



**Alberta Treasury Board
and 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,⁴⁸ 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.⁴⁹ This is the fifth 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 staff comply with policies⁵⁰
- 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:

- Children's Services
- Community and Social Services
- Indigenous Relations
- Labour and Immigration
- Treasury Board and Finance

We audited the processes and expenses at these ministries for the period May 1, 2019 to November 28, 2020.

Criteria

To determine whether departments have effective processes to verify that the travel, meal and hospitality expenses of ministers, associated 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 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 & Finance acknowledged the suitability of the audit criteria on February 3, 2021.

⁴⁸ <http://www.finance.alberta.ca/business/planning-accountability/accountability/expenses-policies.html>.

⁴⁹ *Report of the Auditor General of Alberta—May 2017*, page 53.

⁵⁰ Travel, Meal and Hospitality Expenses Policy, Public Disclosure of Travel and Expenses Policy, Procurement Card Policy and Credit Card Policy.

What We Examined

We examined a sample of travel, meal and hospitality expenses incurred between May 1, 2019 and November 28, 2020 at each department included in our scope. Our work included reviewing p-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 in February and March 2021. We completed our audit on May 17, 2021.

Conclusion

We conclude that all departments examined had effective processes for the period from May 1, 2019 to November 28, 2020 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
Children’s Services	●	●
Community and Social Services	●	●
Indigenous Relations	●	●
Labour and Immigration	●	●
Treasury Board and Finance	●	●

- ◆ 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

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 objectives 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.



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