on First Nation and Inuit education. Costs for the provision of special education services and programs and costs to provide internet access, information technology equipment, technical support and training to students and school staff. This category includes:

- Elementary/Secondary Instructional Services:
 - Band Operated Schools
 - Provincial Schools
 - Federal Schools
- Elementary/Secondary Student Support Service
- New Paths for Education Program:
 - Strengthening Education Capacity
 - Improving School Effectiveness
 - Parental and Community Engagement
 - Teacher Recruitment and Retention
 - Information Communication Technology (for IT RMOs only)

- First Nations and Inuit Youth Employment Strategy
- First Nation Student Success Program
- Education Partnerships Program
- Special Education Program
- Post-Secondary Education - Indian Studies Support
- Post-Secondary Education:
 - Post Secondary Student Support Program
 - University and College Entrance Preparation Program
- Cultural Education Centers
- National Aboriginal Achievement Foundation
- Other specific projects

5 - Indian Government Support: Costs to support the further development of competent, stable, legitimate, and accountable community governments by strengthening First Nations and Inuit governance and by funding initiatives which address needs in the areas of professional and institutional development at the local level and at the level of emerging regional and national organizations. Also, costs to enable tribal councils to provide advisory services such as financial management, band government, economic development, community planning, technical services to the member First Nations and to defray the costs of administering programs on behalf of member communities and to provide funding for equivalent advisory services to large First Nations which are not affiliated with a tribal council. This category includes:

- Indian Government Support Alternative Funding Agreement
- Band Support Funding
- Band Employee Benefits
- Indian Government Support
- Tribal Council Funding
- Band Advisory Services
- Inuit Art
- Other specific projects

6 - Land Management: Costs associated to the administration of land transactions on designated and non-designated lands under sections 53 and 60 of the *Indian Act*. This category includes:

- Land Management
- Implementation of the *First Nations Land Management Initiative Act*
- Other specific projects

7- Social Development: First Nations people, like other Canadian citizens, are responsible for managing their own affairs and maintaining themselves to the extent that their resources permit. Some individuals and families are unable to provide for themselves and their dependents. Situations therefore exist in which assistance must be available to community members in need. Income Assistance is one type of income supplement available to eligible persons. Other income supports include Old Age Security, Child Tax Benefits, etc. This category includes:

- Assisted Living
- Child & Family Services
- Family Violence
- Income Assistance:
 - Basic Needs
 - Special Needs
 - Service Delivery
- National Child Benefit Reinvestment
- Other Social Services
- Early Childhood Development
- Gathering Strength - Social Development
- Other specific projects

8- Indian Registration: Costs associated with the maintenance of the Indian Register, a record of everyone who is registered as an Indian under the *Indian Act*. This category includes:

- Registration and membership
- Management of individual monies
- Estate Management
- Treaty annuities

9- Governance and Institutions of Government: Costs associated with Governance and Institution of Government activities. This category includes:

- Band Governance (Elections and By-Laws)
- Professional and Institutional Development Program
- Governance Activities:
 - National Centre for First Nations
 - Consultation and Policy Development
 - Gathering Strength
- Institutions:
 - First Nations Tax Commission
 - First Nations Financial Management Board
 - First Nations Financial Authority
 - Gathering Strength
- Other specific projects

10- Northern Affairs: Costs associated with supporting northern political and economic development through the management of federal interests and promoting sustainable development of the North's natural resources and northern communities. This category includes:

- Climate Change
- Sustainable Development
- Northern Economic Development
- Hospital and Physician Services

- Northern Contaminants Program
- Other Northern Affairs Programs / Services

11- Other: All other programs and services that are not described in above categories.

ANNEX J
Schedule of Federal Government Funding
Health Canada First Nations and Inuit Health
Programs and Services Categories

The following twelve program and service categories may be used to account for the Health Canada First Nations and Inuit Health programs funding provided to recipients.

1- Children and Youth:

- Aboriginal Head Start On-Reserve
- Canada Prenatal Nutrition Program
- Fetal Alcohol Spectrum Disorder
- Maternal Child Health
- Generic / Project (as required)

2- Mental Health and Addictions

- Building Healthy Communities - Mental Health Crisis Management
- Building Healthy Communities - Solvent Abuse Program
- Brighter Futures
- Indian Residential Schools Resolution Health Support Program
- National Aboriginal Youth Suicide Prevention Strategy
- National Native Alcohol and Drug Abuse Program
- Generic / Project (as required)

3- Chronic Disease and Injury Prevention

- Aboriginal Diabetes Initiative
- Community Health Promotion and Injury/Illness Prevention
- Generic / Project (as required)

4- Communicable Disease Control

- Communicable Disease Control
- HIV/AIDS Strategy
- Enhanced Tuberculosis Control
- Generic / Project (as required)

5- Environmental Health and Research Component

- Environmental Health - Environmental Health Program
- Environmental Health - Drinking Water Safety Program
- Environmental Health - First Nations Environmental Contaminants

- Environmental Health - Transportation of Dangerous Goods
- Generic / Project (as required)

6- Primary Care

- Community Health Primary Care
- First Nations and Inuit Home and Community Care
- Oral Health Strategy - Children's Oral Health Initiative
- Generic / Project (as required)

7- Non-Insured Health Benefits

- Medical Transportation
- Crisis Intervention Mental Health Counseling
- Dental Care Benefits
- Drug Benefits
- Medical Supplies and Equipment
- Vision Care
- Community Dental Benefits
- Visiting Health Care Professional Services
- Generic / Project (as required)

8- Health Governance and Infrastructure

- Aboriginal Health Human Resources Initiative
- Accreditation
- Health Careers
- Health Consultation
- Health Liaison - Health Board and Health Coordinators
- Security Services in Health Facilities
- Generic / Project (as required)

9- Capital

- Capital Facilities – Operation and Maintenance

10- Treatment Centre

- National Native Alcohol and Drug Abuse Program
- National Youth Solvent Abuse Program

11- Aboriginal Health Transition Fund

12- Headquarter projects

ANNEX K
Schedule of Federal Government Funding
Canada Mortgage and Housing Corporation
Programs and Services Categories

The following seven program and service categories may be used to account for the Canada Mortgage and Housing Corporation funding provided to recipients.

1- Non-Profit On-Reserve Housing Program (Section 95): Any funding received for the on-going operations of on-reserve rental housing projects committed under the National Housing Act (NHA) Section 95.

2- Residential Rehabilitation Assistance Program (RRAP) - Homeowner and Persons with Disabilities Programs: Any contributions received in the form of a forgivable loan by a First Nation for the repair or rehabilitation of existing substandard housing to a minimum level of health and safety and to build special access for persons with disabilities.

3- Residential Rehabilitation Assistance Program (RRAP) - Rental: Any contributions received in the form of a forgivable loan by a private landlord for the repair or rehabilitation of existing substandard rental housing units to a minimum level of health and safety. The program also assists in the creation of secondary or garden suites by converting/developing existing residential properties to accommodate a secondary self-contained unit for low-income seniors or adults with a disability.

4- Residential Rehabilitation Assistance Program (RRAP) - Conversions: Any contributions received in the form of a forgivable loan by a First Nation for the conversion of non-residential properties into self-contained rental housing units or beds.

5- Home Adaptations for Seniors' Independence Program (HASI): Any contributions received by a First Nation to adapt housing to make it easier for seniors to continue living in their home.

6- Shelter Enhancement Program: Any contributions received in the form of a forgivable loan by a First Nation for the repair and upgrade of existing shelters for victims of family violence or the construction of new units.

7- Housing Internship Initiative for First Nations and Inuit Youth: Any funding received by a First Nation for the financial support of wages of a First Nations or Inuit youth employed on housing related projects.

ANNEX L
Example
Unexpended Funding Plan

Sample First Nation
Unexpended Funding Plan
For the fiscal years 20(XX) to 20(XX)

Planned programs/services/activities

Summer Camp

- Three month summer camp teaching traditional ways and self-esteem to ages 12-18... *(Provide description of each program/project/activity to be undertaken)*
- Objectives are to enhance... *(Briefly list and describe objectives for the program/project/activity)*
- Funding to pay for travel costs and teacher salaries... *(Outline type of expenditures)*
- Estimated budget: \$50,000 over two summers *(Provide estimated budget and timelines)*

School Breakfast Program

- Investment for school breakfast program elementary ...
- Objectives are to help provide ...
- Funding to pay for food expenditures and staff costs to prepare ...
- Estimated Budget: \$50,000 over one year.

Textbook Program

- Purchase updated textbooks and supplies for high school...
- Objectives are to provide better tools for ...
- Funding to pay for textbook and shipping cost ...
- Estimated Budget: \$30,000 over one year.

Financial Training

- Training for financial clerks and band manager on budgeting and variance ...
- The objective is to enhance financial reporting and analysis capacity to ...
- Funding to pay for a financial specialist to provide training and to cover cost ...
- Estimated Budget: \$70,000 during winter 20(XX).

ANNEX M
Example
Report (Financial) on Unexpended Funding Plan

Sample First Nation
 Report on Unexpended Funding Plan
 For the Year Ended March 31, 20XX

	20(XX) <u> </u> \$	20(XX-1) <u> </u> \$
Unexpended Funding		
Land Management (Fixed – 20XX-20XX)		
Family Violence Prevention (Fixed – 20XX-20XX)		
Low Cost Special Education (Fixed – 20XX-20XX)		
Block Funding – 20XX-20XX		
Other _____ (Fixed – 20XX-20XX)		
Total Unexpended Funding	_____	_____
Expenditures (list programs/projects/activities as per the plan)		
Summer Camp		
School Breakfast Program		
Textbook Program		
Financial Training		
Total Expenditures	_____	_____
Unexpended Funding Less Expenditures	_____	_____

ANNEX M (Cont'd)
Example
Report (Narrative) on Unexpended Funding Plan

Sample First Nation
Report on Unexpended Funding Plan
For the Year Ended March 31, 20XX

Program/Service/Activity X in the amount of \$XXX
--

For each program/project/activity included in the Unexpended Funding Plan, provide narrative details on how funds were spent outlining achieved results, description of the activities undertaken and deliverables completed in the reporting period as compared with the submitted unexpended funding plan.

The information to be provided may include the following but is not limited to:

Objectives for the program/service/activity

1. Briefly list and describe your objectives for the activity/project.
2. What measures and indicators did you use to determine whether your objectives have been met?
3. What were your targets and timelines?

Activities Undertaken and Results Achieved

1. Provide a description of each activity/project undertaken for the funding period.
2. Using established indicators, how did this/these program(s)/activity(ies)/project(s) meet your objectives?
3. Describe the outcomes.
4. Did you meet your targets?
5. Provide a copy of any action plan or document/report, if one was developed during the funding period.