

August 29, 2010

Dear Band Members;

I am writing this letter to address the current financial situation that the band is currently experiencing. First of all, we are not in third party. The TD bank has written a letter documenting that the Kinistin Band is in good financial standing. Cash flow problems have arisen due to lack of communication and listening skills and the Chief and Council have taken action by implementing corrective measures to ensure financial responsibility and accountability by Chief and Council, Program Managers, Band employees, and Band membership. In our decision to be transparent and accountable, we, as a council, decided to inform membership of the temporary Cash Flow problem in a public manner. This has created a negative response and detrimental lateral violence (gossip) within the community by individuals and band members.

In recent months, Program Managers, Chief and Council, and Band membership were made aware and warned of limited cash flow by the Chief Financial Officer, **Estelle Lavis**. Issues such as lack of financial reporting, unbudgeted expenditures, overutilization of purchase orders, and spending of funds not yet received, contributed to this problem.

Chief and Council, Band employees, Band Membership, and the Chief Financial Officer have a responsibility to ensure that fiscal and financial accountability is not compromised. This responsibility was not prioritized and this cash flow problem could have been avoided.

A plan of action has been put in place with a **restructuring team** which consists of Chief and Council, the Chief Financial Officer, a Chief Operating Officer and Program Managers who are mandated to reaffirm how essential ownership, accountability, and responsibility are crucial in moving forward from this challenge, and preventing another situation such as this.

The restructuring team will address issues such as the flow of communication between Chief and Council, the Chief Financial Officer, the Chief Operating Officer and Program Managers. Unauthorized absenteeism of Band employees, poor work ethics, and lack of training, which hinder team morale, will be dealt with by this team. The restructuring team will also institute a review and re-organization of current financial practices that will ensure adherence to financial accountability of day to day operations.

Program managers are expected to adhere to budgeted expenditures and responsible financial accountability consistently, and this will continue to be a priority. Communication and active listening must be utilized more effectively to ensure that everyone understands what accountability and transparency means.

In the next three months, September, October, and November 2010, expenditures will be extensively reviewed, scrutinized, and monitored to ensure that everyone is accountable and adhering to their budget.

Thank you for your time and patience.
Chief Peter Nippi