

## **Joint Compliance Audit Committee Terms of Reference**

The Participating Municipalities will recruit and select Committee members jointly. In the event a Participating Municipality receives an application for a compliance audit, that municipality will be solely responsible for meeting administration and covering all costs associated with the Committee, including audits, if required.

### **1. Definitions**

“Act” means the Municipal Elections Act, 1996, S.O. 1996, c. 32, as amended from time to time.

“Applicant” means the individual who submitted the application requesting a Compliance Audit.

“Auditor” means a person appointed by the Committee, licensed under the *Public Accounting Act, 2004*, to conduct a Compliance Audit of a Candidate's election campaign finances pursuant to Section 81 (7) of the Act.

“Auditor's Report” means a report prepared by an auditor for the Committee pursuant to Section 81(9) of the Act.

“Candidate” means the candidate whose election campaign finances are the subject of an application for a Compliance Audit.

“Clerk” means, as the context provides, the Clerk of any of the Participating Municipalities, or his or her designate.

“Committee” means the Joint Compliance Audit Committee established pursuant to Section 81.1(1) of the Act.

“Compliance Audit” means an audit of a Candidate's election campaign finances conducted by an Auditor appointed by the Committee.

“Council” means, as the context provides, the Council of any of the Participating Municipalities.

“Family Member” means a parent, spouse, or child of a Committee member, as defined in the Municipal Conflict of Interest Act, and shall also include a grandparent, grandchild, brother, sister, uncle, aunt, nephew or niece, whether related by blood, marriage or adoption.

“Halton Region” means The Regional Municipality of Halton.

“Meeting” means a meeting of the Committee.

“Municipal Conflict of Interest Act” means the *Municipal Conflict of Interest Act*, R.S.O. 1990, c. M.50, as amended from time to time.

“Participating Municipalities” means those municipalities participating in the joint compliance audit committee process.

“Pecuniary Interest” means a direct or indirect interest within the meaning of the Municipal Conflict of Interest Act.

“Regional Clerk” means the Clerk of Halton Region.

“Selection Committee” means the committee, composed of the Clerks of the Participating Municipalities that will choose the members of the Committee.

## **2. Enabling Legislation**

Section 81.1 of the Act requires that before October 1st in an election year, Council establish a compliance audit committee for the purposes of Section 81 of the said Act relative to a possible contravention of the Act’s election campaign finance provisions.

## **3. Mandate**

An elector who is entitled to vote in an election and believes on reasonable grounds that a Candidate has contravened a provision of the Act relating to election campaign finances may apply for a Compliance Audit of the Candidate’s election campaign finances.

The mandate of the Committee is to fulfill the provisions of Sections 81 and 81.1 of the Act.

## **4. Roles and Responsibilities**

The Committee shall:

	<b>Timeline/Section of the Act</b>
Consider Compliance Audit applications and decide whether they should be granted or rejected.	Within 30 days after receipt of the application - s. 81(5)

If an application is granted, appoint an Auditor to conduct a Compliance Audit of the Candidate's election campaign finances.	s. 81(7) and (8)
Receive the Auditor's Report.	s. 81(11)
Once the Auditor's Report is received, consider the Report and decide whether: (i) a legal proceeding should be commenced against the Candidate; (ii) there were reasonable grounds for the application.	Within 30 days of receipt of the Auditor's Report - s. 81(14)
<p>In addition, the Committee shall:</p> <ul style="list-style-type: none"> <li>- Participate in the selection of an Auditor in response to the request for proposal prepared by staff from the Participating Municipalities;</li> <li>- Provide instructions to the selected Auditor about the scope of each Compliance Audit as needed;</li> <li>- Determine a timeline for the Auditor to complete each Compliance Audit.</li> </ul>	

## 5. Term

The term of the appointment is concurrent with the term of Council. Upon the term's expiry, Committee members may reapply to the Selection Committee to serve additional terms.

## 6. Composition

The Committee shall be composed of five (5) members and shall not include:

- (a) employees or officers of the Participating Municipalities;
- (b) members of Council of the Participating Municipalities;
- (c) any persons who are candidates in the election for which the Committee is established, or Family Members of same, or any person connected to a candidate through an employment, contractual, business or partnership relationship;
- (d) any persons who have participated as a candidate for an office in the Participating Municipalities or run for Regional Chair in the past two regular elections, or who have conducted audits or provided financial advice in respect of such campaigns;

- (e) any persons who do or intend to assist any candidate, as a volunteer or for compensation, in the election for which the Committee is established.

## **7. Selection of Members**

Information pertaining to the Committee, including the terms of reference and an application for appointment to the Committee will be posted on the websites of the Participating Municipalities.

Committee membership will be drawn from the following groups:

- accounting and audit – accountants or auditors, preferably with experience in preparing or auditing the financial statements of municipal candidates;
- academic – college or university professors with expertise in political science or local government administration;
- legal; and
- other individuals with knowledge of the campaign financing provisions of the Act.

Committee members will be selected on the basis of the following criteria:

- demonstrated knowledge and understanding of the Act's municipal election campaign financing provisions;
- proven analytical and decision-making skills;
- experience working on a committee, task force or in a similar setting;
- availability and willingness to attend meetings; and
- demonstrated oral and written communication skills.

The Regional Clerk will post an advertisement for Committee membership in local newspapers, and written requests will be made to the Institute of Chartered Accountants of Ontario, the Law Society of Upper Canada, area universities and colleges.

All applicants will be required to submit an application form outlining their qualifications and experience to the Regional Clerk by a specified deadline. After the deadline has passed, the Selection Committee will meet to review the applications, and appoint Committee members.

To avoid possible conflicts of interest, any auditor or accountant appointed to the Committee must agree in writing not to undertake the audits or preparation of financial statements of any candidates seeking election to Councils in the Participating Municipalities during the term of the Committee.

## **8. Notice**

Posting of the Committee meeting agenda on the website of the Participating Municipality requiring the services of the Committee shall constitute notice of a Committee meeting.

The Clerk shall give notice of a Committee meeting to the Committee by email, telephone or by regular mail.

Where an application will be considered at the meeting, the Clerk shall give reasonable notice by email, telephone or by regular mail to the Applicant and Candidate of the time, place and purpose of the Committee meeting, and of the fact that if either party fails to attend the meeting, the Committee may proceed in the party's absence and the party will not be entitled to further notice concerning the meeting.

## **9. Meetings**

The Clerk shall call a meeting of the Committee when he or she receives an application for a Compliance Audit. The Applicant and the Candidate will be provided with an opportunity to address the Committee and provide written submissions.

Meeting dates, start times and locations shall be set by the Clerk.

Committee meetings will be conducted in accordance with the open meeting provisions of the *Municipal Act, 2001* and the administrative practices and procedures developed by the Clerks.

## **10. Quorum**

A quorum shall be three (3) Committee members.

If a quorum is not present within fifteen (15) minutes of the time fixed for the commencement of the meeting, the Committee meeting will be rescheduled to a future date.

## **11. Duties of the Chair**

The Chair shall:\_\_\_\_\_

- (i) call Committee meetings to order when there is a Quorum, preside over Committee discussions, facilitate Committee business, follow meeting procedures, identify the order of proceedings and speakers and rule on points of order.
- (ii) participate as an active member, encouraging participation by all members.

The Chair is permitted to provide brief comments during discussion, make motions and vote on all matters.

If the Chair is not present within the first ten minutes of a Committee meeting or is absent through illness or otherwise, the Committee shall select another member as Acting Chair. While presiding, the Acting Chair shall have all the powers of the Chair. Selection of the Acting Chair will be made by resolution.

## **12. Duties of Committee Members**

The duties of Committee members are as follows:

- (i) attend all Committee meetings, sending regrets otherwise.
- (ii) understand their role, the Committee's mandate and meeting procedures.
- (iii) declare any pecuniary interest in any matter prior to consideration by the Committee and refrain from discussion and voting on the matter. If the declaration relates to a matter being discussed during a closed portion of the meeting, the member must leave the meeting during all discussion on the matter.
- (iv) where the pecuniary interest of a member has not been disclosed by reason of the member's absence from the meeting, the member shall disclose the pecuniary interest and otherwise comply with subsection (iii) at the first meeting of the Committee attended by the member after the meeting referred to in subsection (iii).
- (v) participate as an active and voting member, asking questions, and seeking clarification through the Chair.
- (vi) develop and maintain a climate of mutual support, trust, courtesy and respect.
- (vii) work together to utilize the knowledge, expertise and talents of all members.
- (viii) respect the decisions of the Committee and that such decisions reflect the majority view.

## **13. Motions**

All motions must be introduced by a mover before the Chair can put the motion on the floor for consideration. A seconder is not required.

After a motion is properly moved, it shall be deemed to be in the possession of the Committee, but may be withdrawn by the mover at any time before a vote with the consent of the Committee.

The number of times a member may speak on a motion shall not be limited.

A member shall not be restricted to asking questions only of the previous speaker but the question must relate directly to the matter under discussion.

A motion to move a previous motion shall not be allowed.

Any member may require the motion under discussion to be read at any time, but not so as to interrupt a member while speaking.

When a motion is under consideration, no motion shall be received other than a motion to:

- (i) Adjourn, which motion is neither amendable nor debatable;
- (ii) Defer action;
- (iii) Amend.

Only one amendment at a time can be presented to the main motion.

Only one amendment can be presented to an amendment, but when the amendment to the amendment has been disposed of, another amendment may be introduced, and when that amendment has been decided, another may be introduced.

The amendment to the amendment, if any, shall be voted on first, then if no other amendment is presented, the amendment shall be voted on next, then if no other amendment is introduced, the main motion, or if any amendment has carried, the main motion as amended, shall be put to a vote.

Nothing in this section shall prevent other proposed amendments being read for the information of the members.

When the motion under consideration contains distinct propositions, upon the request of any member, the vote upon each proposition shall be taken separately.

After the Chair commences to take a vote, no member shall speak to or present another motion until the vote has been taken on such motion, amendment or sub-amendment.

After any matter has been decided by the Committee, any member may move for reconsideration at the same meeting, but no discussion of the motion that has been decided shall be allowed until the motion for reconsideration has carried.

All motions not disposed of shall be placed on the agenda for the next meeting of the Committee, subject to any deadlines imposed by the Act.

#### **14. Voting**

When an issue arises, the Committee will attempt to reach a consensus on how the Committee should resolve the issue.

If a consensus cannot be attained, a motion before the Committee will be put to a vote and each Committee member will be entitled to one vote.

A motion shall be deemed to be carried when a majority of the members present and voting have expressed agreement with the motion. Consequently, on a tie vote, the motion is lost.

Recorded votes are not permitted.

#### **15. Selection of an Auditor**

Committee members will participate in the selection of an Auditor in response to a request for proposal prepared by staff.

#### **16. Resources**

The Clerk will provide administrative support to the Committee, including the taking of minutes, the distribution of minutes and agendas, and the coordination of meetings.

#### **17. Committee Records**

The Clerk will co-ordinate and retain Committee records including agendas and minutes.

#### **18. Declaration of Interest**

Legislated requirements as set out in the Municipal Conflict of Interest Act shall apply to all Committee members. It is the responsibility of each member to disclose any pecuniary interest prior to discussion of a particular matter. Members are encouraged to seek independent legal advice if they are unsure of whether or not they have a pecuniary interest in a matter. Staff from the Participating Municipalities will not provide advice or interpretation related to declarations.

#### **19. Compensation**

Committee members shall receive a per diem of \$80 for attendance at each meeting, plus

mileage at the current rate of the Participating Municipality requiring the services of the Committee.

**20. Practices and Procedures**

The Clerks shall establish administrative practices and procedures for the Committee and shall carry out any other duties required under the Act to implement the Committee's decisions.