

Treasury Board and Finance— Follow-up Audit on Oversight of the Premier’s and Ministers’ Expenses

INTRODUCTION

When the premier and ministers incur expenses while travelling or hosting events as part of government business, they can claim expenses to cover their costs. In 2014¹ we assessed whether the then Premier and the Office of the Premier’s employees complied with the Government of Alberta’s travel, meal and hospitality expenses policy. We found that there was no formal oversight structure to monitor the office’s travel expenses and use of government aircraft.

We recommended that Treasury Board improve oversight of the expenses of the premier’s office and ministers’ offices. We made our recommendation to Treasury Board because, in our opinion, it could best determine where responsibilities for providing oversight of the premier’s and ministers’ expenses should be placed. Oversight means exercising vigilance, checking that processes and systems, including the accountability for results system, are working well, and signalling preferred behaviour, in the pursuit of desired results.

In 2015–2016, the premier and ministers incurred \$180,000 of travel, meal and hospitality expenses.

As part of our audit in 2014, the premier asked us to review the Government of Alberta’s September 2012 travel, meal and hospitality expenses policy. We provided advice on the policy, and in November 2015, Treasury Board approved a revised policy that incorporated elements of our advice.

AUDIT OBJECTIVE AND SCOPE

Our objective was to determine whether Treasury Board has established an oversight process to monitor the premier’s and ministers’ expenses.

Our objective was not to determine whether ministers and the premier complied with the travel, meal and hospitality expenses policy, because we will examine the expenses for ministers and their staff on a recurring basis as part of a separate audit.

WHY THIS IS IMPORTANT TO ALBERTANS

The public expects that ministers use public money responsibly when claiming expenses. Effective oversight helps ensure that expenses are reasonable.

¹ *Report of the Auditor General of Alberta—August 2014*, no. 1, page 19.

WHAT WE EXAMINED

We conducted our field work in November and December 2016, and substantially completed our audit on January 23, 2017.

To perform the audit, we:

- obtained an understanding of the new oversight process and examined evidence of it
- examined the summary expense report that the Department of Treasury Board and Finance submitted to Treasury Board
- obtained evidence that the department presented the summary expense report to Treasury Board
- tested the accuracy of the compilation of expense data in the summary expense report

CONCLUSION

Treasury Board has implemented our recommendation by establishing an oversight process to monitor the travel, meal and hospitality expenses of the premier and ministers.

FINDINGS

In December 2016, the department presented its first summary expense report to Treasury Board, covering expenses for the year ended March 31, 2016. Treasury Board requested quarterly reporting going forward. The committee reviewed the department's summary expense report, which included information on expense trends compared with the prior fiscal year, expenses by minister, types of expenses, and reporting of instances where discretion allowable under the policy was applied. Reporting included whether there was a documented rationale when discretion under the policy was used.