

# HURON COUNTY MUNICIPALITIES COMPLIANCE AUDIT COMMITTEE

## Terms of Reference Compliance Audit Committee

### 1. Name

The name of the Committee is the Compliance Audit Committee”.

### 2. Mission

The Compliance Audit Committee has full delegation of the authority in the *Municipal Elections Act, 1996 (MEA)* to address applications requesting an audit of a candidate’s election campaign finances.

### 3. Mandate

The responsibilities and functions of the Committee are set out in *Section 81 of the MEA* and are required and not limited to perform the following:

- (a) consider a compliance audit application received by an elector and decide whether it should be granted or rejected;
- (b) if the application is granted, appoint an auditor;
- (c) receive the auditor’s report;
- (d) consider the auditor’s report and decide whether legal proceedings should be commenced; and
- (e) recover the costs of conducting the compliance audit from the applicant if there were no apparent contraventions and if there appears to be no reasonable grounds for having made the application.

### 4. Membership Composition

The Committee will be composed of three (3) members, with membership drawn from the following stakeholder groups:

- (a) accounting and audit – accountants or auditors with experience in preparing or auditing the financial statements of municipal candidates;
- (b) academic – college or university professors with expertise in political science or local government administration;
- (c) legal;

- (d) professionals who in the course of their duties are required to adhere to codes or standards of their profession which may be enforced by disciplinary tribunals; and
- (e) other individuals with knowledge of the campaign financing rules of *the Municipal Elections Act, 1996*.

Note: Candidates, Members of Council and Municipal staff are not eligible to be appointed to the Committee as stipulated in *Section 81.1(2) of the MEA*.

#### 5. Membership Selection

All applicants will be required to submit a letter outlining their qualifications and experience. The selection Committee will select a short list of candidates for Council appointment.

The selection process will be based upon clearly understood and equitable criteria. Members will be selected on the basis of the following:

- (a) demonstrated knowledge and understanding of municipal election campaign financing rules;
- (b) proven analytical and decision-making skills;
- (c) experience working on a committee, task force or similar setting;
- (d) availability and willingness to attend meetings;
- (e) excellent oral and written communication skills;
- (f) other skills as deemed necessary.

#### 6. Term of Membership

The Committee must be established by October 1, 2010 and Committee members will be appointed to serve the same term of office of the Council or local board that takes office following the Municipal Election on October 25, 2010.

#### 7. Chair

The Committee members will select a Chair from amongst its members at its first meeting and the Chair may rotate on an annual basis or as deemed necessary by the Committee members.

8. Procedures

Meetings of the Committee shall be governed by Robert's Rules of Order Procedural By-Law and Legislation.

9. Administration

Any responsibilities not clearly identified within the Terms of Reference shall be in accordance with *Section 81 of the MEA*.

10. Meetings

The Committee will meet as needed with meetings to be scheduled when a compliance audit application is received in accordance with *Section 81(4) of the MEA*. The Committee may also schedule meetings as necessary to organize and plan its work, as it deems necessary.

The Secretary will ensure that agendas, minutes and decisions are properly communicated using the Municipality's website or other means necessary.

11. Closed Meetings

The Committee, may, upon affirmative vote of the majority of its members present at a meeting, determine to hold any meeting or part of a meeting as a closed to the public session in order to discuss sensitive issues in accordance with *Section 239 of the Municipal Act, 2001*.

12. Staffing and Remuneration

Where a Municipality has received an application for audit, staff from the Municipal Clerk's Office will provide administrative support to the Committee and the Clerk, or designate, shall act as Secretary.

Committee members will receive remuneration on a per diem basis in the amount of \$100 for attendance at a meeting plus mileage expenses. Administration costs for such items as printing and mailing will be absorbed within the Municipal Clerks' operating budget and common costs of the Committee

13. Meeting Attendance

Any member of the Committee, who misses three (3) consecutive meetings, without being excused by the Committee, may be removed from the Committee. The Committee must make recommendations, by a report for the removal of any member.

14. Conflicts of Interest

To avoid a conflict of interest, any auditor or accountant appointed to the Committee must agree in writing to not undertake the audits or preparation of the financial statements of any candidates seeking election to Council. Failure to adhere to this requirement will result in the individual being removed from the Committee. Persons who have participated as candidates in municipal elections, or who have held roles on the campaigns for any such candidates that involved the giving of financial advice, will not be eligible for participation on the Committee.

Members shall abide by the rules outlined within the *Municipal Conflict of Interest Act* and shall disclose the pecuniary interest to the Secretary and absent himself or herself from meetings for the duration of the discussion and voting (if any) with respect to that matter.

15. Errors/Omissions

The accidental omission to give notice of any meeting of the Committee to its members or the non-receipt of any notice by any member, or any error in any notice that does not affect its substance, does not invalidate any resolution passed or any proceedings taken at the meeting. Any member of the Committee may at any time waive notice of any meeting.