

REPORT

Report Date: May 8, 2023
Contact: Mike Macdonell
Contact No.: 604.873.7134
RTS No.: 15634
VanRIMS No.: 08-2000-20
Meeting Date: May 30, 2023
[Submit comments to Council](#)

TO: Vancouver City Council

FROM: Chair of the Auditor General Committee

SUBJECT: Auditor General Committee Recommendations Transmittal Report

RECOMMENDATION

THAT Council approve the recommendations from the May 15, 2023 Auditor General Committee meeting as follows:

THAT Council adopt updated terms of reference for the Auditor General Committee, as identified in Appendix A of the report dated April 17, 2023, entitled “Update to Auditor General Committee Terms of Reference,” (attached as Appendix A of this report) to add a third external advisory liaison member position;

FURTHER THAT Council adopt updated Code of Conduct/Terms of Engagement for Auditor General Committee external advisory liaison members, as identified in Appendix B of the above-noted report dated April 17, 2023.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- Per the [Auditor General By-law 3.14](#), the Office of the Auditor General will report directly to Council on any investigations or inquiries conducted by the Auditor General.
- On [November 4, 2020](#), pursuant to [Section 161](#) of the *Vancouver Charter*, Council established an Auditor General Committee to provide oversight to the Office of the Auditor General on behalf of Council.
- Pursuant to the [Procedure By-law 5.9](#), each standing committee is to report to Council on all matters resolved.

BACKGROUND

At the Auditor General Committee meeting on May 15, 2023, the Committee considered one report, and made the recommendations identified above.

The one report is attached for reference:

- Appendix A: “Update to Auditor General Terms of Reference” report dated April 17, 2023

CONCLUSION

This Report transmits the recommendations made by the Auditor General Committee at its meeting on May 15, 2023, for Council's consideration.

* * * * *

Appendix A

(of the May 30, 2023 Report)



Auditor General Committee REPORT

Report Date: April 17, 2023
Contact: Tina Penney
Contact No.: 604.829.9276
RTS No.: 15655
VanRIMS No.: 08-2000-20
Meeting Date: May 15, 2023
[Submit comments to Council](#)

TO: Auditor General Committee
FROM: Director of Legislative Operations, Deputy City Clerk
SUBJECT: Update to Auditor General Committee Terms of Reference

Recommendations

THAT the Auditor General Committee recommend to Council:

THAT Council adopt updated terms of reference for the Auditor General Committee, as identified in Appendix A of the report dated April 17, 2023, entitled "Update to Auditor General Committee Terms of Reference," to add a third external advisory liaison member position;

FURTHER THAT Council adopt updated Code of Conduct/Terms of Engagement for Auditor General Committee external advisory liaison members, as identified in Appendix B of the report dated April 17, 2023, entitled "Update to Auditor General Committee Terms of Reference," to add a third external advisory liaison member position.

Purpose and Executive Summary

This report recommends updates to the Auditor General Committee (AGC) Terms of Reference and External Advisory Liaison Members Code of Conduct/Terms of Engagement, to add a third external advisory liaison member position. This recommendation results from the external member recruitment process conducted by the informal working group formed by Council for that purpose.

Council Authority/Previous Decisions

- On [November 4, 2020](#), pursuant to [Section 161](#) of the *Vancouver Charter*, Council approved terms of reference for the Auditor General Committee (AGC), comprised of 5 Councillors and 2 non-voting external advisory liaison members.

- On [January 19, 2021](#), Council approved a [Code of Conduct/Terms of Engagement](#) for external advisory liaison members.
- On [November 7, 2023](#), Council appointed Councillors Fry, Boyle, Kirby-Yung, Dominato, and Montague to the Auditor General Committee.
- On [February 14, 2023](#), Council established an informal working group to oversee the recruitment process for a new AGC external advisory liaison member, consisting of Councillors Fry and Montague, and external member Archie G. Johnston.

Auditor General's Comments

The Auditor General concurs with the foregoing recommendations.

Context and Background

On January 18, 2023, Karen Keilty resigned from the AGC as an external advisory liaison member due to scheduling conflicts throughout the upcoming year, necessitating the recruitment of a new external member.

Discussion

Terms of Reference Update

The existing AGC Terms of Reference stipulate that the AGC include two non-voting external advisory liaison members. Following the recruitment process for a new external member, the informal working group recommends that the Terms of Reference be altered to include up to three external members. This will increase the level of external expertise available to the AGC, and allow external members greater latitude to miss meetings on occasion, if needed.

Proposed versions of the revised Terms of Reference and revised Code of Conduct/Terms of Engagement are included in this report as Appendices A and B.

Appointment Timeline

If this report's recommendations are endorsed by the AGC and approved by Council, allowing for an additional external member, the tentative subsequent timeline for external member appointments would be:

Date	Meeting	Decision/Notes
May 15, 2023	AGC	<ul style="list-style-type: none"> • Recommend TOR/TOE update to Council for 1 external member appointment
May 30, 2023	Council	<ul style="list-style-type: none"> • Approve TOR/TOE update and member appointment
June 1, 2023	AGC	<ul style="list-style-type: none"> • New external member attends first AGC meeting
		<ul style="list-style-type: none"> • Recommend 1 additional external member appointment

June 13, 2023	Council	<ul style="list-style-type: none">• Appoint 1 additional external member
July 6, 2023	AGC	<ul style="list-style-type: none">• New additional external member attends first AGC meeting

Financial Implications

There are no financial implications associated with this report’s recommendations.

Legal Implications

There are no legal implications associated with this report’s recommendations.

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APPENDIX A*(of the May 15, 2023 Report)***City of Vancouver Auditor General Committee
Terms of Reference (proposed version)****A. PURPOSE**

The Auditor General Committee is responsible to assist Council to provide oversight to the Auditor General on behalf of Council.

B. MEMBERSHIP

1. The Committee is established pursuant to Section 161 of the *Vancouver Charter* and will be comprised of 5 Councillor members appointed by Council.
2. The Committee will also include 1 alternate Councillor member, appointed by Council, to attend meetings in a full voting capacity, but only if a Councillor member is unable to attend.
3. The Committee will also be assisted by up to 3 external advisory liaison members who will be selected by the Committee following the appointment of the 6 Councillors to the Committee.
4. The 3 external advisory liaison members are to have relevant audit performance experience.
5. Council will appoint the 6 Councillors, 5 Councillor members and one alternate, to the Auditor General Committee taking into account the following factors:
 - a. The Councillor with more expertise, audit-relevant experience, and interest in the Auditor General Committee than the other prospective appointees should be appointed as the Committee Chair; and
 - b. Councillors with accounting, public finance, or recent management experience should be preferred for appointment over those who do not have such experience.
6. The 5 Auditor General Committee Councillor members will select the external advisory liaison members applying analogous principles to 5.a and 5.b above

C. MANDATE/RESPONSIBILITIES

1. The Auditor General Committee's mandate is to:
 - a. Support the independence of the Auditor General;
 - b. Support the mandate of the Auditor General as set out in the Auditor General By-law; and
 - c. Provide the oversight prescribed by the Auditor General By-law to the Auditor General on behalf of Council.
2. The Auditor General Committee's responsibilities are to:
 - a. Carry out the duties assigned to it pursuant to the Auditor General By-law, including:

- i. Drafting and approving, in consultation with the City Solicitor, Terms of Reference (External Terms of Reference) for the 3 external advisory liaison members (“**External Advisors**”);
 - ii. Issuing a call for volunteers to be External Advisors and selecting and securing written agreement of the External Advisors to the Terms of Reference (which will address confidentiality, volunteer status, conflict of interest, regular disclosure requirements, etc.);
 - iii. Receiving draft annual reports from the Auditor General and providing feedback to the Auditor General on same;
 - iv. Reviewing the final reports of the Auditor General and reporting to Council on the work of the Auditor General as well as any recommendations of the Auditor General Committee related to or supplemental to those of the Auditor General’s reports, findings, and investigations;
 - v. Calling appropriate members of City’s management to Auditor General Committee meetings as deemed necessary or appropriate by the Auditor General Committee to understand the City’s management’s perspective on reports, and to monitor how effectively and quickly recommendations are implemented and so as to assist Council to ensure all recommendations are implemented;
 - vi. Reviewing the annual budget request of the Auditor General and consulting with the Auditor General on same and making recommendations to Council within the timelines being followed by Council generally for the development of each annual operating budget;
 - vii. Periodically reviewing and reporting to Council on the remuneration of the Auditor General;
 - viii. Periodically reviewing the mandate of the Auditor General and making recommendations on same to Council;
 - ix. Periodically reviewing these Terms of Reference as well as the External Terms of Reference and any related guidelines, forms, or associated documentation; and
 - x. Replacing the External Advisors as and when necessary due to vacancy or otherwise;
 - b. Convene meetings within 30 days of receiving any report or other communication from the Auditor General requiring review or decision by the Auditor General Committee;
 - c. Meet at least 3 times per year; and
 - d. Meet within 20 days of any request by the Auditor General for a meeting.
3. The Auditor General Committee’s administrative responsibilities are to ensure that it has the appropriate budget, resources, and administrative support to complete its work, including the following:
- a. Including its budget requirements in the annual budget request of the Auditor General (for example the procurement of an expert, if needed);
 - b. Developing on or before February 28 of each year an annual plan that outlines the elements to be covered in each planned meeting to align with its responsibilities as set out above;
 - c. Developing each meeting agenda to reflect the annual plan and other pertinent topics that are anticipated to arise during the year; and
 - d. Identifying and ensuring it recommends to Council for approval if necessary sufficient City Clerk resources and support staff to undertake its duties, such as organizing the meetings, making necessary documents available, setting up the communication and presentation technology, taking minutes, and supporting follow-up.

4. Auditor General Committee members also have an individual responsibility to become and stay informed about key accounting principles related to risk, and the application of audit standards by auditors. Members may carry out this responsibility by:
 - a. Requesting that the external advisory liaison members or Auditor General regularly explain the standards used by and for the audits carried out by the Auditor General as well as the implications of the standards in terms of how the Auditor General has or will reach a conclusion on any given matter; and
 - b. Requesting or verifying that the interpretation of these standards is disclosed in all audit plans presented by the Auditor General.

D. AUDITOR GENERAL COMMITTEE PRIVILEGES

1. Committee members are permitted to meet privately with the Auditor General on request.
2. Committee members are entitled to have adequate and relevant orientation provided to them by the Auditor General, the Chair, or the External Advisors as appropriate so as to assist Committee members to:
 - a. Better understand the committee's purpose, procedures, and the roles of the chair and of members;
 - b. Better understand the similarities and differences between the different types of audit (financial audit, performance audit, internal audit, and special studies);
 - c. Better understand the general audit process, and the role of the Auditor General Committee in regard to each type of audit;
 - d. Better understand the accountability relationships among the external auditors, the Auditor General, Internal Audit, and the Director of Finance; and
 - e. Better understand the importance of the accountability relationships and how to best support the follow up on, and the implementation of, the Auditor General's recommendations.
3. Where the Committee has been given budget funds for same by Council, the Committee members will be given access to professional development to assist them in understanding current issues that impact their role.

E. COMMITTEE OBJECTIVES/GOALS

1. The Committee and its Chair will foster a cooperative relationship between members around a commitment to improving public accountability:
 - a. Cooperation and respect among members are encouraged;
 - b. Questions, concerns, and differences of opinion are openly addressed in a respectful manner; and
 - c. A focus on fulfilling the Committee's mandate and improving public accountability is used to unite members even when they face differences of opinion and of priorities.
2. The Committee will engage constructively with City management:
 - a. Interdependence between the Committee, external auditors, internal auditors, and management is fostered, while independence of the roles is respected.
 - b. The Committee treats invited guests respectfully.
 - c. Members ask constructive questions to understand management's perspective.
 - d. Questions are related to the topic being addressed.
 - e. The appropriate member of staff is called to answer any Committee questions and provide, when necessary, related documentation.

- f. The scope of the meeting is communicated to managers for the area under discussion, in advance of a meeting, so they can prepare appropriately.
 - g. Members ensure their questions are answered and request written follow-up if questions cannot be answered at the meeting.
 - h. Meeting minutes are to be sufficient to serve as a good record of the answers provided by management and of the necessary follow-up.
3. The Committee will allow sufficient time on the agenda to properly review and discuss the reports and other information being provided by the Auditor General to them.
 - a. The Committee dedicates sufficient time at each meeting to:
 - i. examine and discuss the Auditor General's reports issued on performance audits or special studies, investigations, or inquiries, and
 - ii. carry out the responsibilities assigned to it pursuant to the Auditor General By-law.
 - b. The Committee will dedicate time to speak privately with the Auditor General to get clarity on:
 - i. the reports,
 - ii. the relationship with management,
 - iii. any difference of view with management, and
 - iv. any particular risk of fraud or other issues.
4. The Committee will report regularly to Council on its work, including
 - a. on management's progress on implementing audit recommendations until the implementation is concluded.
 - b. an annual report to the Council that summarizes how it has achieved its mandate and responsibilities and its activities, including
 - i. comments on issues and matters of concern,
 - ii. recommendations of the Auditor General as supplemented where appropriate by the Committee
 - iii. any other information which will assist Council to consider and approve where necessary the recommendations, and to acknowledge the Committee's and Auditor General's work.
5. The Committee will periodically evaluate its own work and reflect on it (through an anonymous survey, peer review, and/or self-assessment).
6. The Committee will ensure audit recommendations are implemented:
 - a. The Committee will discuss the recommendations raised by audit reports;
 - b. The Committee will obtain assurance that the management accountability process is effective in monitoring implementation of the management action plans responding to the audit recommendations;
 - c. The Committee will communicate with management to obtain direct information about the action plans and to make any necessary improvements to the accountability process, and will invite management to attend Auditor General Committee meetings in this regard; and
 - d. The Committee will follow up with management and the Auditor General to ensure, with evidence, that recommendations have been implemented.
7. The Committee will seek out action plans and status updates from departments that outline how they will implement recommendations, including:
 - a. Ensuring management provides detailed action plans in response to the audit recommendations;

- b. Ensuring the plans provide detail on how management will address the Auditor General's (and Committee's if any) recommendations and who has responsibility for implementation;
 - c. Ensuring the action plans and status updates include realistic timelines and completion dates;
 - d. Ensuring the action plans are reviewed, and the implementation of the recommendations is tracked and recorded by management and by the support staff of the Committee; and
 - e. Through collaboration with the Auditor General and management, ensure that the Committee obtains and reviews detailed status updates from departments.
8. The Committee will ensure the continuity of work and transfer of knowledge, including:
- a. Ensuring that Council receives recommendations to appoint an Auditor General Committee in a timely manner following an election;
 - b. Ensuring the Committee has a method to ensure that work continues when Committee membership changes, including endeavouring to appoint the External Advisors so that their terms are staggered as between the two of them but that their two terms overlap any upcoming election;
 - c. Ensuring that there are clear and simple to read or watch orientation and training materials and resources that allow any new Committee member to be quickly briefed upon appointment and well in advance of any in person or regular training or updates from the Auditor General or Committee members; and
 - d. Ensuring the minutes and records of the Committee are readily available to new and existing members at all times for their review.

F. ACCOUNTABILITY OF COMMITTEE

The committee reports to Council.

G. PROCEDURE/QUORUM/VOTING

1. Meetings are meetings of a committee of Council and will be scheduled, conducted, and recorded in the same manner as any other meeting of Council in committee pursuant to the Procedure By-law.
2. For the purposes of the Procedure By-law, the Auditor General Committee is a standing committee.
3. Notwithstanding the normal standing committee quorum requirement of a majority of members, quorum will be 4 out of the 5 Councillors.
4. Decisions will generally be made by consensus, but in the absence of same, any Councillor may request a vote and the matter will be decided by a simple majority of the Councillors present.
5. The External Advisors are non-voting members.

H. MEETING FREQUENCY/VENUE

Meetings will occur in the manner set out under “Mandate/Responsibilities”

I. TERMS OF REFERENCE MAY BE REVIEWED

The Terms of Reference may be reviewed by the Committee on request, but delegated authorities may only be changed by resolution of Council.

J. TERMS OF REFERENCE TAKE EFFECT ON APPROVAL

These Terms of Reference take effect on the approval of them by Council.

Approved by Council: November 4, 2020

Amended by Council: April 11, 2023

Amended by Council: _____, 2023

APPENDIX B
(of the May 15, 2023 Report)

City of Vancouver Auditor General Committee

**External Advisory Liaison Member Code of Conduct/Terms of Engagement (*proposed*
version)**

(“Reference Document”)

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Form 1 – Ownership Interest Disclosure Statement and Annual Statement of Compliance

1. Definitions

- (a) **“City”** means the City of Vancouver;
- (b) **“Confidential Information”** has the meaning given to it in section 9;
- (c) **“Costs”** means, in respect of any matter:
 - (1) all direct and indirect; and
 - (2) all consequential; losses, damages, liabilities, deficiencies, costs and expenses.
- (d) **“Third Party”** means any third party entity involved in any agreements, negotiations, or other dealings with the City or its affiliates;
- (e) **“Committee”** means the Auditor General Committee;
- (f) **“Committee’s Terms of Reference”** means the Terms of Reference attached as Schedule “A” to this Reference Document;
- (g) **“External Advisor”** means an external liaison advisory member of the Committee (ie. those members who are not Councillors);
- (h) **“AGC Chair”** means the Committee Chair; and
- (i) **“Political Activity”** is applicable to the civic, regional, provincial, and national elections and includes:
 - (1) carrying on any activity in support of, within, or in opposition to a political party;
 - (2) carrying on any activity in support of or in opposition to a candidate before or during an election period; and
 - (3) seeking nomination as or being a candidate in an election before or during the election period.

To Each External Advisor:

2. General Intent

The City thanks External Advisors for and greatly appreciates their generosity to our community in agreeing to sit as a member of the Committee, and provides the material set out in this Reference Document to assist in effectively understanding the terms of engagement and code of conduct that govern participation on the Committee. The purpose of this Reference Document is to set out the most important terms and conditions which apply to External Advisors.

3. Committee Composition and Term

The Committee will be comprised of up to 9 members, 5 of whom will be ~~Councillors~~ Councillor members, 1 of whom will be an alternate Councillor member, and up to 3 of whom will be fully participating but non-voting External Advisors (due only to *Vancouver Charter* constraints). Appointment to the Committee will be for an initial term of three years. The Committee has been formed to serve at the discretion of City Council and each External Advisor serves at the discretion of City Council. As such, the term of an External Advisor's appointment may be extended for one additional three year term, or the Committee may be disbanded and/or an External Advisor's appointment may be withdrawn or cancelled without cause at any time, on written notice from the City. Committee membership will be reviewed by City Council on an annual basis.

4. Scope of Committee Activities

The Committee has been established by City Council to provide confidential, objective, expert advice to City Council with respect to

- supporting the independence of the Auditor General,
- supporting the mandate of the Auditor General as set out in the Auditor General By-law, and
- providing the oversight prescribed by the Auditor general By-law to the Auditor General on behalf of Council,

all as more particularly set out in the Committee's Terms of Reference.

5. External Advisor is a Volunteer

Since External Advisors sit as volunteers, they will not be entitled to any compensation and will not be an employee of the City. Accordingly, External Advisors are not entitled to Workers Compensation Board benefits nor any medical, disability or other insurance benefits or coverage of any kind.

6. Conflicts of Interest – Prior to Joining Committee

Except as disclosed to the City in writing prior to starting on the Committee, the External Advisor now confirms that, to the best of their knowledge as of the date of joining the Committee, the External Advisor is not:

- (a) an elected official or employee of the City; or
- (b) an officer, director, shareholder, partner or employee of any business of a Third Party's;

such that there would be any conflict of interest or any appearance of conflict of interest in the External Advisor's participation on the Committee.

7. Conflicts of Interest – Avoidance/Management After Joining Committee

External Advisors must avoid situations where their personal interests conflict with their duty to the Committee and the City. A conflict of interest occurs when an External Advisor's personal interest or obligation may influence their advice or performance on behalf of the Committee. A personal interest may create:

- an actual conflict, (for example – an External Advisor owns property or a business interest that is directly involved in providing goods or services to the City);
- a potential conflict, (for example - an External Advisor or their business is planning to bid on a procurement opportunity with the City); or
- a perceived conflict, (for example - a External Advisor who is involved in choosing or recommending suppliers or consultants for the Committee is a close friend of an employee of a particular supplier and often attends personal and family events in the presence of the supplier).

These examples are intended to illustrate the types of conflicts that should be avoided and should not be considered an exhaustive list.

While conflicts must be avoided wherever possible, some conflicts can be appropriately managed or cured through full disclosure and separation of duties. In general:

- External Advisors must take all reasonable measures to avoid situations in which they could directly or indirectly benefit personally from a transaction involving, or contract with, the City or from the External Advisor's knowledge of or ability to influence decisions for the Committee; and
- where an actual, potential or perceived conflict of interest may exist, the External Advisor: (i) must declare the conflict to the Committee; and (ii) must not participate in any discussions, advice by the Committee related to the matter from which the conflict arises.

8. Outside Activities and Directorships

External Advisors may engage in outside activities, including acting as a director of a corporation, provided those outside activities do not interfere with the proper discharge of their duties to the Committee and the City and do not imply the Committee's sponsorship or support for the outside organization or its initiatives.

Examples of activities that would interfere with the proper discharge of an External Advisors duties include:

- knowingly being employed by, having a financial interest in, or borrowing from (except on widely offered customary terms), a supplier or service provider of the Committee; and
- receiving fees or benefits for referring the Committee or Committee members to an outside business or referring an outside business to the Committee.

External Advisors must promptly disclose in writing to the City a list of all companies in which they have an interest.

9. Accepting Gifts

From time to time External Advisors may receive gifts from Third Parties. Receiving significant gifts from Third Parties in their capacity as an External Advisor may place the External Advisor in a perceived conflict position.

Gifts from Third Parties may be accepted if they benefit the Committee and are within normal industry standards for business relationships and hospitality. External Advisors should be comfortable that the gift does not create a sense of obligation, would improperly influence the External Advisor's advice or would be perceived by third parties as being extravagant or excessive. For example, a normal course gift might be a memento to reflect the completion of a major project or may be given simply to reflect the importance of an ongoing business relationship.

Individual gifts from Third Parties of a material nature with an estimated value in excess of \$50.00 should be declined with thanks, unless it will create a difficult or awkward situation in which case it should be reported to the AGC Chair. The City may determine that the gift should be returned or disposed of in support of charitable purposes.

Multiple gifts from the same Third Party over a short period of time should be avoided.

The following gifts from Third Parties must not be accepted: cash, bonds, negotiable securities, personal loans, any type of gift card/certificate valued at over \$50.00, airline tickets or use of a vacation property.

10. Charitable and Political Donations

The Committee encourages the valuable contribution that is made by External Advisors personally participating in charitable, community, political, and similar organizations.

- External Advisors may support causes of their choice, but must ensure that contributions are not associated, or perceived to be associated, with the Committee.
- External Advisors may not solicit donations from other External Advisors or from the Committee's employees, suppliers or service providers except in support of City-approved charitable initiatives, or with the written approval of the City.

11. Political Advocacy

External Advisors should enjoy broad political freedoms and should be able to engage in democratic politics with few restrictions. However, such broad freedoms must be exercised so as not to call into question an External Advisor's ability to perform their duties as an External Advisor in a professional and impartial manner. External Advisors may engage in any Political Activity so long as it does not impair, or is not perceived as impairing, their ability to perform their duties as an External Advisor in a politically impartial manner.

External Advisors may seek nomination as candidates for City Council and for the Park Board, provided the External Advisor meets the following requirements:

- Notify the AGC Chair in writing, of the External Advisor's intention to consent to nomination, before being nominated;

- After advising the AGC Chair in writing, the External Advisor is entitled to and must take a leave of absence from the Committee, as follows:
 - i) Commencing on the first day of the nomination period or the date of notification, whichever is later; and
 - ii) Ending:
 - (A) if the External Advisor is not nominated, on the day after the end of the nomination period;
 - (B) if the External Advisor withdraws as a candidate, on the day after the withdrawal;
 - (C) if the External Advisor is elected, on the day the External Advisor resigns from the Committee and in no case later than the day on which the External Advisor swears the oath of office;
 - (D) if the External Advisor is not elected and no application for a judicial recount has been made, on the last day on which an application for a judicial recount may be made; and
 - (E) if the External Advisor is not elected and an application for a judicial recount has been made, on the date when the results of the judicial recount are determined.

12. Confidential Information

For the purposes of this Reference Document, “Confidential Information” means any oral or written data, financial, operating, evaluation, and other information, submitted by a Third Party or generated by the Committee or the City as part of the Committee’s activities, including without limitation:

- (a) all communications amongst the City, Third Parties, and the Committee occurring during or arising from the Committee’s activities;
- (b) all financial, operating and other proprietary information in respect of the business, property and management of the Committee or any Third Party and any other information, written or oral, provided by the City or a Third Party as part of the Committee’s activities;
- (c) any record, report, document, policy, practice, agreement, account, ledger or other data or information relating to the business or proposed business of the City or a Third Party, including without limitation any and all discoveries, inventions, processes, methods, techniques, know-how, trade secrets, and intellectual property and proprietary rights relating to the City or a Third Party, expressed in whatever form;
- (d) any record, report, document, policy, practice, agreement, or other data or information created by the City or the Committee in connection with the Committee’s activities;

to which access is granted to or obtained by External Advisors from the City, but does not include any data or information which:

- (e) is or becomes publicly known or available through no breach of the terms of this Reference Document;
- (f) is disclosed with the prior written consent of the City; or,

- (g) is information required to be disclosed pursuant to the Freedom of Information and Protection of Privacy Act (British Columbia).

10. Promise of Confidentiality by External Advisor

The External Advisor acknowledges and agrees:

- (a) to keep all Confidential Information to which access is granted to or obtained by the External Advisor in strictest confidence and as being strictly private and confidential and not to disclose or permit disclosure of all or any portion of the Confidential Information, except as otherwise expressly permitted by this Reference Document or with the prior written authorization of the City;
- (b) not to use all or any portion of the Confidential Information in any way which may be reasonably considered as detrimental to the City or a Third Party, or which might be reasonably considered to adversely affect the integrity of the City or the Committee, or in any manner which would constitute a breach of any law, rule or regulation of any jurisdiction;
- (c) not to use all or any portion of the Confidential Information for any purposes other than the activities of the Committee; and,
- (d) to promptly advise the City in writing of any unauthorized use or disclosure or any anticipated use or disclosure of all or any portion of the Confidential Information comes to an External Advisors' attention and to take all reasonable steps to stop such unauthorized or anticipated use or disclosure.

11. Return of Confidential Information

On an annual basis at the direction of the City, External Advisors will promptly return to the City or destroy all records of the Confidential Information, without retaining copies and confirm such redelivery or destruction to the City by delivering to the City a certificate in writing which certifies such redelivery or destruction.

12. Permitted Disclosures

Despite anything above to the contrary, External Advisors may disclose all or any part of the Confidential Information as may be required by law or pursuant to an order of a court of competent jurisdiction, but only after advising the AGC Chair in writing, in order to allow the City a timely opportunity to appeal any such order, before any disclosure is made of such Confidential Information.

12.1 Media Contact and Public Statements

In order to ensure that the Committee's reputation is maintained and that messages are consistent, all media inquiries should be directed to the AGC Chair. External Advisors should not make public statements regarding the Committee or the City.

13. Costs and Expenses

All incidental expenses associated with an External Advisor's role should be submitted to the AGC Chair, or such other person as may be designated from time to time. Expenses will be reviewed

and approved by the AGC Chair provided they are within the City's approved expense reimbursement policy.

14. General Provisions

- (a) This Reference Document is governed by the laws of British Columbia and the courts of British Columbia will have exclusive jurisdiction over any and all disputes arising from it.
- (b) This Reference Document will bind and benefit External Advisors and their respective successors and assigns and will bind and benefit the City and its successors and assigns.
- (c) The relationship between the parties is that of a fiduciary relationship with External Advisors owing a fiduciary obligation of the utmost trust, confidence and loyalty to the City in keeping the Confidential Information confidential and avoiding or properly managing all actual and perceived conflicts of interest. However, aside from the above-noted obligations, nothing in this Reference Document creates any relationship of agency, partnership, or joint venture between the parties and neither party has the authority to act on behalf of the other party or commit that party in any way.
- (d) This Reference Document sets out the entire agreement concerning its subject matter and replaces and supersedes all prior discussions, agreements, and writings, if any, between the parties.
- (e) This Reference Document may not be amended except in writing and signed by each party. No condoning, excusing or over-looking by any party of any default or non-observance will operate as a waiver unless the waiver is expressly granted in writing and signed by the waiving party.
- (f) In the event of partial unenforceability or invalidity, or a change in the law, or other unintended event or occurrence, the parties will in good faith do everything and sign everything required to most nearly restore or approximate the original intent of this Reference Document.
- (g) Pursuant to the *Electronic Transactions Act* (British Columbia), the parties will be legally bound by the terms of this Reference Document upon transmission to the City of an e-mail acknowledging the External Advisor's agreement to same.

15. Acknowledgement of Compliance

All External Advisors are required, as a condition of their appointment, to complete the acknowledgement of compliance with this Reference Document attached as Form 1, within 30 days of their start date. Any material changes to this information will require another Form 1 to be completed and submitted to the AGC Chair within 30 days of any change.

16. Applicable City Policies

The City is committed to providing a work environment in which all individuals are treated with mutual respect and dignity. As such, the City has developed a "Human Rights and Harassment Policy" that addresses harassment as prohibited by the B.C. Human Rights Code, and a "Respectful Workplace Policy" that deals with disrespectful workplace behaviour that is not covered by human rights legislation. The City has also developed a "Whistleblowing – Reporting, Investigation and Protection" policy that sets out guidelines for the reporting and investigation of serious misconduct and provides protection from retaliation to those who report serious

misconduct in good faith. These policies can be made available to External Advisors at their request.

CODE OF CONDUCT/TERMS OF ENGAGEMENT TAKE EFFECT UPON APPROVAL:

Approved by Council: January 19, 2021

Amended by Council: _____, 2023

FORM 1

OWNERSHIP INTEREST DISCLOSURE STATEMENT AND ANNUAL STATEMENT OF COMPLIANCE

1. I have an interest in the companies set out in the attached document, which I am required to disclose pursuant to the Auditor General Committee Reference Document.

(Please list in an attached document all companies in which you have an ownership interest. If you have nothing to disclose, please sign and return this document with no attachment.)

2. I have received, read and understand the requirements of the Auditor General Committee Reference Document and will comply with the spirit and intent of the policies therein. I understand that non-compliance with the policies could result in termination of my appointment to the Auditor General Committee.

Name (please print)

Signature

Date

Please return your completed form to:

**AGC Chair
C/O City Clerk
City of Vancouver
#320 - 507 West Broadway
Vancouver, BC
V5Z 0B4**

SCHEDULE “A”
TERMS OF REFERENCE
AUDITOR GENERAL COMMITTEE

[Attach Terms of Reference as approved by Council]