Election Compliance Audit Committee

DRAFT Minutes 4

Tuesday, 28 July 2015
10:30 a.m.

Champlain Room, 110 Laurier Avenue West

Notes:
1. Please note that these Minutes are to be considered DRAFT until confirmed by Committee.
2. Underlining indicates a new or amended recommendation approved by Committee.

Present: Chair: J.P. Kingsley
Vice-Chair: D. Wallace
Members: C. Bédard, L Russell, J. Vézina

Others: B. Duchesne, Committee Legal Counsel
L. Donnelly, Deputy City Clerk
C. Bergeron, Manger, Elections
J. Monfils, Committee Coordinator

DECLARATION OF INTEREST

There were no declarations of conflict of interest.

CONFIRMATION OF MINUTES

Minutes 3 - July 15, 2015

Member Wallace submitted a correction to the minutes. The minutes were then
presented to the Committee and CONFIRMED, as amended.

CITY MANAGER

CITY CLERK AND SOLICITOR

1. APPOINTMENT OF AUDITOR FOR ELECTION COMPLIANCE AUDITS

ACS2015-CMR-CCB-0093 CITY WIDE

REPORT RECOMMENDATIONS

That the Election Compliance Audit Committee:

1. Approve the appointment of Raymond Chabot Grant Thornton to conduct a compliance audit of the election campaign finances for the 2014 Municipal Election campaign of Candidate Mark Taylor, Bay Ward and Candidate Eli El-Chantiry, West Carleton-March Ward as outlined in this report; and

2. Delegate the authority to finalize the contract and audit program to the City Clerk and Solicitor and the Deputy City Clerk, individually (or a designate of either), in consultation with the Committee’s legal counsel, as outlined in this report.

In response to a question from Member Bédard, Ms. Leslie Donnelly, Deputy City Clerk, explained that the project authority in the proposal before the Committee is the City Clerk and Solicitor and herself as the Deputy City Clerk.

Member Vézina asked if the Committee could provide input in regard to the broadening of the scope of the auditor’s detailed procedures. Ms. Donnelly replied that the focus was on the compliance audit in accordance with the legislation and the Committee may provide specific direction in this regard. Member Vézina commented that the proposal has a narrow scope as opposed to provisions provided in the Municipal Elections Act. Ms. Donnelly replied that the preliminary meetings with the Committee approved auditor will help them fully understand both the Municipal Elections Act and the powers provided under the Public Inquiries Act. It is the City’s intent to provide the proponent
with the Candidate’s guide with the relevant aspects of the legislation. Ms. Donnelly added that the City’s Auditor General has agreed to provide technical assistance and advice to the appointed auditors. The Auditor General indicated that municipal election compliance audits is an area where there is not a lot of corporate experience across the province, therefore the initial steps will be critical. The recommended proponent has shown direct experience with compliance audits.

Member Russell provided direction to staff to include the accurate completion of the candidate’s final financial report and references to the issues that were brought forward to the committee for granting the audits, in the proponent’s detailed procedures.

Member Wallace asked if the recommended auditor had experience with similar projects. Ms. Donnelly replied that the auditor had experience and it is the reason why they have been recommended for appointment. The proposal included the résumés of the individuals who will be conducting the audits and outlined the auditor’s clear broad based experience with compliance auditing. In conversations with experts at the City, there is comfort that the recommended proponent can perform the required work.

In response to Chair Kingsley’s question on the firms past experience, Ms. Donnelly explained that the recommended firm has recently completed a compliance audit for Elections Canada in January and February, and that each of the individuals listed in the proposal have done compliance audits against legislation as well as against contracts.

Chair Kingsley asked who at the City reviewed the bids and if any submitters were disqualified due to potential conflicts. Ms. Donnelly replied that the call up proposal was sent to eight of the twelve firms on the City’s auditor standing offer list. Of the four firms that did not receive the call up, three had done work for candidates in the municipal election and the fourth deals specifically with technical engineering. Of the eight firms to which the call up was sent, four firms declined to submit a proposal, two firms did not respond, and two firms submitted a proposal. Ken Hughes, the City’s Auditor General; Ms. Melanie Jackson, Officer, Research; Benoit Duchesne, the Committee’s external Legal Counsel; and Leslie Donnelly, Deputy City Clerk, reviewed the proposals.

The Chair asked under what circumstances a forensic accountant would have to be brought in. Ms. Donnelly explained that typically a forensic accountant comes in if there is a sense of deliberate wrong doing. The City would then take advice from the Committee’s legal counsel to set guidelines for the use of a forensic accountant.

Following the discussion, the report recommendations were put to the Committee.
Motion No. ECAC 4 / 1

Moved by Member D. Wallace

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CARRIED

Direction to Staff

That staff be directed to ensure that the scope of the compliance audit workplan of the compliance audits include the following:

1. An examination of the financial statements in light of all of the relevant provisions of the Municipal Elections Act, 1996 that deal with the candidate’s obligations with respect to election financing, including the accurate filing of a Candidate’s financial statement; and

2. Explicit reference in the audit report to the issues raised within the applications for the compliance audits.
ADJOURNMENT

Meeting adjourned at 10:51a.m.

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Committee Coordinator          Chair