

Travel, Meal and Hospitality Expenses of the Premier, Ministers and Their Staff

Treasury Board and Finance

Report of the Auditor General
December 2023



**Auditor
General**
OF ALBERTA

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,⁴⁵ 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.⁴⁶

Objective and Scope

The audit objective was 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 policies.⁴⁷

We follow a rotational approach, so that we audit each department once every three years. This year, we audited expenses from the following ministries:

- Executive Council (Premier's Office)
- Treasury Board and Finance
- Health
- Mental Health and Addiction
- Jobs, Economy and Trade
- Immigration and Multiculturalism
- Skilled Trades and Professions
- Service Alberta and Red Tape Reduction
- Technology and Innovation

We audited the processes and expenses at these ministries for the period April 1, 2022 to March 31, 2023.

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, 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 policy requirements.

Management of Treasury Board and Finance acknowledged the suitability of the audit criteria on July 13, 2023.

What We Examined

We examined a sample of travel, meal and hospitality expenses incurred between April 1, 2022 and March 31, 2023 at each ministry included in our scope. Our work included reviewing 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 July and August 2023, and completed the audit on September 11, 2023.

⁴⁵ <https://open.alberta.ca/publications/travel-meal-and-hospitality-expenses-policy-expenses-policy>.

⁴⁶ *Report of the Auditor General—May 2017*, page 53.

⁴⁷ Travel, Meal and Hospitality Expenses Directive, Travel Policy for Elected Official Missions, Public Disclosure of Travel and Expenses Policy and Government Procurement Card Policy.

Conclusion

We conclude that all departments examined had effective processes, for the period from April 1, 2022 to March 31, 2023 to verify that the travel, meal and hospitality expenses of the Premier, ministers, associate ministers and their staff comply with policies.

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

Department	Systems to verify that expenses are in compliance with directives and policies
Executive Council (Premier's Office)	●
Treasury Board and Finance	●
Health	●
Mental Health and Addiction	●
Jobs, Economy and Trade	●
Immigration and Multiculturalism	●
Skilled Trades and Professions	●
Service Alberta and Red Tape Reduction	●
Technology and Innovation	●

- ◆ 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 objective stated above.

All work in this audit was performed to a reasonable level of assurance in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001—Direct Engagements, set out in the CPA Canada Handbook—Assurance. The Office of the Auditor General applies Canadian Standard on Quality Management 1, which requires the office to design, implement and operate a system of quality management, including 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.