



**Call-Up on Standing Offer No.: 29121-91804-S01  
Statement of Work**

**ELECTION COMPLIANCE AUDIT OF THE CAMPAIGN EXPENSES OF CANDIDATE  
DOUG THOMPSON OF WARD 20 OSGOODE FROM THE 2022 MUNICIPAL  
ELECTIONS**

**September 20, 2023**

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## Executive summary

On behalf of the City Clerk of the City of Ottawa, the City of Ottawa's Elections Office is seeking a licensed auditor ("Auditor") to complete a compliance audit of the campaign finances for Candidate Doug Thompson in the 2022 Municipal Elections to determine whether the candidate appears to have contravened any of the campaign finances rules established by the [Municipal Elections Act, 1996](#) (the "MEA").

If the vendor is interested in completing the work set out in this call-up on standing offer, they must submit their written proposal to Elections Ottawa at [elections@ottawa.ca](mailto:elections@ottawa.ca) by **4:30 pm on Wednesday, October 4, 2023**. Written proposals will be reviewed by the Office of the City Clerk and the independent legal counsel for the Election Compliance Audit Committee (the "ECAC"). Written proposals that meet the requirements of this call-up on standing offer will be provided to the ECAC for their approval and appointment at a future meeting, as described in this document.

## Election compliance audit applications

Candidates and third party advertisers are subject to campaign finance rules established by the MEA. Sections 88.25 and 88.29 of the MEA require that candidates and registered third party advertisers file a financial statement with the City Clerk of the relevant municipality reflecting their campaign finances in the election in which they were nominated or registered within the prescribed deadlines.

Further, Subsection 88.33(1) of the MEA allows any eligible elector who believes on reasonable grounds that a candidate or third party advertiser has contravened the election finance rules set out in the MEA may submit an [application for a compliance audit](#) even if the candidate or third party advertiser has not filed a financial statement under Section 88.25. The ECAC is required to consider and decide whether to grant or reject the application for compliance audit within 30 days of receipt.

If the ECAC decides to grant an application for compliance audit, Subsection 88.33(11) of the MEA requires that the ECAC appoint an Auditor to review the campaign finances of the candidate or third party advertiser and submit a report to determine if they appear to have contravened any of the election campaign finance rules established by the MEA. In accordance with Subsection 88.33(11) of the MEA, the Auditor must be licensed under the *Public Accounting Act, 2004*.

The Auditor's compliance audit is not limited to issues identified in the application for a

compliance audit and is to be conducted in accordance with Subsection 88.33(12) and 88.33(15) of the MEA:

***Duty of auditor***

*(12) The auditor shall promptly conduct an audit of the candidate's election campaign finances to determine whether he or she has complied with the provisions of this Act relating to election campaign finances and shall prepare a report outlining any apparent contravention by the candidate.*

***Powers of auditor***

*(15) For the purpose of the audit, the auditor,*

*(a) is entitled to have access, at all reasonable hours, to all relevant books, papers, documents or things of the candidate and of the municipality or local board; and*

*(b) has the powers set out in section 33 of the Public Inquiries Act, 2009 and section 33 applies to the audit.*

The ECAC will review the Auditor's report and decide whether legal proceedings should be commenced against the candidate or third party advertiser for apparent contravention(s) within 30 days of receipt of the Auditor's report.

**Summary of audit services**

At its meeting on [Monday, July 31, 2023](#), the ECAC considered an election compliance audit application for Candidate Doug Thompson of Ward 20 Osgoode from the 2022 Municipal Elections. At the same meeting by way of [Motion](#), the ECAC granted the application for a compliance audit and directed that the Office of the City Clerk, in consultation with the Committee's independent legal counsel, initiate a call-up against the City's Standing Offer for Audit Services and provide the ECAC with the proposals received of up to three potential auditors.

The Auditor(s) appointed by the ECAC will:

1. Conduct a comprehensive compliance audit of Candidate Doug Thompson's election campaign finances for the 2022 Municipal Elections;
2. Determine whether the candidate appears to have contravened any of the campaign

finance rules established by the MEA;

3. Prepare a report outlining any apparent contraventions of the MEA by the candidate as revealed or discovered during the compliance audit, and submit same to the candidate, the City Clerk, and the applicant; and
4. Attend and present the report on compliance audit findings at the ECAC meeting.
5. Attend and present their final report on compliance audit findings at the ECAC meeting.
6. Provide audit-related evidence if required in a legal prosecution should the ECAC decide to commence a legal proceeding against the candidate.

### **Submission on written proposal with delivery methodology and fee estimate**

To respond to this call-up the Auditor(s) must submit a written proposal with delivery methodology and fee estimate using the template attached as Appendix A. Written submissions must be submitted to Elections Ottawa at [elections@ottawa.ca](mailto:elections@ottawa.ca) by **4:30 pm on Wednesday, October 4, 2023.**

The Office of the City Clerk and the independent legal counsel for the ECAC will review each submission. In turn, the City Clerk will recommend to the ECAC a list of up to three potential Auditors. The ECAC will make the final selection at their next meeting which is anticipated to take place in November.

In order to inform the fee estimate, the following tasks would be required from the Auditor once they are appointed by the ECAC:

#### **1. Submission of Audit Plan to the City Clerk (and/or his designate) and the ECAC's independent legal counsel.**

The Auditor must submit an Audit Plan that outlines the audit procedures to be undertaken to achieve each audit objective.

The City Clerk (and/or his designate) and the ECAC's independent legal counsel will review the Audit Plan before the compliance audit begins.

#### **2. Conduct a comprehensive compliance audit of the candidate's election campaign finances.**

The Auditor(s) must conduct a comprehensive compliance audit of the candidate's election

campaign finances in accordance with the requirements of the MEA, to determine whether they appears to have contravened any of the campaign finance rules established by the MEA.

In accordance with Subsection 88.35(4) of the MEA, the Auditor has the powers of a commission under Section 33 of the *Public Inquiries Act, 2009*. The Auditor is entitled to have access, at reasonable hours, to all relevant books, papers, documents, or things of the candidate, and to all relevant books, papers, documents, or things of the City of Ottawa relating to the 2022 Municipal Elections. The Auditor can also issue a summons to compel persons to produce documents and give evidence under oath for the purposes of the audit.

**3. Submit final report of the candidates election campaign finances outlining any apparent contraventions of the *Municipal Elections Act, 1996* to the City Clerk.**

Following the completion of the audit, the Auditor(s) will submit a report to the candidate, the City Clerk, and the applicant, with their findings in accordance with the deadlines described in this call-up on standing offer.

The ECAC will review the Auditor's report and decide whether legal proceedings should be commenced against the candidate within 30 days of receipt of the Auditor's report.

The reports submitted by the Auditor(s) to the City Clerk will be considered public documents pursuant to Subsection 88(5) of the MEA.

**4. Attend and present on final report on compliance audit findings at ECAC meeting.**

The Auditor(s) will be required to attend the ECAC meeting to make presentations and/or answer questions from committee members related to their audit.

ECAC meetings will be scheduled, as required, within 30-days of receiving the Auditor's report and the Auditor(s) will be notified accordingly.

**5. Provide audit related evidence in a legal prosecution should the ECAC decide to commence a legal proceeding against the candidate.**

Should the ECAC decide to commence a legal proceeding against the candidate for any apparent contravention(s), the Auditor(s) may be required to provide audit related evidence in an ensuing prosecution. This includes but is not limited to providing documentation and in-court testimony related to the audit and to cooperate with the independent prosecutor

retained by the City carrying out the prosecution against the candidate.

### **Other assumptions and requirements**

The proposal must include the fee estimate that should incorporate the following assumptions:

- The audit will be performed from November 2023 to March 2024 as specified in the anticipated timelines noted in this call-up on standing offer.
- Fees should include the total cost, including any estimated expenses.
- This fee estimate will be considered the maximum cost for the call-up on standing offer.
- The Auditor will have access to the ECAC's independent legal counsel. Neither the City Clerk nor the Elections Office staff resources will be provided as technical support for this project.
- All terms and conditions of the standing offer are applicable to this submission.

In addition, the written proposal must:

- Identify the individual(s) Auditor(s) by name. Confirm that the Auditor(s) is licensed under the *Public Accounting Act, 2004*.
- Confirm that although the Auditor may work with a team, only one individual licensed auditor should sign and submit a report to the City Clerk (i.e., an individual auditor, not the firm).
- Attach the resumes for the proposed project team.
- Disclose audits conducted for candidates or registered third party advertisers in previous municipal elections in the City of Ottawa. If engagements are disclosed, firms should demonstrate the steps taken to ensure independence for this audit.
- Disclose services performed for candidates, registered third party advertisers or the City of Ottawa in the last five years. If services are disclosed, firms will demonstrate steps taken to ensure independence for this audit.
- Disclose to the City Clerk any real or potentially perceived conflicts of interest.

- The Proponent and its Auditor(s) will immediately provide full written disclosure when offering such information including any previous personal or professional relationship with a candidate, registered third party advertisers and/or their campaigns. The complete list of candidates and registered third party advertisers in the 2022 Municipal Elections can be found on [ottawa.ca/vote](https://ottawa.ca/vote).
  - The Proponent and its Auditor(s) will recognize and accept that over time, circumstances can change, and they may need to disclose again: the obligation to disclose conflicts of interest is a continuing one.
  - Examples of a real conflict of interest could include where the Proponent and its Auditor(s) may have a direct or indirect financial interest in the matter, or where the auditor has provided professional services to the Proponent in the past. Furthermore, a potentially perceived conflict of interest may exist because a family member, a friend, a business partner or an associate may have a financial interest in the matter such that there is a reasonable apprehension by which a reasonably well-informed person could properly conclude that a conflict of interest exists.
- Not exceed three pages (excluding attached resumes).

Documents submitted in response to this call-up on standing offer will be considered “public documents” and may published online with the ECAC meeting materials.

### **Anticipated timeline**

November 2023: Start-up meeting with the Auditor(s) and the City Clerk (and/or his designate).

November 2023: Submission of Audit Plan to the City Clerk (and/or his designate) and the ECAC’s independent legal counsel.

December 2023 – March 2024: Auditor(s) to conduct the election compliance audit of the candidate’s campaign finances.

March 29, 2024: Auditor submits final report to the candidate, the City Clerk (and/or his designate) and the applicant.

Date to be determined: Auditor attends ECAC meeting to make a presentation on their report



findings and answer any questions from Members. The ECAC must decide whether or not to commence a legal proceed within 30 days of receiving the Auditor(s) report.

If required: Auditor provides audit related evidence in a legal prosecution should the ECAC decide to commence a legal proceeding against the candidate.

## Appendix A: Audit services call-up submission template

**Project call-up name:** Election compliance audit of the campaign finances of Candidate Doug Thompson of Ward 20 Osgoode from the 2022 Municipal Elections

**Firm name:**

**Firm contact:** (name, phone number, email)

**Approach:** (please outline the approach and/or methodology for each phase of the audit/project)

**Timeline:**

**Deliverables:**

**Resumes of proposed staff:** (please attach)

**Fee estimate:** (please provide fee estimate in the schedule below and note any relevant project assumptions below)

Team members	Planning	Fieldwork	Reporting	Total hours	Rate	Total cost
Principal(s)/Partner(s)						
Project Manager(s)/ Senior Auditor(s)						
Auditor(s)						
<b>Total</b>						

**Estimate assumptions:** (note any relevant project assumptions below)