

**SUBCOMMITTEE OF THE SPECIAL STANDING  
COMMITTEE ON MEMBERS' SERVICES**



**Report to the Special Standing Committee on  
Members' Services**

**Review of Members' Services Committee Orders, Members'  
Expenditure Guidelines, and the Caucus Expenditure Guidelines**

**May 2021**



## Table of Contents

<b>MEMBERS OF THE SUBCOMMITTEE TO REVIEW THE MEMBERS' SERVICES COMMITTEE ORDERS, MEMBERS' EXPENDITURE GUIDELINES, AND THE CAUCUS EXPENDITURE GUIDELINES .....</b>	<b>4</b>
<b>1.0 SUBCOMMITTEE MANDATE .....</b>	<b>5</b>
<b>2.0 INTRODUCTION .....</b>	<b>6</b>
<b>3.0 RECOMMENDATION FROM THE SUBCOMMITTEE .....</b>	<b>7</b>
<b>4.0 FORMER MEMBERS' BENEFITS .....</b>	<b>8</b>
<b>APPENDIX 1 – REVISED CAUCUS EXPENDITURE GUIDELINES .....</b>	<b>9</b>

**MEMBERS OF THE SUBCOMMITTEE TO REVIEW THE MEMBERS'  
SERVICES COMMITTEE ORDERS, MEMBERS' EXPENDITURE  
GUIDELINES, AND THE CAUCUS EXPENDITURE GUIDELINES**

**30<sup>th</sup> Legislature**

Mike Ellis, MLA  
Chair  
Calgary-West (UC)

Thomas Dang, MLA  
Edmonton-South (ND)

Nicole Goehring, MLA  
Edmonton-Castle Downs (ND)

Laila Goodridge, MLA  
Fort McMurray-Lac La Biche (UC)

Nathan Neudorf, MLA\*  
Lethbridge-East (UC)

Dan Williams, MLA  
Peace River (UC)

**Substitutions/Members Also in Attendance:**

Hon. Nathan Cooper, MLA  
Olds-Didsbury-Three Hills (UC)

February 26, 2021 and April 14, 2021

\*Mr. R.J. Sigurdson, MLA substituted for Mr. Neudorf, MLA at the May 4, 2021, Subcommittee Meeting

## 1.0 SUBCOMMITTEE MANDATE

On November 30, 2020, the Members' Services Committee (the "Committee") passed the following motion:

MOVED by Mr. Williams that the Special Standing Committee on Members' Services

- (a) establish a Subcommittee to
  - (i) meet, from time to time at the call of the Chair of the Subcommittee, to review the Members' Services Committee Orders, the Members' Expenditures Guidelines and the Caucus Expenditure Guidelines, and
  - (ii) present recommendations to the Committee based on its review within five months after commencing its review, and
- (b) approve the following requirements that apply to the Subcommittee and its membership:
  - (i) the presence of two-thirds of the Subcommittee is necessary to constitute a quorum;
  - (ii) the Subcommittee is to be composed of
    - (A) A Chair, being a member of the Government Caucus
    - (B) three additional members of the Government Caucus, and
    - (C) two members of the Official Opposition;
  - (iii) substitutions from the membership of the Committee be permitted on the Subcommittee.

## 2.0 INTRODUCTION

The Subcommittee commenced its review on December 10, 2020. It subsequently met on six further occasions – January 14, 2021, February 26, 2021, April 7, 2021, April 14, 2021, April 21, 2021, and May 4, 2021. At these meetings, the Subcommittee requested and received a number of briefing documents from officials from the Legislative Assembly Office in relation to the *Constituency Services Order* and the Caucus Expenditure Guidelines. These documents identified and scoped, for the Subcommittee's review, a number of issues in relation to Member Services Allowance funded communications and the Caucus Expenditure Guidelines.

The Subcommittee provided an interim report to the Special Select Members' Services Committee on January 20, 2021, which recommended an amendment to the *Constituency Services Order* pertaining to Members' communication. This proposed amendment was agreed to by the Committee.

### 3.0 RECOMMENDATION FROM THE SUBCOMMITTEE

#### 3.1 Revisions to the Caucus Expenditure Guidelines

The Subcommittee reviewed several revised drafts of the Caucus Expenditure Guidelines provided by the Legislative Assembly Office Administration (final revised draft in Appendix 1). The last revision of this document occurred in 2009.

Amongst the proposed changes to the Caucus Expenditure Guidelines is clarifying language around the distinction between caucus related events, business, and activities from those of Government and constituency events, business, and activities in relation to the expenditure of funds. The proposed changes also include the provision that a value-for-money consideration be made by caucus expenditure officers prior to approving an expense. Clarifications are also made in the document in relation to the transfer of constituency office communication and promotional funds to caucuses for research and administration. Further, the document clarifies that cannabis, like alcohol, is not an eligible expense.

The Subcommittee therefore recommends:

**That the draft revised Caucus Expenditure Guidelines be approved and implemented.**

#### **4.0 FORMER MEMBERS' BENEFITS**

The Subcommittee also heard a presentation from Hon. Nathan Cooper, MLA, Speaker of the Legislative Assembly of Alberta at its April 14, 2021, meeting in relation to former Members' benefits. Although the Subcommittee received information on this matter, it is making no recommendation to the Special Select Members' Services Committee.



# EXPENDITURE GUIDELINES

FOR CAUCUSES OF THE  
LEGISLATIVE ASSEMBLY  
OF ALBERTA

ORIGINALLY ADOPTED DECEMBER 14, 2006  
REVISED JULY 17, 2009  
DRAFT FOR MSC APPROVAL JUNE 14, 2021



# CONTENTS

Overview.....	3
Expenditure Guidelines .....	4
Purpose of Caucus Budgets.....	4
Restrictions on Caucus Expenditures .....	5
Expenditure Officer Authority .....	5
Processing of Caucus Expenditures and Reporting .....	5
Appeals .....	5
Budget .....	6
Eligible Expenses .....	6
Caucus Office Operations.....	6
Professional Development and Training.....	7
Travel Expenses for Caucus Staff and Members .....	7
Communications .....	8
Outreach .....	9
Appendix A – Caucus Budget Funding Model .....	10
Appendix B – Contracts .....	11

# OVERVIEW

The Expenditure Guidelines for Caucuses (“Expenditure Guidelines”) are intended to assist caucuses in determining which expenditures are eligible for reimbursement and to support caucuses’ consideration of value for money before committing to purchasing goods or services.

Caucus expenditures are subject to the same principles in place for all expenditures of public funds. These principles call for organizations to ensure the following:

- sufficient control, review, authorization, support and reporting for all expenditures of public funds;
- expenditures are consistent with the stated purpose of the funding and do not exceed approved budget limits;
- establishment and use of funds comply with applicable legislation and regulations;
- expenditure of public funds is incurred and reported in a transparent, open and accountable manner.

Caucuses are encouraged to contact Legislative Assembly Office (LAO) Financial Management at 780.427.2477 or [laofinance@assembly.ab.ca](mailto:laofinance@assembly.ab.ca) prior to incurring an expense if there are any questions regarding eligibility.

# EXPENDITURE GUIDELINES

## Purpose of Caucus Budgets

*“The primary purpose of a caucus office is to support its Members in the conduct of their parliamentary role(s). These support services may include research and assistance with policy development, communication of policy, general administrative support and participation in drafting Private Members’ legislation, motions and questions for introduction and debate in the Legislature.”<sup>1</sup>*

The purpose of a caucus budget is to ensure that Members are supported in carrying out their parliamentary functions, including assistance with the following:

- preparation of research and analysis for, and the development and presentation of, Bills or amendments to existing or proposed legislation;
- preparation for debate of proposed or existing legislation or policy in the Legislative Assembly and, if necessary or desired, preparation of alternatives to those of Government;
- preparation for participation in Assembly proceedings, including committee proceedings;
- communication of the caucus’ policy positions or proposals to Albertans.

<sup>1</sup>McMenemy, John, *The Language of Canadian Politics: A Guide to Important Terms and Concepts*, 4th edition, (Waterloo, ON: Wilfred Laurier University Press, 2006) at p. 45. In the same authority, “Caucus - Legislators of a particular political party who meet privately and regularly to discuss policy and parliamentary strategy and tactics.”



## Restrictions on Caucus Expenditures

The following types of expenses are not eligible for reimbursement from a caucus budget:

- expenses incurred in relation to a function of a political party or partisan activity

The intent and purpose of caucus activities must be clearly distinguishable from government consultation or official government business and from constituency business.

During an election period caucus-funded activities and transactions are restricted to ensure that there is no perception of utilizing caucus funds for electioneering activities.

There should be no appearance of influencing the voting public by making payments to individuals or organizations in the form of donations (cash or in-kind) or which are of a fundraising nature.

The purchase of alcohol or cannabis with caucus funds for any purpose is prohibited.

## Expenditure Officer Authority

The leader of a caucus is the Expenditure Officer, who is responsible for approving all caucus expenditures. The caucus leader may recommend to the Clerk of the Legislative Assembly that one or more additional expenditure officers be designated so that they have signing authority for the purpose of approving caucus expenditures. Common practice is for the caucus Whip and the caucus Executive Director to be designated this authority.

It is the exclusive responsibility of the caucus Expenditure Officers to consider value for money and ensure each expenditure aligns with the principles outlined in the purpose of the caucus budget.

The prescribed form to recommend and outline the responsibilities of an Expenditure Officer may be downloaded from [OurHouse](#).

## Processing of Caucus Expenditures and Reporting

To make an expenditure claim, the caucus representative must submit a detailed invoice or receipt to Financial Management that supports the claim by providing a description of the goods or services being procured. The expenditure claim is reviewed by the LAO to confirm that it is compliant with applicable rules, supported by appropriate documentation and properly authorized.

Monthly financial reports are prepared and sent to the caucus expenditure officers for their review and acknowledgement.

Annual financial statements of the LAO are also prepared, audited and tabled in the Legislative Assembly.

## Appeals

A representative of a caucus may, in writing, appeal to the Speaker a determination of the eligibility of an expense.

If a caucus wishes to further appeal a decision of the Speaker on the eligibility of an expense, the caucus may, in writing, appeal that decision to the Special Standing Committee on Members' Services (the "Members' Services Committee") for its deliberation at the next available meeting. A decision of the Members' Services Committee in respect of an appeal of the Speaker's decision is binding and final.

# BUDGET

There is no provision for caucuses to exceed their allocated budgets. A Member may authorize in writing to the Clerk the transfer of up to 25% of the total of the Member's constituency office communication and promotional allowances to the office of the Member's caucus, to be used for administration or research in the caucus office. This allows Members' discretion in ensuring their parliamentary functions are best supported.

The caucus budget will be updated on a pro-rated basis if the number of Members within a caucus changes during the fiscal year.

See Appendix A for the Caucus Budget Funding Model.

# ELIGIBLE EXPENSES

It should be noted that procurement of certain goods and services requires a contract to be eligible for reimbursement (see Appendix B). Caucuses should contact LAO Facilities and Logistics if they are unsure whether a contract is required to procure specific goods or services.

Standard-form contracts are available for download on [OurHouse](#). All goods paid for with caucus funds are property of the Crown.

Although each expense claim will be reviewed on a case-by-case basis, the following table provides examples of the types of expenditures that are eligible for reimbursement:

Caucus Office Operations	
ELIGIBLE EXPENSES	SUPPLEMENTAL INFORMATION
Rent, operating costs and utilities for satellite office(s)	<p>The LAO is the tenant of all office locations and will enter into a lease agreement on the caucus' behalf.</p> <p>The caucus will decide where to locate their office and negotiate the terms of the lease with the landlord.</p> <p>The caucus is responsible for the co-ordination and payment of repairs to leased space that are outside of the landlord's responsibilities.</p> <p>Modification of space allocated to a caucus in the Edmonton Federal Building is an eligible expense.</p>
<p>Office and computer equipment, including maintenance expenses for equipment purchased by caucus</p> <p>Office furniture and fixtures</p> <p>Office supplies, first aid supplies, stationery</p> <p>Newspaper or magazine subscriptions</p> <p>Office security systems (satellite offices)</p>	<p>The LAO provides a standard package of IT equipment and furnishings for use by Members and caucus staff.</p> <p>The caucus is responsible for additional items beyond the standard package.</p>
<p>Services for the caucus office, including research, writing, communications and courier services (beyond what is provided by Service Alberta)</p> <p>Services required to maintain a satellite office (e.g. snow removal, cleaning/janitorial)</p>	

## EXPENDITURE GUIDELINES FOR CAUCUS

Caucus Office Operations Continued	
ELIGIBLE EXPENSES	SUPPLEMENTAL INFORMATION
Mobile devices, including warranty, roaming plans, voice and data charges	Any cost to fix or replace a mobile device outside of what is covered by warranty will be at the caucus' expense.
Applications or software costs (beyond what is provided by the LAO)	There is no warranty coverage for loss or theft of a mobile device or other equipment provided by the LAO. Any replacement costs are paid by the caucus.
Caucus staffing costs, including: <ul style="list-style-type: none"> <li>• salaries and wages</li> <li>• employer contributions (CPP, WCB, EI and benefits)</li> <li>• training and professional development for staff relating to their caucus duties (e.g. conference and course fees)</li> </ul>	
Professional Development and Training	
Training and professional development for Members as it relates to activities recommended by the caucus	Professional membership dues of Members are not an eligible caucus expense.
Travel Expenses for Caucus Staff and Members	
Caucus employee and Member travel, as it relates exclusively to caucus business, including: <ul style="list-style-type: none"> <li>• meal per diems</li> <li>• mileage</li> <li>• vehicle rental</li> <li>• accommodation</li> </ul>	<p>Reimbursement for travel expenses will be paid in accordance with the rates outlined in the <i>Legislative Assembly Office Travel, Meal and Hospitality Expenses Policy</i>, approved by the Members' Services Committee on November 30, 2020, which is available on <a href="#">OurHouse</a>.</p> <p>Before submitting a claim, caucuses should first determine if meal per diems, travel, accommodation and mileage are more appropriately claimed as part of a Member's allowance as provided for under the <i>Members' Services Committee Orders</i>.</p> <p>If a caucus provides a meal, Members or staff are not eligible to claim per diems for the same period.</p> <p>Reimbursement of a Member's travel in their caucus role is required to be disclosed in the Selected Payment Report.</p> <p>Travel expenses related to constituency activities are not eligible as caucus expenses.</p>
Travel outside of Alberta	<p>Caucus staff and Members may travel outside of Alberta on caucus business on the recommendation of caucus leadership and with the prior written approval of the Speaker.</p> <p>Proof (in the form of a copy) of the recommendation and approval must be provided to Financial Management to support the expense claim.</p>



## EXPENDITURE GUIDELINES FOR CAUCUS

### Communications

ELIGIBLE EXPENSES	SUPPLEMENTAL INFORMATION
Expenses related to printed or electronic caucus communication materials sent within Alberta, including related development and distribution expenses (e.g. design, production, delivery)	Delivery expenses include business reply charges or bulk or unaddressed mail postage expenses for printed items and distribution costs for electronic items.
Expenses related to caucus websites or social media presence (e.g. hosting, website design, content development, promotions, maintenance, registration of domain names)	Caucuses are strongly recommended to host all data within Canada.
	Communication materials must clearly identify the caucus as the author.
	Geographical representation of a caucus (e.g. rural caucus, Calgary caucus, Edmonton caucus) is permitted.
	Caucuses must consider the principle of value for money when evaluating expenditure decisions.
	Content from a political party may not be included in caucus-funded communications.
	To ensure compliance prior to incurring an expense, caucus communication materials may be submitted to Financial Management for preapproval.
	Communications may include a caucus logo, Legislature Building graphic or symbols of the Legislative Assembly. Only branches of the LAO may use the Legislative Assembly of Alberta logo.
	The caucus logo must be unique and distinctive from a political party logo or branding.
	Online advertisements, including paid promotions on social media, must be targeted to residents within Alberta as far as reasonably possible (e.g. using geotargeted Facebook ads).
	The following restrictions apply to the content of caucus-funded communications, which mirror the restrictions under the <i>Constituency Services Order</i> ("CSO") that apply to a Member's services allowance-funded communications: <ul style="list-style-type: none"> <li>• content must not relate to, reference or promote "partisan activities" as defined in the CSO;<sup>2</sup></li> <li>• content must not include personal criticism of another Member;<sup>3</sup></li> <li>• the target audience and distribution of communications is limited to Albertans and Alberta.<sup>4</sup></li> </ul>

<sup>2</sup>See sections 1.2(1) and 5(2) of the *Constituency Services Order* for the prohibition against the use of a Member's services allowance to pay for materials that relate to, reference or promote partisan activities; see section 1.2(2) for the definition of "partisan activities."

<sup>3</sup>See section 5(2) of the *Constituency Services Order* for the prohibition against the use of a Member's services allowance to fund communication that contains personal criticism of another Member.

<sup>4</sup>See section 5(1) of the *Constituency Services Order* for the limitation on the use of a Member's services allowance to fund only communications that are between a Member and their constituents.



## EXPENDITURE GUIDELINES FOR CAUCUS

### Outreach

#### ELIGIBLE EXPENSES

Hosting for caucus events, including food and nonalcoholic beverages, supplies and venue rental

Caucus retreats for Members and caucus staff

#### SUPPLEMENTAL INFORMATION

Alcohol or cannabis are not eligible expenses regardless of purpose (hosting or gift).

Sufficient time should be provided to complete a venue rental contract and any associated insurance requirements, as applicable, and to obtain any necessary food permits. Further information can be found in the Parades and Events section of [OurHouse](#) in the event checklist and planning guide.

Expenses relating to hosting political party-initiated events are not eligible caucus expenses.

The intent and purpose of the caucus event must be clearly distinguishable from government consultation or official government business to ensure the clear distinction, separation and autonomy of the legislative branch from the executive branch.

Caucus and constituencies cannot co-host events. The intent and purpose of the caucus event must be clearly distinguishable from constituency business, to ensure the clear distinction and separation of the Members' Services Allowance for the establishment and maintenance of constituency offices of Members and the caucus budget to support Members in the conduct of their parliamentary roles.

There is no provision for sponsorships\* (whether charitable or commercial).

Goods purchased with caucus funds cannot be given as gifts to Members (e.g. clothing, promotional items).

The following items are not eligible for reimbursement as gifts:

- goods with a value over \$400 to a person or group, including cases where goods or recipients are, in aggregate, more than would otherwise be permitted;
- alcohol (or any item, such as a gift card, that could be used to purchase alcohol);
- currency in the form of cash, cheque, bank draft or money order;
- cash in-kind where its use is unrestricted;
- goods intended for a Member;
- goods given as gifts for personal or political party purposes.

If there are any questions regarding eligibility, caucuses are encouraged to contact Financial Management at 780.427.2477 or [laofinance@assembly.ab.ca](mailto:laofinance@assembly.ab.ca) prior to incurring an expense.

\*"Sponsorship" means to pay, monetarily or in kind, some or all of the financial costs associated with the carrying out of another individual, group of individuals, organization or corporation's business, project, activity, event or cause. Caucus budgeted monies cannot be used for the purpose of sponsoring a business, project, activity, event or cause of an individual, group of individuals, or any type of organization or corporation because the Legislature has not allocated these monies for this purpose, and such an activity does not fall within the sphere of a Member's parliamentary functions.

# APPENDIX A – CAUCUS BUDGET FUNDING MODEL

There is no provision for caucuses to exceed their allocated budgets.

If the number of Members within a caucus changes during the fiscal year, the caucus' budget will be updated on a pro-rated basis.

Each caucus budget is calculated based on the following funding model, which was approved by the Members' Services Committee on February 12, 2019.<sup>5</sup>

Funding Model				
	Government Caucus	Official Opposition Caucus	Recognized Opposition Caucuses	Opposition Caucuses that are not Recognized Opposition Caucuses and Independent Members
<b>Research Funding</b>	\$400,000 + \$17,000 per MLA to a maximum of \$1,000,000	\$200,000 + \$17,000 per MLA to a maximum of \$500,000	\$25,000 + \$17,000 per MLA to a maximum of \$250,000	\$25,000 + \$17,000 per MLA to a maximum of \$76,000
<b>Leader's Office Allowance</b>	nil	\$546,084	\$273,042	nil
<b>Calgary Caucus Office Allowance</b>	\$90,304	\$90,304	nil	nil
<b>Basic Per-member Funding</b>	\$78,907 per MLA (applicable to all caucus and Independent Members)			

<sup>5</sup>The Members' Services Committee's approval was based on the recommendation of the Subcommittee to Review the *Members' Services Committee Orders* in its Interim Report (No. 2), dated February 2019

## APPENDIX B – CONTRACTS

Written contracts provide protection for caucuses and their Members and are strongly recommended.

In order to protect caucuses and their Members from personal liability and risk, the LAO enters into contracts with service providers on behalf of Members and caucuses. All contracts must be made in the name of the LAO and, on recommendation by the authorized caucus Expenditure Officer, signed by the Clerk or the Clerk's designate. Caucuses and Members should not enter into contracts with service providers directly.

Contracts can vary a great deal and require consideration of a variety of factors, regardless of dollar value, in order to mitigate risk and potential liability. Therefore, caucuses are encouraged to contact LAO Facilities and Logistics ([Contract.Admin@assembly.ab.ca](mailto:Contract.Admin@assembly.ab.ca)) for assistance in determining whether a contract is required and to navigate the administration of the contract.

Types of activities that often require a contract include the following:

- where services will be performed in the future and a deposit or a purchase commitment is required (e.g. venue rental agreements, catering contracts, hotel contracts); and
- fee-for-service arrangements if either of the following apply:
  - services provided will result in the production or creation of property, including intellectual property;
  - the provision of the services could result in legal or personal risk to a Member, staff or the public and therefore requires specific insurance and liability provisions.

No goods or services should be provided by a contractor before the contract has been fully executed.