



Staff Report for Committee of the Whole Meeting

Date of Meeting: September 17, 2018

Report Number: SRCFS.18.044

Department: Corporate and Financial Services

Division: Office of the Clerk

Subject: Council Members' Events Compliance Audit

Purpose:

To provide the results of the Council Members' events compliance audit, and to recommend the development of a policy for Council Members' events based on the recommendations in the auditor's report.

Recommendation(s):

- a) That the August 2018 report of auditor Brook Laker and Associates titled "Town of Richmond Hill Councillor Event Compliance Audit" be received.
- b) That a policy for Council Members' events, that addresses the recommendations in the compliance audit report, be presented at a future Committee of the Whole meeting.

Contact Person:

David Dexter, Director, Financial Services/Treasurer, extension 3656.

Stephen M.A. Huycke, Director, Legislative Services/Town Clerk, extension 2529.

Report Approval:

Submitted by: Mary-Anne Dempster, Commissioner of Corporate and Financial Services

Approved by: Neil Garbe, Chief Administrative Officer

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), Town Solicitor (as required), Commissioner, and Chief Administrative Officer. Details of the reports approval are attached.

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Background:

On June 12, 2018, Council adopted the following recommendation:

- “a) That staff be directed, through the internal audit services of York Region, to have a compliance audit conducted on Council Member events;
- b) That a budget of \$35,000 be established from the tax rate stabilization reserve;
- c) That elected officials must sign an authorization for all expenditures related to their accounts, with the approval of the expenditures designated to the Deputy Clerk, Clerk, or Treasurer; and
- d) That a policy be developed for Council Member Events, for the beginning of the new term of Council, that is consistent with the Members of Council Expense Policy including:
 - (i) Eligible expenditures;
 - (ii) Appropriate signing and approval authorities; and
 - (iii) Regular on-line reporting on the Town’s website.”

Brook Laker and Associates (the “auditor”) were retained by the Town to complete a compliance audit of Council Members’ events. The compliance audit was conducted during July and August 2018. The audit included reviewing records associated with fourteen Council Members’ events held in 2017, as well as discussions with key stakeholders (for example, the Community Liaison Coordinator). A copy of the auditor’s compliance report is attached as Attachment A. The report makes several recommendations on improving the administration and oversight of Council Members’ events.

Council has previously directed staff to develop a Council Members’ events policy that is consistent with the Members of Council Expense Policy, including rules related to eligible expenditure, appropriate signing authority and on-line reporting. In addition, Council’s current direction, staff will prepare a draft policy that addresses the recommendations in the auditor’s report. It is expected that a draft policy will be presented to Council prior to the end of 2018.

Financial/Staffing/Other Implications:

There are no financial implications from receiving the auditor report in respect to Council Members’ events.

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Relationship to the Strategic Plan:

The compliance audit of Council Members' events is consistent with the Strategic Plan goal of Wise Management of Resources. The development of a policy for Council Member events is consistent with the Strategic Plan goals of Stronger Connections in Richmond Hill and a More Vibrant Richmond Hill. Council Members' events help build stronger connections between Members of Council and residents, as well as making the Town a more vibrant place to live.

Conclusion:

Council has requested a compliance audit of Council Members' events. Brook Laker and Associates completed a compliance audit of fourteen 2017 events held in 2017. The auditor's report includes many recommendations for the development of a policy for Council Members' events.

Attachments:

The following attached documents may include scanned images of appendixes, maps and photographs. If you require an alternative format please call contact person listed in this document.

- Attachment A – Report of Brook Laker and Associates titled “Town of Richmond Hill Councillor Event Compliance Audit – August 2018”

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Report Approval Details

Document Title:	SRCFS.18.044 - Council Members' Events Compliance Audit.docx
Attachments:	- SRCFS.18.044 - Attachment A - Richmond Hill Event Compliance Audit Final Report Aug 29.pdf
Final Approval Date:	Sep 4, 2018

This report and all of its attachments were approved and signed as outlined below:

David Dexter - Aug 31, 2018 - 3:34 PM

MaryAnne Dempster - Sep 4, 2018 - 9:16 AM

Neil Garbe - Sep 4, 2018 - 9:23 AM