

AUDIT AND OPERATIONAL REVIEW COMMITTEE MEETING – JUNE 2, 2010

COUNCIL MEMBER EXPENSE POLICY UPDATE

Recommendation

The City Auditor recommends:

That this report be received for information purposes.

Contribution to Sustainability

Not applicable.

Economic Impact

There is no economic impact.

Communications Plan

Not applicable.

Purpose

The Council Member Expense Policy has been in operation since February 1, 2010. This report is to provide an update on the City Auditor's ongoing review of expense submissions (with supporting documentation) by Council Members' Executive Assistants of Council Members' expenses.

Background - Analysis and Options

The original Council Member Expense Policy was approved by Council on December 14, 2009.

Refinements were made to the Policy as a result of training sessions held in January 2010 and Audit and Operational Review Committee meetings held on February 1, 3, 16 and 18, 2010 and Committee of the Whole meeting on February 23, 2010.

On March 9, 2010 Council approved the Council Member Expense Policy to be effective from February 1, 2010.

The City Auditor was assigned the task of reviewing and ensuring compliance with the Council Member Expense Policy before forwarding the expense documentation to the Finance Department for payment.

From the City Auditor's observations to-date:

- The most common expenses are Cellular Phones and Community Event Tickets.
- The next most common expenses are Community Gifts and Promotions.
- Then there were a few Stationery and Highway Toll expenses.
- This is followed by an occasional Advertising, Community Expense-Hosting Event, Newsletter expenses.

Initially, as expected, there was a steep learning curve and a number of expense submissions were returned back to the Council Members' Executive Assistants. This was because signatures, charitable/not-for-profit numbers, CSO status and/or more documentation were required, or there

was an incorrect coding, or the split of taxes(GST, PST) and their allocation were incorrect. As of July 1, 2010, the split of taxes will not be an issue as there will be only one HST tax.

Due to the variety of expenses and documentation submitted, it became clear that that certain sections of the approved Policy should be refined for further clarity, less ambiguity and better understanding. The City Auditor will make the appropriate refinements to the Policy which will be brought forward at a later date for review, discussion and approval.

After 4 months in progress, the Executive Assistants are more aware of the expectations and requirements and have a more informed grasp of the new Policy. As a result, there are less errors, less omissions, and less submissions are returned back to them for re-work.

Relationship to Vaughan Vision 2020

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Regional Implications

Not applicable

Conclusion

The Council Member Expense Policy has been in effect since February 1, 2010. There was an initial big learning curve for all concerned. Expectations of the Policy are now clearer and more understood by all. There are now less errors and less expense submissions are being returned to Executive Assistants of Council Members for re-work. There is improvement over time and this will continue. The Policy needs further refinement for improved clarity and understanding and this is being updated. The refined Policy will be presented to the Audit and Operational Review Committee in a few months' time.

Attachments

Not Applicable

Report prepared by:

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Respectfully submitted,

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City Auditor