



**STAFF REPORT
ACTION REQUIRED
with Confidential Attachment**

Appointment of Members to the Compliance Audit Committee

Date:	May 31, 2010
To:	Executive Committee
From:	Ulli S. Watkiss, City Clerk
Wards:	All
Reason for Confidential Information:	This report deals with personal matters about identifiable persons.
Reference Number:	

SUMMARY

This report recommends to Council individuals to be appointed to the Compliance Audit Committee for a term of office coincident with the term of Council following the 2010 regular Municipal Election.

RECOMMENDATIONS

The City Clerk recommends that:

1. City Council appoint the persons listed in Confidential Attachment 1 to the Compliance Audit Committee for a term of office coincident with the term of Council that takes office following the 2010 regular Municipal Election.
2. City Council authorize the City Clerk to make the appointees' names public once appointed by Council and the appointees have been notified.
3. City Council appoint alternates to the Compliance Audit Committee, such appointments to be effective in the order listed in Confidential Attachment 1 should a vacancy arise.

4. City Council direct that the alternates' names remain confidential until their appointment as members of the Compliance Audit Committee becomes effective and the appointees have been notified.
5. City Council direct that Confidential Attachment 2 remain confidential as it contains personal information about identifiable individuals.

Financial Impact

While it is difficult for staff to provide an exact estimate of the number of compliance audit applications that might be received, based on past experience, it is estimated that the remuneration and administrative costs would be approximately \$21,000 for a three member committee to consider seven to ten compliance audit applications (over the two year period 2011 and 2012).

Funding will be provided in the 2011 and 2012 operating budget submissions for the City Clerk's Office, funded from the Election Reserve, for a \$0 net impact to the City's Operating budgets.

The funding level is based on activity related to the regular Election schedule. Should one or more by-elections arise during the 2010 to 2014 term of office additional funding will be required. The City Clerk will report should additional funding be required in subsequent years.

The Deputy City Manager and Chief Financial Officer has reviewed this report and concurs with the financial implications.

DECISION HISTORY

At its meeting of December 2, 2009, Council approved the establishment of a Compliance Audit Committee.

<http://www.toronto.ca/legdocs/mmis/2009/cc/decisions/2009-12-02-cc43-dd.htm>

ISSUE BACKGROUND

Bill 212 (*Good Government Act*, 2009) which received royal assent on December 15, 2009, amended the *Municipal Elections Act, 1996* making a compliance audit committee mandatory for all councils and local boards. The legislation also requires that Council must establish a compliance audit committee before October 1st of an election year.

At its meeting on December 2, 2009, Council approved the establishment of a Compliance Audit Committee composed of three members for the 2010 Municipal Election.

In its approval for the establishment of the Committee, Council also approved the Terms of Reference and the selection process to be followed for the appointment of the Committee members.

As the term of office for the Committee is now four years (the same as the term of office of Council) and with the legislated necessity that audit applications be considered within thirty days of receipt, it is also recommended that alternate members be identified for appointment in order to ensure the continuity of the committee in the event a vacancy arises.

COMMENTS

Selection process

Staff followed the selection process adopted by Council, calling for a targeted outreach strategy to attract auditors, accountants, lawyers, academics and other individuals with an in-depth knowledge of the campaign financing rules of the *Municipal Elections Act, 1996*.

The process consisted of:

- (a) placing an ad on the *Career Connection* section of the Ontario Institute of Chartered Accountants' web site;
- (b) writing to the Law Society of Upper Canada requesting that it circulate information on the opportunity to be appointed to the Toronto 2010 Election Compliance Audit Committee to its members;
- (c) writing directly to lawyers in the Toronto area who are identified on the Law Society's web site as "certified specialists" in municipal law, excluding any lawyers working directly for a municipality;
- (d) writing to York University, Ryerson University and the University of Toronto requesting they circulate information regarding the appointment opportunity to their faculty; and
- (e) posting the terms of reference for the Toronto 2010 Election Compliance Audit Committee and the application form on the *Get Involved* section of the City's web site.

Eighteen applications were received by the submission deadline (April 30, 2010), and subsequently short-listed using the following council-approved criteria:

- (a) demonstrated knowledge and understanding of municipal election campaign financing rules and issues;

- (b) proven analytical and decision making skills;
- (c) adjudicative or related experience;
- (d) experience working on a committee, a task force, or a similar setting; and
- (e) availability and willingness to attend meetings.

A selection panel consisting of staff from the City Manager's Office, Internal Audit and the City Clerk's Office interviewed eight applicants who met the above criteria. The recommended appointees and alternates for the Compliance Audit Committee are listed in Confidential Attachment 1, with the background information on the recommended appointees and alternates listed in Confidential Attachment 2.

CONTACT

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SIGNATURE

Ulli S. Watkiss, City Clerk

ATTACHMENT

- Confidential Attachment 1 – Recommended Appointees to the Compliance Audit Committee
- Confidential Attachment 2 – Background Information on Recommended Appointees