

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

Treasury Board and Finance

Report of the Auditor General
November 2024



**Auditor
General**
OF ALBERTA

Shane Getson, MLA
Chair
Standing Committee on Legislative Offices

I am honoured to transmit my *Travel, Meal and Hospitality Expenses of the Premier, Ministers, and Their Staff* to the Members of the Legislative Assembly of Alberta, under the *Auditor General Act*.



W. Doug Wylie FCPA, FCMA, ICD.D
Auditor General of Alberta

Edmonton, Alberta of Alberta
November 2024

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,¹ 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 as described in our May 2017 report.² This is the eighth year of our audit.

Audit 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.³

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

- Advanced Education
- Affordability and Utilities
- Arts, Culture and Status of Women
- Children and Family Services
- Education
- Energy and Minerals
- Indigenous Relations
- Seniors, Community and Social Services
- Tourism and Sport

We audited the processes and expenses at these ministries for the period April 1, 2023 to March 31, 2024.

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 15, 2024.

What We Examined

We examined a sample of travel, meal and hospitality expenses incurred between April 1, 2023 and March 31, 2024 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.

¹ <https://open.alberta.ca/publications/travel-meal-and-hospitality-expenses-policy-expenses-policy>.

² *Report of the Auditor General of Alberta—May 2017*, page 53.

³ Travel, Meal and Hospitality Expenses Policy, Travel Policy for Elected Official Missions, Public Disclosure of Travel and Expenses Policy and Government Procurement Card Policy.

Our findings

The Government of Alberta's Public Disclosure Policy⁴ requires expenses of a minister and their staff be publicly accessible online on a bi-monthly basis. We identified the following:

- **Affordability and Utilities**—36 travel expenses for the minister and chief of staff totalling approximately \$18,000 that were submitted and processed but did not get publicly disclosed as required by the disclosure policy.⁵
- **Children and Family Services**—33 travel expenses mostly for the minister and chief of staff totalling over \$10,000 that were submitted and processed but did not get publicly disclosed as required by the disclosure policy.⁵

The expenses above included airfare and accommodations dating back to June 2023. The total monthly cost for travel, meal and hospitality expenses was reported on the Government of Alberta's website. However, each individual expense was not publicly disclosed as required by the disclosure policy.

- **Energy and Minerals**—65 travel expenses for the minister totalling approximately \$3,000 that were not submitted within two months from when they were incurred and therefore were not publicly disclosed as required by the policy. This includes over 40 expenses for approximately \$2,400 that were not disclosed within six months from when they were incurred. For example, some expenses dated back to June 2023 were not submitted until end of March 2024 and not publicly disclosed until June 2024. Because these expenses were not publicly accessible online on a bi-monthly basis, the ministry did not comply with the public disclosure policy.

The ministries should improve controls to ensure all expenses are disclosed as required by the public disclosure policy.

⁴ Government of Alberta Public Disclosure of Travel and Expense Policy—Section 5(1) A Minister shall ensure that detailed reports of their Expenses and Expenses of the Disclosers under their administration are publicly accessible online on a bi-monthly basis, within 10 business days after the first day of each calendar month in which a report must be disclosed, beginning December 2012.

⁵ Government of Alberta Public Disclosure of Travel and Expense Policy—Section 6(1) Expense reports must, at a minimum, include the following information: (a) the name and position of the discloser, (b) the date of the transaction(s) giving rise to the expense, (c) the amount of each expense, (d) the category of each expense, (e) a description and the rationale for each expense, and (f) a receipt for each expense over \$100.

Conclusion

We conclude that ministries had processes to ensure compliance with policies, for the period from April 1, 2023 to March 31, 2024; however, some processes at certain ministries could be improved.

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

Legend:

- ◆ significant improvements needed to systems
- ▲ some instances of non-compliance with policy but not indicative of significant control weaknesses
- we have not identified any significant weaknesses in the systems

Department	Systems to verify that expenses are in compliance with directives and policies
Advanced Education	●
Affordability and Utilities	▲
Arts, Culture and Status of Women	●
Children and Family Services	▲
Education	●
Energy and Minerals	▲
Indigenous Relations	●
Seniors, Community and Social Services	●
Tourism and Sport	●

Why This Conclusion Matters to Albertans

Albertans expect ministers and public servants to be responsible and transparent when spending taxpayers' dollars to conduct 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.



oag.ab.ca

Contact us:

info@oag.ab.ca

780.427.4222

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