



**Alberta Treasury Board
& Finance**
Travel, Meal and
Hospitality Expenses
of the Premier, Ministers,
and Their Staff

About this Audit

Public servants may incur expenses for travel, meals and hospitality related to government business and can claim expense reimbursements and certain allowances. They have to follow government policies on these types of expenses,³⁶ as well as policies on procurement cards and credit cards.

We established an annual rotational audit of departments' systems for verifying that the expenses of the premier, ministers, associate ministers and their staff comply with policies and to support the Treasury Board Committee oversight process as described in our May 2017 report.³⁷ This is the fourth year of our audit.

Objective and Scope

The audit objectives were to assess whether departments have effective processes to:

- verify that the travel, meal and hospitality expenses of the premier, ministers, associate ministers and their staff comply with policies³⁸
- support the Treasury Board Committee process to oversee these expenses of the premier, ministers and associate ministers.

We follow a rotational approach, so that we audit each department once every three years. This year, we audited the systems at the following departments:

- Advanced Education
- Culture, Multiculturalism & Status of Women
- Economic Development, Trade & Tourism (now 'Jobs, Economy and Innovation')
- Education
- Energy

- Executive Council (Premier's Office)
- Health
- Service Alberta

We audited the processes and expenses at these ministries for the period May 1, 2019, to November 15, 2019.

Criteria

To determine whether departments have effective processes to verify that the travel, meal and hospitality expenses of the premier, ministers, associate ministers, and their staff comply with policy and support the Treasury Board Committee oversight processes, we used the following criteria:

Departments should have processes to ensure expenses are incurred to support government business, are economical and are appropriately allocated, approved and disclosed. We developed the audit criteria based on departments' responsibilities and applicable expense policies as well as policies on procurement cards and credit cards.

Management of Treasury Board and Finance acknowledged the suitability of the audit criteria on December 13, 2019.

³⁶ <http://www.finance.alberta.ca/business/planning-accountability/accountability/expenses-policies.html>

³⁷ *Report of the Auditor General of Alberta—May 2017*, page 53.

³⁸ Travel, Meal and Hospitality Expenses Policy, International Travel Policy, Public Disclosure of Travel and Expenses Policy, Procurement Card Policy and Credit Card Policy.

What We Examined

We examined nearly 3,200 travel, meal and hospitality expenses incurred between May 1, 2019, and November 15, 2019, including details of 21 international and domestic trips. Our work included reviewing procurement card reconciliations, expense claims and supporting documents, and interviewing staff. We did not examine remuneration, employment and termination benefits, or other office expenses, such as office supplies.

The detailed testing procedures we performed were consistent with the testing we executed in prior years.

We conducted our field work between January and April 2020, and substantially completed the audit on September 25, 2020.

Conclusion

We conclude that all departments examined had effective processes, for the period from May 1, 2019, to November 15, 2019, to:

- verify that the travel, meal and hospitality expenses of the premier, ministers, associate ministers and their staff comply with policies
- support the Treasury Board Committee process to oversee these expenses for the premier, ministers and associate ministers

The following table summarizes our conclusions on the departments' systems.

Department	Systems to verify that expenses are in compliance with directives and policies	Systems to publicly disclose expenses and to support the new Treasury Board Committee oversight process
Advanced Education	●	●
Culture, Multiculturalism & Status of Women	●	●
Economic Development, Trade & Tourism	●	●
Education	●	●
Energy	●	●
Executive Council	●	●
Health	●	●
Service Alberta	●	●

- ◆ Significant improvements needed to systems
- ▲ Improvements are needed to systems, but not to the same extent as red items.
- We have not identified any significant weaknesses in the systems

We provided observations to five of the eight departments above. We did not consider any of the observations to be significant or pervasive in nature, and therefore we did not identify any improvements to systems that are required.



Why This Conclusion Matters to Albertans

Albertans expect ministers and public servants to spend taxpayers' dollars responsibly and prudently when conducting government business. Effective processes are needed to ensure that people are complying with the expense policies. Albertans need the assurance that these systems are well-designed and working effectively.

Audit Responsibilities and Quality Assurance Statement

Management of Treasury Board and Finance has certain administrative responsibility for government expense policies, so we report our overall audit results to that department. Management of each department is responsible for creating and sustaining systems to comply with policies.

Our responsibility is to express an independent conclusion on the audit objective stated above.

We conducted our audit in accordance with Canadian Standard on Assurance Engagements 3001 issued by the Auditing and Assurance Standards Board (Canada). The Office of the Auditor General applies Canadian Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. The office complies with the independence and other ethical requirements of the Chartered Professional Accountants of Alberta Rules of Professional Conduct, which are founded on fundamental principles of integrity and due care, objectivity, professional competence, confidentiality and professional behaviour.



oag.ab.ca

Contact us:
info@oag.ab.ca
780.427.4222

ISSN 1919-4242 (print)
ISSN 1927-9604 (online)

