



STANDING COMMITTEE
ON
AUDIT AND OVERSIGHT

COMITÉ PERMANENT
DE L'AUDIT ET DE LA
SURVEILLANCE

December 9, 2021

The Standing Committee on Audit and Oversight has the honour to present its

FIRST REPORT

Your committee, which is authorized to adopt a report to the Senate nominating two external members to the committee pursuant to rule [12-13\(4\)](#), presents herewith its report which contains the said nominations.

Your committee also includes in this report recommendations relating to the remuneration, permissible expenses and terms and conditions of appointment for the external members.

Background

Rule 12-13(4) of the *Rules of the Senate* (Rules) requires your committee, after electing its chair and deputy chair, to present a report to the Senate recommending the nomination of two external members to the committee. This report must be agreed to by the senators who are members of the committee and is expected to include recommendations on remuneration and permissible expenses for the external members¹.

This committee was first struck during the Second Session of the Forty-third Parliament. At its first meeting, the committee decided to undertake a rigorous selection process to identify two individuals to serve as external members of the committee. The committee consulted with senators and members of the Senate Administration and obtained the services of an executive search firm to establish the criteria, professional qualifications, experience, competencies and attributes for its external members and proposed terms and conditions for their appointment. The details and results of both the committee's open and transparent selection process, along with the terms and conditions of appointment can be found in the committee's [Fifth Report](#), which was adopted by the Senate on June 8, 2021, when the two external members were officially appointed to the committee.

Your committee met for the first time in this First Session of the Forty-fourth Parliament on December 8, 2021, for the purpose of organization and the election of a chair, pursuant to rule [12-13\(2\)](#). At that meeting, members discussed the requirement to adopt a report to nominate its external members.

Nomination of External Members

It is important to highlight the open, transparent and rigorous selection process that was employed by the committee to recruit its first two external members in 2021. Additionally, your committee continues to support the recommendation in the Fifth Report that each external member serve during pleasure and that each appointment be, in principle, for the duration of four and five years, respectively. Your committee also recognizes the importance of stability, continuity and overlap in the duration of external member

¹ In the First Session of the 44th Parliament, a [sessional order](#) was adopted on November 25, 2021 which authorized the committee to elect up to two deputy chairs and that the committee be composed of four senators, in addition to the two external members.

appointments. Your committee therefore wishes to take the tenure of its external members into consideration in proposing these nominations to the Senate.

Accordingly, pursuant to rule 12-13(4), your committee has the honour to recommend that the following individuals be reappointed as external members to the Standing Committee on Audit and Oversight:

1. **Robert Plamondon**, to serve on the committee during pleasure, for a period not to exceed four (4) years from the date of his previous appointment by the Senate on June 8, 2021, subject to the terms and conditions of this appointment.
2. **Hélène F. Fortin**, to serve on the committee during pleasure, for a period not to exceed five (5) years from the date of her previous appointment by the Senate on June 8, 2021, subject to the terms and conditions of this appointment.

Remuneration, Permissible Expenses and Terms and Conditions of Appointment

In addition to the requirements set out in the Rules for remuneration and permissible expenses, your committee also endorses specific terms and conditions of appointment, which are similar with those adopted by the Senate in the previous parliamentary session. Consequently, your committee now makes the following recommendations for the remuneration and permissible expenses for the external members of the committee, pursuant to rule 12-13(4):

1. Each external member shall be paid a \$15,000 fee annually for the duration of their appointment. Annual payments are to be made the anniversary of their first appointment to the committee, beginning on June 8, 2022.
2. In addition, each external member shall be eligible to be paid a \$1,000 fee, per meeting attended, and a \$250 fee, per briefing session attended, for the duration of their appointment, when organized under the authority of the committee.
3. Remuneration to an external member shall not exceed \$60,000 per annum.
4. In addition, each external member shall be reimbursed for their travel expenses to attend meetings, subject to guidelines established by the Senate of Canada.

Your committee also includes in the terms and conditions of appointment a provision to ensure that the Senate equip each external member with the necessary equipment and devices to allow them to participate fully in committee meetings and other activities related to the work of the committee along with the necessary access to the Senate network.

Your committee confirms that all four senators who currently serve as members of the committee concurred with the above recommendations and nominations, which the committee now presents to the Senate.

For greater certainty, the full text of the terms and conditions of appointment are appended to this report and will take effect in relation to the nominees upon adoption of this report by the Senate, subject to the external members' acknowledgement of the full terms and conditions, signature of a non-disclosure agreement and an ethics and conflict of interest declaration, and satisfactory security checks.

Finally, your committee also recommends that, for the remainder of the current parliamentary session and in order to facilitate the participation of the external members, the committee have the power to:

1. meet even though the Senate may then be sitting, and that rule 12-18(1) be suspended in relation thereto;
2. hold hybrid meetings or meetings entirely by videoconference; and
3. for greater certainty the provisions of subparagraphs 20-22 of the order adopted by the Senate on November 25, 2021, concerning hybrid committee meetings apply in relation to meetings of this committee, including meetings held entirely by videoconference.

Respectfully submitted,

DAVID M. WELLS
Deputy Chair of the Committee

APPENDIX

Terms and Conditions of Appointment for the External Members of the Standing Committee on Audit and Oversight

COMMITTEE MANDATE:

1. The committee has a mandate to supervise and report on the Senate's internal and external audits and other related matters, pursuant to rule 12-7(17) of the *Rules of the Senate*.

EXTERNAL MEMBERSHIP:

1. The committee shall nominate two individuals to be external members to the committee by way of a report presented to the Senate.
2. Former senators and former members of the House of Commons are not eligible to be nominated as external members.
3. For the duration of their appointment, the two external members shall be subject to the *Rules of the Senate* and those Senate policies which may reasonably apply, with any modifications necessary to account for their unique status.
4. The external members may participate in all proceedings of the committee but shall not vote on any motion put to the committee.

TENURE:

1. External members serve on the committee during pleasure.
2. The appointment of external members shall take effect upon adoption of the nomination report by the Senate, subject to acknowledgement of these terms and conditions.
3. So that the terms do not expire at the same time, one external member should be first appointed to serve for a period not to exceed four (4) years and the other external member should be appointed to serve for a period not to exceed five (5) years. Thereafter, all terms for external members should not exceed five (5) years.
4. Where an external member was also appointed to the committee in previous sessions or Parliaments, their term should be understood to have begun at the date of their first appointment.
5. External members should be limited to serving a maximum of two (2) terms.

REMUNERATION AND PERMISSIBLE EXPENSES:

1. The nomination report shall include recommendations for the remuneration and permissible expenses for the external members.
2. Each external member shall be paid a \$15,000 fee annually for the duration of their appointment. Annual payments are to be made on the anniversary of their first appointment to the committee, beginning on June 8, 2022; for those members who were also appointed in previous sessions or Parliaments, it shall be due on the anniversary of the date of their first appointment to the committee.
3. In addition, each external member shall be eligible to be paid a \$1,000 fee, per meeting attended, and a \$250 fee, per briefing session attended, for the duration of their appointment, when organized under the authority of the committee.
4. Remuneration to an external member shall not exceed \$60,000 per annum.
5. In addition, each external member shall be reimbursed for their travel expenses to attend meetings, subject to guidelines established by the Senate of Canada.

6. The Senate of Canada will provide each external member with the necessary electronic and digital equipment and devices to allow them to participate fully in committee meetings and other activities related to the work of the committee.
7. The Senate of Canada will provide each external member with access to the Senate Network, subject to the policies and guidelines for all Senate network users.

DUTIES AND RESPONSIBILITIES OF EXTERNAL MEMBERS:

1. External members are expected to conduct themselves in an ethical manner, to avoid conflicts of interest and to arrange their private affairs so that reasonably foreseeable real or apparent conflicts of interest may be prevented from arising.
2. External members shall not act or attempt to use their position to further their private interests or to influence a decision to further their or another person's private interests.
3. External members shall refrain from acting in a way that could reflect adversely on their position or the institution of the Senate.
4. External members shall, in exercising their duties and actions, act with honesty, integrity, independence, transparency and accountability.
5. Because the external members will have significant access to confidential and privileged materials in the performance of their duties, external members are required to sign a non-disclosure agreement as a condition of their appointment.
6. As a condition of their appointment, external members are required to sign an ethics and conflict of interest declaration and to obtain and maintain security clearance as verified by the Senate Corporate Security Directorate, to the committee's satisfaction.

These terms and conditions are hereby acknowledged and accepted.

Name of External Member (please print):

Signature of External Member

Date

THESE TERMS AND CONDITIONS ARE SUBJECT TO THE APPROVAL OF THE SENATE