

## MUNICIPAL ELECTIONS COMPLIANCE AUDIT COMMITTEE TERMS OF REFERENCE

In accordance with the *Municipal Elections Act, 1996* (the Act), the Town of Caledon is required to have a Municipal Election Compliance Audit Committee (the Committee) to consider Compliance Audit applications with regard to Candidate, Registered Third Party or Local Board financial statements filed under Section 88.33 (1) of the Act.

The Terms of Reference have been established by the Town Clerk of the Town of Caledon ensuring that the duties and responsibilities of the Committee are fulfilled in a fair, open and responsible manner, in accordance with Section 88.33 (4),

### 1. Enabling Legislation

Section 88.37 (1) of the Act requires that before October 1 in an election year, a Council or local board shall establish a Committee to consider possible contraventions of the Act's election campaign finance provisions.

### 2. Definitions

As used in this procedure, the following terms shall have the meanings indicated:

Applicant shall mean an Elector who makes an application pursuant to Section 88.33 (1) of the Act.

Application shall mean an application properly completed and submitted to the Town Clerk pursuant to s. 88.33 (2) of the Act.

Auditor means a person appointed by the Committee, licensed pursuant to the *Public Accounting Act, 2004*, to conduct a compliance audit of financial statements of a candidate or Registered Third Party.

Candidate shall mean the Candidate whose election campaign finances are the subject of an application for a compliance audit.

Chair shall mean the Member selected by the Members of the Committee to preside over its meetings.

School Board means the Peel District School Board and the Dufferin-Peel Catholic District School Board.

Member shall mean a person appointed to the Committee.

Third Party Advertiser means a Registered Third-Party Advertiser whose election campaign finances are the subject of an application for a compliance audit.

School Board Trustee means a member of the Peel District School Board and the Dufferin-Peel Catholic District School Board.

### 3. Mandate



The 2022-2026 Committee has the full authority provided by Sections 88.33 to 88.37 of the Act to address applications requesting an audit of a candidate's, third party advertiser's or school board trustee's election campaign finances and to consider reports from the Town Clerk citing apparent instances of over-contribution to municipal campaigns. Pursuant to the Act, this authority includes but is not limited to the following:

- Review applications for a compliance audit and grant or reject audit requests within thirty days of receipt
- Where an audit is granted, appoint an auditor and review the audit report
- Following the audit, decide whether legal proceedings shall be commenced
- Within 30 days after receiving report(s) from the Town Clerk pursuant to Sections 88.34 and 88.36 (dealing with apparent campaign contribution in excess of permitted limits), the Committee shall meet to consider the report(s) and decide whether to commence a legal proceeding against a contributor for an apparent contravention, if applicable.

#### **4. Membership Composition**

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

- Accounting and audit – accountant or auditor with experience in preparing or auditing the financial statements of municipal candidates and/or third-party advertisers;
- Academic – college or university professor with expertise in political science or local government administration;
- Legal; and/or
- 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

The Act indicates that the Committee shall not be composed of the following:

- employees or officers of the municipality or local board;
- members of the council or local board;
- any persons who are candidates in the election for which the committee is established; or
- any persons who are registered third parties in the municipality in the election for which the committee is established.

Further, a Committee member may not be a contributor or provider of any election-related services to a registered candidate or third party advertiser in the 2022 Town of Caledon Municipal and School Board Election or any subsequent by-election including but not limited to account, legal, auditing, marketing or campaign services.

#### **5. Membership Selection**

All applicants will be required to submit a completed application form outlining their qualifications and experience.

Staff will meet to review all applications based upon the approved selection criteria to determine the members to be appointed to the Committee.



**6. Term of Membership**

The Committee shall be established before October 1, 2022. The term of the Committee is the same as the term of office for Council.

**7. Chair**

The Committee members will select a Chair from amongst its members at its first meeting.

**8. Meeting Procedures**

Meeting procedures for the Committee meetings shall be governed by the Town of Caledon's Procedural By-law and Robert's Rules of Order, as required.

**9. Meetings**

A meeting of the committee shall be open to the public and shall be held within 30 days of the Committee receiving a report from the Town Clerk under Section 88.34 and 88.36 of the Act, in order to consider the report which will note apparent instances of over-contribution to municipal campaigns. Additional meetings may be called in the event that an application for a compliance audit has been received.

The date and time of the meetings will be determined by the Town Clerk and communicated directly to the Committee members. All time frames outlined in the Act will be followed.

Administrative support, including the preparation/distribution of an agenda, shall be provided by the Town Clerk or designate. Minutes of each meeting shall outline specific actions and recommendations that result.

Notices, agendas and minutes will be published on the Town website.

**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 session in order to deliberate in accordance with Section 88.33 (5.1) of the Act.

**10. Remuneration**

Committee members will receive remuneration on a per diem basis in the amount of \$150 for attendance at a meeting, including any training sessions.

**11. Conflict of Interest**



Legislated requirements as set out in the Municipal Conflict of Interest Act shall apply to all Committee members. It is the responsibility of each member to disclose any pecuniary interest prior to discussion of a particular matter.

In order to avoid possible conflicts of interest, an auditor or accountant appointed to the Committee shall not audit or prepare any financial statements of any candidate running for office in the Town of Caledon. Any auditor or accountant appointed to the Committee will be required to declare in writing, not to undertake the audits or preparation of any financial statements of any candidates running for office in the Town of Caledon.

**12. Auditor Selection**

This will be decided by the Town Clerk in consultation with the Committee.

**13. School Board use of Municipal Election Compliance Audit Committee**

The services of the Municipal Election Compliance Audit Committee may be used if an audit application of a School Board Trustee is received by the applicable School Board.

**14. Costs**

The Town of Caledon or School Board is responsible for the following costs:

- general costs associated with the Committee's operations and activities;
- the cost of the Auditor for any audit that takes place; and
- the cost of external legal counsel for the Committee, as necessary.