



26 August 2020

Chief Wilbert Marshall, Chair

The regular meeting of the AFNWA Board will be held on Wednesday 26 August 2020 at 9:00 AM via the Ring Central Virtual application

AGENDA

In Camera Reports

1C Approval of Minutes of the In-Camera Meeting held on [Date]

2C Business Arising from Minutes

3C RFP for Communications

Motion: That the AFNWA Board approve the recommendation as outlined in the confidential report dated 20 August 2020

4C APC Services Agreement Contract

Motion: That the AFNWA Board approve the recommendation as outlined in the confidential report dated 20 August 2020

Regular Reports

1.
 - a) Ratification of In-Camera Motions
 - b) Approval of the Order of Business and Approval of Additions and Deletions
2. Approval of Minutes of the Regular Meeting held on [Date]
3. Business Arising from Minutes
 - a) Transition Implementation Plan Update (verbal)
 - b) Draft Compensation Policy

Information Reports

1-I Transition Implementation Plan Update

Original signed by _____

James MacKinnon
Board Secretary



**Atlantic First Nations Water Authority
MINUTES**

29 July 2020

PRESENT:

Chief Wilbert Marshall, Chair
Chief Andrea Paul, Director
Chief Mike Sack, Director
Chief Roderick Gould Jr., Director

REGRETS:

Chief Arren Sock, Director
Chief Ross Perley, Vice Chair
Chief Terry Paul, Director

STAFF:

Carl Yates, interim CEO, AFNWA
James MacKinnon, interim COO, AFNWA
Rayleen MacDonald, Admin Assistant, AFNWA

TABLE OF CONTENTS

CALL TO ORDER	3
1.a) RATIFICATION OF IN-CAMERA MOTIONS	3
1.b) APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS	3
2. APPROVAL OF MINUTES - 24 June 2020	3
3. BUSINESS ARISING FROM MINUTES	3-4
a) Framework Agreement	3
b) Funding Agreement	3
c) Transition Implementation Plan Update	4
4. AFNWA- Financial Policies & Procedures Manual	4-5
5. AFNWA Compensation Policy	5-6
6. DATE OF NEXT MEETING	6

CALL TO ORDER

The Chair called the regular meeting to order at 9:15 AM via the Ring Central virtual platform. The Board moved In Camera at 9:20 AM and the regular meeting reconvened at 9:43 AM

1.a) RATIFICATION OF IN-CAMERA MOTIONS

MOVED BY Chief Mike Sack, seconded by Chief Andrea Paul, that the AFNWA Board ratify the In- Camera motions.

MOTION PUT AND PASSED.

1.b) APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS

Board reviewed the Agenda with no additions or deletions suggested.

MOVED BY Chief Andrea Paul, seconded by Chief Mike Sack that the AFNWA Board approve the order of business as circulated.

MOTION PUT AND PASSED

2. APPROVAL OF MINUTES – 24 June 2020

MOVED BY Chief Andrea Paul seconded by Chief Mike Sack, that the AFNWA Board approve the minutes of the regular meeting of 24 June 2020

MOTION PUT AND PASSED.

3. BUSINESS ARISING FROM MINUTES

- a) Framework Agreement
FWA has been signed by both ISC Deputy Minister and Chief Wilbert Marshall
- b) Funding Agreement
Has been received and signed by both AFNWA & ISC.
- c) Transition Implementation Plan Update (verbal)

James MacKinnon spoke to a few key steps within the 15-step Implementation Plan. Step 1 is closed with the signing of the Funding Agreement. Step 2 is in progress (HR Policy was approved by the Board on 24 June 2020 Board meeting) and we will be presenting a Financial Policy & Procedures today.

All Chiefs/Operators Kick-Off meeting; aiming to have this in the fall, in person, respecting distancing in a spacious facility (possibly Membertou Convention Centre) for all participating communities.

In response to the update on the search for office space, Chief Mike Sack asked how much space we are looking for; James advised ~ 5000 to 6000sf at present. Chief Sack advised that Sipekne'katik has space in Hammonds Plains (a vanilla box at present) and to contact Rhonda Knockwood, Director of Operations, to make an appointment to view.

4. AFNWA – Financial Policy & Procedures Manual

Carl Yates presented the “track changes” version of the Financial Policy and Procedures Manual noting that, similar to the HR Policy, we utilized APC’s Financial Policy & Procedures manual as our foundational document. Carl walked the Board through the “material changes” from the APC manual to the AFNWA manual as hi-lighted below:

- Section 1.16.3- Amortization of Capital Assets : Drawing attention here to how a utility would operate ; proposing to use an excellent resource (Nova Scotia Utility & Review Board Water Utility Accounting & Reporting Handbook) for depreciation of our assets inclusive of hard assets (pipes, treatment plants, pumping stations, valves,etc) . Basically, depreciation would become an operating expense for a going concern utility.
- Section 3.2- Policies: Biggest material change here is the threshold for financial authorization of Capital Expenditure Proposals; Anything that is \$100K or more that is a Capital investment would explicitly require the Board’s endorsement. Below \$100K, the authority rests with the Chief Executive Officer, as long as there is money in the overall Capital Budget that the Board would approve at the beginning of the year.
- Section 3.2 – Under the clause on contracts: We are seeking financial authorization for contracts over \$100K to rest with the AFNWA Board, otherwise if \$100K or less, contracts would be approved by CEO.
- Section 3.2 – If submissions requesting additional resources greater than 10% of the approved budget authority or more than \$50K, whichever is less, must be approved by AFNWA Board.
- Section 4.2- Financial Signing – tying that again to \$100K threshold for contract signatures; Chair or Vice-Chairs must sign contracts over \$100,000 (Leaders contract for example which we took to the Board for approval)
- Section 5.2.2- item g- Decided for good accountability and transparency, one Travel Allowance Policy for all ; same for a staff person, same for a Board member , same for any other Chief or operator that participates in any of the AFNWA workshops.
- Section 5.3.11- Accommodation – We noticed in the APC policy there is a limit for hotels/motels but feel it is only appropriate for Atlantic Canada. Threshold increased to \$ 220 per night for hotels/motels, outside Atlantic Canada.
- Section 9.2.1- Capacity to Contract- Speaks again to the \$100K threshold for limit

of CEO Authority.

- Section 9.2.2- Sole Sourcing – Recognizing how many contracts we are going to have down the road, we have asked to increase the threshold for sole sourcing to \$50K from \$25K. Any exception to this limit requires the approval of the AFNWA Board.
- Section 9.2.10- Disclosure- In recognition that we have Senior managers that are competent, so under (a) we are saying that Managers can also approve contracts up to \$10K
- ANNEX A – Audit & Finance Committee Terms of Reference [ToR] – this was produced by Rod Bugar complete with a review from the interim CEO and interim COO. These new ToR are similar to APC's Audit & Finance Committee ToR, but with more reflection towards a utility and in particular a focus on Risk Management. In addition to the normal duties you'd expect, looking at financial matters and making sure the external auditors are hired and reviewing financial statements, this Committee would also be responsible to provide oversight for enterprise risk management.

Carl advised that for the next Board meeting, we may want to put forward nominations for the Audit & Finance Committee (even ahead of our governance workshop in the fall) It is proposed that we have a Board workshop with Rod Bugar in September to go over the Governance Manual)

MOVED BY Chief Andrea Paul, seconded by Chief Roderick Gould Jr., that the AFNWA Board approve the Financial Policy & Procedures Manual in the substantive form attached.

MOTION PUT AND PASSED.

5. Compensation Policy

Carl advised that we have a consultant in the wings, ready to join the meeting if anyone has any questions about the HAY job evaluation methodology tied to the compensation policy. We have Karen Reedman hired as a professional to ensure we have fair and equitable pay structures, recognizing we are getting ready to hire the Senior Management team.

Carl advised as there is no formal compensation policy at APC the proposed policy is based on best practices and Carl provided an overview of the policy attached to the Board report.

We will use the Hay Methodology licensed through Korn Ferry as our base pay structure with a target of P50 in comparison to broader public sector organizations across Canada. P50 means that 50% of organizations will pay better and 50% will pay less than AFNWA.

MOVED BY Chief Andrea Paul, seconded by Chief Roderick Gould Jr. that the AFNWA Board approve the Compensation Policy in the substantive form attached.

**** Special note that we lost quorum at this stage with Chief Wilbert Marshall, Chief Paul and Chief Gould voting in favour of the motion. James will follow up with Chief Mike Sack via email to seek endorsement of the motion***

8. DATE OF NEXT MEETING

The next meeting is scheduled for 26 August 2020 @ 9:00 AM

The meeting was adjourned at 10:30AM

Name
Board Secretary

Name
Chair

The following Information Items were submitted:

1-I Transition Implementation Plan Update



TO: Chief Wilbert Marshall, Chair, and Members of the Atlantic First Nations Water Authority Board

SUBMITTED BY: original signed by
James MacKinnon, Interim Chief Operating Officer

APPROVED: original signed by
Carl Yates, Interim Chief Executive Officer

DATE: [August 20, 2020]

SUBJECT: **Transition Implementation Plan - Update**

Information Report

ORIGIN

Transition Implementation Plan [TIP] approved by the Board at the June 24th, 2020 board meeting,

BACKGROUND

The Transition Implementation Plan [TIP] provides a detailed overview of the AFNWA's internal developments as an organization, and external developments on projects and community outreach. The TIP will guide the overall operationalization of the AFNWA through staged phases and lead to full autonomous operations in Spring 2022. It describes the objectives of the phases and the process by which the steps and composite tasks are to be managed.

DISCUSSION

The complete Transition Implementation Plan is attached for your reference, however some key highlights of development since our previous meeting are as follows:

- *Step 1: Operational Funding.*

ITEM # -11

AFNWA Board

26 August 2020

- \$1,000,000.00 has been deposited into the AFNWA bank account in relation to the Funding Agreement between AFNWA and the Government of Canada. The AFNWA continues to have financial resources to enter contracts and begin work related to the subsequent steps of this plan.
- *Step 2: Planning and Establishment of Governance.*
 - Internal Policy development continues: the AFNWA compensation policy is being resubmitted at the current meeting as quorum was lost at the end of the July 29 board meeting.
 - Also found within Step 2 is the development of the Board Terms of Reference: a step toward this was the submission of the second draft of the AFNWA Corporate Governance Manual, as prepared by Rod Burgar. The manual is in its final stages of development and will be ready for presentation at the AFNWA Board Governance Workshop. The AFNWA is planning to hold this workshop alongside the APC all Chiefs meeting in September. The dates of the workshop are proposed to be the afternoon of September 29 and the afternoon of September 30, following our regularly scheduled board meeting.
 - An RFP was issued for a communication consultant. Based on the proposals received, it is recommended the AFNWA proceed with a contract with NATIONAL Public Relations.
 - Contracts have been developed or are under development for continued work with the AFNWA. Contractors include Halifax Water (Asset Management support), Colliers Project Leaders (Business and Financial Analysis), McInnes Cooper (legal support), Accelerator Inc (Governance), Graham MacDonald (SCADA master plan), and Karen Reedman (job evaluations)
- *Step 3a; Band Council Resolutions:*
 - This step is concerned with the acquisition of BCRs for joining the AFNWA. We have engaged with McInnes Cooper and have developed elements of what should be included in a final commitment BCR. Once a working draft is complete, we will be convening a working group of Government of Canada representatives, along with community lands personnel and the AFNWA legal counsel to review and finalize a draft BCR for Board approval.
 - A Chiefs workshop is proposed for late October to present an update on AFNWA activities and discuss the key milestones for community participation.
- *Step 3b: Implement Human Resource Strategy*
 - Work is continuing with Leaders International for our search for the senior management team. Management has provided Leaders with job descriptions for each of the four senior managers.

ITEM # -11

AFNWA Board

26 August 2020

- A preliminary list of candidates has been reviewed for the position of Manager of Engineering. A meeting is scheduled for August 25 to discuss a refined list of candidates.
- Karen Reedman has begun the job evaluation process utilizing the Korn Ferry HAY methodology
- *Step 5: Implement Operations Model.*
 - ISC and the Ontario Clean Water Agency (OCWA) are currently finalizing terms for the OCWA review of the Business case. It is likely the funds for OCWA's review will flow through the AFNWA. A key point for the AFNWA is the scope of this review. While it is important that OCWA provide a review of our operational model, there are aspects that are out of scope for the review (cultural elements for example).
- *Step 7: Regulatory Oversight.*
 - Dalhousie continues its work on Water Safety Plans. The AFNWA and APC both completed partner applications for a Natural Sciences and Engineering Research Council (NSERC) application for additional funds to support this work.
 - A meeting is planned for early September with ISC, Environment Canada and Climate Change to discuss regulation of water and wastewater quality.
- *Step 8: Operational Planning:*
 - The search continues for an AFNWA headquarters facility for occupancy this fall. A tour of Sipekne'katik's building in Hammonds Plains was completed on August 5th. Contact has been made with the Millbrook Power Center to review all options available.
 - The CEO and COO have been meeting with Chiefs, Councilors, community administrators and operators to discuss the AFNWA and hear their concerns. A common theme that was heard was the need for increased investment in wastewater, support for operator certification and improvements in SCADA systems. Implications of maintenance on individual wells and septic systems was also discussed and will need to be reviewed with the Board for direction. Overall, the communities we visited were very supportive of the initiative.
An Operators workshop is planned for October 7th and 8th in Truro to advance discussions

BUDGET and FINANCIAL IMPLICATIONS

Activities associated with the TIP are funded through Funding Agreements secured with Indigenous Services Canada

ATTACHMENT

Transition Implementation Plan

Report Prepared by: original signed by

James MacKinnon, interim Chief Operating Officer
902-435-8031 ext1390

Financial Reviewed by: Original signed by

Carl Yates, interim Chief Executive Officer
902-435-8021 ext2012



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Background

The AFNWA Business Case recommends a phased milestone-based approach with a two-year transitional period that allows detailed operational and capital budgets to be developed and agreed with ISC based upon an AFNWA operations plan; an Asset Management Plan (AMP); and a 10-year capital program.

The AFNWA has developed a Transition Plan which has been the principle vehicle for agreeing to a Framework Agreement between AFNWA and ISC. This plan which is organized into three key phases includes several steps that need to be delivered sequentially. These phases can be summarized as follows

- **Phase 1: Approval & Funding:** is an enabling phase which includes tasks which must be completed to allow the AFNWA to take on additional operational responsibility in 2020.
- **Phase 2: Operational Initiation:** comprises establishing the AFNWA management team in a staged manner to prepare for the ownership and operation of the participating First Nations water and wastewater assets
- **Phase 3: AFNWA Formation:** comprises the formalization of the AFNWA budget planning and consolidates these into a Funding Model. The funding requirements will be subject to negotiation with ISC with the understanding that the level of funding will be in line with the order of cost identified in the AFNWA business case.

AFNWA and ISC are close to completing a funding agreement which will provide the funds needed to deliver the Transition plan and progress over the next two years.

Transition Period Implementation Plan

The Transition Period Implementation Plan (Implementation Plan) will guide the overall operationalization of the AFNWA and its phases will lead to fully autonomous operations in Spring 2022. It will describe the objectives of the phases and the process by which the steps and composite tasks are to be managed.



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

The delivery of the Implementation Plan will necessitate a team with diverse knowledge, expertise, and experience. The Implementation Plan contains the information needed to deliver the transition successfully, in terms of integration, communication, quality, cost, schedule, risk, scope, and overall project management. The Implementation Plan defines the governance and organizational structure; the management, administrative, and reporting processes that will be used; and the decision-making responsibilities and authorities for each principal stakeholder.

While Implementation Planning has commenced, finalizing and delivery of the Plan will require the input from the Senior Management Team which has yet to be recruited. The immediate intention of the Plan is to identify the relevant tasks that need to be completed but not to provide the complete details on how they will be delivered. While it is recognized that the CEO will have ultimate accountability for delivery of the Implementation Plan, potential resources required to develop tasks (whether internal or external resources), and reviewer / approver information has been added for considerations.

As each task is formally initiated, it is recommended that the AFNWA initiate further project definitions (i.e. project charter, timing, resources) to guide task implementation. Within the Transition Plan, tasks anticipated to require a formal project charter or workplan are marked with an asterisk (*). As individual tasks are initiated, additional task implementation planning is anticipated, and this will be reviewed by the CEO and Senior Management Team on a regular basis.



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 1: Approval and Funding.					
<p>Step 1a: Operational Funding Funding Commitment by Government of Canada to provide long term funding to AFNWA in line with the order of cost identified in the Business Case.</p> <p>Noting that long term funding will come with final negotiation at the end of this two-year transition. Execution of the Transitional Funding Agreement and signature of the Framework Agreement will signify commitment to this objective.</p>					
Tasks	AFNWA Owner	Resources ¹	Reviewer /Approver	Recommended Completion Date	
1.0	Framework agreement signed demonstrating a co-development process and commitment for long-term AFNWA funding (key milestone)	COO	CY, RB, Colliers	ISC	May 15, 2020
2.0	Complete Transitional Funding Agreement between AFNWA and ISC to cover two-year Transition Period	COO	CY, RB, Colliers	ISC	May 1, 2020
3.0	Cash flow draw system (incl. bank number), schedule (refer to ISC conference call minutes)	COO	RM	ISC	May 15, 2020
4.0	Develop Transition Plan Template	COO	Colliers	CEO	May 15, 2020

¹ A full description of resource abbreviations has been provided following the phase 3 tasks.



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 1: Approval and Funding.					
Step 2: Planning and establish governance					
Funding Commitment by Government of Canada to provide long term funding to AFNWA in line with the order of cost identified in the Business Case.					
Noting that long term funding will come with final negotiation at the end of this two-year transition. Execution of the Funding Agreement and signature of the Framework agreement will close step 1					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0	Establish organization				
1.1	CEO	COO, McInnis Cooper	Board	August 1	
1.2	CEO	COO, SMT	CEO	Ongoing	
1.3	COO	RM	CEO	Dec. 31, 2020	
2*	Identify corporate policies and procedures needed				As req'd on a priority basis
2.1	Mgr. Comms	COO, RM	Board		
2.2	CEO	COO, McInnis Cooper, Mgr. CS, Colliers	Board		
2.3	CEO	Mgr. CS, COO	Board		
2.4	CEO	Mgr. CS, COO	Board		



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

2.5	Information Technology	Mgr. CS	COO, JH	CEO	
2.6	Training and Development policy (Parts found within the APC HR Policy)	Mgr. CS	COO, Supervisor CS, RM	CEO	
2.7	Discipline policy (incl. Two Eyed Seeing)	COO	McInnes Cooper, Elders Council, JP, RB	CEO	
2.8	Pension and Benefits policy	CEO/Mgr. CS	McInnes Cooper, Supervisor CS	Board	
2.9	Health and Safety policy	CEO	Mgr. CS, COO, Supervisor CS, JH	Board	
2.10	Environmental policy	CEO	SMT, GG	Board	
2.11	Security policy	CEO	SMT	Board	
2.12	Code of Conduct	CEO	McInnes Cooper, Mgr. CS, COO, RM	Board	
2.13	Debt policy (elements found within the Financial Policy)	Mgr. CS	COO, CEO, Colliers	Board	
2.14	Spending Authority (Financial Policy, will need to be altered)	CEO	Mgr. CS, COO, Colliers	Board	
2.15	Fraud (Elements found within the APC Financial Policy)	Mgr. CS	COO, CEO, Colliers	Board	
2.16	Document Management policy, recommended solution, and tool considerations (utilize APC in interim)	COO	SMT, Colliers JH, RM	CEO	
2.17	Violence and Harassment policy	CEO	McInnes Cooper, Mgr. CS, COO	Board	
2.18	Hiring policy	COO	JH	CEO	
2.19	Conflict of Interest Policy	CEO	COO, Mgr. CS, Colliers	Board	
2.20	Develop AFNWA specific templates - minutes, action list, SOPs	COO	RM, JH, Colliers	CEO	
3.0	Establish financial and accounting policies and frameworks				



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

3.1	Identify Gaps in APC Financial Policies - debt policies, accounting structures being used, align with Treasury Board policies / rates,	Mgr. CS	COO, Colliers	CEO	
3.2	Set up basic accounting framework, general ledger, yearly audit standards & audit timelines, income statements, balance sheets – (service may start with APC but transition to AFNWA) <ul style="list-style-type: none"> - services could be provided on an interim basis by APC; - there are # of other corporate services APC can provide; gradual transition to AFNWA 	Mgr. CS	COO, 3 rd party advisor, Colliers	CEO	Establish for first fiscal year [2020/2021]
3.3	Tax exemption letters from CRA <ul style="list-style-type: none"> - anticipated to be received once a lease is signed 	COO	Mgr. CS,	CEO	June 1, 2020
3.4	Audited statements 2021 (milestone)	Mgr. CS	COO, CEO, Colliers	Board	March 31, 2021
4.0*	Board governance				
4.1	Establish Board Governance Framework <ul style="list-style-type: none"> - solicit consultant proposal - develop work plan 	CEO	COO, RB, Colliers	Board	
4.2	AFNWA Implementation Plan <ul style="list-style-type: none"> - Board delegated resp. to CEO to manage - CEO owns plan; recommendations to the Board, as req'd - COO & Board Executive work with CEO - Board approves key items 	CEO	COO, RB, Colliers	CEO	March 31, 2022
4.3	AFNWA Board Terms of Reference <ul style="list-style-type: none"> - CEO works with Board executive, legal advice - Incl. governance (i.e. operating water authority, approvals & authorities), roles (i.e. day to day) 	CEO	COO, JP, RB	Board	Initiates with hiring of CEO, completes Nov 2020
4.4	Board governance Workshop (Face to Face) <ul style="list-style-type: none"> - Define roles and resp, Specific Board terms, committee, compensation 	COO	RB, Colliers	CEO	Sept/Oct. 2020



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

4.5	AFNWA Board and Committees Terms of Reference [e.g. Executive, Audit and Finance, Environment, Health and Safety]	CEO	COO, RB, Colliers	Board	Draft Nov. 30/20
4.6	AFNWA Board Formally Approves Term of Reference (milestone)	CEO	COO, RB	Board	Feb.1, 2021
4.7	Board Compensation Policy	CEO	COO, RB	Board	April 1, 2021
4.8	Selection of Elders Council, develop Terms of Reference <ul style="list-style-type: none"> - Process for Board to engage with Elders Council - Lead/ Head Elder? Ex-officio to Board? Serve as Director on Board? 	CEO	COO, RB	Board	March 1, 2021
5.0*	Establish document management system	COO	JH, Colliers, RM	CEO	Dec. 31, 2020
6.0	Develop communications strategy	Mgr. Comms	COO, Comms Consultant	CEO	Feb 1, 2021
7.0	Define ISC approvals process				
7.1	Develop engagement plan with ISC <ul style="list-style-type: none"> - Strategy and framework of approach - Meeting schedule and intent - Identify and clarify requirements 	COO	RB, McInnis Cooper,	CEO	February 1, 2021
7.2	Identify milestones and approvals (required by Federal government) <ul style="list-style-type: none"> - Schedule, process, Cabinet date, timeline, milestones, minutes & action list 	COO	RB, Colliers, Central Agency reps,	CEO	As Req'd
7.3	Identify Board approvals and reporting required <ul style="list-style-type: none"> - Tied to ISC negotiations 	COO	RM, Colliers	CEO	As Req'd



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 1: Approval and Funding.					
Step 3a: Band Council Resolutions					
<p>The commitment to GOC funding will allow Band Council Resolutions (BCR) to be completed with participating First Nations Bands. This deliverable will require the AFNWA interim COO to travel to participating and non-participating First Nations alike to request a BCR for further continuation of the project. This will allow license and asset transfer agreements to be developed. This step is dependent on the signature of the proposed framework agreement before the community visits commence.</p>					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0	Develop BCRs				
1.1	Draft BCRs - Informed by Framework Agreement and the land transfer Agreements/licenses	COO	McInnes Cooper, ISC	CEO, Board, Band Council	Jun 30, 2020
1.2	Incorporate ISC feedback for draft BCR	COO	RB, Colliers	CEO	
1.3	Final BCR's approved by Board	CEO	COO	Board	
1.4	Geographic information/mapping required for license agreement and asset management, develop common standards	Mgr. Eng.	COO, JH	CEO	
1.5	Survey First Nations capacity to hold community and Council meetings virtually	COO		CEO	Jun 30, 2020
1.6	Organize Chiefs and Operators: Kick-off Workshop (also invite communities who are interested, but who have yet to sign a BCR indicating their interest) to go over the transfer process plan in detail, and to communicate the AFNWA's timelines for full, autonomous operations.	COO	RB,	CEO	Fall 2020 or Winter 2021 depending on Pandemic Restrictions



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

2.0	BCR approval by communities				
2.1	Organize Community visits - present to Councilors, gain input, make changes / tweaks. This round of BCRs will signify a further commitment to the AFNWA. AFNWA COO and CEO will travel to each community to present to Chief and Council to seek their continued support [22 communities].	COO	RB, RM	CEO	Fall 2020 / Winter 2021
2.2	Request signature - by community based on meeting with Councils - Presentations to communities	COO	CEO (as req'd), Mgr. Comms	CEO, Band Council	As Req'd
2.3	Renew BCR commitments for existing Communities (15 + 7 communities).	COO		CEO	January 31, 2021
3.0	Outreach to other communities to extend invitation to join AFNWA (note: dependent on Framework Agreement)	CEO	COO	CEO	Ongoing up to Dec 1, 2021
4.0	Develop draft BCR process & commitments for communities to join AFNWA after Transfer Agreement - Process to be defined - Resources to be identified in negotiations with GoC	COO	McInnes Cooper, RB	CEO	Winter 2021/2022



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 1: Approval and Funding.

Step 3b: Implement Human Resources Strategy

The recruitment of a CEO and senior management team is key to delivering phase 2. Obtaining GOC commitment to funding will allow the following activity to commence.

- Contract with a professional search organization
- Hire the CEO and senior managers

These manager positions will have to be selected in order of priority. For 2020-2021, however, it is recommended that the CEO and Manager of Engineering be identified to work alongside the interim COO. At the start of 2021-2022, the remainder of the senior management team will be hired.

Note – Current COO continues to play a strong liaison role with First Nation Chiefs, Board, ISC, and communities; supports CEO as the utility transitions to full operations in 2022.

Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date
1.0 Human Resource planning				
1.1 Develop Human Resource strategies that recognize the experience and knowledge of staff currently employed in water and wastewater system operation and take a consistent approach to salaries, benefits, training, and career development. Confirm skills to operate business	Mgr. CS	COO, Supervisor CS, JH	CEO	Sept 1, 2021
1.2 Research pay and compensation (internal and external equity) - Seek outside HR consultant support	CEO	Mgr. CS, COO	CEO	Summer / Fall 2020
1.3 Develop and complete draft CEO job description	CEO	COO	Board	May 15, 2020
1.4 Develop and complete SMT job descriptions	COO	JH, RM	CEO	As Req'd
1.5 Develop and complete staff job descriptions	Mgr. CS	SMT, Supervisor CS	CEO	As Req'd



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

2.0	Formal staff recruiting				
2.1	Complete RFP for professional recruiting firm	COO	CEO, RM	CEO	April 28/20
2.2	Hire a professional recruiting firm to recruit qualified personnel as candidates for Senior Management positions.	COO	CEO, RM	CEO	May 22/20
3.0	Recruit key staff				
3.1	Recruit (Interim) CEO for 2-year transition	Board	COO	Board	July 2020
3.2	Recruit Manager Engineering (permanent)	CEO	COO, Recruitment Consultant		September 1, 2020
3.3	Recruit Manager Communications & Outreach (permanent)	CEO	COO, Recruitment Consultant		Dec. 1, 2020
3.4	Recruit Manager of Corporate Services (permanent)	CEO	COO, Recruitment Consultant	CEO	January 1, 2021
3.5	Recruit Manager Operations (permanent)	CEO	COO, Recruitment Consultant	CEO	April 1, 2021
3.6	Hire asset management technologist	Mgr. Eng.	COO, JH	CEO	Sept. 1, 2020
3.7	Hire admin assistant	COO	Mgr. Eng., RM	CEO	Oct. 1, 2020
3.8	Recruit or hire superintendents	Mgr. Op	Mgr. CS, JH	CEO	June 1, 2021
3.9	Recruit permanent CEO	Board	Interim CEO, COO	Board	April 30, 2022



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 1: Approval and Funding.					
Step 4: License Agreements					
Finalizing BCRs will enable licensing/land access agreements to be drafted and completed with participating First Nations Bands. The AFNWA and its legal team will work directly with First Nations lands departments, ISC, the Department of Justice to create land access/license agreements that will both allow the AFNWA to enter communities, exclusively work on water and wastewater infrastructure, and indemnify Chiefs and Councils for water quality.					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0					
1.1					
1.2					
1.3					
2.0					
2.1					



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

	<ul style="list-style-type: none"> two options to be considered 				
2.2a	Option 1- Existing community mapping, or minimum required being the list of assets that are required	Mgr. Eng.	COO, Band land manager, ISC, McInnes Cooper	CEO	December 1, 2020
2.2b	Option 2 - Mapping in connection with Asset Management Plan, Identify or confirm assets, surveyors land in question, geomatic scanning (or is this part of the AMP)	Mgr. Eng.	COO, Band land manager, ISC, McInnes Cooper	CEO	December 1, 2020
3.0	License agreements				
3.1	License agreements engagements <ul style="list-style-type: none"> interested community representatives identify elements that will used for AFNWA commitment through BCR 	COO	McInnes Cooper, RB		Fall 2020
3.2	Draft license agreements <ul style="list-style-type: none"> Generally common, accompanied with a map Specifics based on band (i.e. municipal transfer agreement)	COO	McInnes Cooper, RB	Band Council/CEO Board /	January 1, 2021
3.3	Group engagements follow up, land workshops <ul style="list-style-type: none"> Land reps from interested communities Presenting final draft 	COO	ISC, McInnis Cooper, RB, Band Council, Community	CEO	
3.4	Recommend license agreement for final approval to the Board (combine with below)	CEO	COO, RB, McInnis Cooper, Band Council	Board	April 1, 2021
3.5	Signature of license agreements <ul style="list-style-type: none"> Confirm whether condition of final funding 	CEO	COO, RB, McInnes Cooper, Band Council	Band Council/ Board	July 1, 2021



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 2: Operational Initiation.

Step 5: Implement an FSD “Hub and Spoke” operations model.

Hire all senior staff by April 2021 (one year after funding approval) with a clear preference to hire from participating Atlantic First Nations. The tasks of these managers will be to develop and adopt a formal training and development program for all staff. Furthermore, senior managers will develop Human Resource strategies that recognize the experience and knowledge of staff currently employed in water and wastewater system operation and take a consistent approach to salaries, benefits, training, and career development.

The development and implementation of the hub and spoke model is conditional upon the input of the Senior management team. When the SMT is in place a detailed implementation plan for this step will be developed.

Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date
1.0 Ontario Clean Water Agency (OCWA) Peer Review Business Case	COO	CEO, OCWA, JH, Colliers	ISC	Fall 2020
2.0 ISC accepts the Business Case (milestone)	CEO	COO, Colliers, JH	Board / ISC	April 1, 2021
3.0 Develop plan to implement hub and spoke model <ul style="list-style-type: none"> - i.e. supervisor allocation, technical supervisor set up, connections to HR strategies - consultation with future operators, Board, communities, - financials 	Mgr. Ops	SMT, JH,	CEO	Sept. 1, 2021
4.0 Regular updates to Board For information	CEO	SMT, COO	Board	Monthly



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 2: Operational Initiation.					
Step 6: Implement Transition Management.					
AFNWA appoint a dedicated transition management team. Develop an AFNWA transition management strategy and align the communications and transition management strategies to ensure effective engagement and support. This step will be maintained for the 2-year transition period.					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1	AFNWA appoint a dedicated Transition Management Team (TMT) to navigate change with external consultant as support.	SMT	COO, RB, Colliers	CEO	Starting April 2021
2*	Develop and implement Transition Management Plan - Establish transition management milestones with AFNWA, communities, Government, operators, others	SMT	COO, RB, Colliers	CEO	From June 1, 2021 to end of 2023

Phase 2: Operational Initiation.					
Step 7: Regulatory Oversight.					
AFNWA confirm regulatory Oversight Agencies with GOC. and develop a plan for implementing their requirements. As an interim step, the AFNWA and Dalhousie University will continue their work in developing a strategy for operating in an unregulated environment.					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1*	Regulatory oversight planning				



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

1.1	AFNWA and Dalhousie University will continue their work in developing water safety plans for operating in the interim within an unregulated environment. - NSERC application - Proposal consideration	CEO	COO, GG, ISC, Mgr. Eng., Mgr. Ops, JH	CEO	April 1, 2021
1.2	Develop (interim step) potential set of processes to facilitate auditing for compliance to benchmark standards (updated from original 2013 regulations prepared by Dalhousie)	Mgr. Ops	SMT, GG, JH,	CEO	Sept 30, 2021
1.3	Adoption of interim regulations	Mgr. Ops	SMT, GG, JH	Board	June 30, 2021
2.0	Determine long term regulations (influenced significantly by the work being conducted by the Assembly of First Nations)	CEO	SMT	Board	As Req'd
3.0	Work with Federal Government to determine Water Quality and Wastewater Effluent regulator (likely Environment Canada). Develop strategies to gain Public Servant support.	CEO	SMT, GG, ISC	Board	Sept. 1, 2021
4.0	Determine Federal financial regulator	CEO	SMT, ISC	Board	June 1, 2021
5.0	Review current composition / recruitment of additional board members				
5.1	Additional band representation	Board Executive	CEO, COO, RB	Board	As Req'd
5.2	Additional technical, SME experts - Financial, communications, legal, scientific etc....	Board Executive	CEO, COO, JH, Colliers	Board	April 1, 2021
5.3	Appointment of a Vice Chair	COO	Board Chair	Board	May 15, 2020



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 2: Operational Initiation.					
Step 8: Operational planning.					
Senior Management team develop an operations plan that identifies AFNWA operational funding requirements including:					
<ul style="list-style-type: none"> board and management costs, operating and maintenance costs administration and accommodation costs, 					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0	AFNWA headquarters facility				
1.1	Develop Headquarters accommodation, space, and technical requirements (Search criteria)	COO	RM, Colliers	CEO	June 1/20
1.2	Search for headquarters accommodation on reserve. Enables temporary (medium term; 5-7 years) vs eventual construction (long term), incorporates Board direction	COO	RM, Colliers, Band Land Manager	CEO	August 1/20
1,3	Develop and Secure IT requirements, office equipment, furniture etc. Note: staged IT requirements may be required as full IT Policy will be finalized with the engaged of the Director Corporate Services.	COO	Mgr. Eng., RM, JH	CEO	Oct. 1/20
1.4	Lease & financial impact review	COO	COO, McInnes Cooper,	CEO	Sept. 1/20
1.5	Board lease approval	CEO	COO	Board	Sept.1/20
1.6	Move in to headquarters facility	COO	RM, Contractor	CEO	Oct.1/20
2.0	Develop Operations budget for 2021/22 fiscal year	Mgr. CS	SMT, COO	CEO	March 1/21
3.0	Develop Operational Plan for commencement of operations	Mgr. Ops	SMT, COO, Consultant	CEO	Jan 31/22



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 2: Operational Initiation.					
Step 9: Capital planning.					
The implementation of step 5 will allow Senior Management to develop an asset management plan within 18 months of AFNWA operations and a draft 10-year capital program based on the asset management plan. This further emphasizes the need to retain the AFNWA CEO and Manager of engineering within the first quarter of 2020-2021					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0*	Identify what is required specifically for the Asset Management Plan (AMP) plan <ul style="list-style-type: none"> • Develop project charter including schedule, scope etc. • Project requirements • Required consultant requirements 	Mgr. Eng.	COO, JH,	CEO	Sept 1, 2020
2.0	Develop and issue RFP for consultant to support development of AMP and 10-year capital budget.	Mgr. Eng.	Consultant, JH,	CEO	Sept 30, 2020
3.0	Organize an Asset Management Workshop for operators and technical staff of the AFNWA.	Mgr. Eng.	Consultant, Mgr. Ops, JH,	CEO	March, 2021
4.0	Develop a comprehensive AMP for the infrastructure in participating communities.	Mgr. Eng.	Consultant, SMT, JH	CEO	Sept. 30, 2021
5.0	Develop a draft 10-year capital plan that is based on the asset management plan.	Mgr. Eng.	Consultant, SMT Colliers. JH	CEO	Dec 31, 2021



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 3: Detailed Business Case and Funding					
Step 10: Risk assessment.					
Prepare a detailed risk assessment to act as an input into the detailed financial model. This will be an ongoing practice within the AFNWA. The asset management plan will identify detailed operational risks; however, it will be the prerogative of the AFNWA senior management to identify additional risks along with the appropriate mitigation strategy. Risks categories may include but are not limited to:					
<ul style="list-style-type: none"> • Economic • Social • Political • Technological • Legal • Environmental 					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0 Develop and issue RFP to develop Enterprise Risk Management System - Proposal consideration / external consultant	Mgr. CS	CEO, SMT, COO, Colliers	CEO	Jun 1, 2021	
2.0 Complete Enterprise Risk Management System for Approval of Board - Workshops with Board, SMT - Risk register - Timelines for review	CEO	SMT, Consultant, COO, JH, RM	Board	Nov 30, 2021	



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 3: Detailed Business Case and Funding					
Step 11: Financial Model.					
Develop a detailed financial model that incorporated inputs from the AMP, Operational plan, risk assessment and 10-year capital spending plan to identify the operational and capital funding required to operate the AFNWA for the first 25 years of operation. The model should be sufficiently detailed to consider scenarios and risks which might impact operations and service delivery. The model will be a vehicle for agreeing the funding model with GOC.					
Complete Step 11 Mar 2021					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0	Incorporate inputs from the AMP, Operational Plan, risk assessment and 10-year capital spending plan to identify the operational and capital funding required for the AFNWA.	Mgr. CS	SMT, Colliers	CEO	Mar 1, 2022
2.0	Finalize financial reporting				
2.1	Develop corporate financial reporting, models (operations and capital) - Management information required. - External reporting (i.e. GoC) requirements	Mgr. CS	COO, Colliers	CEO	March 30, 2022



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 3: Detailed Business Case and Funding					
Step 12: Refine Detailed Budgets and funding model.					
The intention of this step is to review the detailed financial model and risk assessment with ISC and Participating First Nations to develop/agree a detailed funding model.					
Complete Step 12 June 2021					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0	Review the detailed financial model with ISC and Participating First Nations to develop/agree on a detailed funding model - Informed by multiple sources including the enterprise risk management system	Mgr. CS	SMT, Colliers	Board, ISC Band Councils	Mar 1, 2022
2.0	Develop Business Plans for AFNWA Board Approval	CEO	SMT, COO	Board	
2.2	Determine Business Plans draft Table of Contents	CEO	SMT, ISC	Board	June 1, 2021
2.3	Ten Year Business Plan	CEO	SMT, COO	Board	Jan. 31, 2022
2.4	One Year Business Plan	CEO	SMT, COO	Board	Feb.28, 2022



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Phase 3: Detailed Business Plan and Funding					
Step 13 Transfer Agreement.					
Transfer Agreement will coincide with the date of AFNWA full autonomous operation. The Transfer agreement will include the agreed funding model and will address how changes such as future upgrades to regulations will be dealt with.					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0 Determine method of funding - Order and Council; and / or - 10-year grants	CEO	SMT, ISC, COO	Board / ISC	Dec. 1, 2021	
2.0 Define Transfer Agreement financial/liability requirements - Constituent parts	CEO	SMT, COO, ISC, McInnes Cooper	Board / ISC	Dec. 1, 2021	
3.0 Final Detailed Funding Model Approval By Board	CEO	SMT, Colliers	Board	Mar 1, 2022	
4.0 The Transfer Agreement (GoC) will include the agreed funding model, regulatory oversight requirements and address how changes such as future upgrades to regulations will be dealt with - Define requirements - Will reference several documents (BCR's, License Agreement, Business Plans, regulators etc.)	CEO	SMT, ISC, COO, McInnes Cooper	Board / ISC	Spring 2022	



Colliers
Project Leaders

Atlantic First Nations Water Authority Transition Period Implementation Plan

Resource Legend

COO – James MacKinnon	Mgr. CS – Corporate Services	Mgr. Ops - Operations	CY – Carl Yates	Colliers – Representatives based on expertise	JH – Jamie Hannam
RM – Rayleen MacDonald	Mgr. Comms – Communications & Outreach	Mgr. Eng. - Engineering	RB – Rod Burger		GG – Graham Gagnon
JP – John Paul	SMT - describe	TMT – members of SMT as assigned			



ITEM # 3b
AFNWA Board
26 August 2020

TO: Chair Wilbert Marshall, and Members of the AFNWA Board

SUBMITTED BY: original signed by
Carl Yates, M.A.Sc., P.Eng., interim Chief Executive Officer

DATE: July 29, 2020

SUBJECT: **Compensation Policy**

ORIGIN

Transition Implementation Plan and HR Policy approved by AFNWA Board on June 25, 2020 and as previously presented at the July 29th, 2020 AFNWA Board Meeting.

RECOMMENDATION

It is recommended that the Board approve the Compensation Policy in the substantive form attached.

BACKGROUND

With the recent approval of the Transition Implementation Plan [TIP] by the Board at the last meeting on June 25, 2020, management has continued with activities and tasks on a priority basis consistent with the TIP. Amongst other activities, the TIP identifies a significant amount of work around the development of policies and terms of reference related to operation and governance of the AFNWA. In recognition that recruitment of the senior management team is underway, the immediate need for a Compensation Policy is evident. This policy is critical to the AFNWA to ensure it attracts and retains qualified individuals to carry out the mission of the utility.

DISCUSSION

Adoption of a compensation policy aligns with governance best practice and provides the basis for staff remuneration. In accordance with best practice, it should ensure internal equity for employees and facilitate comparison to other organizations who are competing for talent. A compensation policy should also adopt features to motivate staff to go beyond “doing their jobs” and strive for excellence with recognition for individual, and organizational performance. Attached is the proposed AFNWA Compensation Policy for the Board’s consideration and reflects the organizational structure of the AFNWA and its operations as a going concern entity. The policy outlines elements of base pay, individual and organizational remuneration to achieve excellence for a sustainable service delivery. Key to the base pay remuneration is the adoption of the HAY methodology as licensed through Korn Ferry to ensure internal equity and facilitate the opportunity to compare with other organizations for external equity. The HAY methodology is widely used in Canada and other countries and has been in place for over 50 years. Foundational to the HAY methodology is its approach to pay equity and compliance with human rights legislation with a focus on gender equity. Attached is a presentation by our consultant Karen Reedman who is a subject matter expert with the HAY methodology who will work with management to undertake job evaluations for key positions and train the Personnel Committee to ensure jobs reflect the HAY methodology on an ongoing basis. Ms. Reedman will be available for the Board meeting to provide an overview of HAY and answer any questions.

In addition to base pay, it is proposed that senior management have the opportunity to earn up to 3% of their base pay linked to individual performance. Individual performance would be tied to annual goals and objectives approved by the CEO consistent with annual budgets and Business Plans. The CEO’s goals and objectives would be established through consultation with the Board Executive [Chair and Vice-Chair]. It should be noted that senior management are not eligible for overtime as stated in the previously approved HR Policy and the proposed Compensation Policy. Remuneration for individual performance is proposed to commence in the 2021/22 fiscal year after all senior managers are hired.

In an effort to promote teamwork and ensure staff are focused on strategic outcomes, it is proposed that all staff be eligible for performance related to a corporate balanced scorecard which will be developed with staff in the 2021/22 fiscal year for implementation in the 2022/23 fiscal year. The scorecard would be brought back to the Board for explicit approval including the performance reward framework.

BUDGET and FINANCIAL IMPLICATIONS

Funds for the base pay compensation of AFNWA staff are contained in the 2020/21 budget as funded through the Funding Agreement with Indigenous Services Canada. Future budgets will contain funds consistent with the HR Policy and Compensation Policy to recognize individual and organizational performance.

ALTERNATIVES

The Board could modify language in the proposed Compensation policy, consistent with current legislation.

ATTACHMENT

Attachment A – Proposed AFNWA Compensation Policy

Attachment B – HAY Methodology Presentation

Report Prepared by: original signed by _____
Carl Yates, M.A.Sc., P.Eng., interim Chief Executive Officer

Financial Reviewed by: original signed by _____
James MacKinnon, B.Sc., MPA (candidate), interim Chief Operating Officer

COMPENSATION POLICY

INTENT

The Atlantic First Nations Water Authority [AFNWA] is committed to a policy of salary administration which is internally equitable and externally competitive, and that also recognizes and encourages individual performance. AFNWA recognizes the importance of maintaining competitive compensation programs that are financially feasible and, as such, regularly surveys external market trends, locally and nationally, to ensure the attraction and retention of qualified employees. Economic factors such as the Cost of Living Index are also considered in determining our compensation strategy. Regular discussion of employees' immediate and long term career goals form part of this policy.

POLICY

The purpose of this policy is to:

- 1) Ensure the fair and equitable salary treatment of AFNWA's employees;
- 2) Establish salary levels which will enable AFNWA to recruit and retain qualified employees; and
- 3) Provide guidelines for ongoing salary administration.

Methodology

The AFNWA utilizes the HAY methodology has licensed through Korn Ferry for job evaluations.

New Employees

When determining the start rate for a new employee, recognition for qualifications and previous experience may be granted.

Performance Reviews and Increases

Adjustments to salaries (within established ranges approved by the AFNWA Board) are recommended by the Manager and approved by the Chief Executive Officer [CEO] on an annual basis, normally effective April 1st.

Regular Employees

All regular employees will have a performance review by their Manager or Supervisor on an annual basis, or earlier if required.

Part-Time or Temporary Employees

All part-time or temporary employees will have a performance review by their Manager within a reasonable time period prior to the end of the probationary period.

Increments

Where an employee's performance is found to be satisfactory or better, a salary adjustment may be granted if below the maximum salary for the position. If this is an **end of probationary period** review, the salary adjustment will be effective the date of the end of their probationary period. If the employee has completed their probationary period, a salary review will be carried out based on the fiscal year and any approved salary adjustment will be effective as of the beginning of the next fiscal year (i.e. April 1st).

New Job or Significantly Changed Duties

Where a new job is created or the duties of a current position are substantially altered the Department Manager will prepare a Job Analysis Questionnaire and submit it to the Manager of Corporate Services. The Questionnaire is then evaluated by the Job Evaluation Team [Personnel Committee, as reference in HR Policy] in accordance with the HAY methodology as licensed through Korn Ferry.

Triannual Salary Survey

Every three years a national market survey of Canadian public sector organizations is carried out by Korn Ferry. The 50th percentile (or P50) is established as the target for compensation to ensure that AFNWA is competitive in the marketplace. The target of P50 means that 50% of the organizations surveyed will pay more and 50 % will pay less.

Cost of Living Adjustments

In accordance with Board policy, in interim years between survey assessments, annual salary adjustments will be based on the Consumer Price Index (CPI) for Canada.

Individual Performance Incentive

An individual performance incentive will be available to the Executive based on performance and achieving the goals and objectives for that fiscal year. The range of 0 to 3 % is available to all Executive positions.

Organizational Award

An organizational award will be available to employees based on the performance outcomes of Key Performance Indicators (KPI's) which are linked to the Corporate Balanced Scorecard, as approved by the Board on an annual basis.

In order to qualify for the award an employee must have worked 9 of the 12 months in the fiscal year.

Over Time

Unless due to an operational emergency, overtime must be pre-approved by the Manager before undertaken. Overtime outside the normal hours of work is paid in relation to an employee's salary at 1.5 times the regular rate. For time worked on a federal statutory holiday, overtime will be paid at 2 times the regular rate. The Executive staff are not eligible for overtime.

Banking of Time

An employee is given the option of:

- a) banking the overtime hours worked to a maximum of 80 hours in a calendar year. All banked time that is not used in a calendar year shall be paid out by March 31st after the calendar year.
- b) taking time off with pay in a subsequent pay period if approved in advance by the Manager, however time-off-in-lieu cannot exceed one week.

Banked overtime hours will be converted to equivalent regular hours.

Pension – The interim AFNWA Pension Plan [Atlantic Policy Congress of First Nations Chiefs Secretariat Pension Plan] is a defined contribution plan and pension contributions are cost shared on a 50/50 basis. Participation in the pension plan is mandatory for all employees.

Medical and Dental Benefits – Employees are required to participate in the APC Medical and Dental Plans **unless** they provide proof of coverage under their partner/spouse's plan.

KR_{on}HR

JOB EVALUATION
CREATING ORDER OUT OF CHAOS



JOB EVALUATION - NEED TO ANSWER

- What is this job accountable for?
- Where does it sit in the organization?
- What knowledge and skill base is required in this job?
- What problems and challenges does it face?
- What are its key deliverables?
- What is the context within which the work is done?

WHAT IS JOB EVALUATION?

Job evaluation is a systematic process for ranking jobs logically and fairly by comparing job against job or against a pre-determined scale to determine the relative importance of jobs to an organization

Which is to say that job evaluation...

Is...

- ✓ Comparative
- ✓ Judgemental
- ✓ Logical

Is not...

- × Absolute
- × Unstructured
- × Scientific

THE THREE FACTORS

Output:

What is the contribution of the role to the results of the organization?



Input:

What does the role need to know to identify and handle the problems?

Throughput:

What problems does the role need to solve?

EQUAL PAY FOR EQUAL WORK

- Concept of **labour rights**
- Individuals doing the same work should receive the same remuneration
- Most countries or regions do have some sort of legislation around this:
- The right to gender equality and to be free from gender-based discrimination is guaranteed by section 15 of the [Canadian Charter of Rights and Freedoms](#). Canada signed the International Labour Organization's Convention 100, the Equal Remuneration Convention, which aims to ensure equal remuneration for work of equal value regardless of gender.
- Pay equity is a human right protected under the [Canadian Human Rights Act](#) (CHRA). Section 11 of the CHRA stipulates that establishing or maintaining a difference in wages between male and female employees employed in the same establishment and performing work of equal value is a discriminatory practice. Employees or their bargaining agents may file complaints with the Canadian Human Rights Commission if they believe that their right to pay equity has been violated.
- The Hay Methodology has stood up to all challenges.
 - Organizations may be found to be applying the methodology inconsistently, but the methodology has not been found in contravention of Pay Equity or Human Rights.



Know-How

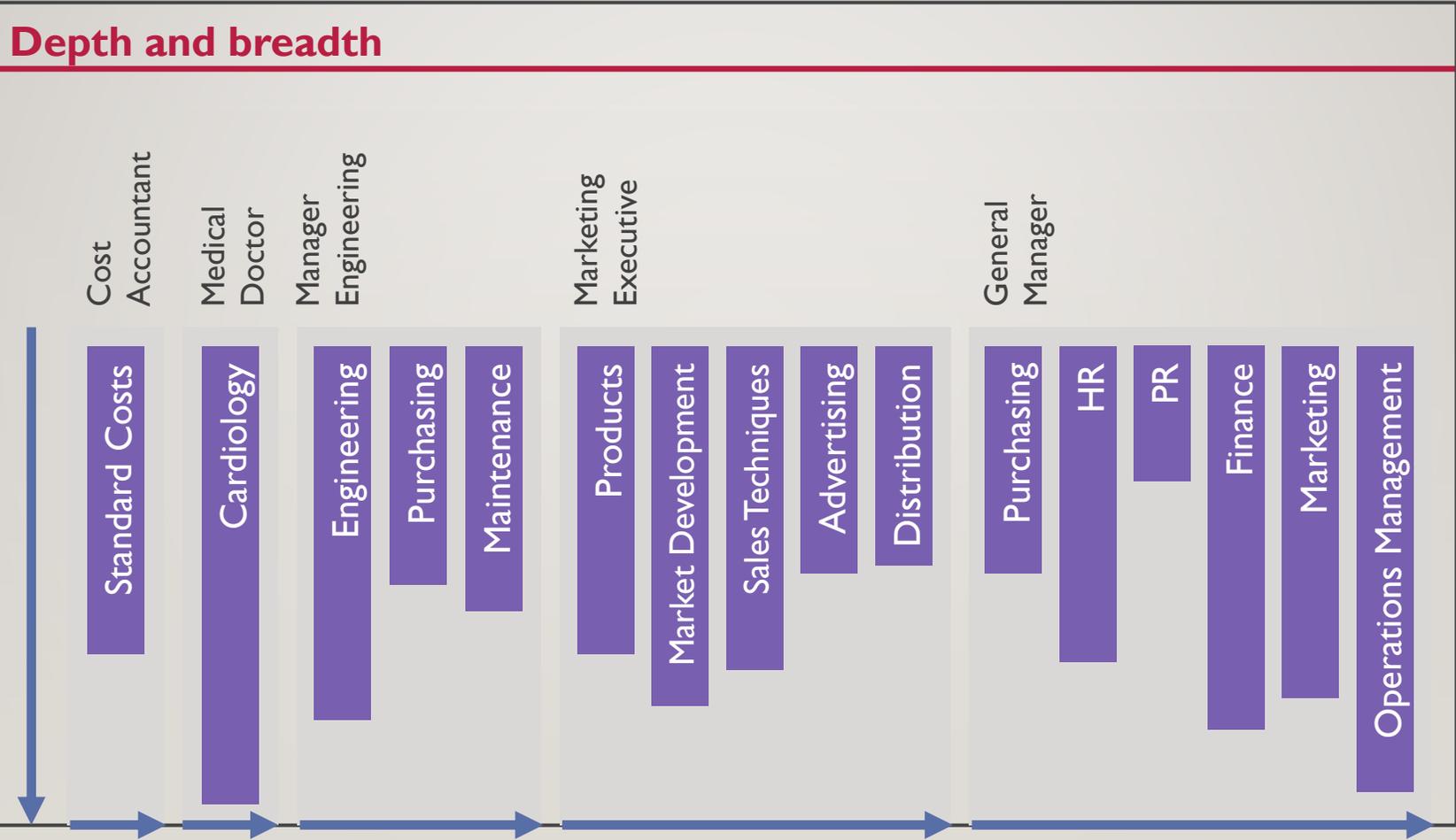


KNOW-HOW FACTOR

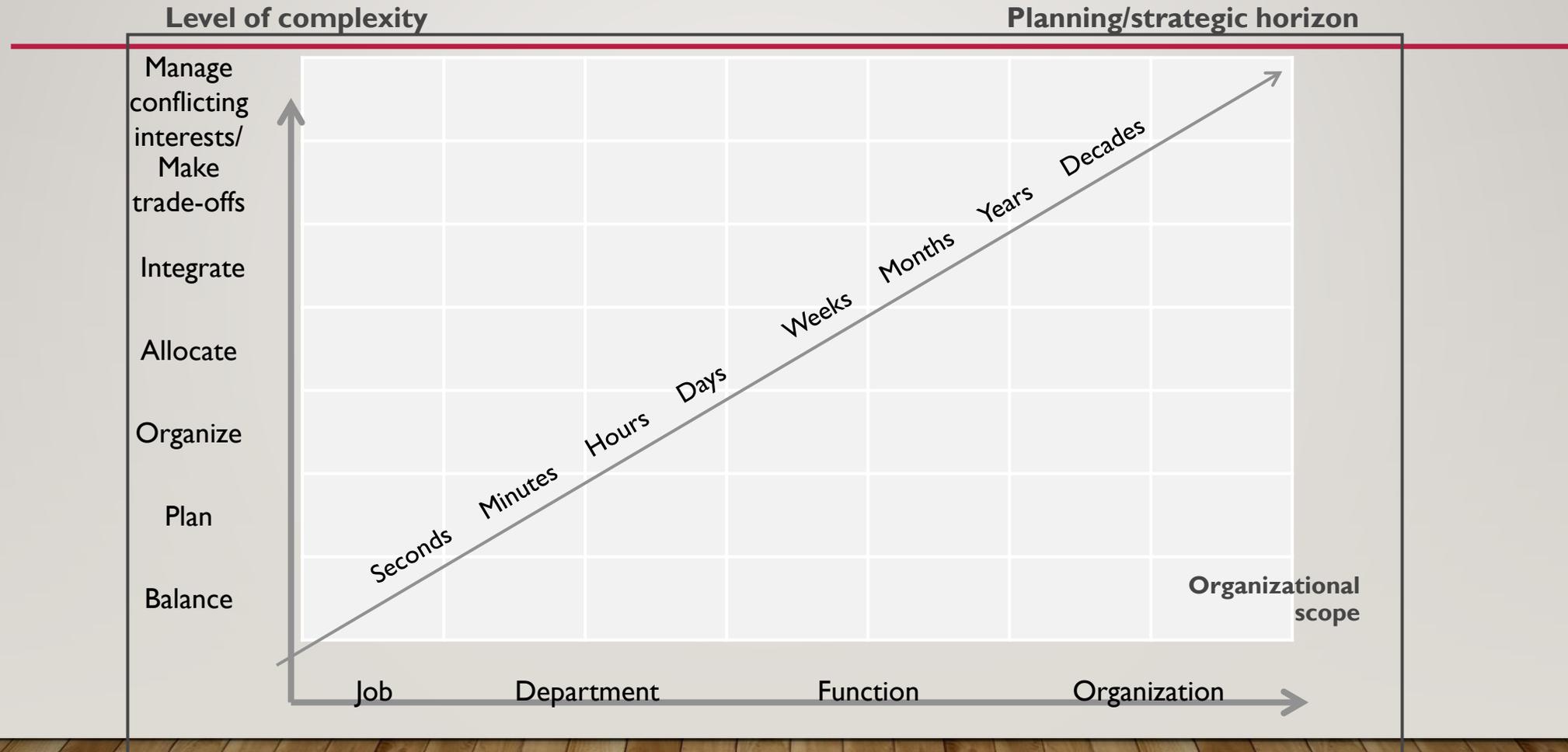
- To achieve results, jobs require a certain depth and breadth of knowledge, skills, and type of experience
- Know-How is the factor we use to measure the sum of all knowledge and skill, however acquired, required to do the job competently
- Know-How has three dimensions:
 1. Practical, technical, and specialised knowledge and skill (1 of 3)
 2. Planning, organizing, and integrating (managerial) knowledge (2 of 3)
 3. Communicating and influencing skills (3 of 3)

The knowledge required to do the job or ‘input’

PRACTICAL/TECHNICAL KNOWLEDGE (1 OF 3)



PLANNING, ORGANIZING AND INTEGRATING (MANAGERIAL) KNOWLEDGE (2 OF 3)



COMMUNICATING AND INFLUENCING SKILLS (3 OF 3)

Category	1. Communicate	2. Reason	3. Change behavior
Components	<ul style="list-style-type: none"> ■ Courtesy ■ Tact ■ Provide information 	<ul style="list-style-type: none"> ■ Courtesy ■ Tact ■ Provide information ■ ■ Understand ■ ■ Influence ■ ■ Rational arguments 	<ul style="list-style-type: none"> ■ Courtesy ■ Tact ■ Provide information ■ ■ Understand ■ ■ Influence ■ ■ Rational arguments ■ ■ ■ Develop ■ ■ ■ Motivate ■ ■ ■ Inspiration 
Activities	<ul style="list-style-type: none"> ■ Communicating skills less important than procedural skill ■ 'Getting along' with people effectively 	<ul style="list-style-type: none"> ■ Technical knowledge utilized to cause action or acceptance ■ Group leaders/technical supervisors/technical negotiators 	<ul style="list-style-type: none"> ■ Skills critical in changing behavior of others ■ Most managers/sales people/negotiators, mediators
Result	<ul style="list-style-type: none"> ■ Well treated 	<ul style="list-style-type: none"> ■ Action or acceptance 	<ul style="list-style-type: none"> ■ Behavioral Change



Problem Solving



PROBLEM SOLVING FACTOR

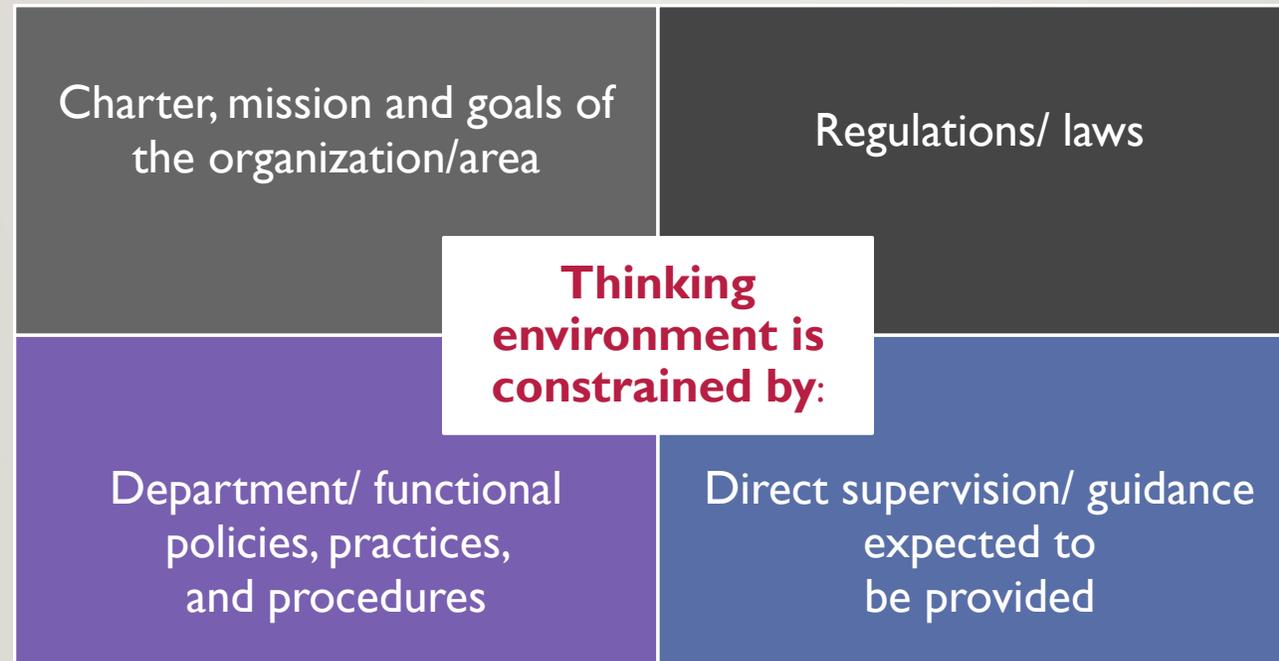
IDENTIFY – DEFINE - RESOLVE

- In using Know-How to achieve results, jobs are designed to analyze and resolve problems
- Problem solving is the factor we use to measure the nature and complexity of the problems and challenges that jobs must face
- Problem solving is expressed as a percentage of Know-How because it measures the impact of what you do with what you know
- Problem solving considers:
 - Availability of guidelines, precedents, other references and assistance from others
 - Intensity and complexity of the mental processes to identify, define, and resolve problems/issues

The thinking, processing, analysing or ‘throughput’ of a job

THINKING ENVIRONMENT FREEDOM TO THINK (PS: 1 OF 2)

- The context for the problem solving challenges.
 - Think of it in terms of guidance for thought and what defines the problem
 - Horizons expand in relation to size, complexity and clarity of problems



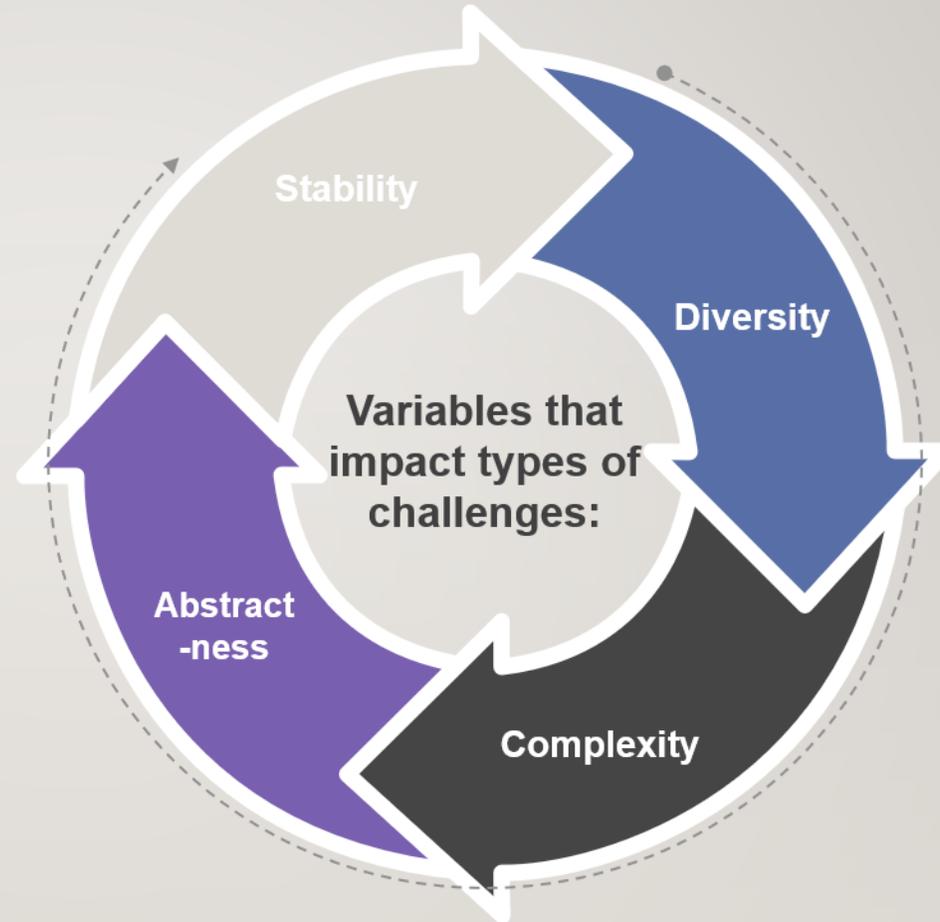
THINKING CHALLENGE (2 OF 2)

Concerned with the type of thinking
predominantly used

The mental process used to resolve
the problem (ranges from rote/instinct
to deliberation/contemplation)

What is the required degree of creativity
or original thought?

Challenge increases when
variables constantly change...



PROBLEM SOLVING PERCENTAGES

PS%	Interpretation	Examples
87	Global enterprise leadership	CEO of a major, complex, global businesses
76	Enterprise leadership	CEO of large, complex business
66	Strategy formation; explore	CEO of complex business with a local focus General Manager/Vice President of major business unit or key corporate function
57	Strategic alignment; create	CEO of a small business or a public organization with a stable and limited assignment. Strategic direction of a Function or Operation
50	Strategic implementation; invent	Strategic impact, functional policy
43	Tactical implementation; innovate	Heavy tactical or light strategic
38	Operational implementation; optimise	Broad operational; strong functional. Experienced professional
33	Procedural improvement; adapt	Operational or functional advisory. Heavy supervisory or technical professional
29	Process efficiency; apply	Junior operational/junior advisory. Supervisor or junior professional
25	Process expert	Broad administration. Light supervisory or heavy clerical
22	Process specialist	Basic administration. Clerical with some reasoning
19	Process operator	Light administration. Some element of initiative
16	Task performance	Data input. Fairly routine procedures
<14	Routine work	Basic clerical or manual. Very low degree of mental demands



Accountability



ACCOUNTABILITY

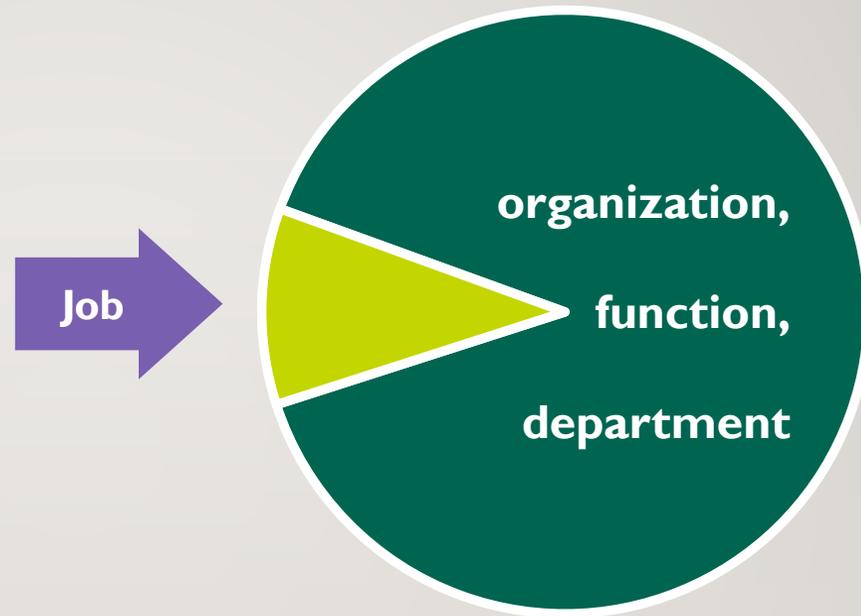
- All jobs exist to achieve results: accountability measures the output of the jobs and the importance of that output to the organization
- Accountability is concerned with the following:
 - Decision-making authority
 - The answerability for an action and for its consequences
 - The measured effect the position has on end results
- Assume expected outcomes – not ‘worst case scenario’ nor consequence of error

The accountability or ‘output’ of a job

MAGNITUDE AND IMPACT (2 OF 2)

Gauges how much of the organization, department or functional area is affected by accomplishment of the role's basic purpose and the nature of that impact (direct or indirect)

i.e. why the job exists





Quality Assurance

QUALITY CHECKS AND PROCESS

Quality checks and process

- ✓ Profiles
- ✓ Technical consistency
- ✓ Hierarchical consistency
- ✓ Step difference analysis
- ✓ Sorethumbing