



## **COMPLIANCE AUDIT PRACTICES AND PROCEDURES**

1. An elector who is entitled to vote and believes on reasonable grounds that a candidate has contravened a provision of the *Municipal Elections Act* relating to campaign finances may apply for a compliance audit of the candidate's election campaign finances.
2. The application shall be made to the Clerk of the municipality in which the candidate was nominated for office within 90 days after the later of the filing date under Section 78, or the candidate's last supplementary filing date, if any, under Section 78 or the filing date for the final financial statement under Section 79.1 or the date on which the candidate's extension for filing, if any, under Subsection 80 (4) expires. It shall be in writing and shall set out the reasons for the elector's belief.
3. Within 10 days after receiving the application, the Clerk shall forward the application to the Joint Compliance Audit Committee and provide a copy of the application to Council.
4. Within 30 days after receiving the application, the Committee shall consider the application and decide whether it should be granted or rejected.
5. The decision of the Committee may be appealed to the Ontario Court of Justice within 15 days after the decision is made and the Court may make any decision the Committee could have made.
6. If the Committee decides to grant the application, it shall appoint an auditor to conduct the compliance audit of the candidate's election campaign expenses. Only auditors under the *Public Accounting Act, 2004* or prescribed persons are eligible to be appointed. It is proposed to ask the auditor to fulfill the auditing component.
7. The auditor shall promptly conduct the audit of the candidate's election campaign finances to determine whether he or she has complied with the provisions of the act relating to campaign finances and shall prepare a report outlining any apparent contravention by the candidate. For the purpose of the audit, the auditor is entitled to have access at all reasonable hours to the relevant books, papers, documents or thing of the candidate and has the powers of a commission under *Part 11 of the Public Inquiries Act*, which Part applies to the audit as if it were an inquiry under the Act. The Act states that no action or other proceeding for damages shall be instituted against an auditor appointed for act done in good faith in the execution or intended execution of the audit or for any alleged neglect or default in its execution in good faith.
8. The auditor shall submit the report to the candidate, the Council, the Clerk with whom the candidate filed his or her nomination and the applicant.
9. Within 10 days of receiving the report the Clerk shall forward the report to the Joint Compliance Audit Committee.
10. The municipality shall pay the auditor's costs of performing the audit.
11. The Committee shall consider the report within 30 days after receiving it and may,
  - a) If the report concludes that the candidate appears to have contravened a provision of the Act relating to election campaign finances, commence a legal proceeding against the candidate for the apparent contravention;
  - b) If the report concludes that the candidate does not appear to have contravened a provision of the Act relating to election campaign finances, make a finding as to whether there were reasonable grounds for the application.
12. If the report indicates that there was no apparent contravention and the Committee finds that there were no reasonable grounds for the application, the Council is entitled to recover the auditor's cost for the applicant.

