

Term of Reference – Joint Compliance Audit Committee

Town of Arnprior, Township of McNab/Braeside, Township of Greater Madawaska, Township of Admaston/Bromley, and Township of Horton

1.0 Mission

The Joint Compliance Audit Committee, herein referred to as the "Committee", has full delegation of the authority set out in section 88.37 of the Municipal Elections Act, as amended, to address applications requesting an audit of a candidate's or third-party advertiser's election campaign finances. This authority includes, but is not limited to, the following:

- Review applications and grant or reject audit requests.
- Where an audit is granted, to appoint an auditor and review the audit report.
- Where indicated, decide whether legal proceedings shall be commenced.

2.0 Background

The Municipal Elections Act authorizes Council to delegate its responsibilities for conducting a compliance audit on a municipal election candidates and third-party advertiser campaign finances.

3.0 Objectives

To ensure that the provisions of the Municipal Elections Act, Section 88.37 are not contravened, and to follow the necessary steps to ensure compliance. The Committee will abide by any terms and conditions, which may be set out by the member municipality's Solicitor, Auditor and/or Insurer for any activities relating to Committee business.

4.0 Composition

The Committee shall be comprised of five members of the public, being one member of each municipality. Each individual municipality's Council shall appoint the committee members by By-Law. Ideally, Committee members will have a financial/accounting background and be familiar with the Municipal Elections Act.

The Committee shall appoint such executive positions, as it deems necessary and shall, as a minimum, appoint a Chair and Vice-Chair. The Clerk, and/or his/her designate, of the member municipality, shall act as Secretary to this Committee.

In accordance with the Municipal Elections Act, members of the Council, Town employees, officers of the Town, candidates running for office, or registered third-party advertisers, in each municipality, in the 2022 municipal election for which the Committee is established, are prohibited from being appointed to this Committee. Members of the public affiliated with any candidates/ third party advertisers are also prohibited from being appointed to this Committee.

Should an appointed Member accept employment with any of the member municipalities or register as a candidate/ third-party advertiser with any of the member municipalities, their appointment will be terminated.

All Committee Members must agree in writing that they will not work for or provide advice to any candidate running for municipal office, or third-party advertisers within the member's municipalities.

Anyone who has participated as a candidate/ third-party advertiser in the member municipality's elections, or who have conducted audits or provided financial advice in respect of such campaigns, would be disqualified from participation on the Committee.

5.0 Term of Appointment

Members will be appointed for the time frame to deal with applications received for a compliance audit for the 2022 Municipal Elections. This Committee shall be dissolved at the conclusion of the requirements notes in Section 88.37 of the Municipal Elections Act. The Term of Committee is parallel with Council.

6.0 Resources and Costs

Staff from the applicable member's municipality shall provide administrative support to the committee. The Clerk of the member's municipality will act as a resource to the Committee. The member's municipality requiring the service of the Committee shall be responsible for all associated expenses.

7.0 Timing of Meetings

- Within 30 days of receipt of an application requesting a compliance audit, the Committee shall consider the compliance audit application and decide whether it should be granted or rejected.
- If the application is granted, the Committee will appoint an auditor to conduct a compliance audit of the candidate's/ third party advertiser's election campaign finances.
- The Committee will review the auditor's report within 30 days of receipt and decide whether legal proceedings should be commenced.
- If the auditor's report indicates that there were no apparent contraventions and if there appears there were no reasonable grounds for the application, the Committee shall advise Council accordingly.

The first meeting will be called by the Clerk, of the member's municipality, upon receipt of an application to conduct a compliance audit. The date and time of the meeting will be determined by the Clerk of the member's municipality and communicated directly to the Committee members.

- The five-member committee called to hear a request for compliance audit shall select one of its Members to act as a Chair at the first meeting. A Vice Chair will also be selected at the first meeting.

Subsequent meetings will be held at the call of Chair. All time frames established in the Municipal Elections Act, 1996 and regulations shall be adhered to.

8.0 Meeting Procedures

Committee activity shall be determined primarily by the number and complexity of applications for compliance audits that may be received. The frequency and duration of Committee meetings, to review applications received, will be determined by the Committee in consultation with the Clerk of the member's municipality.

The Chair shall cause notice of the meetings, including the agenda for the meetings. The agenda will be provided to members of the Committee a minimum of three (3) business days prior to the date of each meeting. Quorum for meetings shall consist of a majority of the members of the Committee.

Meetings of the Committee shall be governed by the member municipality's Procedural By-Law. If this By-Law does not cover any proceedings, then the most current edition of Robert's Rules of Order and Legislation will govern.

The Committee may, upon affirmative vote of majority of its members present at a meeting, determine to hold any meeting or part of a meeting as a closed session in order to discuss sensitive personal issues or legal matters. If the Committee elects to hold a closed session, all persons not entitled to vote (with the exception of the staff liaison, if any, and all persons excepted by the members) shall vacate the premises where the meeting is taking place. A closed meeting can only be held in accordance with Section 239 of the Municipal Act.

9.0 Reports

The Committee will conduct the compliance audit in accordance with the Municipal Elections Act, as amended. The Clerk of the member's municipality will act as the main contact between the Committee and Council and will report on Committee activity as required to the appropriate individuals and Council.

10.0 Records

The records emanating from the Joint Compliance Audit Committee shall be retained and preserved by the municipality requesting the services of the Committee in accordance with that member municipality's Record Retention By-Law.

11.0 Administration

Any responsibilities not clearly identified within these Terms of Reference shall be in accordance with Section 88.37 of the Municipal Elections Act, as amended.

12.0 Conflicts of Interest

Members shall abide by the rules outlined within the Municipal Conflict of Interest Act and shall disclose the pecuniary interest to the Secretary of the meeting and absent themselves from meetings for the duration of the discussion and voting (if any) with respect to the matter. To avoid any potential conflict of interest, applicants with accounting or auditing backgrounds must agree in writing that they will not offer their services to any municipal election or third-party advertiser candidates.

13.0 Errors and 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 members or the public, 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.

14.0 Meeting Attendance

Any member of the Committee, who misses three consecutive meetings, without being excused by the Committee, may be removed from the Committee. The Committee must make recommendation, by a report to Council of all five municipalities, for the removal of any member. The appointment by-law of each municipality would then require amendment if a member is removed from the Committee.

15.0 Location of Meetings

The location of the meetings will be established by the Committee, pending the municipality(s) where the investigation/ meeting is required.

16.0 Budget

The expenses of this Committee shall be the responsibility of the Clerk of the member municipality under the Election Budget, or as deemed by the Treasurer of the member municipality.

17.0 Remuneration

Members of the Committee shall be paid \$175.00 per meeting plus mileage to and from meetings, at current CRA Mileage Rate.

18.0 Expulsion of Member

The Committee and/or Clerk of the member municipality, may recommend to Council, of all five municipalities, the expulsion of a member for reasons as listed, but not limited to, the member being in contravention of the Municipal Act, the Municipal Freedom of Information and Protection of Privacy Act, the Provincial Offences Act, the Municipal Conflict of Interest Act and the Municipal Elections Act; disrupting the Work of the Committee or other legal issues.