

COMMITTEE OF THE WHOLE JANUARY 12, 2010

REPORT ON COMMUNITY EXPENSE – HOSTING EVENTS BY COUNCIL MEMBERS

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.

Contribution to Sustainability

N/A

Economic Impact

N/A

Communications Plan

N/A

Purpose

At the December 14, 2009 Council meeting, the Council Member Expense Policy was approved with the exception of the part entitled “Community Expense: (Hosting events by Council Member)”. A motion of City Council stated:

That Attachment 1, Council Member Expense Policy, contained in the memorandum from the City Auditor, dated December 14, 2009, be approved, subject to the section titled ‘Community Expense (Hosting events by Council Member’ being deferred to the Committee of the Whole meeting of January 12, 2010, for a report from the Integrity Commissioner in consultation with the City Auditor, addressing the concerns raised.”

Background - Analysis and Options

Any donations cheques received by a Member of Council in relation to a Community Event should go directly to the event or organizing body or shall be made out to the City of Vaughan, if the Event relates to a Council approved City initiative.

If a Member of Council receives monies (i.e. nominal amounts to purchase coffee or other refreshments for a town hall meeting-type of event, the Member must follow Rule 2 (1) of the Code of Ethical Conduct which outlines exceptions to the gifts and benefits rule. Members are reminded that they are strongly encouraged to list all gifts and benefits they receive, however, in the case of categories (b), (e), (f), (g), (h) and (i) of Rule 2 (1), where the value of the gift or benefit exceeds \$500, or if the total value received from any one source during the course of a calendar year exceeds \$500, the Member shall within 30 days of receipt of the gift or reaching the annual limit, list the gift or benefit on a Councillor information statement.

Relationship to Vaughan Vision 2020/Strategic Plan

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved. However, the recommendations are adopted, training on management of confidential City documents may impact allocated resources.

Regional Implications

There are no Regional implications to the recommendations contained in this report.

Attachments

Appendix A- Integrity Commissioner's Memorandum
Appendix B – Community Expense: (Hosting Events by Council Member)

Report prepared by:

Suzanne Craig
Integrity Commissioner

Respectfully submitted,

Suzanne Craig
Integrity Commissioner

Appendix A

Date: December 15, 2009

To: Mayor and Members of Council

From: Suzanne Craig, Integrity Commissioner

Re: Councillor Expense Policy – approved December 14, 2009

At the December 10th Audit and Operational Review Committee, the Draft Council Member Expense Policy was considered. Committee sought clarification from the Integrity Commissioner on whether the section entitled, “Community Expense: (Hosting events by Council Member)”, referred to on page 13 of the policy, and included as an eligible expense out of the Council member budget, is in compliance with the Code of Ethical Conduct.

This Policy was approved at the December 14th Council meeting, with the exception of the part entitled “Community Expense: (Hosting events by Council Member)”. A motion of City Council stated the following:

“That Attachment 1, Council Member Expense Policy, contained in the memorandum from the City Auditor, dated December 14, 2009, be approved, subject to the section titled ‘Community Expense (Hosting Events by Council Member)’ being deferred to the Committee of the Whole meeting on January 12, 2010, for a report from the Integrity Commissioner in consultation with the City Auditor, addressing the concerns raised.”

The City Auditor had previously forwarded a copy of the first draft of the Council Member Expense Policy to me for review. I had provided the City Auditor with my comments and suggested changes. I had no further recommendations and I advised that the draft Council Member Expense Policy was in compliance with the Code of Ethical Conduct.

As per the direction of Council contained in the motion of December 14, 2009, I met with the City Auditor on December 15, 2009 and went over the most recent version of the Expense Policy. The outcome of my consultation with the City Auditor is that I find the Council Member Expense Policy to be in compliance with the Code of Ethical Conduct.

Relevant Sections of the Code of Ethical Conduct for Members of Council

Rule 2 (3) of the Code of Ethical Conduct states that :

This Code recognizes that as community leaders, Members of Council may lend their support to and encourage, community donations to registered charitable and not for profit groups. Monies raised through fundraising efforts shall go directly to the groups or volunteers and chapters acting as local organizers of the group...

In particular, Rule 2(3) contains the following requirements:

- (a) Members of Council should not directly or indirectly manage or control any monies received relating to charitable organization's fundraising.
- (c) With reference to Member-Organized Community Events, Members of Council must report to the Integrity Commissioner, the names of all donors and the value of their donation that supplements the event.
- (d) Where a Member of Council sponsors and/or lends support to a charitable organization's event, this Code recognizes that all donations are subject to the Code of Ethical Conduct.
- (e) No donation cheques should be made out to a Member of Council.

Further, the Rule 2(3) states that nothing included in the rule affects the entitlement of a Member of Council to:

- i. use her or his office expense budget to run or support community events subject to the terms of the Councillor Expense Policy section relating to Community Expense Events.

Any donations cheques received by a Member of Council in relation to Community Events should do directly to the event or organizing body or shall be made out to the City of Vaughan. If a Member of Council receives monies (i.e. nominal amounts to purchase coffee or other refreshments for a town hall meeting, the Member must follow Rule 2(1) which outlines exceptions to gifts and benefits rule. Members are reminded that they are strongly encouraged to list all gifts and benefits they receive, however, in the case of categories (b), (e), (f), (g), (h) and (i) of Rule 2(1), where the value of the gift or benefit exceeds \$500, or if the total value received from any one source during the course of a calendar year exceeds \$500, the member **shall** within 30 days of receipt of the gift or reaching the annual limit, list the gift or benefit on a Councillor information statement.

Based on the comments that I had previously provided to the City Auditor and my review of the Council Member Expense Policy approved by Council on December 14th, I find that the section titled “Community Expense (Hosting Events by Council Member) of the Council Member Expense Policy is in compliance with the Code of Ethical Conduct.

Respectfully submitted,

Suzanne Craig
Integrity Commissioner

Appendix B

<p>Community Expense: (Hosting Events by Council Member)</p>	<p><u>Eligible Expense (Council Member Budget):</u></p> <ul style="list-style-type: none"> • Costs directly associated with hosting an event • Total costs limited to \$1500 maximum per event. Example: Space rental fees or permit fees, venue decorations and set-up, miscellaneous supplies, equipment rental, including stage, chairs, tables, sound systems, a/v equipment etc. • <u>To be eligible, proof is required of Council Member hosting the event e.g name on flyer, name as co-sponsor of event.</u> <p><u>Ineligible Expense:</u></p> <ul style="list-style-type: none"> • Payment to City staff of other departments to organize event. • Event costs (as above) for an event organized entirely by a third party <i>with no direct Council Member participation.</i> • Council Member Events after the cut-off date of June 30th during an election year. <p><u>Narrative:</u></p> <ul style="list-style-type: none"> • Council Member community event expenses can supplement events organized by program areas, e.g. park opening by Parks, Recreation and Culture, or Environment Days by Waste Management Services etc. • Council Member hosting events can be co-organized with community groups. • Council Members must provide an <i>original detailed invoice</i> from vendor, including <i>nature of service, date and venue</i> of event. • Council Members must comply with the policy on donations to Council Member hosting events. • Donations received for Council Member hosted events, must be reported to both the <i>Integrity Commissioner</i> and the City Clerk's Office. • Donation Cheques received must be made in the name of the City of Vaughan and forwarded to the Finance department. • Donations received by Council Members for a specific event must be maintained in a specific identified City account and must be dedicated to the event originally funded. Surplus donations received in excess of the cost of the specific event during a calendar year, can be carried forward between calendar years to be used for the same specific event only. • Where the specific event is not repeated or continued, any excess funds in the specific account will be forwarded to Council Corporate Budget. • Donations received for hosting community events and expenditures funded by donations, are subject to the same disclosure requirements as expense funded by the Council Member's Office Budget. <p><u>Form:</u></p> <ul style="list-style-type: none"> • Integrity Commissioner – Gifts and Benefits Information Statement
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