

**MANAGEMENT ACTION PLAN (MAP) – Louis Bull Tripartite Agreement on Policing Audit
February 2002**

OBSERVATIONS & RECOMMENDATIONS	ACTION	ACTION BY	DATE	COMMENTS
<p>AUDIT REPORT Schedules 3, 4 and 5 highlight key audit findings that may be of interest to the First Nation.</p>	<p>The RM will provide the Louis Bull Tribe (LBT) with a copy of the audit report for information and any further action deemed necessary beyond what is noted in this MAP.</p>	<p>APD RM and LBT</p>	<p>May 2002</p>	<p>RM to provide copy of covering letter attaching report to APD Ottawa.</p>
<p>AUDIT ADJUSTMENTS Adjustments to revenues in the amount of \$36,024 have been identified. These adjustments relate mainly to accruals on Alberta monies.</p>	<p>Discussions to take place with LBT to determine how adjustments are to be reflected in the audited financial statements for the year ended March 31, 2002.</p>	<p>APD RM and LBT.</p>	<p>May 2002</p>	
<p>AUDIT QUALIFICATIONS Accounting System It was noted that the LBT used a cash based accounting system that is not in accordance with generally accepted accounting principles and therefore opening and closing accruals could not be accurately established.</p>	<p>The RM will suggest that the LBT adopt an accounting system that is in accordance with generally accepted accounting principles beginning April 1, 2002.</p>	<p>RM and LBT.</p>	<p>May 2002</p>	
<p>Police Commission It was observed that the per diem remuneration policy was extended to not only members of the Police Commission.</p> <p>It was noted that the Police Commission's annual expenses were abnormally high when compared to the previous fiscal year (1999-00 - \$9,246; budgeted amount for 2000-01 - \$13,500; actual amount for fiscal year under review - \$43,393).</p>	<p>The RM will discuss with LBT the possibility of restricting the per diem remuneration policy to members of the Commission only in order to reduce costs.</p> <p>It is suggested that the LBT clarify why the Police Commission's annual expenses are abnormally high for the period under review.</p>	<p>RM and LBT.</p>	<p>May 2002</p>	
<p>Conflict of Interest It was noted that an individual outside the Police Commission performed repairs and maintenance work for the Police Service.</p>	<p>The RM will discuss the possibility of developing a conflict of interest policy for the police service and Police Commission.</p>	<p>RM and LBT.</p>	<p>May 2002</p>	

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<p>AUDIT OBSERVATIONS Annual Financial Statements It is recommended that the annual audited financial statements be prepared and submitted as stipulated in Section 10.1(b) of the contribution agreement.</p>	<p>The LBT will be requested to comply with Section 10.1 (b) of the contribution agreement and to submit audited financial statements for the Police Service for the fiscal year under review – period ending March 31, 2001. The LBT will also be requested to ensure that complete financial statements, due June 30, 2002, be fully audited by a duly qualified accountant.</p>	<p>RM and LBT.</p>	<p>May 2002</p>	
<p>Audit Report It is recommended that the Louis Bull Tribe submit to the Department and Alberta an explanation of the cause of the deficiencies that resulted in the Auditor being unable to express an opinion on the annual financial statements for the year ended March 31, 2001, as stipulated by Section 11.2 of the contribution agreement.</p>	<p>The LBT will be requested to provide a remedial action action, as stipulated in Section 11.2 of the contribution agreement, in order to address deficiencies in accounting records and the system of internal controls that prevented the auditors from providing an opinion on the audited financial statements, by August 2002.</p>	<p>RM and LBT.</p>	<p>May 2002 August 2002</p>	
<p>Submission of Reports It is recommended that the Louis Bull Tribe be reminded to submit items in accordance with the terms of the contribution agreement.</p>	<p>The LBT will be requested to comply with the terms of the agreement by providing audited financial statements to Canada and Alberta by June 30th of each year as stipulated in Section 10.1 (c).</p>	<p>RM and LBT.</p>	<p>May 2002</p>	
<p>Police Building and Holding Cells It is recommended that the Louis Bull Tribe provide an area for the secure processing and holding of a person detained, arrested, or imprisoned as stipulated in Section 5.5 (b) of the contribution agreement.</p>	<p>The LBT is considered to be in compliance with the contribution agreement by having made alternate suitable arrangements for the secure processing and holding of persons detained, arrested or imprisoned.</p>			<p>No further action necessary.</p>

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<p>Cheque Signatories It was noted that a separate bank account has been opened for the Police Service and that the authorized signatories are more extensive than the original two signatories who were the Chairman of the Police Commission and the Chief of the Louis Bull Tribe. There are now four accountants and seven Councillors who are authorized to sign cheques drawn on the bank account, and each cheque must bear the signature of one of the accountants and one of the councillors. This is in direct contravention of Section 10.4 of the tripartite agreement where only two signatories are authorized.</p>	<p>The RM will request that LBT correct this deficiency immediately by reinstating the signing authority for the LB Police Service and LB Police Commission financial and bank accounts to the authorized signatories as stipulated in Section 10.4 of the tripartite agreement.</p>	<p>RM and LBT</p>	<p>May 2002</p>	
<p>NON-FINANCIAL TERMS OF AGREEMENT Review Board It is recommended that a Review Board be established as stipulated in the contribution agreement under Section 9 of schedule B.</p>	<p>The LBT will be requested to comply with the terms of the agreement by establishing a Review Board.</p>	<p>RM and LBT.</p>	<p>May 2002</p>	