

***For consideration by the Council
of the City of Vaughan
on March 9, 2010***

1

REPORT NO. 2 OF THE AUDIT AND OPERATIONAL REVIEW COMMITTEE
FOR CONSIDERATION BY COUNCIL, MARCH 9, 2010

- ii) 4.2 Finance Staff: insert:
 - Finance staff shall review submitted expense documentation and ensure the documentation is in accordance with policy prior to processing submitted expenses for payment;
- iii) 4.3 City Auditor : delete bullet 1 “Expense Review”;
- iv) 4.3 City Auditor, amend as follows:
 - Dispute Resolution and/or Exemption to the Policy: In the cases of uncertainty on the interpretation of any item in the Council Member Expense Policy or exemption to the Policy, the City Auditor should be consulted on the intended interpretation of the Council Member Expense Policy in question. If any dispute or exemption is not resolved the matter will be brought forward to the Audit and Operational Review Committee for a final ruling. In the meantime any disputed items will not be paid by the City;
- v) Advertising insert:
 - Eligible Expense /Council Member Budget
 - Advertising is permitted if it is related to the business of the City in all types of media of charitable/non-profit organizations with either (1) an address in Vaughan (2) holding the event in Vaughan or (3) providing services to Vaughan. The organization must either provide a registration number (charitable or non-profit) or must have Community Service Organization (CSO) status with the City of Vaughan.
 - Council Members must provide a copy of the organization’s letter/notice/flyer/e-mail to the Council Member or a copy of the print ad, as well as (1) proof of payment if seeking reimbursement or (2) supporting documentation if requesting a cheque from the City.
 - Advertising is provided under Council Corporate Budget on behalf of all Council Members.
Narrative: Council Members cannot place any advertising after June 30th in an election year;
- vi) Community Expense: (Donations to Community Groups): reword to state donations are not eligible under the Council Member Budget and delete narrative;
- vii) Community Expense: (Event Tickets): replace “York Region” where it appears in this section with “Vaughan”;
- viii) Community Expense: (Hosting Events by Council Member): In the first bullet under “Narrative” add the sentence, “In the event the Member of Council is raising funds, receiving donations or services-in-kind, the event or initiative must be authorized by Council”;
- ix) Office Decoration and Maintenance: replace the words “At the beginning of each term” in bullet one with “Once during the term”;
- x) Spousal/Companion Expenses: delete the narrative;
- xi) Stationary: insert “That toner cartridges be charged to Council Members budgets beyond normal allocation charged under Council Corporate Budget per calendar year”;
- xii) Mileage & Parking: increase the Council Members mileage allowance to \$980 per month; and

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- xiii) **That the Council Member Expense Policy include appropriate wording to be provided by staff to the effect that Members of Council not award work to family members;**
- 2) **That the Council Member Expense Policy incorporating the Audit and Operational Review Committee's recommendations of today, be forwarded to the Committee of the Whole meeting of February 23, 2010; and**
- 3) **That the following report of the City Auditor, dated February 1, 2010, be received;**

Council, at its meeting of February 5, 2010, adopted the following (Item 1, Report No. 1):

That the Council Member Expense Policy that was adopted by Council on December 14, 2009 be reconsidered;

That Clauses 1, 2, 4, 5 and 6 of the Audit and Operational Review Committee recommendation be approved; and

That the present Council Member Expense Policy, effective February 1, 2010, continue in effect until the Council meeting of March 9, 2010, at which time minor policy and administrative changes identified as both necessary and appropriate by Council shall be incorporated into the document.

Recommendation of the Audit and Operational Review Committee dated February 1, 2010

- 1) That the Council Member Expense Policy be reconsidered;
- 2) That this matter be deferred to a future Audit and Operational Review Committee meeting to be scheduled by the Chair;
- 3) That the present Council Member Expense Policy effective February 1, 2010, be held in abeyance until the Council meeting of March 9, 2010 and the previous policy be in effect until that time;
- 4) That the City Manager, the Integrity Commissioner, the City Auditor, and appropriate staff review the policies in place with the Audit and Operational Review Committee at a future meeting and provide a report to the Committee of the Whole meeting of February 23, 2010;
- 5) That the memoranda from the City Auditor, dated February 1 and 3, 2010, be received; and
- 6) That the deputation of Mr. Richard Lorello, and written submission, dated February 3, 2010, be received.

Report of the City Auditor dated February 1, 2010

Recommendation

The City Auditor recommends:

- 1. That the Council Member Expense Policy that was adopted by Council on December 14, 2009 be reconsidered for further refinement and amendments; and

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2. That the attached Council Member Expense Policy which incorporates the proposed changes be approved.

Please refer to Audit and Operational Review Committee, Item 1, Report No. 3, and Committee of the Whole, Item 26, Report No. 9, for further disposition regarding this matter.

2 REPORT ON COMMUNITY EXPENSE – HOSTING EVENTS BY COUNCIL MEMBERS
(Deferred Item)

The Audit and Operational Review Committee recommends that the following report of the Integrity Commissioner, dated January 12, 2010, be received:

Council, at its meeting of February 5, 2010, adopted the following (Item 2, Report No. 1):

That this matter be deferred to a future Audit and Operational Review Committee meeting.

Council, at its meeting of January 26, 2010, adopted the following (Item 25, Report No. 1):

- 1) That this matter be referred to the Audit and Operational Review Committee; and
- 2) That the written submission submitted by Regional Councillor Rosati, dated January 12, 2010, be received.

Report of the Integrity Commissioner dated January 12, 2010

Recommendation

The Integrity Commissioner recommends to Council that there are no amendments required to be made to the Council Member Expense Policy, section titled "Community Expense (Hosting Events by Council Member) approved by Council on December 14, 2009.

The meeting adjourned at 5:40 p.m.

Respectfully submitted,

Regional Councillor Gino Rosati, Chair