



Corporation of the Town of Deep River

TERMS OF REFERENCE COMPLIANCE AUDIT COMMITTEE

1. **Mandate:**

The authority of the Compliance Audit Committee for the Town of Deep River is established pursuant to section 88.37 of the *Municipal Elections Act, 1996* ("The Act"), as amended. The Committee will address applications requesting an audit of a Candidate's or Third-Party Advertiser's election campaign finances (including any by-elections) and to consider Reports from the Clerk citing apparent instances of over-contribution to municipal campaigns.

2. **Roles and Responsibilities**

- 2.1 Within 30 days of receiving an application requesting a Compliance Audit, or of a Clerk's Report identifying a Registered Third Party who appears to have contravened any of the contribution limits, the Committee shall consider the Compliance Audit application or the Clerk's Report and determine whether or not it should be granted or rejected;
- 2.2 The decision of the Committee to grant or reject the application, and brief written reasons for the decision, shall be given to the Candidate, the Clerk with whom the Candidate filed his or her Nomination, the Secretary of the local Board, if applicable, and the applicant;
- 2.3 If the application is granted, the Committee shall appoint an Auditor licensed under the *Public Accounting Act, 2004*, or other prescribed person eligible to conduct a Compliance Audit of the Candidates election campaign finances;
- 2.4 The Committee will review the Auditor's Report within 30 days of receipt; and if the Auditor's Report concludes a Candidate appears to have contravened a provision of the Act relating to election campaign finances, the Committee shall decide if legal proceedings should be commenced;
- 2.5 If the Auditor's Report indicates there were no apparent contraventions and it appears there were no reasonable grounds for the application, the Committee shall advise Council accordingly; and that Council is entitled to recover the Auditor's costs from the applicant.

3. **Composition:**

- 3.1 A total of three (3) Committee Members shall be appointed by the municipality.

4. Membership Selection Criteria

- 4.1 All Committee applicants will be required to complete an application form outlining their qualifications and experience.
- 4.2 The following skills and experience will be used to determine suitability for appointment to the Committee:
- a) Knowledge and understanding of municipal election campaign financing rules;
 - b) Analytical and decision-making skills;
 - c) Experience working on Committees, Task Forces, or similar settings;
 - d) Knowledge of quasi-judicial proceedings;
 - e) Availability and willingness to attend meetings; and
 - f) Excellent oral and communication skills.
- 4.3 The following persons are not eligible for appointment to serve on the Committee:
- a) Employees or officers of the municipality or local board.
 - b) Members of the Council or local Board;
 - c) Any persons who are candidates in the election for which the Committee is established; or
 - d) Any persons who are Registered Third-Parties in the municipality in the election for which the Committee is established.

Should an appointed Member accept employment with the municipality or register as a Candidate with the municipality, their appointment shall 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 within the municipality.

To avoid any potential conflict of interest, applicants with accounting or auditing backgrounds must agree in writing they will not offer their services to any municipal election candidates.

Anyone who has participated as a Candidate in the Municipal Election or who has conducted audits or provided financial advice in respect of such campaigns would be disqualified from participation on the Committee.

- 4.4 Committee members shall have the ability to understand and apply the election campaign finance provisions of the Act and should be considered impartial with respect to their ability to fulfill their responsibilities.
- 4.5 The Clerk, or his / her designate, will be responsible for the selection of Members representing the municipality.

5 Term of Appointment:

The term of membership shall be concurrent with the term of the Municipal Council.

6 Meetings:

- 6.1 Meetings of the Committee shall be open to the public, however the Committee may deliberate in private.
- 6.2 A meeting of the Committee shall be held within 30 days of the Committee receiving an application for a Compliance Audit or a Report from the Clerk. As a result, the amount and duration of the meetings will be determined by the number of applications received and their complexity.
- 6.3 Where meetings are required, the date, time and frequency of the Committee meetings will be determined by the Clerk, in consultation with the Committee Chair.
- 6.4 Administrative support, including the preparation / distribution of an agenda shall be provided by the Municipal Clerk or designate. The municipality shall be responsible for all expenses related to the services of the Committee.
- 6.5 Meetings of the Committee shall be conducted in accordance with the Town's Procedural By-law and the requirements of the *Municipal Act*, 2001. The Town website will be utilized to communicate Committee Meeting notices and agendas.

7 Committee Chair

A chair shall be elected by Committee Members at the first Compliance Audit Committee meeting and shall reside for the duration of the term of the Committee.

8. Records

The records of Committee Meetings shall be retained and preserved by the Clerk of the municipality in accordance with the municipality's Records Retention By-Law.

9. Remuneration

The rate of per diem is determined by the Municipality and equal to the rate of pay received by the Committee of Adjustment.