



REPORT

Report Date: December 2, 2022
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 VanRIMS No.: 08-2000-20
 Meeting Date: December 16, 2022

TO: Auditor General Committee
 FROM: Auditor General
 SUBJECT: Amendments to City of Vancouver Policies

RECOMMENDATION

THAT the Auditor General Committee recommend to Council that the following policy changes be approved :

	Policy Number	Policy Title	Sections At Issue	Notes
1	ADMIN-026	<u>Travel</u>	Section 3.1, 10.3	Section 3.1 – <i>section references approval for eligible expenditures/receipts. Add: Office of Auditor General Staff - by Auditor General</i> Section 10.3 - <i>section references form submission process. Add: Office of the Auditor General and Staff – Central Accounts Payable – Corporate Services</i>
2	AF-010-01 <i>(policy number will be updated to ADMIN 054)</i>	<u>Corporate Purchasing Cards</u>	Section 2.1, 2.2	<i>Section 2.1 Table (references Card approving Authority/Issuing Authority) add: Cardholder – Office of the Auditor General Staff Issuing Authority- Auditor General</i> <i>Section 2.2 Table (references Expenditure Authorization). Add: Card Expenditures – Office of the Auditor General- Staff Approving Authority- Auditor General</i>
3	ADMIN-018	<u>Financial Spending Authority</u>	Definitions (b), p.3	<i>Section (b) Definitions of Department Head to include Auditor General</i>

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Per the *Auditor General By-law*, s. 3.14, the Auditor General reports directly to Council.

Pursuant to the *Vancouver Charter*, s. 161, the Auditor General Committee was appointed to, among other things, provide oversight to the Auditor General on behalf of Council.

Per the *Auditor General By-law*, s. 5.7, "...where the Auditor General considers a particular section of a policy does or might interfere with the Auditor General's ability to perform, in an independent manner, the functions assigned to the Office of Auditor General by this By-law, a submission on same must be made to the Auditor General Committee which will in turn submit its recommendations on the issue to Council for decision."

REPORT

Following a further review of the City's policies applicable to the Office of the Auditor General (OAG), and pursuant to s. 5.7 of the *Auditor General By-law*, the Auditor General proposes changes to City policies which are described in the recommendation above. The changes proposed in Items 1 through 3 in are housekeeping in nature and if approved, will include the new Auditor General and his office in the appropriate policy sections of the Travel, Corporate Purchasing Cards and Financial Spending Authority Policies.

CONCLUSION

This report recommends housekeeping revisions to existing City Policies for the Auditor General Committee's endorsement and furtherance to Council for approval. These changes will further secure the OAG's ability to perform and function independently.

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The following identifies the affected excerpts from the *City of Vancouver's Corporate Policy for Travel* (ADMIN-026) showing the recommended additions in yellow highlight. There are two sections of the Corporate Policy for Travel (ADMIN-026) affected:

- Section 3.1
- Section 10.3

Section 3.1 Amendments to the City of Vancouver Policies

The AGC is recommending to add "*Office of the Auditor General Staff – by the Auditor General*" as an additional point to subsection a of **Section 3.1 Approval** of the City of Vancouver's Corporate Policy on Travel.

The added point will make the Auditor General -and by extension the Office of the Auditor General- an additional individual/group that must approve reimbursements of actual travel expenditures.

The amended policy statement -highlighted in yellow- to **Section 3.1** will read as:

3 Eligible Expenditures and Receipts

3.1. Approval:

a) Reimbursement of actual travel expenditures must be approved as follows:

- Board Members (Park, Library and Police) – by the respective General Managers
- General Managers – by the City Manager/Board
- City Manager – by the Director of Finance
- Staff – by the General Manager of respective departments
- Auditor General – by the Chair of Auditor General Committee
- Office of the Auditor General Staff – by the Auditor General.

b) This policy sets out the maximum claimable. The traveller and approval authority may agree in advance of any travel, to negotiate reimbursements which are less than provided for in this policy.

Section 10.3 Amendments to the City of Vancouver Policies

The AGC is recommending to add “*Office of the Auditor General and Staff – Central Accounts Payable – Corporate Services*” as an additional subsection to **Section 10.3 Forms** of the City of Vancouver’s Corporate Policy on Travel.

The added point will make the Office of the Auditor General and Staff an additional Corporate Service that forms and receipts must be submitted to in order to be approved for travel advances and travel expense claims.

The amended policy statement - highlighted in yellow - to **Section 10.3** will read as:

10 Travel Advances and Expense Claims:

10.1. Travel Advances: Travellers may request a travel advance no more than 7 business days prior to departure and the amount must not exceed estimated expenses. Travellers who regularly travel are encouraged to obtain a corporate purchase card.

10.2. Travel Expense Claims: Travel expense claims must be approved by the approval authority and submitted for reimbursement within 10 business days of return from travel. Claims must be for eligible expenditures as per this policy and supported by receipts. Any unapproved exceptions will not be reimbursed.

10.3. Forms: Both travel advances and expense claims are to be submitted on the Travel claim form. The form, along with detailed instructions, is available on City Wire. Forms along with receipts should be approved by the approval authority and submitted to:

- a) For Park Board and staff – Park Board Corporate Services
- b) For Library Board and staff – Central Library Corporate Services
- c) For Police Board and staff – VPD Corporate Services
- d) Council and all other staff – Central Accounts Payable – Corporate Services
- e) Office of the Auditor General and Staff – Central Accounts Payable – Corporate Services

10.4. Form of payment: Reimbursements will be paid by cheque in Canadian dollars.

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The following identifies the affected excerpts from the *City of Vancouver's Corporate Policy for Corporate Purchasing Cards* (AF-010-01/ADMIN-054) showing the recommended additions in yellow highlight. There are two sections of the Corporate Policy for Corporate Purchasing Cards (ADMIN-054) affected:

- Section 2.1
- Section 2.2

Section 2.1 Amendments to the City of Vancouver Policy

The AGC is recommending to add “*Cardholder: Office of the Auditor General Staff, Issuing Authority: Auditor General*” as an additional line on **Section 2.1 Issuing Authority** table of the City of Vancouver’s Corporate Policy on Corporate Purchasing Cards.

This addition will make the Auditor General an individual that can issue P-Cards to the Office of the Auditor General Staff, allowing the latter to become cardholders.

The amended policy statement -highlighted in yellow- to **Section 2.1** will read as:

2. Card approving authority

2.1 Issuing Authority:

Cardholder	Issuing Authority
City Staff	General Manager or designate*
Corporate Management Team	City Manager
City Manager	Director of Finance
Council Members	Mayor or Deputy Mayor*
Auditor General	Chair, Auditor General Committee
Office of Auditor General Staff	Auditor General

* for temporary absences.

P-Cards will only be issued after the cardholder has read and signed the P-Card Acknowledgment and Obligations for Use form. (See details in Purchasing Card Procedures)

Section 2.2 Amendments to the City of Vancouver Policy

The AGC is recommending to add “*Card Expenditures: Office of the Auditor General, Staff Approving Authority: Auditor General*” as an additional line on **Section 2.2 Expenditure Authorization** table of the City of Vancouver’s Corporate Policy on Corporate Purchasing Cards.

The added point indicates the Office of the Auditor General must submit their monthly P-Card statement(s) to the Auditor General for expenditure approval.

The amended policy statement -highlighted in yellow- to **Section 2.2** will read as:

2.2 Expenditure Authorization:

Each cardholder must submit their monthly P-Card statement to their approving authority for approval.

Card Expenditures	Approving Authority
City Staff	Manager or supervisor to whom the cardholder reports either directly or indirectly, who has authority to approve expenditures and has knowledge of the cardholder's job functions.
Corporate Management Team	City Manager
City Manager	Director of Finance
Council Members	Mayor or Deputy Mayor
Auditor General	Chair, Auditor General Committee
Office of the Auditor General Staff	Auditor General

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The following document identifies the affected excerpts from the *City of Vancouver's Corporate Policy for Financial Spending Authority* (ADMIN-018) showing the recommended additions in yellow highlight. There is one section of the Corporate Policy for Financial Spending Authority (ADMIN-018) affected:

- Definitions (b), pg. 3

Definitions/Interpretation Amendments to the City of Vancouver Policies

The AGC is recommending to add "*Auditor General*" as an additional point to **Definitions (b)** of the City of Vancouver's Corporate Policy for Financial Spending Authority.

The added point to the definition will recognize the Auditor General as a department head and will have the policy implications set forth in the Corporate Policy for Financial Spending Authority when referenced in the document.

The amended policy statement -highlighted in yellow- to **Definitions (b)** will read as:

- (b) Definitions – In this Policy, the following terms have the following meanings:

....

"Department Head" refers to any General Manager or Chief of a City Department or Board **or Auditor General (as defined in Section 2 of the Auditor General Bylaw 12816)**, and for the purpose of this Policy, the phrases "General Manager" and "Chief" have the same meanings as set out in the Procurement Policy.

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