

# **Information for Voters**

## **Municipal Election Compliance Audit Committee**

### **Compliance Audit Committee**

The Municipal Elections Act (the Act) requires all municipalities and local boards to establish a Compliance Audit Committee. The Compliance Audit Committee is composed of 3 to 7 members and is responsible for considering applications for a compliance audit when an eligible elector believes that a candidate or a registered third party has contravened the campaign financing rules during the campaign period.

### **Compliance Audit**

A compliance audit is an audit of a candidate's or registered third party's election campaign finances in order to investigate whether or not they complied with the provisions of the Municipal Elections Act related to election campaign finances. With respect to a registered third party, the campaign finances relate to third party advertisements that appear during the election in the municipality.

### **Duties of Compliance Audit Committee**

The Municipal Election Compliance Audit Committee has the following duties:

- Consider a compliance audit application received from an eligible elector and decide whether it should be granted or rejected;
- If the application is granted, appoint an auditor to conduct a compliance audit of the candidate's or registered third party's campaign finances;
- Receive and consider the Auditor's Report;
- After considering the Auditor's Report, the Compliance Audit Committee may:
  - Commence legal proceedings against the candidate or registered third party if the report concludes that the candidate or registered third party appears to have contravened the Municipal Elections Act in respect of election campaign finances;
  - Make a finding as to whether there were reasonable grounds for the application if the report concludes that the candidate or registered third party does not appear to have contravened any of the election campaign finance rules. Based on this finding, the Committee can recommend to Council whether or not to pursue the recovery of costs from the applicant.

### **Application for Compliance Audit**

An eligible elector who believes on reasonable grounds that a candidate or registered third party has contravened the provisions of the Municipal Elections Act in respect of election campaign finances may apply for a compliance audit of the candidate's or registered third party's election campaign finances. The application must be made on the prescribed form and sworn in front of a commissioner and addressed to the City Clerk or the secretary of the local board for which the candidate was nominated for office. The applicant can have the application sworn before a Commissioner of Oaths at the City Clerk's Office when filing the application with the Clerk. The application must clearly outline the reasons for the elector's belief that there was a contravention of the Municipal Elections Act and must be filed within ninety (90) days after the latest of:

- Friday, March 29, 2019 (filing date for Financial Statements for candidates and registered third parties);
- The date the Financial Statement was filed, if filed within the thirty (30) days grace period after the statutory filing date;
- Friday, September 27, 2019 (filing date for Supplementary Financial Statements for candidates and registered third parties);
- The date on which the candidate's campaign extension, if any, expires.

There is no fee associated with the application process for a Compliance Audit.

## **Application Process**

- Within ten (10) days after receipt, the application for a Compliance Audit is forwarded by the Clerk or the secretary of the local board, as the case may be, to the Compliance Audit Committee.
- The meeting(s) of the Committee shall be open to the public and reasonable notice of the meeting(s) shall be given to the candidate or registered third party, the applicant and the public.
- Within thirty (30) days after receipt, the Committee considers the application and decides if it should be granted or rejected.
- The Committee's decision, and brief reasons for the decision, shall be given to the candidate or registered third party, the City Clerk or secretary of the local board, and the applicant.
- The decision of the Committee may be appealed to the Superior Court of Justice within fifteen (15) days after the decision is made and the Court may make any decision the Committee could have made.
- If the application is granted, the Committee appoints an Auditor to conduct the Compliance Audit of the candidate's or registered third party's election campaign finances.
- The Auditor promptly conducts the audit to determine whether or not there has been a contravention of the provisions of the Municipal Elections Act related to election campaign finances.
- The Auditor prepares a report that outlines any apparent contravention of the Act by the candidate or registered third party.
- The Auditor submits the report to the following: the candidate or registered third party; the City Clerk or the secretary of the local board, if applicable; and, the applicant.
- Within ten (10) days after receiving the Auditor's Report, the Clerk or secretary of the local board shall submit the report to the Compliance Audit Committee.
- The Committee considers the Auditor's Report within thirty (30) days after receipt and if the report concludes that there was a contravention of the Act relating to election campaign finances, the Committee decides whether to commence a legal proceeding against the candidate or registered third party for the apparent contravention.
- The Committee's decision (with brief reasons) with respect to commencing legal proceedings shall be given to: the candidate or registered third party; the City Clerk or the secretary of the local board, if applicable; and, the applicant.

## **What if the Auditor's Report finds that there was No Apparent Contravention of the Act?**

- If the report indicates that there was no apparent contravention of the Act and the Committee finds that there were no reasonable grounds for the application, the Council or local board is entitled to recover the Auditor's costs from the applicant.