

CITY OF VAUGHAN
REPORT NO. 1 OF THE
AUDIT AND OPERATIONAL REVIEW COMMITTEE

*For consideration by the Council
of the City of Vaughan
on June 15, 2009*

The Audit and Operational Review Committee met at 1:25 p.m., on June 1, 2009.

Present: Regional Councillor Gino Rosati, Chair
 Regional Councillor Mario F. Ferri
 Councillor Bernie Di Vona
 Councillor Sandra Yeung Racco

Also Present: Regional Councillor Joyce Frustaglio
 Councillor Tony Carella

The following items were dealt with:

**1 SUPPLEMENTAL REPORT REGARDING THE MAYOR'S
 CITY-RELATED EXPENSES FOR 2007**

The Audit and Operational Review Committee recommends:

- 1) That Clauses 1, 2 and 5 of the recommendation contained in the following report of the City Auditor, dated June 1, 2009, be approved;**
- 2) That Clauses 3 and 4 be referred to the City Auditor for a further report to be brought back to the Audit and Operational Review Committee; and**
- 3) That the following written submissions be received:**
 - a) Mr. Gino Ruffolo, 149 Fieldgate Drive, Vaughan, L6A 1K4, dated May 31, 2009; and**
 - b) Ms. Carrie Liddy, dated June 1, 2009.**

Recommendation

The City Auditor recommends:

1. That the original report (Report on the Mayor's City-related Expenses for 2007 dated December 3, 2008 (Attachment 1) be received;
2. That the Supplemental Report regarding the Mayor's City-Related Expenses for 2007 by the external auditing firm of Ernst & Young LLP (E&Y) be received;
3. That in response to recommendations 1, 2, 4, 8 in the E&Y Supplemental Report, "Policy 01.14" Council Budget Expenditure Policy:

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- i. Recommendation 1 – paragraph 4.1.6 be amended to include “fuel”
 - ii. Recommendation 2 – the summary page of the cellular phone bill indicating the cellular phone number and total charges relating to that phone number be submitted in support of the approved claim
 - iii. Recommendation 4 – the wording be clarified with respect to business meals to require both the original detailed restaurant invoice and the transaction slip submitted and that supporting documentation be expanded to include who attended and the business purpose
 - iv. Recommendation 8 – guiding principles be amended as follows: “2.10 – All Corporate and Council expenditures must be supported by appropriate documentation and original receipts.”
4. That the Audit and Operational Review Committee provide direction on the following Recommendations from page 2 of the Supplemental Report regarding the Mayor’s City-related expenses for 2007:
- i. Recommendation 5 Entertaining Staff Members and Spouses
 - ii. Recommendation 6 York Region expenses
 - iii. Recommendation 7 Mayor and Repayment of Cellular Telephone Amounts
 - iv. Recommendation 9 Appropriate Action to be taken for non-compliance
 - v. Recommendation 10 Consumption of Alcohol at City funded business meals
 - vi. Recommendation 11 Attendance of Spouses at City-funded events.
5. That appropriate Staff address recommendation 3 on page 2 of the Supplemental Report under the Code of Conduct for Municipal Employees.

2 CONTINUOUS IMPROVEMENT PROGRAM – STATUS UPDATE
(Referred Item)

The Audit and Operational Review Committee recommends:

- 1) That the recommendation contained in the following report of the Deputy City Manager/Commissioner of Finance & Corporate Services, dated December 5, 2008, be approved; and**
- 2) That the presentation by the Commissioner of Community Services and the Director of Parks Operations and Forestry, and presentation material entitled, “Vaughan Sidewalk Winter Clearing Program”, dated June 1, 2009, be received.**

Council, at its meeting of December 8, 2008, adopted the following Audit and Operational Review Committee recommendation (Item 2, Audit and Operational Review Committee Report No. 5):

That this matter be referred to the next Audit and Operational Review Committee meeting.

Report of the Deputy City Manager/Commissioner of Finance & Corporate Services, dated December 5, 2008

Recommendation

The Deputy City Manager/Commissioner of Finance & Corporate Services in consultation with the Commissioner of Community Services and the Commissioner of Legal & Administrative Services recommends:

That the following report be received for information purposes.

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CITY OF VAUGHAN COUNCIL EXPENSE DISCLOSURE POLICY

(Referred Item)

The Audit and Operational Review Committee recommends that this matter be referred to staff for a report.

Council, at its meeting of February 3, 2009, adopted the following Committee of the Whole recommendation (Item 17, Committee of the Whole, Report No. 2):

- 1) That the recommendation contained in the following report of Councillor Di Vona, Chair – Budget Committee, dated January 13, 2009, be approved; and
- 2) That the following be referred to the next Audit and Operational Review Committee:
 - 1) That the City of Vaughan make available on the City of Vaughan website, all expense reports and supporting backup for the Mayor and Members of Council and all Council Executive Assistants and Council support staff beginning with expense reporting of January 2009; and
 - 2) That the City Manager, in consultation with the appropriate staff, report to the Council meeting of February 3, 2009 on the implementation plan as to when these reports will be made available on the City website, and to submit a revised Council Expenditure Transaction Report to be placed on the website.

Report of Councillor Di Vona, dated January 13, 2009

Recommendation

Councillor Bernie Di Vona, Chair - Budget Committee recommends:

1. That the recommendations contained in the following report be approved;
2. That the City of Vaughan Information and Technology Department immediately make available on the City of Vaughan website “Council Expenditure Report” and the “Detailed Council Expenditure Transaction Report” (Attachment #1 & # 2) for Mayor & Members of Council; and
3. That the City of Vaughan forward this recommendation to the Province of Ontario for their consideration to amend the Municipal Disclosure Act to provide for more timely, relevant and detailed information to taxpayers.

4

**COMMUNICATION FROM MAYOR LINDA JACKSON – PROPOSAL FOR
AMENDMENTS TO CURRENT CITY OF VAUGHAN EXPENSE POLICIES FOR
COUNCIL AND STAFF**

(Referred Item)

The Audit and Operational Review Committee recommends that this matter be referred to staff for a report.

Council, at its meeting February 3, 2009, adopted the following Committee of the Whole (Working Session) recommendation (Item 4, Committee of the Whole (Working Session), Report No. 1):

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That the memorandum from Mayor Linda Jackson, dated January 12, 2009, be received and referred to the next Audit and Operational Review Committee meeting and that all Members of Council be notified when this matter is to be considered by the committee.

Attachment: Memorandum from Mayor Linda Jackson, dated January 12, 2009.

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

5 INFORMATION ON THE INTERNAL AUDIT OF THE VAUGHAN PUBLIC LIBRARIES

The Audit and Operational Review Committee recommends approval of the recommendation contained in the following report of the City Auditor, dated June 1, 2009:

Recommendation

The City Auditor recommends:

That the Audit and Operational Review Committee receive the information that the Internal Audit of the Vaughan Public Libraries was completed in October 2008; and that the Internal Audit Reports of The Vaughan Public Libraries (one Open and one Confidential) were presented to the Board of Directors of the Vaughan Public Libraries on October 16, 2008.

6 INFORMATION ON THE INTERNAL AUDIT OF PIERRE BERTON FURNITURE AND EQUIPMENT

The Audit and Operational Review Committee recommends approval of the recommendation contained in the following report of the City Auditor, dated June 1, 2009:

Recommendation

The City Auditor recommends:

That the Audit and Operational Review Committee receive the information that the Internal Audit of Pierre Berton Furniture and Equipment was completed in October 2008; and that the Internal Audit Report of Pierre Berton Furniture and Equipment was presented to the Board of Directors of the Vaughan Public Libraries on October 16, 2008.

The meeting adjourned at 3:50 p.m.

Respectfully submitted,

Regional Councillor Gino Rosati, Chair