



**House of Assembly  
Newfoundland and Labrador**

**Minutes of the House of Assembly  
Management Commission**

**Date:** December 3, 2008

**Location:** House of Assembly Chamber

**Time:** 5:15 p.m. – 6:15 p.m.

**Members Present:**

Hon. Roger Fitzgerald, Speaker

Mr. William MacKenzie, Clerk of the House of Assembly

Hon. Joan Burke, Government House Leader

Ms. Beth Marshall, MHA (PC) Topsail

Ms. Lorraine Michael, MHA (NDP) Signal Hill - Quidi Vidi

Hon. Trevor Taylor, MHA (PC) The Straits - White Bay North

**Other:**

Ms. Marlene Lambe, Chief Financial Officer

Ms. Marie Keefe, Policy & Communications Officer

**Regrets:**

Ms. Yvonne Jones, MHA (L) Cartwright - L'Anse Au Clair

Mr. Kelvin Parsons, Opposition House Leader

**CM 2008 – 099**      The minutes of the House of Assembly Management Commission meeting held on November 18, 2008 were approved as read.

**CM 2008 – 100**      The Commission considered a letter of appeal from the Member for Placentia – St. Mary's regarding the Member's constituency travel budget and referred the matter to the Members' Compensation Review Committee.

**CM 2008 – 101** The Commission considered the proposed Signage Policy for Constituency Offices and deferred approval to a subsequent meeting of the Commission to allow for further amendments to the policy.

**CM 2008 – 102** The Commission decided that budget transfers to be brought to the Commission for approval or ratification would be those identified in the Transfer of Funds Policy adopted at the July 3 meeting of the Commission. All other budget transfers would be brought for reporting purposes only.

**Adjournment:** 6:10 p.m.  
Hon. Roger Fitzgerald, MHA  
Speaker and Chair

Wm. MacKenzie  
Clerk and Secretary to the Commission

**To:** House of Assembly Management Commission  
**From:** Speaker of the House of Assembly  
**Date:** January 27, 2009  
**Subject:** Report on Section 18(4) – *Members’ Resources and Allowances Rules*

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Section 18 of the *Members’ Resources and Allowances Rules* provides a maximum allowance of \$7000 (\$6,140, plus HST) for constituency office accommodations. Under the Rules, a Member may make application in writing to the Speaker requesting permission to exceed the maximum when accommodations can not be obtained within the maximum guidelines. The Speaker must report, in writing, to the Commission any authorizations made under this section of the rules.

Report on Section 18(4) – Period Ending: January 20, 2009

<b>DISTRICT</b>	<b>MEMBER</b>	<b>AMOUNT APPROVED</b>	<b>REASON</b>
Bay of Islands	Terry Loder	\$460.00	Security issues at the Member’s office
Port de Grave	Roland Butler	10,285.00 HST Excluded	Lowest bid on public tender

**House of Assembly Management Commission**  
**Briefing Note**

**Title:** Pre-Commitment of Funds for Management Certification Process

**Issue:** Approval to pre-commit funds against 2009-10, 2010-11 and 2011-12 budget appropriations to provide for the costs related to consulting services for the annual management certification process

**Background:**

- Paragraph 28(3)(k) of the *House of Assembly Accountability, Integrity and Administration Act* states: “In his or her capacity as chief administrative and financial officer, the clerk is responsible for maintaining and periodically assessing the effectiveness of internal controls in the House of Assembly and statutory offices and reporting on that assessment and effectiveness to the commission.” Section 28(4) brought that provision into force on August 31, 2008.
- During the fiscal year 2008-09, the audit firm of Grant Thornton was contracted to document and assess the operating effectiveness of the internal controls of the House of Assembly. The process was completed by August 31<sup>st</sup> and the Clerk has signed the attached certificate.
- At the end of each fiscal year, an updated review of internal controls is required. Since many of the internal controls related to the financial management system are under the purview of the Office of the Comptroller General and the Office of the Chief Information Officer, this review should be performed by an independent professional firm. In addition, the assessment (testing) of the continued effectiveness of the internal controls of the House of Assembly and the Statutory Offices for the end of each fiscal year should also be performed by an independent firm.
- The updated documentation and the results of the testing of the internal controls form the basis of the Clerk’s determination as to whether he should sign off on the annual management certificate.
- Paragraph 43(6)(c) requires the annual audit of the House of Assembly to express an opinion on whether the clerk’s assessment of the effectiveness of internal controls of the House of Assembly and statutory offices is fairly stated and whether the internal controls are operating effectively. This audit must be completed by July 31, 2009 as required by the amended paragraph 20(5)(b).
- Base budget funding of \$60,000 was requested in the budget submission of the House of Assembly to the Commission for the fiscal year 2009-10 to cover the costs associated with this process. The funds required are significantly less than the prior year since the results of the initial work is now documented, form of certificate has been determined, etc.

- The internal control documentation must be updated and the effectiveness assessment made prior to signing by the Clerk and the subsequent audit by the Office of the Auditor General. Therefore, this process must begin in the current fiscal year to ensure the legislated deadlines are met. However, since the accounts of the Province are open for the current fiscal year until the end of April, some of the documentation of processes and testing related to the fiscal year 2008-09 will also occur in the next fiscal year-2009-10. Therefore, a pre-commitment of funds is required so that officials of the House of Assembly can issue a Request for Proposals and start the necessary work.
- Since consulting services will be required on an annual basis for the management certification process, it would be more efficient and cost-effective to issue a Request for Proposals which requests services for a three year period.
- Subsection 26(4) of the *Financial Administration Act* requires a Minute of Council for a department to commit expenditures in future fiscal years. Since the House of Assembly Management Commission approves the budget for the House of Assembly, it is considered appropriate to seek approval from the Commission, rather than Cabinet, for pre-commitment of funds.

**Action Required:**

The following minute is recommended:

- The Commission approves the pre-commitment of funds up to \$60,000 for the 2009-2010, 2010-11 and 2011-12 budget appropriations for consulting services for the management certification process.

Drafted by: Marlene Lambe  
Date: January 18, 2009

Approved by: Wm. MacKenzie

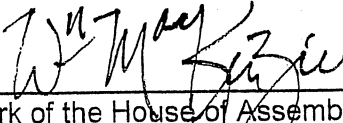


**MANAGEMENT CERTIFICATION  
HOUSE OF ASSEMBLY – AUGUST 31, 2008**

Pursuant to Paragraph 28(3)(l) of the *House of Assembly Accountability, Integrity and Administration Act*,

I, **William MacKenzie**, Clerk of the House of Assembly of Newfoundland and Labrador, certify that:

1. I have reviewed the financial information of the House of Assembly and Statutory Offices, as defined in the *House of Assembly Accountability, Integrity and Administration Act*, for the period ending March 31, 2008;
2. Based on my knowledge, the financial information does not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the financial information;
3. Based on my knowledge, the annual financial information presents in all material respects the results of transactions at the House of Assembly and Statutory Offices as defined in the *House of Assembly Accountability, Integrity and Administration Act*, as of the date and for the periods presented;
4. I am responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the House of Assembly and Statutory Offices as defined in the *House of Assembly Accountability, Integrity and Administration Act*, and I have:
  - (a) designed such disclosure controls and procedures, or caused them to be designed under my supervision, to provide reasonable assurance that material information relating to the House of Assembly and Statutory Offices, as defined in the *House of Assembly Accountability, Integrity and Administration Act*, is made known to me by others, particularly during the period in which the financial information is being prepared;
  - (b) designed such internal control over financial reporting, or caused it to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial information in accordance with the required policies;
  - (c) evaluated the effectiveness of the disclosure controls and procedures as of August 31, 2008 and am satisfied with the effectiveness based on such evaluation; and
  - (d) evaluated the effectiveness of the internal control over financial reporting as of August 31, 2008 and am satisfied with the effectiveness based on such evaluation.

  
Clerk of the House of Assembly

2008. 08. 31.  
Date

**House of Assembly Management Commission**  
**Briefing Note**

**Title:** Pre-Commitment of Funds for audit of the Office of the Auditor General

**Issue:** Approval to pre-commit funds against 2009-10, 2010-11 and 2011-12 budget appropriations to provide for the costs related to audit services for the annual audits of the Office of the Auditor General

**Background:**

- Section 32 of the *Office of the Auditor General Act* states:
  - (1) The commission shall appoint a qualified auditor to audit annually the office.
  - (2) The auditor appointed under subsection (1), has the same powers and shall perform the same duties in relation to an audit of the office that the auditor general has or performs in relation to an audit performed under this Act.
  - (3) The auditor appointed under subsection (1) shall submit his or her report to the commission and send a copy to the auditor general.
  - (4) The Speaker of the House of Assembly shall table the report of the auditor under this section before the House of Assembly immediately after receiving the report by him or her or where the House of Assembly is not then in Session, on the 1st day of the commencement of the next ensuing Session of the House of Assembly or the 1st day after the House of Assembly resumes sitting following an adjournment of the House of Assembly.
- Funding is included in the base budget of the House of Assembly to the Commission to cover the costs associated with these audits. Since the financial information for the Office of the Auditor General is included in the Public Accounts of the Province, the RFP process must begin in the current fiscal year to ensure deadlines are met. A pre-commitment of funds is required so that officials of the House of Assembly can issue a Request for Proposals and start the necessary work.
- Since audit services will be required on an annual basis for the audit of the Office of the Auditor General, it would be more efficient and cost-effective to issue a Request for Proposals which requests services for a three year period.
- Subsection 26(4) of the *Financial Administration Act* requires a Minute of Council for a department to commit expenditures in future fiscal years. Since the House of Assembly Management Commission approves the budget for the House of Assembly, it is considered appropriate to seek approval from the Commission, rather than Cabinet, for pre-commitment of funds.

**Action Required:**

The following minute is recommended:

- The Commission approves the pre-commitment of funds up to \$10,000 for the 2009-2010, 2010-11 and 2011-12 budget appropriations for audit services for the annual audits of the Office of the Auditor General.

Drafted by: Marlene Lambe  
Date: January 19, 2009

Approved by: Wm. MacKenzie



## House of Assembly Management Commission

### Briefing Note

**Title:** Letters of Appeal - 60 Days Submission Deadline

**Issue:** Appeal of Travel Claim Ruling

**Background:**

- The Member for Cartwright – L’Anse au Clair and the Member for The Isles of Notre Dame are appealing the denial of payment by Corporate and Members’ Services Division of certain allowable expenses incurred by the Members as the expenditures were incurred more than 60 days prior to the claim being made.
- Subsection 7(6) of the *Members Resources and Allowances Rules* states that
  - (6) A claim against an allowance for payment or reimbursement shall not be made more than 60 days after the date on which the expenditure was made.
- Subsections 24(1) and 24(8) of the *House of Assembly Accountability, Integrity and Administration Act* (the Act) state
  - 24(1) Where a member incurs an expense and a claim for reimbursement, or payment has been rejected by an officer or staff member of the House of Assembly service, or the member is unsure as to whether an expense, if incurred, will qualify for reimbursement or payment, he or she may request a ruling from the speaker.
  - (8) Where the ruling of the speaker is that the expenditure does not comply with the rules and directives of the commission, the member may appeal that ruling to the commission and, after giving the member an opportunity to make a submission in writing in support of the appeal, the commission may decide to reverse, uphold or modify the ruling of the speaker, and the decision of the commission is final.
- Section 24 of the Act was amended in December 2008 to include subsection 24(9) which states
  - (9) Notwithstanding that an expense claim has been denied by an officer, staff member or the speaker, in accordance with the rules,

where there is an appeal to the commission under this section and the commission determines that that claimed expense amount

- (a) has been incurred by the member; and
- (b) is a permitted expense under the Act and rules; and
- (c) does not exceed an expense amount or allowance allocation permitted under the rules,

and a denial of payment of the expense amount would, in the opinion of the commission, be unjust, the commission may approve the expenditure for the claimed expense to the extent that the commission considers to be just and the decision of the commission is final.

- The attached letters from the Member for Cartwright – L’Anse au Clair and the Member for The Isles of Notre Dame provide further details.

**Action Required:**

- The decision of the Commission is requested.

Drafted by: Marie Keefe  
Date: January 19, 2009

Approved by: Wm. MacKenzie



**HOUSE OF ASSEMBLY**  
NEWFOUNDLAND AND LABRADOR

Official Opposition Members' Office

OFFICE OF THE SPEAKER

September, 2008

SEP 30 2008

Hon. Roger Fitzgerald, Speaker  
House of Assembly  
Confederation Building  
St. John's, NL  
A1B 4J6

Dear Mr. Speaker:

In accordance with section 24 of the House of Assembly, Integrity and Administration Act, I am writing to request that 5 legitimate receipts that I have submitted or have for submission and are past the 60 day deadline be reimbursed. I have attached copies of the receipts in question for your review.

**Receipt #1 – Woodward Rent a Car Invoice #6276886 - \$462.51**

This receipt dated June 22 -27 was for car rental in Goose Bay. Upon return of car, there was no agent, therefore receipt was mailed sometime later in summer to my Mary's Harbour address which caused significant delays in submitting receipt. This receipt was submitted but was returned and deducted from my claim.

**Receipt #2 – Campbell's Place Invoice # 078318 -\$612.55**

This receipt dated July 2, 2008 was for constituency lunches. This was ordered and paid for by telephone and receipt was mailed out and returned and subsequently sent to my Mary's Harbour address which caused significant delays in submitting the receipt. This receipt was submitted but was returned and deducted from my claim.

**Receipt #3 – Air Labrador Invoice #432199 - \$424.51**

This receipt dated July 1, 2008 was for travel to Public Accounts meeting in St. John's. The ticket was purchased on account and there was a delay in invoicing and payment. Payment is now made and we will await approval prior to submitting.

Page 2

**Receipt #4 – Melville Communications Invoice # 745 \$180.80**

This receipt was for an Ad purchased in the Labrador Life Magazine (Summer Edition). The publisher is not set up to accept credit card payment and I was waiting for returned check or receipt from the publisher. However, the mailed check was not received by the publisher. Payment is now made and we will await approval prior to submitting.

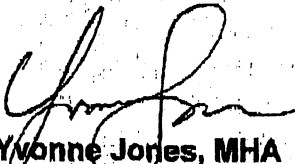
**Receipt #5 - Focus Media Invoice # 1218 \$197.75**

This invoice was for advertising Air Labrador Destinations magazine and the invoice was sent inside my copy of the magazine and overlooked. Upon calling to inquire about invoicing, we were told that it was inside magazine that was sent. Payment is now made and we will await approval prior to submitting.

I am responsible for submitting claims as Leader and MHA and have been trying diligently to ensure that it is done in accordance with new regulations. However with my schedule and newness to this system, I have inadvertently not complied with Section 5.3.41 of Members' Resources and Allowance Rules. Upon consultation with my assistant, Bonnie Hicks and Ms. Jocelyn Ledwell-Norman, claims will now be submitted pending documentation so that this problem will be avoided in the future. I assure you that I will make every possible effort to ensure that there will be no further violations of this rule. I ask that you consider this request in a fair and equitable manner.

If your ruling is to deny my request, then please consider this an official request for an appeal to the commission for a further ruling. If you have questions, please contact my office at 729-6930.

Sincerely yours,



**Yvonne Jones, MHA**  
**Cartwright – L'Anse au Clair**

**Melville Communications**

P.O. Box 1654, Str. B  
 26 Park Drive  
 Goose Bay, NL A0P 1E0  
 Canada

**INVOICE**

Invoice No.: 745  
 Date: 08/12/2008  
 Ship Date:  
 Page: 1  
 Re: Order No.

**Sold to:**

Yvonne Jones, MHA  
 Opposition Office - 5th Floor  
 P.O. Box 8700  
 St. John's, NL A1B 4J6  
 Canada

**Ship to:**

Yvonne Jones, MHA  
 Opposition Office - 5th Floor  
 P.O. Box 8700  
 St. John's, NL A1B 4J6  
 Canada

Business No.: 856492673

Item No.	Unit	Quantity	Description	Tax	Unit Price	Amount
036	Each	1	Banner, colour ad	H	260.00	260.00
036	Each	-1	Discount	H	100.00	-100.00
			H - HST 13%			20.80
			HST			
Shipped By: Tracking Number:					<b>Total Amount</b> 180.80	
Comment: Advertising in Labrador Life magazine, Vol. 2 #3						
Sold By:						

**57021 Newfoundland & Labrador Inc., o/a Focus Media INVOICE**

284 LeMarchant Rd.  
St. John's, Newfoundland A1E 1R2

Invoice No.: 1218  
Date: 29-May-2008  
Page: 1

**Sold To:**

Yvonne Jones, MHA  
Attn: Bonnie  
5th Flr., East Bldg, Confed. Bldg  
St. John's, NL  
A1B 4J6

**Ship To:**

Yvonne Jones, MHA  
St. John's, Newfoundland

Business No.: 82930 0953 RT0001

Item No.	Quantity	Unit	Description	HST	PST	Unit Price	Amount
1	1	Ad.	Centre Spread Ad. June/July "Destinations"	5	0.00	175.00	175.00
Subtotal:							175.00
5 - HST @ 13.0%							22.75
<i>Thank You Bery Camp</i>							
Comments						Freight	0.00
						PST	0.00
						<b>Total Amount</b>	<b>197.75</b>



**WOODWARD RENT A CAR LTD.**  
**GOOSE BAY AIRPORT**  
**GOOSE BAY, NL AOP 1C0**  
**TEL: (709) 896-5575**

- 1 METHOD OF PAYMENT / MODE DE PAIEMENT
- AMEX
  - CASH/COMPTANT
  - DIRECT/FACTURE
  - EN ROUTE/DINERS
  - MASTERCARD
  - CORPORATE BILLING / FACTURATION CLIENTS
  - VISA

Location Code: Code du Bureau de location:

**YYRT01**

28 CUSTOMER/CLIENT

RA # N° Contrat

**6276886**

OTILHAUTHL

2 UNIT NO./UNITÉ	3 LICENCE NO./N° P.I.M.M.	4 MODEL/MODELE	5 RATE/TAUX CLASSICAT.
11611913	NOM-745	66	ICAR
6 OWNER STAT/PROPRIÉTAIRE	7 TO BE CHECKED IN AT/ARRIVÉE A		
1 NIKR	1 NIKR		
8 CREDIT CARD NO./N° CARTE DE CRÉDIT	EXPIRATION	8 RETURN DATE DE RETOUR	
3732633059	11003 04/09	June 27/08	
10 DRIVER'S LICENSE NO./PERMIS DU CONDUCTEUR	PROV.	EXP.	11 DESTINATION
5680315013	NL	2010	
57 ALTERNATE VEHICLE/AUTRE VÉHICULE			
UNIT NO./UNITÉ	DATE & TIME/HEURE	KM IN/RETOUR	
LICENCE/N° P.I.M.M.		KM OUT/DÉPART	
MODEL/MODÈLE	HAIR/HAIR CLASSICAT.	KM DRIVEN/PARCOURSUS	
12 CONTRACT / CONTRAT	12A. FREQUENT TRAVEL FR / NUM. DE VOYAG. ASSUR.		
13. REMARKS/REMARQUES	14 IN BY RETURN PAR		
15A ADD. AUTH. DRIVER #1 / CONDUCTEUR ADD. #1	ADD DR #1 IDENTIFIANT / DATE DE NAISS. COND. ADD #1		16 OUT BY DÉPART PAR
ADD DR #1 LIC / N° PERM. COND. ADD. #1	PROV.	EXPIRATION DATE / DATE D'EXPIRATION	
SIGNATURE ADD. AUTH. DR #1 / SIGNATURE COND. ADD. #1			
X Jennifer			
16 LOSS DAMAGE WAIVER (L.D.W.)			
BY CUSTOMER'S INITIALS IN CONSIDERATION OF THE PAYMENT OF		EXONÉRATION EN CAS DE DOMMAGES (E.C.D.)	
INITIALS		EN APPOSANT LES INITIALES DU CLIENT EN CONSIDÉRATION DU PAIEMENT DE	
5 PER DAY		5 PAR JOUR	
MIL		4	
17 PERSONAL ACCIDENT INSURANCE (PAI)			
CUSTOMER ACCEPTS OR DECLINES PAI AT RATE SHOWN IN SEPARATE BROCHURE. ACCEPTANCE IS PROOF OF COVERAGE UNDER POLICY ISSUED TO NATIONAL AS OUTLINED IN SEPARATE BROCHURE.		ASSURANCE ACCIDENT PERSONNELLE (AAP)	
INITIAL ONE		DECLINES PAI REFUSE AAP	
ACCEPTS PAI ACCÉPTE AAP		INITIALES UNE CASE	
18 CUSTOMER AUTHORIZES NATIONAL TO PROCESS A CREDIT CARD VOUCHER, IF ANY, RECEIVED, AGREED TO AND UNDERSTAND ALL TERMS AND CONDITIONS OF THIS RENTAL AGREEMENT INCLUDING THE SEPARATE FOLDER REFERRED TO ME WITH THIS RENTAL DOCUMENT.			
LE CLIENT AUTORISE NATIONAL À FERMETRE UN TALON DE CARTE DE CRÉDIT, S'IL Y A LIEU, EN SON NOM POUR LES FRAIS CI-DESSOUS, J'AI REÇU, COMPRIS ET ACCEPTÉ TOUTES LES CONDITIONS ATTENDUES À CE CONTRAT DE LOCATION, Y COMPRIS CELLES QUI SONT DÉCRITES DANS UN DÉPLIANT RÉPARÉ, LEQUEL M'A ÉTÉ RÉMIS AVEC LE CONTRAT DE LOCATION.			
19 DRIVER'S NAME / NOM DU CHAUFFEUR	Wonne J Jones-Rumbolt		
20 HOME ADDRESS / ADRESSE DOMICILE	Box 135		
21 CITY / VILLE	Marys Harbour, NL APO 3 P0		
22 LOCAL ADDRESS / ADRESSE LOCALE	Hamilton		
24 # IATA AGENT	25 RES. #	26 RES. CLASS CAT.	27 COMM. CODE
	86054911		

29 IN RETOUR	DATE & TIME/HEURE	June 27/08 0800
30 OUT DÉPART	DATE & TIME/HEURE	June 22/08 12:30
31	440	KM IN/RETOUR
32	252	KM OUT/DÉPART
33		KM DRIVEN/PARCOURSUS
34		KM ALLOWED/COMPRIS
35		KM @ 20
36	ADD. HOURS HEURES ADD.	20.00
37	DAYS JOURS	58.00 29000
38	WEEKS SEMAINES	0
39	MONTHS MOIS	0
40	TOTAL TIME & KM TEMPS TOTAL & KM	
40A	V.F. FEE/AC RECOVERY	845
40B	CONCESSION RECOVERY FEE	2985
41	INTER-CITY FEE TAUX INTERCITE	
42	L.D.W. L.C.D.	
43	SUB-TOTAL SOUS-TOTAL	
44	P.A.I. A.A.P.	
45	REFUELING CHARGE REMPLACEMENT CARBURANT	418 81.00
46	SUB-TOTAL SOUS-TOTAL	
47	G.S.T./H.S.T. T.P.S./T.V.H.	13 5321
48	P.S.T. T.V.P.	
49	OTHERS/AUTRES	
50	TOTAL CHARGES TOTAL DES FRAIS	46257
51	CASH REFUND / REMBOURSEMENT COMPTANT	
52	BALANCE DUE SOLDE	46257
53	CASH COMPTANT	
54	CHARGE À FACTURER	46257

NTR-1000 REV. 06/01

An Independent Licensee of National Car Rental System (Canada), Inc.  
 Un Licencié Indépendant du Réseau National Location d'autos (Canada), Inc.



Date Entry / Entrée des données







Invoice Date 7/1/2008

Invoice # 432199

YVONNE JONES, MHA.  
P.O. BOX 8700  
CONFEDERATION BUILDING  
ST. JOHN'S, NL A1B 4J6

Attn:

Customer # 7010

Your PO # Yvonne Jones

Terms: UPON RECEIPT

Reservation # 360028

Page: 1 of 1

JONES, YVONNE

Jul 02, 2008 YJR - YYT CONF

375.87

HST

48.84

Please Pay this Amount

424.51

Labrador Airways Limited - P O Box 13485, St. John's, NF A1B4B5

Phone (709)755-0002 Fax (709)753-7787 www.airlabrador.com



House of Assembly  
Newfoundland and Labrador

Derrick Dalley, MHA  
District of The Isles of Notre Dame

November 28, 2008

Hon. Roger Fitzgerald  
Speaker of House of Assembly  
Confederation Building  
P.O. Box 8700  
St. John's, NL  
A1B 4J6

Dear Mr. Speaker;


Re: Constituency Allowance Claim for September 25, 2008

In June 19, 2008 I incurred a charge to my Constituency Allowance for students from my district who were visiting the House of Assembly. Unfortunately, the invoice for this was not sent to my Constituency Office until late in August. This invoice was paid on September 11, 2008 and a claim for this invoice was sent to Corporate Members Services on September 25, 2008. This claim was subsequently denied because it was filed after the 60 days submission deadline stated under Section 5.3.41 of the Member's Resources and Allowances Rules.

Under these circumstances I am hoping that this claim may be reconsidered and accepted as part of my Constituency Allowance funding. If this matter is beyond the authority of the Speaker, please consider this as a letter of appeal to the Management Commission to consider my request.

I thank you for your consideration of this matter.

Sincerely,

  
Derrick Dalley, MHA  
The Isles of Notre Dame

**Ledwell Norman, Jocelyn**

**From:** Ledwell Norman, Jocelyn  
**Sent:** Thursday, October 02, 2008 9:17 AM  
**To:** Dalley, Derrick  
**Cc:** Hill, Diane  
**Subject:** Expense Claim Derrick Dalley Sept 25

Mr. Dalley,

Your Members Expense Claim dated Sept 25/08 for the period June 19-Sept 19/08 have been adjusted from \$393.29 to \$163.93 for the following reason:

**Line 17: Constituency Allowance** – June 19 Invoice #84993 in the amount of \$229.36 has been deducted from your claim as it was submitted 60 days after the date the expenditure was incurred, therefore this expense can not be reimbursed. Please refer to Members' Resources and Allowances Rules: Section 5.3.41 (page 5-8) for complete description and the Memo to all Members from the Clerk dated April 30, 2008 plus subsequent email from the Chief Financial Officer on July 3, 2008.

If you have any questions on this please contact Diane Hill at 729-0769.

Jocelyn Ledwell-Norman  
Accounting Clerk 11  
House of Assembly  
Corporate & Members' Services Division  
P.O. Box 8700  
St. John's, NL A1B 4J6  
Phone: 709-729-1479  
Fax: 709-729-4820



**CATERPLAN SERVICES INC.**  
A Division of CNIB

70 Boulevard  
St. John's, NL A1A 1K2  
Tel. (709) 754-1180  
Fax: (709) 754-2018

11:45

Sold To: Ile of Notre Dame MHA  
Derrick Dalley 283

Deliver To: (729-1191) 1-888-9990

Telephone No.	Purchase Order No.	Invoice No.	Invoice Date
884-6219		No: 84993	June 19/08

Quantity	Description	Unit Price	Total
25	Chicken strips + FF + Soft drink	6.29	157.25
5	Hoi Turkey Dinners	6.29	31.45
1	lrg soup	2.49	2.49
1	salad		1.65
1	can pop	1.25	1.25
4	Bt. drinks	1.69	6.76

HST Reg. No. 895013142RT0001

Goods Received by: [Signature]

Sub-Total	200.85
H.S.T.	26.11
Bottle Deposit	2.40
Total	229.36

**THIS IS YOUR INVOICE**  
**TERMS - NET 15 DAYS**

CATERPLAN SERVICES INC  
BOX 5700 STN A  
ST JOHN'S, NL A1B4J6  
709-754-1180

Merchant ID: 000010079054  
Visa MID: 17001310119  
Term ID: 005

**Sale**

XXXXXXXXXXXX9334

VISA

Entry Method: Swiped

09/11/08

10:27:43

Inv #: 000016

Appr Code: 024117

Approved

Batch#: 000300

Total:

\$ 229.36

Customer Copy

[Signature]

## House of Assembly Management Commission

### Briefing Note

**Title:** Constituency Office Leasing Practices

**Issue:** Government Purchasing Agency Review per **CM 2008-034**

**Background:**

- At its April 30, 2008 meeting, the Commission “directed the Clerk to request Government Purchasing Agency [GPA] to assist with a review of the constituency office leasing practices of the House of Assembly Service to ensure compliance with the *Public Tender Act*” (CM 2008-034 refers). The attached report - Review of Constituency Office Leasing Practices - was received from GPA in December, 2008.
- The current constituency office leasing requirements are those established by Chief Justice Green in Section 20 of the *Members’ Resources and Allowances Rules* (the Rules). Subsection 48 (2) of the *House of Assembly Accountability, Integrity and Administration Act* (HOAAIA Act) states that the *Public Tender Act* applies to the House of Assembly “except to the extent that the application may be modified by a **rule or** directive of the Commission putting in place alternative and more appropriate requirements dealing with tendering processes”. [An amendment to the HOAAIA Act, through Bill 68, added the words “**rule or**”, effective December 18, 2008.]
- The GPA review found current House practices to be generally congruent with Public Tender Act (PTA) requirements, but recommended that certain provisions of the *Members’ Resources and Allowances Rules* be amended to reflect PTA requirements respecting public tender when the estimated rental value is greater than \$10,000. (When the value is under \$10,000, the current *Rules* are comparable to the PTA.) In recent instances, Members have chosen to use the public tender process when seeking office space, even though it is not a requirement under the *Rules*. If the Commission decides to accept the recommendation of GPA, the Law Clerk will draft appropriate amendments to the Rules for Commission approval.
- The \$7,000 (HST included) annual maximum established by Chief Justice Green for constituency office lease costs has proven to be insufficient in the majority of cases, as most are in the range of \$12,000 annually. When the \$7,000 annual maximum is insufficient, the Speaker must authorize the additional allowance under subsection 18(3) of the *Rules*. The increased allowance must then be reported to the Commission under subsection 18(4). The Commission may wish to consider increasing the \$7,000 annual allowance to more accurately reflect market conditions.

- Increasing an annual allowance, such as the \$7,000, must follow a different process than other *Rule* amendments, dealing with specific expense matters, which the Commission has approved under Subsection 15(5) of the HOAAIA Act. Subsection 20 (7) of the HOAAIA Act states that a change made to the level of an allowance by a rule is not effective until passed by a Resolution of the House. The process, therefore, requires (1) Commission approval, (2) House approval by Resolution, and (3) publication in the NL Gazette.

**Action Required:**

- The direction of the Commission is requested respecting constituency office leasing requirements and the level of the annual constituency office accommodation allowance.

Drafted by: Wm. MacKenzie  
Date: 2009.01.18



HOUSE OF ASSEMBLY  
Newfoundland and Labrador

May 5, 2008

Mr. Larry Cahill  
Chief Executive Officer  
Government Purchasing Agency

Dear Mr. Cahill:

The House of Assembly Management Commission, at its meeting of April 30, 2008, approved the following Commission Minute:

**CM 2008 – 034**      The Commission directed the Clerk to request Government Purchasing Agency to assist with a review of the constituency office leasing practices of the House of Assembly Service to ensure compliance with the *Public Tender Act*.

As you are aware, Members of the House of Assembly may establish constituency offices through a process established under the Members' Resources and Allowances Rules, Part IV – Office Allowances. These Rules are subordinate legislation under the *House of Assembly Accountability, Integrity and Administration Act*. Rule 20(8) outlines the process Members are to follow in seeking suitable space.

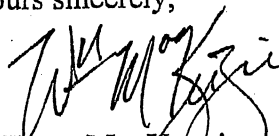
Of further interest is Subsection 48(2) of the Act, which states that the *Public Tender Act* applies to the House of Assembly "except to the extent that the application may be modified by a directive of the Commission putting in place alternative and more appropriate requirements dealing with tendering processes".

As you will note from Part IV of the Members' Resources and Allowances Rules, the allocation for annual rental costs per Member is \$7,000, inclusive of GST. However, our experience has demonstrated that most annual leases are in the \$12,000 per annum range. Subparagraph 20(8)(c)(ii) requires Members to propose three possible commercial spaces from which one is to be selected as the Member's constituency office.

We are requesting that GPA conduct this review of the leases for constituency offices entered into since October, 2007.

Please accept our thanks for undertaking this review. If I can be of any assistance to you to expedite this undertaking, please let me know. Further details on the leasing of constituency offices can be obtained from Ms. Michelle Kennell, Manager of General Operations and Purchasing at 729-5893.

Yours sincerely,



**William MacKenzie**  
Clerk of the House of Assembly

cc: Hon. Roger Fitzgerald, M.H.A.  
Speaker

Ms. Michelle Kennell  
Manager of General Operations and Purchasing

Ms. Elizabeth Marshall, M.H.A.  
Chair, Audit Committee



December 5, 2008

**Mr. William MacKenzie**  
Clerk of the House of Assembly

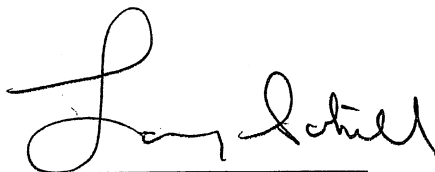
**Subject: Review of Constituency Leasing Practices**

Dear Mr. MacKenzie:

In accordance with your request the Government Purchasing Agency has reviewed the practices utilized by the Corporate and Members' Services Division to obtain leases for constituency offices for Members.

The review involved an analysis of the procedures followed by staff in accordance with the procedural requirements of the *Public Tender Act* and offers a recommendation for changes to the current methods.

If you have any questions or quires on this report you may contact Joseph Day at 729-5429 or through internal mail at [dayj@gov.nl.ca](mailto:dayj@gov.nl.ca).



**MR. LARRY CAHILL**  
*Chief Operating Officer*  
Government Purchasing Agency

# **Review of Constituency Office Leasing Practices**

**Prepared by: Joseph Day  
December 2, 2008**

## **Introduction**

The House of Assembly Management Commission, through the Clerk of the House, requested the Government Purchasing Agency to assist with a review of the constituency office leasing practices of the House of Assembly Services to ensure compliance with the *Public Tender Act*.

The practices and procedures of the House of Assembly Corporate and Members' Services Division are governed by the *House of Assembly Accountability, Integrity and Administration Act* and the *Members' Resources and Allowances Rules* which is subordinate legislation under the Act.

## **Scope**

The scope of the review involved an examination of leasing files provided by the Corporate and Members' Services Division and focused strictly on the procedures followed to acquire space. The analysis did not extend to certifying whether or not the award was made to a preferred bidder as this would entail an evaluation of the award procedure and was deemed outside the request of the House of Assembly Management Commission. The results of the procedural analysis were then reviewed in accordance with the requirements of the *Public Tender Act*; however the requirements of the *Member's Resources Allowances Rules* are referenced in this document.

## **Public Tender Act**

The purpose of the *Public Tender Act* is to provide a fair, open and transparent environment affording all legitimate suppliers the opportunity to compete for governments' requirements.

From a procedural perspective when a government funded body requires space the requirements of the *Pubic Tender Act* are as follows:

Section 4.(1) – where a government funded body requires space and intends to lease the space, the government funded body shall...invite tenders...unless:

- a. The estimated rental value...is not more than \$10,000.00;
- b. The estimated rental value ...is not more than \$30,000.00...and it appears to the head of the government funded body...that it is not advisable to invite tenders;
- c. The space is acquired from another government funded body;
- d. There is an urgent need for the government funded body;

- i. To vacate existing space and insufficient time is available to invite tenders.
- ii. To vacate existing space because the continued use of that space is potentially injurious to the health or safety of employees...

If the government funded body does not publicly tender for space because of subsection 4.(1)(a) or (b) above then section 9 indicates that they shall:

- a. Obtain quotations from at least 3 legitimate lessors by direct quotation; or
- b. Establish for the circumstance a fair and reasonable price for...the leased space through direct quotation substantiated by reference to trade catalogues, price lists or in a manner that the government funded body considers advisable.

Additionally, if a government funded body utilized exception 4.(1)(b) or (d) above they are required to report the acquisition on a "Contract Award Without Invitation Form" (Form B) and submit to the Government Purchasing Agency for reporting to the House of Assembly.

Thirdly, if a government funded body reasonably requires a particular space then section 4(2) indicates that the Lieutenant Governor in Council may exempt particular leasing situations from tendering.

Finally, section 9.1(1) of the Act indicates that where no bids have received as a result of a public tender a second public tender shall be issued unless the situation is deemed to be urgent.

## **File Review**

A total of 10 leasing files were provided to the Agency for review for the period October 2007 to May 2008. Six of the files provided exceeded the \$10,000.00 threshold while the remaining four were not more than \$10,000.00.

### **Files Exceeding \$10,000.00**

Of the six files that exceeded \$10,000.00 the breakdown is as follows:

- i One file was publicly tendered by the Department of Transportation and Works on behalf of the House of Assembly Corporate and Members' Services Division. The advertisement was placed in the Telegram, Western Star, Independent and Georgian newspapers. Two bids were received as a result of the tender call and an award was made to the lowest bidder. This procedure is in accordance with section 4.(1) of the Act.

- ii A second file was publicly tendered by the Department of Transportation and Works on behalf of the Division with the requirement advertised in the Telegram, Western Star and Independent. One bid was received however the price appears to have been deemed excessive by Corporate and Members' Services Division staff. The price was negotiated downward with the only supplier who originally bid and the acquisition was reported on a Form B under section 4.1(b) of the *Public Tender Act* (described above). A letter on file indicates that during the negotiation process the Deer Lake market place was checked to ensure no other space was available.

This does not meet the requirements of the *Public Tender Act* since a second public tender was required under section 9.1(1) (described above) unless the acquisition became an urgent requirement or unless the tender had specifically provided for negotiations in these circumstances. There is no evidence on file to suggest urgency nor did the Form B indicate urgency as the reason why a tender was not invited, and no specific terms were included in the tender to permit negotiation of rates.

- iii Four files which exceeded \$10,000.00 were not publicly tendered therefore section 9(a) or (b) of the *Public Tender Act* would be applicable and staff would be required to obtain 3 prices or establish a fair and reasonable price for the lease of space.

The process followed by staff under section 20.8(ii) and (iii) of the *Members' Resources and Allowances Rules* is generally consistent with the *Public Tender Act* requirement and in each case quotations were solicited from three proponents. For 2 of the files three quotations were obtained from interested vendors in accordance with 9(a). One file received two quotations while the fourth file received only one quotation. This would have been in accordance with section 9(b) assuming that the price(s) received were determined to be fair and reasonable by staff.

Form B's were prepared in accordance with section 10.1 for all four files and submitted to the Government Purchasing Agency, outlining section 4.1(b) (described above) of the Act as the exception clause.

#### Files Not More Than \$10,000.00

Four of the files reviewed were not more than \$10,000.00 thus requiring staff to either obtain three direct quotations from vendors or establish a fair and reasonable price for the acquisition.

For the four files the breakdown is as follows:

- i. One file was established as a lease with another government funded body which precludes the requirement to obtain bids. This lease would be in accordance with section 4.(1)(c) of the Act.
- ii. A second file reviewed indicated that four proposals were received from vendors for the space. This file would have been in accordance with section 9.(a) of the Act.
- iii. A third file contained two proposals from interested vendors. Proposals were invited from three suppliers however one declined the invitation to submit a bid.
- iv. The final file had only one proposal from a vendor. Again proposals were invited from three suppliers however two were not interested in bidding on this solicitation.

For iii and iv above the process followed would be consistent with section 9.(b) of the Act and staff would be responsible for ensuring the price(s) received were fair and reasonable.

## **Conclusion**

The House of Assembly Corporate and Members Services Division have met the requirements of the *Public Tender Act* in all but one instance as noted above. For five of the six acquisitions in excess of \$10,000.00 the lease was either publicly tendered or a Form B was submitted as required by legislation. For all the acquisitions below the threshold either at least three quotes were obtained or it is assumed that a fair and reasonable price was established.

## **Recommendation**

It appears that the leasing of space in excess of \$10,000.00 was not generally contemplated when the *Members' Resources and Allowances Rules* were established since section 18.(2)(a) indicates that the maximum allowance available for a constituency office accommodation allowance was \$7,000.00, inclusive of taxes. The rules built around this allowance are identified in section 20.(8)(c)(ii) and (iii) which states that:

- i. Where possible, propose 3 possible commercial spaces, ranked in order of preference with supporting reasons, to the Clerk, and
- ii. Where the member cannot propose 3 possible commercial spaces, he or she shall provide the reasons, in writing to the Clerk.

These rules generally follow the requirements of section 9 of the *Public Tender Act* to obtain 3 quotes or establish a fair and reasonable price which are, for the most part, used for acquisitions not more than \$10,000.00.

Section 18.(3) of the Rules permits the Speaker to grant approval for a member to exceed the \$7,000.00 limit when suitable accommodations can not be acquired at the threshold identified. There is no ceiling as to how much the limit may be exceeded, but acquisitions in excess of \$10,000.00 from a *Public Tender Act* perspective have to be contemplated in terms of both the requirement to either tender for the required space or report the acquisition to the House of Assembly. There is no reference to the public tender process in the *Members' Resources and Allowances Rules* for acquisitions greater than \$10,000.00, only the rules as described in 20.(8)(c)(ii) and (iii) described above.

It is therefore recommended that the *Members' Resources and Allowances Rules* be amended to reflect the requirements of the *Public Tender Act* and that leasing of space in excess of \$10,000.00 be publicly tendered where feasible. This would be consistent with the spirit and intent of the Act which is to provide all legitimate suppliers an opportunity to compete in an open and transparent environment, and would be consistent with the requirements of the *House of Assembly Accountability, Integrity and Administration Act*.

## House of Assembly Management Commission

### Briefing Note

**Title:** Caucus Operating Grants

**Issue:** Additional Funds Required for Payment of Operating Grants to Caucuses

**Background and Analysis:**

- At its October 15, 2008 meeting, the House of Assembly Management Commission considered the recommendations of the Report on Caucus Resources. The recommendations that were approved by the Commission resulted in changes to the funding formulas and to the amounts of base funding for all three Caucus Offices.
- The Operational Funding recommendation which was approved states that each Caucus shall be entitled to \$100 per month for each Member of that Caucus, with a monthly minimum of \$800 per Caucus to fund miscellaneous operational purchases. It also states that the Speaker shall be entitled to \$100 per month.
- This was not anticipated during the preparation of the 2008-09 Budget and as a result, there are insufficient funds included in the 2008-09 Estimates for the Grants and Subsidies main object under the Caucus Operations and Members' Expenses activity.
- Funding of \$12,000 is required to pay the operating grants for the remaining two months of this fiscal year – February and March 2009. The breakdown of the funding requirement is included in the table below:

Caucus Office	February 2009	March 2009	Total
Government Members (\$100 x 43 Members)	\$4,300	\$4,300	\$8,600
Official Opposition	800	800	1,600
NDP	800	800	1,600
Speaker	100	100	200
<b>Total</b>	<b>\$6,000</b>	<b>\$6,000</b>	<b>\$12,000</b>

- Funding of \$495 is available in the Grants and Subsidies main object under the Caucus Operations and Members' Expenses activity, therefore additional funding of \$11,505 is required. Since budget transfers are completed in increments of \$100, a transfer of \$11,600 is required into this main object for the payment of the operating fund grant to the three Caucus Offices for February and March 2009.



- Permanent savings of \$42,000 within the Purchased Services main object under Caucus Operations and Members' Expenses have been identified as a result of the early expiration of copier leases.
- Section 4.2.1 of the House of Assembly Transfer of Funds Policy, April 2008, states that House of Assembly Management Commission approval is required to transfer funds to or from the Grants and Subsidies Main Object of Current Account Expenditure of an Activity.

**Action Required:**

To facilitate the disbursement of operating funds to the three Caucuses for February and March 2009, the Commission approves the following transfer of funds:

From: Subdivision 1.1.03.06	Caucus Operations and Members' Expenses - Purchased Services	\$11,600
To: Subdivision 1.1.03.10	Caucus Operations and Members' Expenses - Grants and Subsidies	\$11,600

Drafted by: Scott Jones  
Date: January 17, 2009

Approved by: Wm. MacKenzie

## House of Assembly Management Commission

### Briefing Note

**Title:** Budget Transfers for the Office of the Auditor General

**Issue:** Reporting of the Budget Transfers processed for the Office of the Auditor General during the period from April 1, 2008 to December 3, 2008

**Background:**

- The Commission approved and adopted the Transfer of Funds Policy, April 2008, effective April 1, 2008 at its July 3, 2008 meeting. The Policy requires only certain budget transfers to be approved by the Commission.
- At the December 3, 2008 meeting, the Commission ratified the transfers of funds (which did not require Commission approval) for the House of Assembly and the four Statutory Offices as defined by the *House of Assembly Accountability, Integrity and Administration Act*. Due to an oversight, the transfers related to the Office of the Auditor General were not included with the transfers brought forward at that meeting.
- The two (2) budget transfer approval forms attached represent the transfers of funds for the Office of the Auditor General for the period noted. In accordance with Section 4.1.1 of the Transfer of Funds Policy, all transfers were approved by the Clerk of the House of Assembly (or designate) and the applicable Statutory Officer.
- To ensure full transparency, the Commission agreed at the December 3, 2008 that future budget transfers which did not require Commission approval should be provided to the Commission for information purposes only.

**Action Required:**

- For reporting purposes only.

Drafted by: Marlene Lambe  
Date: January 17, 2009

Approved by: Wm. MacKenzie

DEPARTMENT/BUDGET ORGANIZATION \_\_\_\_\_ Office of the Auditor General

**TRANSFER TO:**

Accounting Distribution					Description	Amount
RC	ACAT	ACEL	LOBJ	DTC		
0223	120	0520	B051	000000	Professional Services – Audit Operations	\$10,000

FUNDS REQUIRED FOR: Request for Proposals for Audit Services resulting from staff shortage

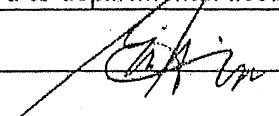
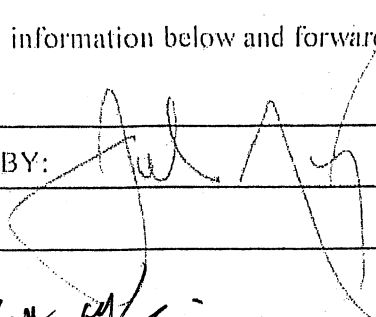
**TRANSFER FROM:**

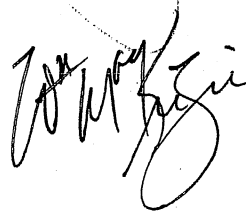
Accounting Distribution					Description	Amount
RC	ACAT	ACEL	LOBJ	DTC		
0225	100	0520	B011	000000	Permanent Salaries – Audit Operations	\$10,000

REASON FUNDS ARE AVAILABLE: Unable to recruit professional staff to file vacant permanent positions.

Is Treasury Board Authority required for this transfer? Yes  No

- ▶ If yes, complete Activity/Main Object summary and description information below and forward to Budget Division of Treasury Board Secretariat.
- ▶ If no, forward to departmental accounting staff for keying.

VERIFIED BY: 	APPROVED BY: 
2008-07-29	2008-07-29



DEPARTMENT/BUDGET ORGANIZATION \_\_\_\_\_ Office of the Auditor General

**TRANSFER TO:**

Accounting Distribution					Description	Amount
RC	ACAT	ACEL	LOBJ	DTC		
0223	120	0520	B051	000000	Professional Services – Audit Operations	\$35,000

FUNDS REQUIRED FOR: Request for Proposals for Audit Services resulting from staff shortage

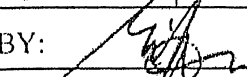
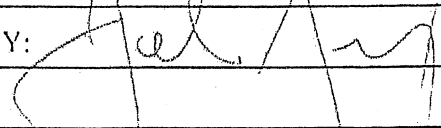
**TRANSFER FROM:**

Accounting Distribution					Description	Amount
RC	ACAT	ACEL	LOBJ	DTC		
0225	100	0520	B011	000000	Permanent Salaries – Audit Operations	\$35,000

REASON FUNDS ARE AVAILABLE: Unable to recruit professional staff to file vacant permanent positions.

Is Treasury Board Authority required for this transfer? Yes      No  
\_\_\_\_\_      X

- ▶ If yes, complete Activity/Main Object summary and description information below and forward to Budget Division of Treasury Board Secretariat.
- ▶ If no, forward to departmental accounting staff for keying.

VERIFIED BY: 	APPROVED BY: 
2008-06-12	2008-06-12

