

Legal Aid Ontario

Forensic Review of the African Canadian Legal Clinic

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4/8/2013

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Ms. Janet Budgell
Vice-President, South-West Region
Legal Aid Ontario
40 Dundas Street West, Suite 200
Toronto, Ontario
M5G 2H1

Dear Ms. Budgell,

With respect to our engagement entered into on April 11, 2011 with you, Legal Aid Ontario, as well as the Amending Agreement dated July 28, 2011, please find attached our report with respect to our review of the African Canadian Legal Clinic.

If you have any questions, please do not hesitate to call Steven Henderson at 416-941-8328 or Krista Mooney at 416-941-8290.

Yours Sincerely,

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

*PricewaterhouseCoopers LLP, PwC Tower, 18 York Street, Suite 2600, Toronto ON M5J 0B2
T: 416 863 1133, F: 416 365 8215, www.pwc.com/ca*

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1. Introduction

PricewaterhouseCoopers LLP ("PwC" or "we") was retained by you, Legal Aid Ontario ("LAO" or "you") in accordance with our initial contract dated April 11, 2011 and the Amending Agreement dated July 28, 2011.

LAO has requested a forensic review of the African Canadian Legal Clinic ("the Clinic" or "ACLC") for the period April 1, 2007 to June 30, 2011, in relation to the Clinic's compliance with the Memorandum of Understanding ("MoU") and Funding Agreement between LAO and the Clinic.

The purpose of this report is to summarize our scope of review, findings and recommendations based on our work performed. Please refer to Appendix A for our Restrictions & Qualifications.

We understand from LAO that the Clinic's Board of Directors was provided with a copy of the draft report for their review on May 16, 2012, with a deadline for comments by June 6, 2012. We further understand from LAO that no comments were received by LAO from the Clinic within this timeframe. We note that comments on the draft report were provided by Dewart Gleason LLP (the Clinic's external counsel) to Fasken Martineau DuMoulin LLP (LAO's external counsel) by way of correspondence dated November 16, 2012 and December 18, 2012. As agreed with you, we updated the draft report, prior to finalization, to incorporate comments from the Clinic as noted in this correspondence, as applicable.

2. Scope of Review

The scope of our review, as set out in our initial contract dated April 11, 2011, included the following procedures to be performed for the period April 1, 2007 to March 31, 2010:

- Determine and report on whether legal aid funding provided to the Clinic by LAO was used by the Clinic in accordance with the terms and conditions of such funding and with the Clinic's bylaws and policies;
- If legal aid funds were used for the purposes for which the Clinic received funds from other sources, determine and report on whether legal aid funding was reimbursed from other source funding. This will require determining whether other source funding was spent or received in accordance with any agreement or conditions placed on the receipt of such funding; and
- Review the Clinic's Letters Patent, bylaws, Board minutes and policies respecting clinic members, Board composition, corporate governance and Board management of financial procedures, financial controls and reporting procedures. Establish and report on the Clinic's compliance in this regard.

It was further agreed with LAO in the Amending Agreement dated July 28, 2011 that the above noted procedures would be performed for the period April 1, 2007 to March 31, 2011 ("Period of Review") for the General and Legal Disbursements Funds. For purposes of this engagement, the Period of Review has been divided into four time periods as follows:

- "Fiscal 2008" – April 1, 2007 to March 31, 2008;
- "Fiscal 2009" – April 1, 2008 to March 31, 2009;
- "Fiscal 2010" – April 1, 2009 to March 31, 2010; and
- "Fiscal 2011" – April 1, 2010 to March 31, 2011.

The Amending Agreement also expanded the scope to include a review of the Legal Disbursements Fund for the period April 1, 2011 to June 30, 2011 ("Stub Period").

To meet the requirements of Fund Accounting as set out in Canadian Institute of Chartered Accountants Handbook Section 4400, and in accordance with the Funding Agreement, separate books and records are maintained by the Clinic to track the financial information for each funding source. The General and Legal Disbursements Funds are used by the Clinic to track the funding received from LAO.

It was subsequently agreed with LAO that, in consideration of the three procedures noted above in our initial contract and the four time periods subsequently selected, we would perform the specific procedures ("specific procedures") set out below for the General and Legal Disbursements Funds for the Period of Review and the Stub Period:

- Review the MoU and Funding Agreement between LAO and ACLC (Appendix B) and ACLC's policies and procedures and assess ACLC's compliance with these documents as applicable;
- Review the Clinic's Letters Patent, bylaws, Board minutes and policies respecting clinic members, Board composition, corporate governance and Board management of financial procedures, financial controls and reporting procedures. Assess ACLC's compliance with these documents ("Policies and Procedures") as applicable;
- For the General Fund for the Period of Review, perform the following four detailed analyses:
 - Financial Statement Analysis;
 - Source and Use of Cash Analysis;
 - Budget to Actual Analysis; and
 - Transaction Analysis.
- For the Legal Disbursements Fund for the Period of Review and the Stub Period, performed the following two detailed analyses:
 - Perform a Source and Use of Cash Analysis; and
 - Review supporting documentation provided by LAO and ACLC to obtain an understanding of the deficit in the Legal Disbursements Fund in accordance with the letter from ACLC to LAO dated June 10, 2011 (Appendix N).
- Review the Relocation and Renovation Agreement dated November 26, 2008 (Appendix D) and associated activity for the Period of Review to assess compliance with the agreement.

While included in our initial contract, our revised mandate, as set out above and in Appendix A, and agreed to with LAO, did not include any specific requirement to determine whether any payments from the General Fund to other ACLC Funds, or expenditures incurred by the General Fund on behalf of other ACLC Funds, were subsequently reimbursed by other ACLC Funds. This is due to the fact that the cash inflows noted from other ACLC Funds, as set out in *Section 7.2 – Source and Use of Cash Analysis*, were recorded in the General Fund in lump sum amounts, making it difficult to determine what payments or expenditures, if any, these cash inflows related to.

In addition, as set out in Appendix A, our mandate did not include performing procedures, beyond those detailed in this report, to validate the statements of current or former ACLC staff and the ACLC Board of Directors ("the Clinic Board").

The results of our analysis have been reported in our detailed findings in Sections 6 through 9 of this report.

All amounts in this report are stated in Canadian dollars consistent with ACLC's reporting currency.

All references to years throughout this report are in relation to ACLC's fiscal year (April 1 – March 31) unless otherwise stated.

All references to "case" or "legal case" throughout this report are referring to litigation services, including test case litigation.

3. *Executive Summary*

Based on the work performed, subject to the specific limitations noted in this report and our Restrictions and Qualifications set out in Appendix A, the following is a summary of our findings:

Background

- LAO provides funding to the Clinic on an annual basis in accordance with the MoU between LAO and the Clinic. The Funding Agreement is attached as Appendix A of the MoU and sets out the terms and conditions of the funding provided by LAO to the General and Legal Disbursements Funds of the Clinic. During the Period of Review, additional one-time funding was provided by LAO to the Clinic in relation to an office relocation, as set out in the Relocation and Renovation Agreement;
- The Funding Agreement provides the basis and details for the annual funding to be provided by LAO to the General Fund of the Clinic. The annual budget set out in the Funding Agreement includes various line items within two main categories: personnel and non-personnel. It is our understanding from the Funding Agreement that while the Clinic can transfer funds between line items within each category, transfers between the personnel and non-personnel categories require approval in writing from LAO;
- The annual budget for legal disbursement funding provided by LAO to the Clinic is based on a formula as set out in the Clinic Services Office Operational Policy – Legal Disbursements. We understand that the funding ranges from \$20,000 to \$25,000 each year. It is our understanding from the Funding Agreement that this funding can only be used for legal disbursements, unless otherwise approved in writing by LAO;
- To meet the requirements of Fund Accounting as set out in Canadian Institute of Chartered Accountants Handbook Section 4400, and in accordance with the Funding Agreement, the Clinic maintains separate books and records and separate bank accounts to track the financial information for the General and Legal Disbursements Funds. The funds are reported as separate columns in the Clinic's annual financial statements; and
- In addition to LAO, the Clinic also receives funding from other organizations on an annual and/or one-time basis for various initiatives, programs and projects. It is our understanding from discussion with Ms. Parsons and review of the Clinic's audited financial statements for the Period of Review that funding provided to other ACLC funds ("other ACLC Funds"), for example the Ministry of the Attorney General and Ministry of Children and Youth Services, is accounted for and reported separately in the Clinic's annual financial statements, in accordance with agreements between the Clinic and the other ACLC funders.

Summarized below are our findings with respect to the General and Legal Disbursements Funds and the Relocation and Renovation Agreement.

General Fund

- As set out in the Funding Agreement, funding is provided by LAO to the General Fund of the Clinic for the purpose of providing clinic law services to low-income persons and disadvantaged communities, including legal representation and advice, community development and organizing, law reform and public legal education services. It is our understanding from Schedule 2 of the Funding Agreement that the Clinic's mandate ("Clinic's mandate") is to service African Canadians throughout Ontario;
- As set out in the audited financial statements of the Clinic, the Clinic has experienced an increasing deficit in the General Fund during the Period of Review. Set out below are the two primary factors contributing to the cumulative deficit in the General Fund during the Period of Review. Refer to *Section 7.1 - Financial Statement Analysis* for further details.

Write-Off of Inter-Fund Receivable

- We understand from Ms. Margaret Parsons (Executive Director, ACLC) that throughout Fiscal 2008 and 2009, the General Fund incurred approximately \$116,020 of costs in relation to the National African Canadian Initiative ("NACI project"). Funding provided to the Clinic by various funders in relation to the NACI project was reflected in the Clinic's audited financial statements as part of the Project Fund ("NACI Project Fund"). When the General Fund incurred costs in relation to the NACI project, we understand from Ms. Parsons that a receivable was setup in the General Fund as owing from the NACI Project Fund for these expenditures. Ms. Parsons advised that this receivable was subsequently written off in July 2010 after approval by the Clinic Board and on advice from the Clinic's external auditor, Meyers Norris Penny, based on the fact that it was not collectible. This write-off is contributing to the cumulative deficit in the General Fund during the Period of Review;
- Ms. Parsons advised that the Clinic incurred costs in the General Fund related to the NACI project due to unanticipated expenses and the fact that the Clinic was unable to raise additional funding for the NACI initiative as expected. In correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel), the ACLC indicated that the unanticipated expenses for the NACI project have contributed to the cumulative deficit. ACLC further stated that the expenditures related to the NACI project paid for by the General Fund were mistakenly recorded as a receivable, instead of as an expense, in the General Fund and there was never any possibility of collecting the "receivable". During our review of the Clinic Board meeting minutes for Fiscal 2010, we did not identify instances where the likelihood of collectability or repayment of the receivable by the NACI Project Fund was discussed. With respect to the accounting treatment of the NACI expenditures in the General Fund, we note that if the expenditures were initially recorded as an expense in the General Fund, as opposed to a receivable that was subsequently written off, this would have had the same impact on the Clinic's financial position over the Period of Review, in that both treatments result in an increase to the cumulative deficit. With respect to the impact on each year within the Period of Review, we note that recording the NACI expenditures as an expense in Fiscal 2008 and 2009, as opposed to a receivable that was subsequently written off in Fiscal 2010, would have increased the

deficit in these specific years and decreased the deficit in Fiscal 2010. However, the impact on the cumulative deficit in the General Fund during the Period of Review would be the same with both accounting treatments;

- Ms. Parsons indicated that the NACI project was a multi-year initiative that included a series of workshops, publications and forums, culminating with the NACI conference held in March 2009. We understand from Ms. Parsons that in her view, the NACI project, which addressed anti-black hate in the community, was in line with the Clinic's mandate, as set out in the Funding Agreement, to provide disadvantaged communities with community development and organizing, law reform and public legal education services; and
- Ms. Janet Budgell (Vice-President, South-West Region, LAO) stated that LAO did not approve the use of its funding to cover any expenditures related to the NACI project. Ms. Budgell further stated that LAO provides clinics with compensation and general operating funding. Under the Funding Agreement, clinics cannot use compensation funding for operating expenses without approval from LAO. ACLC, as an independent organization, may undertake major projects such as the NACI project. However, Ms. Budgell indicated that LAO's compensation funding cannot be used to pay for non-personnel project expenses such as travel, accommodation and meals without approval from LAO. We understand from LAO's letter dated August 20, 2010 (Appendix F) that LAO did not approve the use of LAO compensation funding to cover the NACI project expenses.

Compensation Accrual

- The Clinic's audited financial statements reflect a cumulative liability of \$155,107 as at the end of Fiscal 2011 in the General Fund for overtime compensation, related primarily to the Executive Director, Ms. Parsons, which is settled through the provision of days in lieu. While this liability has not fluctuated significantly during the Period of Review, it has been accumulating since prior to Fiscal 2008 and is contributing to the cumulative deficit;
- The Clinic's Personnel Policy sets out the maximum amount of compensatory time-off that can be accrued. While this policy does not specifically state that it applies to the Executive Director, in the absence of another Clinic policy addressing compensatory time-off for the Executive Director position, the Clinic's Personnel Policy was used as the basis for our findings. Based on this policy, the maximum accrual for overtime for the Executive Director would be 168 hours. The liability of \$155,107 as at March 31, 2011 includes accrued overtime owing to the Executive Director of approximately 2,566 hours, which exceeds the maximum of 168 hours permitted by the Clinic's Personnel Policy and 5 days permitted by the LAO Personnel Policy Guidelines for Clinics. Accordingly, the cumulative liability as at March 31, 2011 does not appear to be in compliance with the Clinic's Personnel Policy or the LAO Personnel Policy Guidelines for Clinics. As previously noted, there is no other directive or policy that specifically addresses compensatory time-off for the Executive Director position. In correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel), we understand that it is the view of the Clinic Board that the Clinic's Personnel Policy is

“not sufficiently clear about compensatory time for the executive director” and the Clinic Board has resolved to revise the policy to address this issue;

- Ms. Parsons advised that the Clinic’s external auditor, Meyers Norris Penny, agreed with the accrual and that the Clinic Board recognized this as a liability given the overtime incurred by, and owing to, the Executive Director. Ms. Parsons further advised that the Clinic Board sought legal advice from Iller Campbell LLP regarding the validity of the accrual and it was determined that the accrual should remain, unless it was agreed that the Executive Director was to be compensated other than by days in lieu;
 - We did not identify any instances where written support was requested by the Clinic Board, or provided by Ms. Parsons to the Clinic Board, with respect to the overtime hours incurred to support the accrual. In correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO’s external counsel) from Dewart Gleason LLP (ACLCL’s external counsel), the ACLCL advised that the Executive Director maintains monthly time sheets (two examples of which were provided with the correspondence) and that these records were produced to, and reviewed by, PwC. At the time of our review we were not aware of, or provided with, overtime records to support the overtime hours incurred by Ms. Parsons. We understand from Ms. Parsons that she incurred overtime hours in relation to LAO-funded operations and other ACLCL initiatives, including the NACI project. We were unable to verify what portion, if any, of the compensation accrual for Ms. Parsons as reflected in the General Fund as at March 31, 2011 related to LAO-funded initiatives versus other ACLCL initiatives; and
 - In addition to the cumulative liability for overtime compensation of \$155,107 as at March 31, 2011, as set out in further detail below, compensation to Clinic staff in the form of annual cash bonuses totaled \$170,000 for the Period of Review.
- Set out below are our overall findings with respect to the source and use of cash analysis performed in the General Fund for the Period of Review. Refer to *Section 7.2 - Source and Use of Cash Analysis* for further details.
 - Total cash receipts (“cash inflows”) of \$3,642,308 were deposited into the General Fund during the Period of Review. Of this amount, we noted cash inflows of \$3,182,893 (87%) received by the Clinic from LAO, including funding of \$168,977 received in accordance with the Relocation and Renovation Agreement and funding of \$69,870 received in relation to legal disbursements, which were subsequently transferred by the Clinic to the Legal Disbursements Fund. We noted total inflows from other ACLCL Funds of \$300,158 (8%) and additional cash inflows of \$159,257 (4%) from other sources. The last two categories do not appear to relate to LAO funding sources based on the nature of the cash inflows and our understanding from the Clinic staff and Clinic Board members interviewed. As set out in further detail in *Section 7.2 – Source and Use of Cash Analysis*, the cash inflows from other ACLCL Funds of \$300,158 could represent amounts borrowed by the General Fund from other ACLCL Funds due to cash requirements, amounts previously loaned by the General Fund to other ACLCL Funds that have subsequently been repaid, or expenditures

incurred by the General Fund on behalf of other ACLC Funds that have subsequently been repaid; and

- Total cash payments (“cash outflows”) from the General Fund totalled \$3,632,072 during the Period of Review. As set out in *Section 5 – Procedures Performed*, the cash outflows were categorized as personnel, rent, relocation and renovation and other operating costs based on the vendor details noted in the cash general ledger for the General Fund. Of the total cash outflows of \$3,632,072, \$1,840,658 (51%) related to personnel costs, \$494,146 (13%) related to rent costs, \$177,302 (5%) related to relocation and renovation costs and \$1,119,966 (31%) related to other operating costs. As described in further detail in *Section 7.4 – Transactional Analysis* and set out below, included in other operating costs of \$1,119,966 were cash outflows (inter-fund transfers) from the General Fund to other ACLC Funds of \$250,539 during the Period of Review. We understand that these inter-fund transfers occur when funds are loaned by the General Fund to other ACLC Funds, or repayments are made by the General Fund for amounts previously borrowed from other ACLC Funds due to cash requirements. In addition to these inter-fund transfers to other ACLC Funds, we understand from our work performed and interviews with the Clinic staff and Clinic Board members interviewed that some of the other operating costs may relate to spending incurred by the General Fund on behalf of other ACLC Funds. As noted above, we noted cash inflows in the General Fund from other ACLC Funds, as well as activity in the receivables accounts, indicating that amounts were owing to the General Fund from other ACLC Funds each year during the Period of Review. As stated above, these cash inflows and receivables could relate to amounts previously loaned by the General Fund to other ACLC Funds that are subsequently being repaid, or expenditures incurred by the General Fund on behalf of other ACLC Funds that are subsequently being repaid. As directed by you, we did not perform procedures to determine which payments or expenditures, if any, the cash inflows or receivables related to. As set out in *Section 2 – Scope of Review*, this is due to the fact that the cash inflows and receivables noted from other ACLC Funds were recorded in the General Fund in lump sum amounts, making it difficult to determine what payments or expenditures these cash inflows or receivables may relate to. The cash inflows into the General Fund from other ACLC Funds, and the cash outflows from the General Fund to other ACLC Funds, indicate co-mingling of LAO and other ACLC funds within the General Fund’s general ledger and bank account.
- Set out below is the overall budget to actual analysis for personnel and non-personnel (rent costs, relocation and renovation costs, other operating costs and contingency) categories. Refer to *Section 7.3 - Budget to Actual Analysis* for further details. For the Period of Review, as set out below, total cash outflows (\$3,632,072) exceeded the budget (\$3,113,023) by \$519,049. The total variance of \$519,049 includes favourable variances (actual < budget) in personnel costs (\$241,624) and contingency (\$24,368) and unfavourable variances (actual > budget) in rent costs (\$52,582), relocation and renovation costs (\$8,325) and other operating costs (\$724,134).

Categories	Budget	Actual	Variance
	\$	\$	\$
Personnel costs	2,082,282	1,840,658	241,624
Rent costs	441,564	494,146	(52,582)
Relocation and renovation costs	168,977	177,302	(8,325)
Other operating costs	395,832	1,119,966	(724,134)
Contingency	24,368	-	24,368
Total	3,113,023	3,632,072	(519,049)

- We note the following specific points with respect to the budget to actual analysis:
 - As set out above, the primary reason for the overall unfavourable variance related to excess spending in non-personnel categories, specifically other operating costs. The unfavourable variance in other operating costs is attributable to over-spending by the Clinic on items related to the General Fund and/or spending by the General Fund on behalf of other ACLC Funds;
 - As set out above, the Clinic's actual personnel costs were under budget by \$241,624 during the Period of Review. It is our understanding from *Section 7.3 – Budget to Actual Analysis* that this favourable variance is attributable to positions funded within the budget that remained vacant during the Period of Review. As set out in further detail below, we noted that some of the excess funds in the General Fund associated with the vacant positions were used to make additional lump sum payments to Clinic staff. We were advised by the Clinic staff and Clinic Board members interviewed that the lump sum payments related to bonuses paid to Clinic staff for performance and to improve staff morale;
 - The total lump sum payments paid by the General Fund during the Period of Review were \$170,000, as follows:

	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Total
	\$	\$	\$	\$	\$
Lump sum payments	44,000	33,000	43,000	50,000	\$170,000

We understand from the Funding Agreement that excess funds related to vacant positions may be used for replacement staff, but cannot be used for any other purpose without the approval of LAO. In our review of the documents provided by the Clinic and LAO, as set out in *Section 5 - Procedures Performed*, we did not note evidence of the Clinic requesting or obtaining written approval from LAO to use excess personnel funds for the payment of bonuses. Therefore, the payment of bonuses with excess personnel funds of LAO does not appear to be in accordance with the Funding Agreement. Ms. Parsons stated that in her view, it was not necessary to notify LAO about the use of excess LAO funds for bonus payments given the fact that the Clinic was not in excess of the personnel budget on an overall basis;

- o In correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel), the ACLC advised that, with the exception of Fiscal 2008 and 2010, any additional remuneration paid to Clinic staff during the Period of Review was from funding received from program funders other than LAO. In Fiscal 2008 and 2010, the additional remuneration paid to Clinic staff was paid for from excess personnel funds provided by LAO. This view is inconsistent with our findings, as set out above, which indicate that in each fiscal year during the Period of Review, lump sum payments related to bonuses were paid to Clinic staff from the General Fund. However, as set out in *Section 7.2 - Source and Use of Cash Analysis*, in each fiscal year during the Period of Review, cash inflows were received by the General Fund from Other ACLC Funds. As set out in *Section 2 - Scope of Review*, because of the fact that cash inflows from other ACLC Funds were recorded in the General Fund in lump sum amounts, we were unable to determine whether these cash inflows from Other ACLC Funds related to reimbursement of the lump sum payments incurred by the General Fund; and
 - o During our review of the Clinic Board meeting minutes for the Period of Review, with the exception of Fiscal 2010, we did not identify approval of the bonus amounts identified above by the Clinic Board. In correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel), the ACLC advised that Clinic Board approval of the payment of additional remuneration was recorded in the in-camera minutes and that PwC was advised that such minutes could be made available for inspection. While on-site at the ACLC premises, we requested all Clinic Board meeting minutes for the Period of Review and we reviewed all minutes provided to us. We were not aware of the existence of in-camera minutes and these minutes were not provided to us for review while on-site at the ACLC premises.
- As directed by you, we selected a sample of transactions categorized as other operating costs and reviewed supporting documentation to understand the nature of the expenditures incurred by the Clinic and how the funding provided by LAO for non-personnel expenditures was used by the Clinic. Of the total other operating costs of \$1,119,966 identified during the Period of Review, we reviewed \$731,604 or 65%. Our detailed findings for each vendor are set out in *Section 7.4 - Transaction Analysis*. Our overall findings are as follows:
 - o We noted inter-fund transfers (cash outflows) from the General Fund to other ACLC Funds during the Period of Review totalling \$250,539 (representing 22% of total other operating costs). We understand from the Clinic that inter-fund transfers occur when funds are loaned by the General Fund to other ACLC Funds or repayments are made by the General Fund for amounts previously borrowed from other ACLC Funds due to cash requirements. We understand that the current Bookkeeper has made efforts to reduce the volume and magnitude of inter-fund transfers and we noted that the inter-fund transfers decreased from Fiscal 2009 to Fiscal 2011;
 - o The highest cash outflow to a specific vendor related to the Clinic's CIBC Visa. The cash outflows to CIBC Visa for the Period of Review totalled \$181,827 (representing 16% of total other operating costs). We understand from Ms. Parsons that the Clinic Visa is typically used to book travel and hotel accommodations for Clinic staff. We further understand from the Clinic that pre-payments

were made on the Visa card in order to incur monthly expenditures in excess of the card's limit of \$3,000. We noted that there is one Visa account used by the Clinic to incur expenditures for all ACLC funds, including the General and Legal Disbursements Funds;

- o The Support Staff is responsible for identifying which ACLC Fund the Visa transactions relate to. These notations were not made consistently across or within the Visa statements and we identified several instances where no notations were made. Furthermore, in many instances, payments were made for an amount that was less than the outstanding balance from the previous statement. As directed by you, we did not perform further procedures or inquiries to validate the individual transactions on the Visa statements and determine to which fund the transactions may relate; Refer to our Addendum on the Forensic Review of the ACLC issued on April 8, 2013 for additional procedures performed with respect to the Clinic's Visa; and
- o Staff travel costs represented a significant portion of the total expenditures of the Clinic and were incurred through various means including the CIBC Visa (total cash outflows of \$181,827, representing 16% of total other operating costs), The Professional Travel Place (total cash outflows of \$33,469, representing 3% of total other operating costs) and expense reimbursements to [REDACTED] (Lawyer) (total cash outflows of \$47,500, representing 4% of total other operating costs). These total cash outflows to CIBC Visa, The Professional Travel Place and [REDACTED] of \$262,796 appear high in comparison to the cumulative staff travel within the budget of \$76,544. In accordance with the Funding Agreement, the Clinic can transfer funds between the non-personnel line items in the budget. Furthermore, we noted several expenditures that related to travel to locations outside of Ontario. We understand from the Funding Agreement that the Clinic's mandate is to service African Canadians throughout Ontario. In correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel), the ACLC advised that in their view, travel outside of Ontario is not inconsistent with this mandate and that the ACLC has participated in various international meetings for the direct benefit of African Canadians in Ontario.

Legal Disbursements Fund

- As set out in the Funding Agreement, funding is provided by LAO to the Legal Disbursements Fund for legal disbursements. Legal disbursements are defined in the Clinic's Disbursements Policy dated July 1995 as out-of-pocket expenses incurred on behalf of clients in sustaining litigation;
- Set out below are our overall findings with respect to the source and use of cash analysis performed in the Legal Disbursements Fund for the Period of Review and the Stub Period. Refer to *Section 8.1 - Source and Use of Cash Analysis* for further details.
 - o Total cash inflows of \$145,306 were received by the Legal Disbursements Fund during the Period of Review and the Stub Period. In most instances, the funding received by the Clinic from LAO for legal disbursements was direct deposited into the General Fund and subsequently transferred by the Clinic into the Legal Disbursements Fund. Of the total cash inflows in the Legal Disbursements Fund for the Period of Review and the Stub Period, LAO provided funding of \$116,268 in relation

to legal disbursements. Additional cash inflows of \$29,038 were received from the General Fund and other sources;

- We noted total cash outflows from the Legal Disbursements Fund of \$142,264 during the Period of Review and the Stub Period. Of the total outflows of \$142,264, we reviewed \$139,711 or 98%. Our detailed findings for each vendor are set out in *Section 8.1 – Source and Use of Cash Analysis*. Our overall findings are as follows:
 - Cash outflows were made from the Legal Disbursements Fund to various other ACLC Funds during the Period of Review and the Stub Period totalling \$26,730 (representing 19% of the total cash outflows). We understand that inter-fund transfers occur when funds are paid out of the Legal Disbursements Fund, primarily for repayment of amounts borrowed from other ACLC Funds due to cash shortages in the Legal Disbursements Fund;
 - We noted cash outflows of \$13,951 to The Professional Travel during the Period of Review, some of which included travel to locations outside of Ontario. We understand from the Funding Agreement that the Clinic's mandate is to service African Canadians throughout Ontario. In correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel), the ACLC advised that in their view, travel outside of Ontario is not inconsistent with this mandate and that the ACLC has participated in various international meetings for the direct benefit of African Canadians in Ontario; and
 - We noted several instances where staff travel, incurred through various means, including CIBC Visa (\$6,900 or 5% of total cash outflows), The Professional Travel Place (\$13,951 or 10% of total cash outflows) and ██████████ (\$15,235 or 11% of total cash outflows), was included in the Legal Disbursements Fund during the Period of Review. The Clinic's Disbursements Policy states the following: "legal disbursement expenses shall not include items which are part of normal office overhead or operating expenses, such as staff travel, long distance telephone charges, in-house photocopying, ordinary postage and stationery expenses." Ms. Parsons advised that any costs associated with legal cases, including staff travel, were legal disbursement related expenses and appropriately paid out of the Legal Disbursements Fund. The Clinic Services Office Operational Policy issued by LAO related to legal disbursements funding indicates that legal disbursements may include staff travel in relation to test cases.
- Set out below are our findings with respect to the deficit noted in the Legal Disbursements Fund for the Period of Review and the Stub Period. Refer to *Section 8.2 – Legal Disbursements Fund – Deficit* for further details.
 - The 2011 audited financial statements of the Clinic showed a deficit in the Legal Disbursements Fund of \$15,768. A letter received by LAO from the Clinic dated June 10, 2011 ("the June 10 letter") cited a deficit of \$223,923 at the end of Fiscal 2011, which is not consistent with the audited financial statements. As noted in the June 10 letter, the deficit of \$223,923 was based on total

expenditures of \$339,270 noted as incurred as of March 31, 2011, offset by funding received from LAO (\$21,802) and funding provided to the General Fund for the vacant lawyer position (\$93,545). In correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLCL's external counsel), the ACLCL advised that the deficit noted in the audited financial statements of \$15,768 is accurate. The ACLCL indicated that the June 10 letter was written prior to the issuance of the financial statements and many of the expenditures comprising the \$339,270 referenced in the June 10 letter as incurred as of March 31, 2011 were actually estimates made at the time the letter was written that were later avoided. The ACLCL further states the following: "when the figures for the actual and pending liabilities for external legal counsel are backed out of the June 10 letter, the deficit for the year ending March 31, 2011 corresponds very closely to the figure on the financial statement." As set out below, of the total expenditures of \$339,270 identified in the June 10 letter as incurred as of March 31, 2011, the Clinic provided support for \$187,608. If this is offset by funding received from LAO (\$21,802) and funding provided to the General Fund for the vacant lawyer position (\$93,545), we note a deficit of \$72,261 (\$187,608 - \$21,802 - \$93,545) as of March 31, 2011. Further inquiry is required of the ACLCL to understand how the amounts noted in the June 10 letter, subject to the adjustments referenced above, approximates the deficit of \$15,768 noted in the audited financial statements as of March 31, 2011; and

- Of the total expenditures of \$339,270 identified in the June 10 letter, the Clinic provided support for \$187,608 (55%). Based on the transactions reviewed, of the \$187,608 of expenditures incurred, we identified \$39,753 as paid from the General Fund and \$32,574 as paid from the Legal Disbursements Funds during the Period of Review and the Stub Period. Ms. Parsons confirmed that payments were made out of the General Fund in some instances due to cash funding constraints in the Legal Disbursements Fund. It is possible that additional amounts not included in our review were also paid out of the General and Legal Disbursements Funds during the Period of Review and the Stub Period. We were advised by Ms. Parsons that the unsupported costs of \$151,662 (\$339,270 - \$187,608) (45%) related primarily to estimates for legal invoices related to Fiscal 2011 that had not yet been received at the time of our fieldwork. As stated above, we understand from the correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLCL's external counsel) that many of the expenditures comprising the \$339,270 referenced in the June 10 letter as incurred as of March 31, 2011 were actually estimates made at the time the letter was written that were later avoided.

Relocation and Renovation Agreement

- Funding of \$168,977 was received by the Clinic from LAO in Fiscal 2009 in relation to the office relocation to 18 King Street East. In accordance with the Relocation and Renovation Agreement, the funds may be used for build-out, moving, design and engineering costs and lease hold contributions, as required;
- As set out in the Relocation and Renovation Agreement, the funding provided by LAO was required to be placed in a separate interest-bearing bank account until the renovations began, at which time the funds were to be segregated in a separate project account in the books and records of the Clinic. We noted that

the LAO funding was placed by the Clinic in the bank account of the General Fund and the expenditures related to Relocation and Renovation activities were included in the general ledger for the General Fund;

- We identified cash outflows related to relocation and renovation expenditures totaling \$177,302 during the Period of Review (compared to \$168,977 of funding received), of which we reviewed \$175,393 or 99%. The total cash outflows of \$177,302 included payments to AMJ Campbell Van Lines (\$6,405 or 3.6%), Barry's Office Furniture Inc. (\$35,986 or 20.3%), Intercede Facilities Management (\$22,089 or 12.5%) and Jesslin Interiors Limited (\$112,822 or 63.6%); and
- It is our understanding from Ms. Parsons that the payments to the vendors identified above were considered moving costs and leasehold improvements. Based on the descriptions included in the invoices we reviewed, the costs appear to be in accordance with the Relocation and Renovation Agreement.

Recommendations

Based on the specific procedures performed, subject to the specific limitations noted in this report and the Restrictions and Qualifications set out in Appendix A, we recommend the following:

- With respect to the Clinic's Policies and Procedures, we recommend that LAO require of the Clinic the following:
 - Notations by the Office Manager on invoices reviewed as evidence of approval;
 - Development of policies and procedures to reconcile taxi chits used by Clinic staff to the invoices received from Diamond Taxi to ensure that the invoices are accurate and that the appropriate amounts are allocated to each of the ACLC Funds;
 - Development of policies and procedures to reconcile the individual transactions on the Visa statements to each of the ACLC Funds to ensure that the appropriate amounts are allocated to each of the ACLC Funds; and
 - Implement a policy to provide guidelines with respect to the use of taxis by Clinic staff. This policy should be aligned with LAO policies.
- With respect to the Clinic's Visa expenditures, we recommend that LAO require of the Clinic the following:
 - Implementation of a policy to provide guidelines with respect to the use of the Clinic's Visa, including the review and approval of transactions incurred on the Visa;
 - Prohibit pre-payments on the Visa, to ensure that the Clinic's spending limit is adhered to;
 - Require the preparation of expense reports for expenditures incurred on the Clinic's Visa, including appropriate review and approval processes;

- Require receipts, invoices or other support for all expenses incurred on the Clinic's Visa; and
- Consider having separate Visa accounts for the General Fund and other ACLC Funds.
- With respect to the Clinic's Visa transactions, we recommend that further inquiries be made with the Clinic regarding the nature of the transactions identified on the Visa statements;
- With respect to the Clinic's expenditures incurred in relation to travel, we recommend that LAO consider implementing requirements for the Clinic Board to monitor the Clinic's compliance with the Clinic Travel, Meal and Hospitality Expenses Directive, applicable to clinics receiving funding from LAO as of September 1, 2010;
- With respect to the payment of discretionary bonuses and lump-sum payments totalling \$170,000 during the Period of Review, we recommend the following:
 - Ensure that the Clinic maintains a policy for the payment of discretionary bonuses that is consistent with the Funding Agreement, as applicable; and
 - Implement monitoring procedures to ensure that the Clinic is in compliance with the Funding Agreement and its own policies as it relates to the payment of discretionary bonuses, including written documentation of performance feedback and approval by the Clinic Board.
- With respect to the provision of days in lieu for overtime and the accrual of \$155,107 as of March 31, 2011, we recommend the following:
 - Supporting documentation be required of the Clinic to support the overtime incurred to date;
 - Ensure that the Clinic provides support for all overtime incurred by Ms. Parsons to support the current accrual at March 31, 2011 pertaining to Ms. Parsons of \$150,513;
 - Ensure that the Clinic maintains support for all overtime incurred by Clinic staff on a go forward basis;
 - Revise the Clinic's Personnel Policy to clearly indicate whether it applies to the Executive Director;
 - Ensure that the Clinic maintains a policy for the provision of days in lieu that is consistent with the LAO Personnel Policy Guidelines for Clinics, as applicable;
 - Implement monitoring procedures to ensure that the Clinic is in compliance with the LAO Personnel Policy Guidelines for Clinics and its own policies as it relates to the provision of days in lieu, including the requirement for regular reporting of overtime hours and written approval by the Clinic Board; and

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- The Clinic should seek direction from Meyers Norris Penny and legal counsel with respect to the compensation accrual and how it will be settled.
 - With respect to spending incurred on behalf of other ACLC Funds and initiatives, we recommend the following:
 - Assess whether the costs incurred in relation to the NACI project meet the definition of clinic law services. We noted this was an open item in the management letter received by the Clinic from Meyers Norris Penny on July 20, 2011;
 - Assess whether the costs incurred for travel outside of Ontario are in compliance with the mandate set out in the Funding Agreement;
 - Ensure that the Clinic maintains a policy for travel outside Ontario that is consistent with the Funding Agreement, as applicable; and
 - Implement monitoring procedures to ensure that the Clinic is in compliance with the Funding Agreement and its own policies as it relates to travel outside Ontario, including written approval by the Clinic Board.
 - With respect to inter-fund transfers, we recommend the following:
 - Ensure that the Clinic maintains a policy for inter-fund transfers that is consistent with the Funding Agreement, as applicable; and
 - Implement monitoring procedures to ensure that the Clinic is in compliance with the Funding Agreement and its own policies as it relates to inter-fund transfers, including the requirement for regular reporting of inter-fund transfers and written approval by the Clinic Board.
 - With respect to the quarterly reporting process, we recommend the following:
 - Consider revising the requirements for the quarterly reporting from the Clinic to LAO to include budget to actual information for the line items specified in the budget; and
 - Ensure that monitoring procedures are implemented at LAO to follow up on budget to actual discrepancies reported by the Clinic.
 - With respect to the Legal Disbursements Fund, we recommend the following:
 - LAO require direct deposits into the Legal Disbursements Fund to ensure that legal disbursements funding is not deposited into the General Fund; and
 - Ensure that the Clinic's Disbursement Policy is aligned with the LAO-Clinic Legal Disbursements Policy.

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- With respect to the legal disbursements deficit set out in the June 10 letter from Ms. Parsons, we recommend the following:
 - Further inquiry be made of the Clinic to understand what expenditures comprising the \$339,270 set out in the June 10 letter were incurred as of March 31, 2011 and how the amounts noted in the June 10 letter, after backing out those expenditures not incurred, approximate the deficit of \$15,768 noted in the audited financial statements as of March 31, 2011; and
 - Further inquiry be made of the Clinic to understand whether the remaining supported costs of \$115,281 were paid out of the General Fund prior to March 31, 2011.

4. Background

Overview

LAO provides funding to the Clinic on an annual basis in accordance with the MoU between LAO and the Clinic (Appendix B). The Funding Agreement is attached as Appendix A of the MoU and sets out the terms and conditions of the funding provided by LAO to the Clinic.

Paragraph 10 of the MoU stipulates that LAO and the Clinic Board are responsible for ensuring that clinic law services are delivered to low-income persons and disadvantaged communities in Ontario. It is our understanding from Schedule 2 of the Funding Agreement that the Clinic has a provincial mandate to serve African Canadians throughout Ontario.

In accordance with paragraph 18 of the Funding Agreement, funding is provided by LAO to the General Fund of the Clinic on an annual basis for the purpose of providing clinic law services. Clinic law services are defined as legal and other services provided to low-income individuals or disadvantaged communities including legal representation and advice, community development and organising, law reform and public legal education.

In accordance with paragraph 25 of the Funding Agreement, funding is also provided by LAO to the Legal Disbursements Fund of the Clinic on an annual basis for legal disbursements. Legal disbursements are defined in paragraphs 3.01 and 3.02 of the Clinic's Disbursements Policy as out-of-pocket expenses incurred on behalf of clients in sustaining litigation and include filing fees, medical reports, expert witness and consultants' fees, witness travel fees, charges for issuing summons, process server fees, fees for obtaining transcripts of proceedings, interpreter and translator expenses, and search fees. Legal disbursements exclude normal office overhead or operating costs, such as staff travel, long distance telephone charges, in-house photocopying, ordinary postage and stationery expenses.

The Clinic's Mandate

The mandate of the ACLC, as set out on their website, includes the following:

- i) *“Addressing systemic racism and racial discrimination through a test case litigation and intervention strategy;*
- ii) *Monitoring significant legislative, regulatory, administrative and judicial developments; and*
- iii) *Engaging in advocacy, law reform and legal education aimed at eliminating racism, and in particular, anti-Black racism.”*

ACLC is considered by LAO to be a specialty Clinic, as it provides services to low-income individuals within a specific area of law in Ontario. ACLC has also received approval from LAO to conduct test cases.

Set out below are ACLC's case statistics for Fiscal 2008 through 2011 compared to the other specialty clinics funded by LAO.

Category	ACLC	Average for Speciality Clinics	Comparison to Average for Speciality Clinics
	#	#	%
Cases Opened	50	413	(88)
Brief Services	560	929	(40)
Advice	799	2,748	(71)
Referrals	1,603	683	135
Outreach	1,191	807	48

Refer to Appendix C for the detailed case statistics received from LAO for ACLC and the other specialty Clinics funded by LAO for Fiscal 2008 through 2011.

In correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel), we understand from ACLC that in their view they differ from other speciality clinics included in the statistics set out above in that they do not deliver front-line casework services for individual clients. ACLC is a test-case litigation clinic, and therefore they devote a substantial amount of their time to test case litigation, community development and organizing, law reform and public legal education. We understand from ACLC that upon inception, ACLC was established as a test-case litigation Clinic, as opposed to a clinic providing front-line services to African Canadians, at the direction of the then Attorney General.

Funding Process

Schedule 1 of the Funding Agreement details the annual budget, which is prepared by the Clinic and submitted to LAO for approval on an annual basis. Once approved, the annual budget provides the basis for the annual funding to be provided by LAO to the Clinic's General Fund. The Clinic is required to expend funding each year in accordance with the annual budget. The annual budget includes various line items within two main categories: personnel and non-personnel. In accordance with paragraph 21 of the Funding Agreement, while the Clinic can transfer funds between line items within each category, they cannot transfer between the personnel and non-personnel categories unless approved in writing by LAO.

On an annual basis, LAO provides separate funding for legal disbursements. The annual budget for legal disbursement funding provided by LAO to the Clinic is based on a formula as set out in the Clinic Services Office Operational Policy – Legal Disbursements. We understand that the funding ranges from \$20,000 to \$25,000 each year. In accordance with paragraph 25 of the Funding Agreement, this funding can only be used for legal disbursements, unless approved otherwise in writing by LAO.

Funding schedules are prepared by LAO on an annual basis to track the actual cash funding provided to the Clinic for the General and Legal Disbursements Funds. We understand from LAO that the actual funding provided may differ from the annual budget in some instances, due to adjustments to funding subsequent to approval of the

budget. In such instances, reconciliations are prepared by LAO between the annual budget and the actual cash funding provided to the Clinic.

Record-Keeping Process

The General Fund is used by the Clinic to track the funding received from LAO in accordance with the annual budget. As previously indicated, funding is provided by LAO to the General Fund of the Clinic on an annual basis for the purpose of providing clinic law services.

The Legal Disbursements Fund is used by the Clinic to track the funding received from LAO on an annual basis for legal disbursements.

To meet the requirements of Fund Accounting as set out in Canadian Institute of Chartered Accountants Handbook Section 4400, and in accordance with the Funding Agreement, the Clinic maintains separate books and records and separate bank accounts to track the financial information for the General and Legal Disbursements Funds. These funds are reported as separate columns in the Clinic's annual financial statements.

In addition to LAO, the Clinic receives funding from other organizations on an annual and/or one-time basis for various initiatives, programs and projects. Funding provided to other ACLC funds is accounted for and reported separately in accordance with agreements between the Clinic and the other ACLC funders. In most instances, the Clinic has separate Program Directors to manage the initiatives for the other ACLC funders.

The most significant one-time initiative that took place during the Period of Review was the National African Canadian Initiative conference ("NACI conference"). The NACI conference took place from March 12 to 14, 2009 in Ottawa and was attended by members of the community. The purpose of the conference was to raise awareness of and address anti-black hate. As set out in *Section 7.1 – Financial Statement Analysis*, funding was received from various agencies in relation to the conference, including the related preparation, beginning in Fiscal 2007. We understand from Ms. Parsons that the NACI conference was part of the NACI project, a multi-year initiative that included a series of workshops, publications and forums, concluding with the conference in March 2009.

Separate books and records were maintained for the following ACLC Funds, including the General and Legal Disbursements Funds ("ACLC Funds") during the Period of Review.

- General Fund;
- Legal Disbursements Fund;
- Trust Account;
- African Canadian Youth Justice Program ("ACYJP");
- African Canadian Justice Program – Ministry of the Attorney General ("ACJP – MAG");
- Outreach;

- Court Challenges;
- National Consultation (“NACI Fund”);
- Department of Justice (“DoJ”);
- Youth Justice Education (“YCF”); and
- RAP, Toronto Jail.

It is our understanding from Ms. Parsons that the Outreach, Court Challenges and NACI Fund general ledger accounts were subsequently replaced by the DoJ, YCF and RAP, Toronto Jail accounts during the Period of Review.

Certain of the other ACLC Funds listed above are reported as separate columns in the Clinic’s annual financial statements. There is also a separate Operating Fund column in the financial statements (referred to as the “Project Fund” in the Clinic’s Fiscal 2007 through 2009 financial statements) for the smaller funds or one-time initiatives.

Relocation and Renovation Agreement

In accordance with the Terms & Conditions of Funding – Relocation and Renovation Agreement (“Relocation and Renovation Agreement”) in Appendix D, funding of \$168,977 was provided by LAO to the Clinic in relation to their new office space at 18 King Street East.

As set out in the Relocation and Renovation Agreement, the relocation and renovation funds may be used for build-out costs (voice/data cabling), moving costs (including packers, bins, movers and notifications), design and engineering costs and lease hold contributions, as required.

The Relocation and Renovation Agreement also stipulates that the funding provided by LAO must be placed in a separate interest-bearing account until the renovations begin. Once the renovation project begins, the funds must be segregated in a separate project account in the books and records of the Clinic.

5. Procedures Performed

General Procedures

We performed the following procedures for all sections of this report:

- Conducted interviews with the following current and former Clinic staff and Clinic Board members (“Clinic staff and Clinic Board members interviewed”):
 - Ms. Margaret Parsons, Executive Director;
 - ██████████, Office Manager;
 - ██████████, Support Staff;
 - ██████████, Bookkeeper;
 - Mr. Rawle Elliott, Chair, ACLC Board of Directors;
 - Mr. Christopher Holder, Treasurer and Vice Chair, ACLC Board of Directors;
 - ██████████, former Office Manager; and
 - ██████████, former Office Manager.
- Held information-seeking discussions with the following LAO employees:
 - Ms. Lesley Byfield, Regional Business Manager, LAO;
 - Ms. Zeynep Danis, former Business Manager, Central Programming & Innovation, LAO; and
 - Ms. Janet Budgell, Vice-President, LAO.
- Reviewed the following information obtained from Ms. Danis:
 - MoU and Funding Agreement;
 - Not-for-Profit Individual and Organization Insurance Policy, for the period from April 1, 2005 to April 1, 2006;
 - Operational Policy – Compensation Funding for Clinic Staff Positions, effective October 1, 2005;
 - Clinic Services Office Operational Policy – Cost Awards;

- Clinic Services Office Operational Policy – Legal Disbursements (“LAO-Clinic Legal Disbursements Policy”);
- Clinic Procurement and Expenses memorandum, dated June 1, 2010;
- Clinic Travel, Meal and Hospitality Expense Directive issued by LAO in June 2010, applicable to clinics receiving funding from LAO as of September 1, 2010 (“the LAO Directive”);
- Clinic Procurement Directive, applicable to clinics receiving funding from LAO as of September 1, 2010; and
- Job descriptions for the following Clinic positions:
 - Executive Director;
 - Office Manager;
 - Support Staff;
 - Staff Lawyer; and
 - Community Legal Worker.
- Reviewed the following information obtained from Ms. Budgell:
 - Information received by LAO from [REDACTED] (“[REDACTED] correspondence”);
 - Information received by LAO from a former Office Manager of the Clinic (“former Office Manager’s correspondence”);
 - Information received by LAO from [REDACTED] former Program Director for the NACI project (“[REDACTED]’s correspondence”);
 - Extracts from the Fiscal 2008 Funding Application Folder for the Clinic;
 - Excel spreadsheet entitled “ACLC stats and funding compared to other specialty clinics”; and
 - LAO Personnel Policy Guidelines for Clinics.
- Reviewed the Clinic Board meeting minutes obtained from the Clinic for the following dates:

- **Fiscal 2008:** April 10, 2007, April 23, 2007, April 30, 2007, June 6, 2007, July 30, 2007, August 14, 2007, September 11, 2007, September 13, 2007, October 16, 2007, December 11, 2007 and March 11, 2008;
 - **Fiscal 2009:** April 22, 2008, May 13, 2008, May 20, 2008, June 10, 2008, June 24, 2008, July 8, 2008, July 21, 2008, August 21, 2008, September 9, 2008, November 1, 2008 and November 24, 2008;
 - **Fiscal 2010:** April 14, 2009, June 9, 2009, July 27, 2009, October 6, 2009, October 13, 2009, October 17, 2009, October 23, 2009, November 13, 2009, November 17, 2009, November 24, 2009, December 8, 2009, March 9, 2010 and March 25, 2010;
 - **Fiscal 2011:** April 28, 2010, June 15, 2010, July 21, 2010, August 26, 2010, September 21, 2010, October 21, 2010, November 4, 2010, November 20, 2010, December 20, 2010, February 15, 2011 and March 15, 2011; and
 - **Stub Period:** April 14, 2011, May 3, 2011, May 10, 2011, June 28, 2011 and July 7, 2011.
- Reviewed the following policies and procedures obtained from the Clinic:
 - Anti-Harassment Policy and Program (June 15, 2010);
 - By-Law No. 1 (Last amended May 10, 2007);
 - Case Selection Criteria (July 16, 1995);
 - Cell Phone Use Policy (July 8, 2008);
 - Client Rights & Responsibilities Policy (September 16, 1998);
 - Complaints Policy (January 11, 1996);
 - Confidentiality Policy (July 8, 2008);
 - Conflict of Interest Policy (July 16, 1996);
 - Disbursements Policy (July 1995);
 - File Storage, Transfer and Retention Policy (July 8, 2008);
 - Financial Eligibility Policy (July 1995);
 - Geographic Guidelines Policy (January 1996);

- Information Systems & technology Policy (September 13, 2007);
 - Intake Policy (March 11, 1998);
 - Membership Policy (Last amended February 23, 2004);
 - Performance Evaluation Policy (July 1995);
 - Clinic's Personnel Policy (March 18, 1997);
 - Policy for Working Off-Site (June 15, 2010);
 - Policy Respecting Legal Work Outside of Clinic (January 11, 1996);
 - Preventing and Managing Incidents of Violence and Harassment Policy (June 15, 2010);
 - Referral Policy (July 1995);
 - Remuneration Policy (November 20, 2007);
 - Reserve Fund Policy (February 15, 2011);
 - Sexual Harassment and Anti-Discrimination Policy (September 13, 2007);
 - Supervision Policy (Last amended January 26, 2000);
 - Tickler Policy (January 11, 1996);
 - Volunteer Policy (January 1996);
 - Workplace Violence Policy and Program (June 15, 2010);
 - Mandate of the Legal Committee (July 9, 1997); and
 - Legal Committee Terms of Reference (July 9, 2007).
- Reviewed the Clinic's other funding agreements as follows:
 - National African Canadian Policy Conference and Forum on Anti-Black Hate, for the period from September 1, 2008 to March 31, 2009, between ACLC and the Minister of Justice and Attorney General of Canada;
 - Hate Crime Program, for the period from January 1, 2008 to October 31, 2008, between ACLC and the Attorney General;

- National African Canadian Initiative Contribution Agreement, for the period from December 30, 2005 to December 31, 2008, between ACLC and the Minister of Canadian Heritage (“the Contribution Agreement”);
 - Direct Accountability Program Options Agreement, dated April 1, 2009 between Her Majesty the Queen in Right of Ontario as represented by the Ministry of the Attorney General and ACLC;
 - Direct Accountability Program Options Agreement, dated April 1, 2010 between Her Majesty the Queen in Right of Ontario as represented by the Ministry of the Attorney General and ACLC;
 - Community Justice Program Agreement, dated April 1, 2007, between Her Majesty the Queen in Right of Ontario as represented by the Ministry of the Attorney General and ACLC;
 - Community Justice Program Agreement, dated April 1, 2008, between Her Majesty the Queen in Right of Ontario as represented by the Ministry of the Attorney General and ACLC;
 - Youth Justice Services – Service Contract, dated April 1, 2007, between Her Majesty the Queen in Right of Ontario as represented by the Minister of Children and Youth Services (“Ontario”) and ACLC;
 - Youth Justice Services – Service Contract, dated April 1, 2009, between Her Majesty the Queen in Right of Ontario as represented by the Minister of Children and Youth Services (“Ontario”) and ACLC;
 - Youth Justice Services – Service Contract – Amendment #2, dated July 29, 2008;
 - Youth Justice Services – Service Contract – Amendment #3, dated January 7, 2009;
 - Youth Justice Services – Service Contract – Amendment #1, dated July 26, 2010;
 - African Youth Justice Program Agreement, dated June 1, 2006, between Her Majesty the Queen in Right of Ontario as represented by the Minister of Justice and ACLC;
 - United Way – Youth Challenge Fund Agreement, dated May 1, 2009, between United Way of Greater Toronto and ACLC; and
 - The ACJYP Violence and Drug Intervention Program, dated October 7, 2010, between Her Majesty the Queen in Right of Ontario as represented by the Minister of Justice and Attorney General of Canada and ACLC.
- Reviewed the audited financial statements for the Clinic for the Period of Review. The audit for Fiscal 2007 was performed by Horwath Orenstein LLP and an unqualified audit opinion was issued. The audits for Fiscal 2009, 2010 and 2011 were performed by Meyers Norris Penny LLP (“Meyers Norris Penny”), the

Clinic's external auditor, and unqualified audit opinions were issued. The unqualified audit opinion in the Fiscal 2008 financial statements was not signed;

- Reviewed the management letter from Meyers Norris Penny to the Clinic dated July 20, 2011;
- Reviewed correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel) ("the Correspondence from Dewart Gleason LLP dated November 16, 2012"). As agreed with LAO, updated the report to incorporate ACLC's comments as noted in this correspondence, as applicable;
- Reviewed correspondence dated December 14, 2012 addressed to Dewart Gleason LLP (ACLC's external counsel) from Fasken Martineau DuMoulin LLP (LAO's external counsel) in response to the above noted correspondence dated November 16, 2012 ("the Correspondence from Fasken Martineau DuMoulin LLP dated December 14, 2012"). As agreed with LAO, updated the report to incorporate LAO's comments as noted in this correspondence, as applicable; and
- Reviewed correspondence dated December 18, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel) in response to the above noted correspondence dated December 14, 2012 ("the Correspondence from Dewart Gleason LLP dated December 18, 2012"). As agreed with LAO, updated the report to incorporate ACLC's comments as noted in this correspondence, as applicable.

Specific Procedures

General Fund (Section 7)

We performed the following procedures related to the General Fund for the Period of Review:

- Reviewed the cash general ledger for account 1010;
- Reconciled the cash general ledger for account 1010 to the bank statements for CIBC account 10-44613. No reconciling differences above \$500 were noted;
- Performed a source and use of cash analysis using the cash general ledger for account 1010;
- As directed by you, selected a sample of transactions related to cash inflows and reviewed supporting documentation (Funding Schedules, cheque copies, deposit book entries, bank statements, etc);
- As agreed with you, categorized the cash outflows based on the vendor details in the cash general ledger for account 1010. Validated vendor details to supporting documentation for the sample of cash outflows reviewed;

- As directed by you, selected a sample of transactions related to cash outflows and reviewed supporting documentation as follows:
 - **Personnel costs:** Salary, pay equity and statutory benefits were agreed to records from Ceridian, the Clinic's payroll service provider. Group benefits and RRSP contributions were agreed to cheque stubs or automatic withdrawals recorded on the bank statements for CIBC account 10-44613. Professional dues and bookkeeper costs were agreed to invoices;
 - **Rent costs:** Agreed the amounts to supporting documentation (i.e. rent agreements, automatic withdrawals recorded on the bank statements for CIBC account 10-44613, cheque stubs, cheque requisitions, invoices, etc);
 - **Relocation and Renovation costs:** Agreed the amounts to supporting documentation (i.e. cheque stubs, cheque requisitions, invoices, email correspondence, fax correspondence, etc) as set out below under 'Relocation and Renovation Agreement (Section 9); and
 - **Other operating costs:** For all remaining cash outflows, agreed the amounts to supporting documentation (i.e. cheque stubs, cheque requisitions, invoices, email correspondence, fax correspondence, etc).
- As directed by you, selected a sample of cheque stubs and agreed the cheque number, payee, amount and date to the cancelled cheques for CIBC account 10-44613;
- As agreed with you, reviewed a sample of cheque requisitions to identify whether there was appropriate approval by the Clinic Board in accordance with the Clinic's policies and procedures;
- Reviewed the annual budgets for the Period of Review obtained from Ms. Danis;
- Reviewed the funding schedules ("Funding Schedules") for the Period of Review obtained from Ms. Danis;
- Reviewed the schedule of adjustments to the annual budget ("Budget Adjustments") for the Period of Review obtained from Ms. Danis;
- Reviewed the emails from Ms. Danis dated September 13, 2011 and Ms. Byfield dated November 23, 2011 containing explanations for certain accrual adjustments included in the Funding Schedules;
- Adjusted the annual budgets for the Budget Adjustments and accrual adjustments to calculate the final budget amounts ("the budget");
- Reconciled the budgeted funding to the actual cash funding identified through our source and use of cash analysis;
- Compared the cash outflows to the budget for the following categories:

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- Personnel costs;
 - Rent costs;
 - Relocation and renovation costs; and
 - Other operating costs.
- Reviewed, to the extent necessary, the general ledger for the following due to/from accounts:
 - 1260 – Due to/from National Consultation (“Due to/from NACI”);
 - 1210 – Due to/from legal disbursements;
 - 1211 – Due from MAG;
 - 1240 – Receivable from LAO – PE;
 - 1255 – Due from ACYJP;
 - 1275 – Due to/from Youth Just Education;
 - 2290 – Due from Grant-Court Challenges;
 - 1250 – Due from Grants;
 - 1265 – Due from Outreach;
 - 2155 – Inter-fund – Due to IT;
 - 2270 – Due to Outreach;
 - 2300 – Due to Non LAP-AP Owe to Grant;
 - 2310 – Due to Legal Disbursements;
 - 1205 - Due from/to DOJ;
 - 1212 - Due from RAP;
 - 1254 - Due to ACYJP-Training;
 - 2150 – Inter-fund - Capital – General;

- 2220 - Due to Non LAO-Vacation Pay;
 - 2230 - Due to Non LAO-Comp Time; and
 - 2280 - Due to Non LAO-Pay Equity.
- Reviewed the payroll registers set out below related to other ACLC Funds. We understand from the Clinic that these payroll registers include all payroll related to the Clinic during the period April 1, 2007 to March 31, 2010. We did not identify any payments on these payroll registers to individuals who were included on the Ceridian register for the General Fund during this period. As directed by you, we did not perform these procedures for Fiscal 2011.
 - Payroll number B030 (NACI) for calendar years 2006 and 2007 and for the period January 1, 2008 to May 15, 2008;
 - Payroll A578 (ACYJP) for calendar years 2008 through 2010; and
 - Payroll 6701 (YCF) for calendar year 2010.
 - Reviewed the following correspondence related to the inter-fund transfer of \$116,020 in the Fiscal 2010 audited financial statements of the Clinic:
 - Letter from Ms. Coreen Lapointe (Manager, French Language Services & Specialty Clinic Program, Central Programming & Innovation, LAO) to Mr. Brathwaite, Re: African Canadian Legal Clinic Financial Report;
 - Letter from Ms. Parsons to Mr. Wayne Brown (Financial Analyst, LAO) dated May 7, 2009, Re: ACLC's Financial Report;
 - Letter from Ms. Danis to [REDACTED] (Myers Norris Penny), dated August 20, 2010;
 - Letter from Ms. Parsons to [REDACTED], dated August 24, 2010, Re: 2009 – 10 Audited Financial Statement; and
 - Letter from Ms. Danis to Ms. Parsons, dated September 21, 2010.
 - Reviewed the overtime compensation accrual calculated by the Clinic for each year within the Period of Review.

Legal Disbursements Fund (Section 8)

We performed the following procedures related to the Legal Disbursements Fund for the Period of Review and the Stub Period:

- Reviewed the cash general ledger for account 1020;
- Reconciled the cash general ledger for account 1020 to the bank statements for TD account 7909-5008025. No reconciling differences were noted;
- Performed a source and use of cash analysis using the cash general ledger for account 1020;
- As directed by you, selected a sample of transactions related to cash inflows and reviewed supporting documentation (Funding Schedules, cheque copies, deposit books, bank statements, cash outflows from the General Fund, etc);
- As agreed with you, categorized the cash outflows based on the vendor details in the cash general ledger for account 1020. Validated the vendor details to supporting documentation for the sample of cash outflows reviewed;
- As directed by you, selected a sample of transactions related to cash outflows and reviewed supporting documentation (i.e. cheque stubs, cheque requisitions, invoices, email correspondence, fax correspondence, etc);
- As directed by you, selected a sample of cheque stubs and agreed the cheque number, amount and date to the cancelled cheque attached to the bank statement;
- As agreed with you, reviewed a sample of cheque requisitions to identify whether there was appropriate approval by the Clinic Board in accordance with the Clinic's policies and procedures;
- Obtained and reviewed the following correspondence related to the Legal Disbursements Fund:
 - Letter from Mr. Elliott to Ms. Heather Robertson (Vice President, LAO), dated March 21, 2011, Re: 2010/2011 Legal Disbursements;
 - Letter from Mr. Elliott to Ms. Robertson, dated March 25, 2011, Re: Legal Disbursements;
 - Pages 1 and 2 of the letter from the Clinic to Ms. Budgell, dated April 29, 2011, Re: Follow-Up to April 14, 2011, Meeting & Other Outstanding Matters;
 - Letter from Ms. Budgell to Ms. Parsons and Mr. Elliott, dated April 29, 2011;
 - Letter from Ms. Parsons to Ms. Budgell, dated May 5, 2011, Re: 2010-11 Deficit and Outstanding Financial Matters;
 - Letter from Ms. Budgell to Ms. Parsons and Mr. Elliott, dated May 27, 2011;
 - Letter from Ms. Budgell to Ms. Parsons and Mr. Elliott, dated June 9, 2011; and

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- Letter from Ms. Parsons to Ms. Danis, dated June 10, 2011, Re: ACLC's Request for Additional Legal Disbursement Funds (June 10 letter).
 - Reviewed a sample of amounts identified in the June 10 letter by agreeing the sample to supporting invoices.

Relocation and Renovation Agreement (Section 9)

We performed the following procedures related to the Relocation and Renovation Agreement:

- Reviewed the Terms & Conditions of Funding – Relocation and Renovation Agreement for Fiscal 2009;
- Identified the deposit of \$168,977 in the bank statement for CIBC account 10-44613 and agreed the amount to the Funding Schedule for Fiscal 2009; and
- As directed by you, selected a sample of cash payments for relocation and renovation costs and reviewed supporting documentation (i.e. cheque stubs, cheque requisitions, invoices, email correspondence, fax correspondence, etc).

6. Understanding of ACLC's Processes

Set out below is our understanding of the roles and responsibilities of the Clinic staff and Clinic Board members interviewed. The information is based on interviews with the Clinic staff and Clinic Board members and correspondence received by LAO from former Clinic staff and Clinic Board members.

Roles and Responsibilities

We understand that the Clinic currently employs individuals in the following positions:

- Support Staff – [REDACTED];
- Office Manager – [REDACTED];
- Lawyer – [REDACTED];
- Lawyer – [REDACTED];
- Executive Director – Ms. Margaret Parsons; and
- Bookkeeper – [REDACTED]

In addition to the Clinic staff, there are currently seven Clinic Board members, all with varying background and experience. The Clinic Board, led by Mr. Rawle Elliott (Chair) and Mr. Christopher Holder (Treasurer and Vice Chair), is responsible for making decisions independent of management.

Set out in Appendix E is our detailed understanding of the daily responsibilities of the Clinic staff and Clinic Board members interviewed. Summarized below are the key points raised during our interviews that are most relevant to our findings, as set out in *Section 7 - Findings - General Fund* and *Section 8 - Findings - Legal Disbursement Fund*.

- The Clinic staff, including the Office Manager and Support Staff, provide administrative support for LAO-funded activity as well as non-LAO funded projects and initiatives;
- The Bookkeeper maintains the books and records for all ACLC Funds, including LAO-funded activity as well as non-LAO funded projects and initiatives;
- The Executive Director travels on a frequent basis and attends meetings for national and international committees. The Executive Director advised us that representation on these committees is consistent with the Clinic's mandate to address anti-black hate at all levels;

- During the period leading up to the NACI conference (primarily December 2008 to March 2009), the Clinic staff spent a significant amount of time preparing for the conference. Furthermore, during this time period Ms. Parsons noted that she was travelling approximately three weekends per month in preparation for the conference;
- In some instances, the Clinic staff are required to work overtime and receive time off in lieu of compensation. On most days, Ms. Parsons is required to work overtime of approximately 4 – 5 hours per day; and
- The Clinic Board is comprised of members with little financial background. As such, they rely heavily on the Treasurer, Executive Director, Office Manager and Bookkeeper to maintain the financial information of the Clinic.

We understand from our review of [REDACTED] correspondence that concerns were raised by certain Clinic Board members during the Period of Review in relation to the composition, independence and authority of the Clinic Board. Specific concerns noted include the following:

- The Clinic Board did not have a member with legal background and efforts made by certain Clinic Board members to fill this position were ignored, including restrictions imposed by the Executive Director limiting the Clinic Board's access to membership applications; and
- The roles of the Executive Director and the Clinic Board are not clearly defined and the Clinic Board lacks authority, as evidenced by the following examples:
 - An amount of \$10,000 was not paid to a creditor for six months despite Board approval;
 - The Clinic Board's approval to fill the Director of Legal Services position was ignored, and the position remained vacant for more than one year after approval was granted and a candidate was identified;
 - Refusal by the Executive Director to provide written monthly reports to the Clinic Board, as well as other documents requested by the Clinic Board.

With respect to the reference above regarding the vacancy in the Director of Legal Services position being ignored, in the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that upon the position becoming vacant, a replacement was identified, however it was agreed with LAO and the Clinic Board that the Clinic would hold off on filling this position pending an organizational review. The ACLC advised that an additional attempt was made to hire a Director of Legal Services in 2010 and, while qualified candidates were identified and offers were made by the ACLC, no offers were accepted because of the low salary. ACLC indicated that it is a priority of the Clinic Board to find a candidate for this position.

Policies and Procedures

We reviewed the Policies and Procedures of the Clinic, as set out in *Section 5 – Procedures Performed*. Our understanding of the policies and procedures related to financial statements and budgeting, cheque requisitions and payments, compensation, petty cash, expense reimbursements and inter-fund transfers, as obtained from the Clinic staff and Clinic Board members interviewed, are detailed below.

Financial Statements and Budgeting

Set out below is our understanding of the financial statement and budgeting process.

- Separate general ledgers are maintained in Quickbooks by the Bookkeeper for each fund;
- Bank reconciliations are prepared on a monthly basis by the Bookkeeper, who has access to the Clinic's online banking information;
- Financial statement packages are prepared by the Bookkeeper on a monthly basis. This information is provided to the Clinic Board members in advance of the monthly Clinic Board meetings;
- The financial statements are prepared by the Bookkeeper on a monthly, quarterly and annual basis;
- Accounts payable aging schedules are prepared by the Bookkeeper on a weekly basis;
- Meetings are held on a weekly basis between the Bookkeeper, Office Manager and Executive Director to discuss budget and cash requirements. During the meetings, the following information is reviewed:
 - Balances in the bank accounts;
 - Accounts payable aging schedules;
 - Forecasted cash requirements for the following month; and
 - Vendor invoices coming due prior to month-end.
- The budget for each ACLC funder is input into Quickbooks and budget to actual variances are monitored as required;
- On a quarterly basis, the Bookkeeper reports to LAO and the other ACLC funders. The quarterly reporting is prepared by the Bookkeeper and reviewed by the Executive Director. The reporting is prepared using prescribed formats, where provided by the funders. It is our understanding from the Clinic and LAO that LAO does not provide the Clinic with a prescribed budget to actual template for quarterly reporting. In accordance with paragraph 42 of the Funding Agreement, the quarterly reporting to LAO should include the following information for the reporting period:

- Statement of income and expenditures of the Clinic;
 - Reconciliation between LAO funds on hand and the Clinic's records for each bank account;
 - Statement of all interest earned;
 - Statement of income from other sources; and
 - Any other financial information, as required.
- Funding applications are prepared by the Bookkeeper and submitted to each ACLC funder on an annual basis. Funding applications include a budget for the following year and once approved, forms the basis of the funding for the following year.

Cheque Requisitions and Payments

Set out below is our understanding of the process with respect to cheque requisitions and payments.

- Vendor invoices are received by the Support Staff at the reception desk. The Support Staff opens the mail and identifies by written notation on the invoice which ACLC Fund the invoices relate to. The Support Staff then provides the invoices to the Office Manager;
- The Office Manager will review the invoices and follow up with the vendor directly if there are any questions or concerns. The Office Manager forwards the invoice to the Bookkeeper for processing. Invoices are not signed by the Office Manager to evidence review or approval;
- The Bookkeeper enters the invoice detail, including the invoice amount, into Quickbooks. The bookkeeper initials and stamps the invoice when it is entered into the system;
- In instances where the Clinic has cash constraints, the Clinic will pay only a portion of an invoice total, as directed by the Executive Director;
- Cheque requisitions are prepared manually by the Office Manager or Bookkeeper, as required. The information on the cheque requisition includes the account and amount of the request. Supporting documents are attached to each cheque requisition;
- Once the invoices are entered, the Bookkeeper completes a cheque register and forwards the printed cheques, cheque requisitions and supporting documentation to the Office Manager;
- The Office Manager prepares a cover sheet summarizing all of the cheques. This cover sheet must be signed-off by the Executive Director and two Clinic Board members. The cover sheet, printed cheques, cheque requisitions and supporting documentation are provided to the Executive Director for review and sign-off;

- Once the Executive Director has signed off on the cover sheet, the cover sheet, cheque, cheque requisitions and supporting documentation are provided to two Clinic Board members for sign-off. The Clinic Board members must sign-off on the cover sheet, cheques and cheque requisitions;
- Clinic Board members approve payments across all of the ACLC Funds; and
- As at the date of our fieldwork, the Clinic Board members with signing authority were as follows:
 - Mr. Elliott;
 - Mr. Holder; and
 - Ms. Gloria Small-Clarke (Secretary).

Compensation

Set out below is our understanding of how Clinic staff are compensated.

- All Clinic staff are paid their regular salary through Ceridian, the Clinic's payroll service provider, based on the salary information provided by the Clinic to Ceridian. The staff members who are included in the annual budget of funding provided by LAO are paid 100% of their salary out of the General Fund, using funding received from LAO;
- The Bookkeeper prepares payroll reconciliations on a monthly and annual basis to reconcile the information between Ceridian and Quickbooks;
- On an annual basis, the Clinic pays discretionary bonuses based on performance. The recommended bonus amounts are presented by Ms. Parsons to the Clinic Board for approval;
- Bonus amounts are paid using the excess personnel funds from the LAO funding, where available. As noted in further detail in *Section 7.3 – Budget to Actual Analysis*, per the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that, with the exception of Fiscal 2008 and 2010, any additional remuneration paid to Clinic staff during the Period of Review was from funding received from program funders other than LAO. In Fiscal 2008 and 2010, the additional remuneration was paid from excess personnel funds provided by LAO;
- Overtime is tracked by each staff member and is submitted to the Executive Director for approval on a monthly basis. Typically, overtime is only tracked for meetings and events that occur after hours and does not reflect time spent to catch up on work during non-working hours;
- The overtime accrual for the Executive Director is approved by the Clinic Board. The Clinic Board does not review written documentation to support the overtime calculated for the Executive Director;

- Overtime requests for staff members must be approved by the Executive Director before they are granted and banked overtime expires on December 31 of each year;
- The Clinic's Personnel Policy indicates that the maximum amount of overtime that can be accrued is 14 hours per month for a period of up to one year (total of 168 hours per year);
- The LAO Personnel Policy Guidelines for Clinics provides guidelines with respect to professional staff eligibility for compensatory time off. Specifically, the guidelines indicate that professional staff are not eligible for compensatory time off, but the Clinic Board, in its discretion, may approve special leave, not to exceed 5 days per year, for professional staff working exceptional amounts of excess hours. Although the guidelines are not mandatory, clinic Boards are required to adopt personnel policies that are reasonably consistent with LAO's policies; and
- The overtime accrual is recorded in a general ledger account and reduced when days in lieu are taken by Clinic staff and the Executive Director.

Petty Cash

Set out below is our understanding of the process and controls with respect to petty cash.

- Typically, a petty cash float of \$500 is maintained by the Clinic for the purpose of administrative expenditures;
- The petty cash is locked at all times and only the Office Manager has access to the petty cash;
- The Office Manager maintains a spreadsheet ("petty cash log") detailing all petty cash transactions. The Office Manager updates the petty cash log as transactions occur throughout the month;
- When petty cash is required, staff must complete a form indicating the nature of the expenditure and provide it to the Office Manager. The form must be signed by the staff. After the purchase is made, the staff will provide the receipt and change to the Office Manager. The receipt is attached to the petty cash log as support for the purchase;
- The Office Manager provides the petty cash log to the Bookkeeper at the end of each month, along with the receipts and supporting documentation. The Bookkeeper uses this information to reconcile the petty cash transactions with the receipts;
- The Bookkeeper counts the petty cash on a monthly basis and reconciles it to the petty cash log;
- The Bookkeeper enters the petty cash total into Quickbooks and signs off on the petty cash log to evidence his review; and
- When additional petty cash is required, the Office Manager will prepare a memo indicating the amount required for expenditures and the Bookkeeper will prepare the petty cash cheque based on this request.

Cheque requisitions and cheques are prepared and Clinic Board approval is obtained, in accordance with the *Cheque Requisitions and Payments process* described above.

Expense Reimbursements

Set out below is our understanding of the expense reimbursement process.

- The Clinic does not have any formal policies and procedures for expensing amounts related to travel, meals, hotel accommodations, etc. In some instances, the funding agreements from the various funders will include expense guidelines, in which case the Clinic will follow the guidelines provided;
- LAO issued the “Clinic Travel, Meal and Hospitality Directive” in June 2010. The directive applies to clinics receiving funding from LAO as of September 1, 2010 and outlines policies related to expense reimbursements, including meals, travel and hotel accommodations;
- Typically, when staff incur expenses related to travel, they manually prepare an expense report using the Clinic’s template and attach their receipts as support;
- The expense reports are reviewed by the Office Manager, signed-off by the applicable Program Director and provided to the Executive Director for sign-off;
- The Executive Director approves the expense report and provides it to the Bookkeeper for payment. There are no direct deposits for expense reimbursements;
- There is currently one Visa credit card for the Clinic and the Executive Director is the only individual with access to the card. The Visa is used primarily to make purchases and book travel for the Clinic. In limited instances, the Executive Director will provide the Visa to the Support Staff to make purchases and book travel;
- The Visa is used for purchases related to all of the ACLC Funds. The Support Staff is responsible for reviewing the Visa statement and identifying which ACLC Funds the transactions relate to;
- The Office Manager reconciles the Visa statement to the supporting receipts on a monthly basis. The support attached to each Visa statement will not reconcile to the payment amount, as the transactions and related support are for the current period, whereas the payment on the Visa statement is for the previous period; and
- The Visa statements are provided to the Bookkeeper to process the cheque payments.

Inter-Fund Transfers

Set out below is our understanding of the process with respect to inter-fund transfers.

- It is generally the responsibility of the Office Manager to identify which ACLC Fund an invoice, Visa statement or transaction relates to. This process has more recently become the responsibility of the Support Staff;

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- In instances where the Support Staff is not familiar with the transactions, inquiries are made of the Office Manager or other staff members. For invoices such as Diamond Taxi and Visa, where one invoice is received for all ACLC Funds, the Support Staff will make a notation beside each transaction on the supporting invoices or statements to indicate which ACLC Fund the transaction relates to;
 - Using the invoices, the Bookkeeper prepares an Excel spreadsheet by vendor to indicate the total amount payable by each ACLC Fund to the vendor. The support is photocopied and retained on file for each ACLC Fund. Based on this information, cheque requisitions and cheques are prepared from each ACLC Fund, as applicable;
 - In some instances, the General Fund pays expenditures on behalf of other ACLC Funds for administrative purposes (i.e. when invoices are shared across various ACLC Funds). Where this occurs, the Office Manager is responsible for identifying the portion of the transaction that relates to other ACLC Funds. When the funds are paid out of the General Fund, the Bookkeeper is responsible for recording a receivable in the General Fund, and a corresponding payable in the other ACLC Funds, as applicable; and
 - Each month, the Bookkeeper prepares the inter-fund transfer reconciliation. The reconciliation shows the amount receivable by, and payable to, each ACLC Fund. It is our understanding from the Clinic staff and Clinic Board members interviewed that the Board reviews and approves all inter-fund transfers and cheque payments.

7. Findings – General Fund

As agreed with you, we performed a detailed analysis of the activity in the General Fund for the Period of Review. As set out in *Section 2 – Scope of Review*, our detailed analysis is comprised of four components, as follows:

- 7.1 Financial Statement Analysis:** We reviewed the audited financial statements for each year in the Period of Review to gain an understanding of the financial position of the Clinic during the Period of Review and identified the primary factors contributing to the cumulative deficit in the General Fund;
- 7.2 Source and Use of Cash Analysis:** We performed a source and use of cash analysis based on the cash general ledger for the General Fund to gain an understanding of the nature of the cash inflows and outflows;
- 7.3 Budget to Actual Analysis:** We compared the actual cash inflows and outflows from the source and use of cash analysis to the Funding Schedules and budgets obtained from LAO for each year in the Period of Review to identify significant variances; and
- 7.4 Transaction Analysis:** We selected a sample of transactions and reviewed supporting documentation to validate the existence and accuracy of the transactions.

Set out below are the results of our detailed analyses of the General Fund for the Period of Review.

7.1 Financial Statement Analysis

Summarized below are the revenue, expenses, excess (deficiency) of revenue over expenses, inter-fund transfers and surplus (deficit) for the General Fund for each year in the Period of Review, based on the Clinic’s audited financial statements.

Year	Revenue	Expenses	Excess (Deficiency) of Revenue over Expenses	Inter-Fund Transfer	Surplus (Deficit)
	\$	\$	\$	\$	\$
Opening deficit	-	-	-	-	(71,042)
Fiscal 2008	708,788	(698,322)	10,466	-	(60,576)
Fiscal 2009	794,219	(910,526)	(116,307)	-	(176,883)
Fiscal 2010	791,318	(713,954)	77,364	(116,020)	(215,539)
Fiscal 2011	861,414	(879,506)	(18,092)	-	(233,631)

As set out in the table above, the Clinic has experienced a growing deficit in the General Fund during the Period of Review. We have identified the following two factors as contributing to the cumulative deficit in the General Fund during the Period of Review:

- Write-off of inter-fund receivable; and
- Compensation accrual.

These two factors contributing to the cumulative deficit in the General Fund during the Period of Review have been described in further detail below.

In the Correspondence from Dewart Gleason LLP dated November 16, 2012, we understand from the ACLC that in addition to the write-off of the inter-fund receivable (which occurred as a result of unanticipated expenditures related to NACI being incurred by the General Fund), it is their view that the cumulative deficit arose because of costs related to an audit, requested by LAO and conducted by Deloitte and Touche, in Fiscal 2004 in the amount of \$96,512.00. We understand from the Correspondence from Fasken Martineau DuMoulin LLP dated December 14, 2012 that it is LAO's view that the cost of the audit was \$45,394.91 and that additional funding in the amount of \$29,344.91 and \$16,050.00 was provided by LAO to the Clinic in September 2004 and August 2012, respectively, to cover this cost. We further understand from Ms. Budgell that additional funding in the amount of \$33,203.56 was provided by LAO to the Clinic in relation to the audit during Fiscal 2004 and Fiscal 2012 as follows: \$10,492 in June 2004 (relating to costs for a Special General Meeting), \$2,166.75 in September 2004 (relating to facilitation costs for St. Stephen's House), \$1,221.01 in July 2012 (relating to the remainder of costs associated with the Special General Meeting), \$16,500 in July 2012 (relating to costs for Symes and Street legal services) and \$2,824.80 in July 2012 (relating to costs for [REDACTED] legal services). In total, we understand from Ms. Budgell that funding of \$78,599.47 (\$29,344.91 + \$16,050.00 + \$33,204.56) was provided by LAO to the Clinic as reimbursement for costs associated with the audit in Fiscal 2004. Of this amount, we understand that \$42,003.66 was paid prior to the Period of Review and \$36,595.81 was paid in Fiscal 2012. Additional work would be required to understand the difference between the cost of the audit of \$96,512 as noted by ACLC and the cost of \$78,599.47 as noted by LAO. We note that the fiscal 2004 audit itself is not within our Period of Review.

Write-Off of Inter-Fund Receivable

It is our understanding from the Clinic staff and Clinic Board members interviewed that the inter-fund transfer noted in the General Fund in the Clinic's Fiscal 2010 audited financial statements related to the write-off of a receivable owing to the General Fund from the NACI Project Fund in relation to the NACI initiative. As previously stated, the NACI initiative was reflected in a separate general ledger in the Clinic's books and records and funding provided to the Clinic for the NACI initiative was reflected in the Clinic's audited financial statements as part of the NACI Project Fund. Details with respect to the receivable are set out below.

We understand from Ms. Parsons that throughout Fiscal 2008 and 2009, cash was loaned by the General Fund to the NACI Project Fund, and invoices were paid by the General Fund on behalf of the NACI Project Fund, due to unanticipated expenses with respect to the NACI initiative and the fact that the Clinic was unable to raise additional funding as expected. It is our understanding from the Clinic staff and Clinic Board members interviewed that in these instances, a receivable was recorded in the General Fund and a corresponding payable was recorded in the NACI general ledger to reflect the amounts owing by the NACI Project Fund to the General Fund.

Based on our review of the general ledger for the General Fund, at the end of Fiscal 2010, the receivable balance in the Due from NACI account in the General Fund in the amount of \$116,020 was written off to nil. We understand from Ms. Parsons that the write-off was approved by the Clinic Board in July 2010 based on advice from the Clinic's auditors, Meyers Norris Penny. This write-off is contributing to the cumulative deficit in the General Fund during the Period of Review. This is consistent with the Correspondence from Dewart Gleason LLP dated November 16, 2012 in which ACLC indicated that the unanticipated expenses for the NACI project contributed to the cumulative deficit in the General Fund.

In the Correspondence from Dewart Gleason LLP dated November 16, 2012, ACLC indicated that when expenditures related to the NACI initiative were paid for by the General Fund, the former Clinic bookkeeper mistakenly recorded these expenditures as a receivable, instead of as an expense, in the General Fund. We understand from ACLC that the receivable was subsequently written off after the Clinic Board concluded, on advice from Meyers Norris Penny, that the original booking of a receivable was not the appropriate accounting treatment for these expenditures as the amounts were not collectible. It is ACLC's view that there was never any possibility of collecting the "receivable" and as such, it was written-off. During our review of the Clinic Board meeting minutes for Fiscal 2010, we did not identify any instances where the likelihood of repayment of the receivable owing to the General Fund by the Project Fund was discussed. With respect to the accounting treatment of the NACI expenditures in the General Fund, we note that if the expenditures were initially recording as an expense in the General Fund, as opposed to a receivable that was subsequently written off, this would have had the same impact on the Clinic's financial position, in that both treatments result in an increase to the cumulative deficit. With respect to the impact on each year within the Period of Review, we note that recording the NACI expenditures as an expense in Fiscal 2008 and 2009, as opposed to a receivable, would have increased the deficit in these specific years and decreased the deficit in Fiscal 2010. However the impact on the cumulative deficit in the General Fund during the Period of Review would be the same with both accounting treatments.

Set out below is our understanding of the finances related to the NACI project.

NACI Funding

We reviewed the agreements between the Clinic and the Minister of Canadian Heritage ("the Contribution Agreement"), the DoJ and the Ministry of the Attorney General ("MAG") (collectively, "the agreements") to identify the funding committed by these parties for the NACI project. We also reviewed the notes accompanying the Fiscal 2007, 2008 and 2009 audited financial statements of the Clinic to identify the actual funding that was received for the NACI project during the Period of Review. Set out below is the actual funding received based on the Clinic's audited financial statements compared to the funding committed to be received based on the agreements reviewed.

Funder	Actual Funding	Committed Funding	Excess (Shortfall)
	\$	\$	\$
Heritage	380,750	399,050	(18,300)
DoJ	112,500	112,500	-
MAG	70,000	70,000	-
Total	563,250	581,550	(18,300)

It is our understanding from our review of the agreements that ACLC intended to approach additional funders to

obtain funding of \$256,782 as follows: Court Challenges Program (\$55,000), Canadian Race Relations Foundation (\$20,000), Trillium Foundation (\$75,000), LAO Provincial Learning Grants (\$26,782), Victim Services (\$70,000) and LAO (\$10,000). Based on our review of the notes to the Clinic's audited financial statements, we did not identify funding provided by any of these organizations during Fiscal 2007 through Fiscal 2009. Ms. Parsons also confirmed that the above-noted funding was not received as expected. We understand from Ms. Budgell that the Clinic received funding of approximately \$10,000 during 2006 from the LAO Provincial Learning Grants.

In addition, we noted from our review of the Contribution Agreement that ACLC intended to devote non-cash resources, including time and efforts of the Clinic staff, to the NACI project. These non-cash resources were valued at \$212,500 based on an estimate included within the Contribution Agreement. In addition to the Clinic staff time, this estimate also includes resources of the Clinic, such as printing and faxing. We further noted that the Clinic intended to obtain non-staff volunteer commitments, valued at \$204,980 based on the estimate within the Contribution Agreement. We understand from Ms. Budgell that to her knowledge, LAO was not made aware of the Clinic's intention to commit non-cash resources of \$212,500 to the NACI project, which included staff whose salaries were funded by LAO.

NACI Spending

As set out above, the Clinic received commitments for funding of \$581,550 and actual funding received was \$563,250 (shortfall of \$18,300). In addition, Ms. Parsons intended to obtain an additional \$256,782 from other funders. It is our understanding from Ms. Parsons that it was necessary to incur costs in the General Fund to fund the NACI project given that the Clinic was unable to raise additional funding as intended.

We understand from our review of ██████████'s correspondence that concerns were raised by ██████████ with respect to the financial management of the NACI project. Specific concerns noted include the following:

- In ██████████ role as Program Director, ██████████ was not provided with access to the budget for the NACI project, and was unaware of how the budget was structured or spent;
- ██████████ understood that the budget figures were misrepresented;
- Ms. Parsons travelled first class on a regular basis in relation to the NACI project;
- Bills were paid and expenses were reimbursed several months after they were incurred;
- The Executive Director did not seek additional funding for the NACI project and ██████████ was not aware of any funding requests being submitted to other funders; and
- ██████████ was paid approximately ██████████ during ██████████ twenty-one months at the Clinic however ██████████ understood that the budget for the Program Director's salary for this period of time was approximately \$210,000. ██████████ is unaware of how the remaining salary dollars were spent.

In the Correspondence from Dewart Gleason LLP dated November 16, 2012, we understand from ACLC that ██████████ was laid off shortly after the NACI budget shortfall arose, which in their view may have resulted in "ill-

feelings" towards the Clinic and may have prompted or influenced some of the above noted comments. With respect to [REDACTED]'s comment regarding the NACI budget, as set out in further detail below, we were advised by ACLC that the Clinic Board approved an agreement between the Clinic and Heritage with respect to the NACI project (which we understand to be the Contribution Agreement), which included a budget setting out the funding received or expected to be received from various funders in relation to the NACI initiative. We are unclear as to whether [REDACTED] had access to this budget. With respect to [REDACTED]'s comment that the Executive Director did not seek additional funding when anticipated funding was lost, we understand from ACLC that this is incorrect and that additional funding of \$182,500 was obtained from DOJ and MAG. With respect to the Program Director's salary, we were advised by ACLC in the Correspondence from Dewart Gleason LLP dated November 16, 2012 that [REDACTED] is mistaken in [REDACTED] comment that the \$210,000 pertained to [REDACTED] salary alone. ACLC stated that this is the amount contributed by the federal government as salary dollars for the entire project. We have not reviewed ACLC's comments with [REDACTED].

We understand from our review of a former Office Manager's correspondence that concerns were also raised regarding the use of travel budgets in relation to the NACI project. The former Office Manager noted that the budget from Heritage was not complied with. For example, the budget allowed for travel by the Program Director only, however, on several occasions the Executive Director accompanied the Program Director and travelled first class. Concerns were also raised by the former Office Manager to the Executive Director regarding the negative impact the lack of funding from other funders would have on the deficit in the NACI Fund. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, ACLC advised that the budget, as set out in the Contribution Agreement, contained no restriction with respect to travel by the Program Director only. Our review of the budget within the Contribution Agreement did not provide sufficient detail as to the individuals permitted to travel within the budget.

With respect to the above noted comments from [REDACTED] and a former Office Manager regarding first class travel, in our review of the supporting documentation for select expenditures relating to The Professional Travel Place (as set out in Section 7.4 - Transactional Analysis) as well as select Transportation Expenditures (as set out in the Addendum to this report dated April 8, 2013), we did not note evidence of first-class travel booked by the Clinic. Ms. Parsons indicated that first class travel has never been booked for herself, Clinic staff or the Clinic Board. We understand from Ms. Parsons that in some instances, she upgraded her flights to first class using travel vouchers, at no additional expense to the Clinic.

We understand from [REDACTED] correspondence that the Clinic Board did not approve a budget for the NACI project and did not formally authorize the spending. [REDACTED] noted that the Clinic Board was made aware of the spending incurred in relation to the NACI project and the corresponding deficit verbally at the June 9, 2009 Clinic Board meeting. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, ACLC advised that the Clinic Board approved the NACI project in 2006. Included in the Correspondence from Dewart Gleason LLP dated November 16, 2012 was the Contribution Agreement between the Clinic and Heritage signed by Eytayo Dada, then Chair of the ACLC Board, on February 13, 2006. As stated above, we note that the Contribution Agreement included a breakdown of budgeted expenditures (totaling \$1,093,312) based on funding received or expected to be received from various sources (totaling \$1,093,312). As set out in further detail above, it is our understanding that the actual funding received by the Clinic with respect to the NACI initiative was \$563,250. We were not provided with an overall budget that set out the budgeted expenditures in relation to the actual funding received of \$563,250.

With respect to correspondence between the Clinic and LAO regarding the NACI project, we noted the following:

- The Funding Application submitted by the Clinic to LAO for Fiscal 2008 discussed the NACI project. The Clinic noted that the initiative was a major undertaking of the Clinic in Fiscal 2007 and would continue to be a significant activity for Fiscal 2008. The Funding Application also indicated that the initiative was being conducted with financial support from the Federal Department of Multiculturalism; and
- LAO raised inquiries regarding the deficit in the General Fund in April 2009. We noted a letter from Ms. Parsons to Mr. Wayne Brown (Financial Analyst, LAO) dated May 7, 2009 (Appendix F) indicating that the expenses of the Clinic are legitimate and relate to the office re-location and the NACI project. The letter made reference to the deficit in the General Fund and did not include details related to costs incurred in relation to the NACI project. The letter to LAO included a request to use the monthly surplus in personnel costs to further reduce the deficit. We reviewed further correspondence from Ms. Danis to ██████████ of Meyers Norris Penny dated August 20, 2010 (Appendix F) in response to the inter-fund transfer of \$116,020 reported in the March 31, 2010 financial statements wherein Ms. Danis stated *"LAO has not approved the use of these funds for this purpose and will not provide additional funding to address the over-expenditures incurred by the Clinic. LAO was only made aware of the use of LAO funds to address over-expenditures pertaining to this conference [NACI] after the fact. No request for approval was made in advance or at any time"*.

We reviewed the management letter from Meyers Norris Penny to the Clinic dated July 20, 2011 in relation to the Fiscal 2011 financial statements. The letter indicated the following with respect to the NACI project: *"LAO raised concerns over the use of LAO funds for the NACI conference and the accounting treatment of the funds in the March 31, 2010 audited financial statements. Various discussions were had and letters sent, however, as of this date, there has been no formal resolution of this matter. We recommend that ACLC seek resolution of this matter with LAO in order to have a documented decision on the interpretation of the LAO-ACLC Funding Agreement and the concerns of the March 31, 2010 audited financial statements."*

Ms. Parsons indicated that the NACI project was a multi-year initiative that included a series of workshops, publications and forums, culminating with the NACI conference held in March 2009. We understand from Ms. Parsons that in her view the NACI project, which addressed anti-black hate in the community, was in line with the Clinic's mandate, as set out in the Funding Agreement, to provide disadvantaged communities with community development and organizing, law reform and public legal education services. In our review of the correspondence between LAO, the Clinic and Meyers Norris Penny (Appendix F), and discussions with Ms. Parsons and Mr. Elliott, we understand that the Clinic viewed the NACI initiative as aligned with the community development, law reform and public education component of the MoU and Funding Agreement.

We understand from Ms. Budgell that the Clinic did not provide LAO with budgets or other details related to the anticipated costs associated with the NACI project and LAO was not informed of the Clinic's intention to use LAO's funding in relation to the NACI project. Ms. Budgell stated that LAO did not approve the use of its funding to cover any expenditures related to the NACI project. Ms. Budgell further stated that LAO provides clinics with compensation and general operating funding. Under the Funding Agreement, clinics cannot use compensation funding for operating expenses without express approval from LAO. ACLC, as an independent organization, may undertake major projects such as the NACI project. However, Ms. Budgell indicated that LAO's compensation

funding cannot be used to pay for non-personnel project expenses such as travel, accommodation and meals without approval from LAO. We understand that LAO's letter dated August 20, 2010 (Appendix F) indicates that LAO did not approve the use of LAO compensation funding to cover the NACI project expenses.

In summary, the General Fund incurred at least \$116,020 of costs in relation to the NACI project, for which a receivable was setup in the General Fund as owing from NACI and subsequently written off by the Clinic after being identified as uncollectible. This write-off contributes to the cumulative deficit in the General Fund during the Period of Review.

Compensation Accrual

It is our understanding from our review of the Clinic's records and the Clinic staff and Clinic Board members interviewed that the financial statements reflect an accrual (liability) for overtime compensation. We noted that the majority of the liability related to overtime accrued for Ms. Parsons. We understand from Ms. Parsons that this liability is settled through the provision of days in lieu. Set out below is a summary of the liability for each year in the Period of Review based on our review of the Clinic's compensation accrual calculation.

Year	Total Accrual	Accrual Related to Executive Director	
	\$	\$	%
Fiscal 2008	117,180	94,284	80
Fiscal 2009	159,306	133,869	84
Fiscal 2010	149,687	148,236	99
Fiscal 2011	155,107	150,513	97

While the liability has not fluctuated significantly during the Period of Review, it has been accumulating since prior to Fiscal 2008 and is contributing to the cumulative deficit.

To understand how the accrual for overtime compensation is calculated, we reviewed the Clinic's Personnel Policy dated March 18, 1997. The Clinic's Personnel Policy sets out the maximum amount of compensatory time-off that can be accrued. In accordance with the Clinic's Personnel Policy, approval must be obtained in advance from the Executive Director for all employees who work in excess of 35 hours per week. Additional hours worked must be supported by time records on a monthly basis. According to the Clinic's Personnel Policy, additional overtime may be required for meetings which cannot be held or attended during normal working hours and work assignments with an immediate deadline that require staff to work evenings or weekends. The Clinic's Personnel Policy further indicates the following: *"Compensatory time-off, in lieu of overtime accumulated, may not exceed 14 hours in any given month...and shall be taken within 6 months of being accumulated. The Executive Director may extend this time for up to one year."*

We note that the Clinic's Personnel Policy does not specifically state whether it applies to the Executive Director and who is required to approve such time-off. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, we understand that it is the view of the Clinic Board that the Clinic's Personnel Policy is "not sufficiently clear about compensatory time for the executive director" and the Clinic Board has resolved to revise the policy to

address this issue. In the absence of another policy addressing compensatory time-off for the Executive Director, the existing Clinic Personnel Policy was used as a basis for our findings.

Based on the Clinic Personnel Policy, the maximum accrual for overtime for the Executive Director would be 168 hours (12 months x 14 hours). LAO's Personnel Policy Guidelines for Clinics indicates that professional staff are not eligible for compensatory time off, however the Clinic Board in its discretion can approve up to 5 days per year for professional staff who have worked excessive overtime. Using a salary rate of \$58.66 per hour from the Fiscal 2011 compensation accrual calculation prepared by the Clinic, the accrual of \$150,513 for Ms. Parsons at the end of Fiscal 2011 translates to cumulative accrued overtime owing to Ms. Parsons of approximately 2,566 hours, which represents more than one year of compensatory time (assuming a 35 hour work week) and is in excess of the maximum allowed of 168 hours under the Clinic Personnel Policy. Accordingly, the cumulative liability of \$155,107 as at March 31, 2011 does not appear to be in compliance with the Clinic's Personnel Policy or the LAO Personnel Policy Guidelines for Clinics.

We note that compensation to Clinic staff in the form of annual cash bonuses totaling \$170,000 for the Period of Review, as set out in *Section 7.3 – Budget to Actual Analysis*, was in addition to the cumulative liability for overtime compensation of \$155,107 for the Period of Review.

We understand from Ms. Parsons the following with respect to the compensation accrual:

- Ms. Parsons has consistently had high overtime. Her overtime was particularly high during the period leading up to the NACI conference in March 2009, when Ms. Parsons indicated she worked one year's worth of time in one month;
- The time that is accrued represents Ms. Parson's overtime for meetings only and does not capture travel time or other time spent working on regular work over the weekends;
- LAO directed the Clinic to develop the Clinic's Personnel Policy and it was reviewed by LAO. Questions were not raised by LAO regarding the amount of the overtime accrual until 2009;
- The Clinic Board sought legal advice from Iller Campbell LLP regarding the validity of the accrual and it was determined that the accrual should remain, unless Ms. Parsons agreed not to be paid for her overtime;
- Meyers Norris Penny concurs with the accrual and the Clinic Board recognized this as a liability given the overtime incurred by, and owing to, the Executive Director. As such, it has continued to remain on the Clinic's books; and
- The Clinic Board has asked LAO for direction with respect to the compensation accrual, however, they have not provided a response.

We understand from our review of a former Office Manager's correspondence that support was not received for Ms. Parsons' overtime and there was no corresponding authorization from the Clinic Board. We understand from [REDACTED]'s correspondence that the Clinic Board made several requests of Ms. Parsons to support her overtime incurred in Fiscal 2008.

We did not identify any instances where written support was requested by the Board, or provided by Ms. Parsons to the Clinic Board, with respect to the hours incurred to support the overtime accrual and we were not made aware of the existence of overtime records to support the overtime hours incurred. We understand from Ms. Parsons that the compensation accrual recorded in the General Fund includes overtime incurred in relation to LAO-funded operations and funding from other funders for other ACLC initiatives, including the NACI project. We were unable to verify what portion, if any, of the compensation accrual for Ms. Parsons, as reflected in the General Fund as at March 31, 2011, related to LAO-funded initiatives versus other ACLC initiatives.

The management letter from Meyers Norris Penny dated July 20, 2011 noted the following with respect to the compensation accrual: *“During the audit, we found that the vacation and comp pay accrual calculations for the Executive Director have not been reviewed and/or approved by the Board of Directors”*. The letter further recommended *“as part of good governance, that the Board of Directors, review and approve the vacation and comp pay accrual calculations on an annual basis.”*

In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that the Executive Director maintains monthly time sheets, two examples of which were provided in the correspondence. The ACLC further stated that Clinic employees also maintain monthly time sheets and these records were produced to and reviewed by PwC. As previously stated, we were not aware of the existence of these overtime records for the Executive Director or Clinic staff at the time of our review and these records were not provided for our review as requested while on-site at the ACLC premises.

7.2 Source and Use of Cash Analysis

As agreed with you, our source and use of cash analysis was prepared using the cash general ledger for account 1010. Set out below are the results of our analyses.

Cash Inflows

Set out below are the cash receipts (“cash inflows”) in the General Fund identified through our source and use of cash analysis for each year during the Period of Review. As directed by you, we reviewed supporting documentation for all cash inflows noted below, as set out in *Section 5 – Procedures Performed*, with the exception of ‘Other cash receipts’.

Categories	Fiscal 2008 \$	Fiscal 2009 \$	Fiscal 2010 \$	Fiscal 2011 \$	Total \$
LAO					
General	696,486	750,530	741,481	755,549	2,944,046
Legal	12,837	13,429	21,802	21,802	69,870
Relocation and Renovation	-	168,977	-	-	168,977
Total Receipts from LAO	709,323	932,936	763,283	777,351	3,182,893
Other ACLC Funds					
NACI Fund	7,642	37,500	64,500	-	109,642
Court Challenges	53,933	-	41,500	-	95,433
ACYJP	3,175	-	16,908	-	20,083
Other ACLC Funds	-	-	-	75,000	75,000
Total Receipts from Other ACLC Funds	64,750	37,500	122,908	75,000	300,158
Other Receipts					
Canadian Government (HRDC)	-	5,116	-	-	5,116
GIC Redemption	-	10,568	-	-	10,568
Canada Revenue Agency	-	21,052	17,101	24,468	62,621
Other cash receipts	12,369	14,680	29,927	23,976	80,952
Total Other Receipts	12,369	51,416	47,028	48,444	159,257
Total Receipts	786,442	1,021,852	933,219	900,795	3,642,308

As set out above, in addition to cash inflows from LAO, cash inflows in the General Fund include cash receipts from other ACLC funders. These cash inflows could represent amounts borrowed by the General Fund from other ACLC Funds due to cash requirements, amounts previously loaned by the General Fund to the other ACLC Funds that have subsequently been repaid, or expenditures incurred by the General Fund on behalf of other ACLC Funds that have subsequently been repaid. With respect to the amounts borrowed from other ACLC Funds, we noted per paragraph 28 of the Funding Agreement that the Clinic cannot obtain a loan without prior written approval from LAO. It is our understanding from the Clinic staff and Clinic Board members interviewed that there were no instances where loans were obtained from outside sources during the Period of Review. With respect to the amounts loaned by the General Fund to other ACLC Funds (that may have subsequently been repaid, thereby representing inflows into the General Fund), as noted in *Section 7.4 – Transaction Analysis*, total cash outflows of \$250,539 were paid to other ACLC Funds during the Period of Review. With respect to expenditures incurred by the General Fund on behalf of other ACLC Funds (that may have subsequently been repaid, thereby representing inflows into the General Fund), we understand from our work performed in *Section 7.4 – Transaction Analysis* and interviews with the Clinic staff and Clinic Board members interviewed that in some instances expenditures were paid by the General Fund on behalf of other ACLC Funds due to cash constraints in the other ACLC Funds.

Cash Outflows

Set out below are the cash payments (“cash outflows”) from the General Fund identified through our source and use of cash analyses for each year during the Period of Review.

Categories	Fiscal 2008 \$	Fiscal 2009 \$	Fiscal 2010 \$	Fiscal 2011 \$	Total \$
Personnel costs	468,995	458,079	420,477	493,107	1,840,658
Rent costs	101,031	113,346	135,693	144,076	494,146
Relocation and renovation costs	-	60,779	116,523	-	177,302
Other operating costs	205,964	384,411	286,370	243,221	1,119,966
Total	775,990	1,016,615	959,063	880,404	3,632,072

As directed by you, we reviewed supporting documentation for a sample of cash outflows for each year during the Period of Review, as set out in *Section 5 – Procedures Performed*. Our results are set out in *Section 7.3 – Budget to Actual Analysis*.

7.3 Budget to Actual Analysis

As agreed with you, we performed budget to actual analyses for each year during the Period of Review based on the cash outflows from *Section 7.2 – Source and Use of Cash Analysis*. As set out in *Section 5 – Procedures Performed*, we categorized the actual cash outflows based on the vendor details in the cash general ledger for the General Fund using the following categories:

- **Personnel costs** – represents cash outflows for salaries, pay equity, statutory benefits, group benefits, RRSP contributions, professional dues, bookkeeper costs, and related charges;
- **Rent costs** – represents cash outflows for monthly rent and storage costs;
- **Relocation and renovation costs** – represents cash outflows incurred in relation to the Relocation and Renovation Agreement;
- **Other operating costs** – represents all other cash outflows, including operating costs and inter-fund transfers; and
- **Contingency** – represents contingency funding defined in the budget.

Set out below is the budget to actual analyses for each category for the Period of Review. For the purpose of this report, rent costs, relocation and renovation costs, other operating costs and contingency are considered to be non-personnel costs.

Categories	Budget	Actual	Variance
	\$	\$	\$
Personnel costs	2,082,282	1,840,658	241,624
Rent costs	441,564	494,146	(52,582)
Relocation and renovation costs	168,977	177,302	(8,325)
Other operating costs	395,832	1,119,966	(724,134)
Contingency	24,368	-	24,368
Total	3,113,023	3,632,072	(519,049)

Summarized in Sections 7.3.1 through 7.3.4 are the budget to actual analyses, by category, for each year during the Period of Review. We have also set out below our review of supporting documentation for a select number of transactions for the above noted categories.

7.3.1 Budget to Actual Analysis – Fiscal 2008

Set out below is the budget to the actual analysis and our review of supporting documentation for Fiscal 2008. Overall, as noted below, the Clinic was over budget by \$79,504 in Fiscal 2008. Explanations for the budget to actual variances for each category are included below.

Categories	Budget	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed
	\$	\$	\$	\$	%
Personnel costs (Note 1)	495,714	468,995	26,719	464,249	99
Rent costs (Note 2)	96,757	101,031	(4,274)	101,031	100
Relocation and renovation costs (Note 3)	-	-	-	-	-
Other operating costs (Note 4)	93,647	205,964	(112,317)	138,981	67
Contingency (Note 5)	10,368	-	10,368	-	-
Total	696,486	775,990	(79,504)	704,261	91

Note 1: Personnel Costs (Budget \$495,714, Actual \$468,995)

Set out below is a detailed budget to actual analysis of personnel costs for Fiscal 2008. As noted below, personnel costs were under budget by \$26,719 in Fiscal 2008.

Description	Budget	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed	Notes
	\$	\$	\$	\$	%	
Salaries	403,718	401,188	2,530	401,188	100	A
Pay Equity	26,207	19,448	6,759	19,448	100	E
Statutory Benefits	19,610	18,477	1,133	18,477	100	E
Group Benefits	17,870	9,232	8,638	9,232	100	E
RRSP Contributions	18,014	9,852	8,162	9,852	100	E
Ceridian – Other	-	773	(773)	-	-	B
Professional Dues	6,596	8,912	(2,316)	6,052	68	C
Bookkeeper Costs	3,699	1,113	2,586	-	-	D
Total	495,714	468,995	26,719	464,249	99	

Note A: Salaries (Budget \$403,718, Actual \$401,188)

Set out below is a comparison of budgeted salaries to actual salaries from Ceridian, by person and Clinic position, for Fiscal 2008.

Person	Position	Budget	Actual	Favourable/ (Unfavourable) Variance
		\$	\$	\$
Margaret Parsons	Executive Director			
Vacant	Lawyer	87,768	-	87,768
	Lawyer			
	Lawyer			
	Support Staff			
	Office Manager			
	Unknown	-		
	Unknown	-		
	Unknown	-		
	Unknown	-		
	Unknown	-		
	Unknown	-		
	Unknown	-		
	Unknown	-		
	Unknown	-		
	Unknown	-		
	Unknown	-		
	Unknown	-		
	Unknown	-		
Total		403,718	401,188	2,530

As set out above, on an overall basis, the Clinic's actual salaries were less than budget by \$2,530. This variance is attributable to the salary for a position that was budgeted for but remained vacant during Fiscal 2008 (\$87,768), offset by payments to certain individuals in excess of budget (\$45,883) and payments to individuals who were not included in the budget (\$39,355).

The salaries for the following individuals were in excess of budget (\$45,883):

- Ms. Parsons (Executive Director) [REDACTED]
- [REDACTED] (Lawyer) [REDACTED];
- [REDACTED] (Lawyer) [REDACTED];
- [REDACTED] (Support Staff) [REDACTED] and
- [REDACTED] (Office Manager) [REDACTED].

During our review of the Ceridian registers (which pertain to the General Fund) for Fiscal 2008, we identified lump sum payments to the individuals noted above which appear to explain why actual costs were in excess of budget for these individuals. It is our understanding from the Clinic staff and Clinic Board members interviewed that the lump sum payments related to bonuses paid to Clinic staff for performance and to improve staff morale. Set out below are the lump sum payments by person for Fiscal 2008 made by the General Fund.

Person	Position	Amount \$
Margaret Parsons	Executive Director	[REDACTED]
[REDACTED]	Lawyer	[REDACTED]
[REDACTED]	Lawyer	[REDACTED]
[REDACTED]	Support Staff	[REDACTED]
[REDACTED]	Office Manager	[REDACTED]
Total		44,000

We understand that the lump sum payment of \$10,000 to [REDACTED] related to ACYJP centrally allocated funds that were paid the [REDACTED] on an annual basis. However, the payment of \$10,000 is in excess of the cash inflows into the General Fund from ACYJP of \$3,175 in Fiscal 2008.

It is our understanding from paragraph 26 of the Funding Agreement that the excess funds related to vacant positions may be used for replacement staff, but cannot be used for any other purpose without the written approval of LAO. Excess funds held by the Clinic at the end of the year may be applied to the annual budget for the following year, with LAO's approval. In our review of the documents provided by the Clinic and LAO, as set out in *Section 5 – Procedures Performed*, we noted no evidence of the Clinic requesting or obtaining written approval from LAO to use the excess LAO funds for the payment of bonuses. Therefore, the payment of bonuses with excess personnel funds does not appear to be in accordance with the Funding Agreement.

Ms. Parsons stated that in her view, it was not necessary to notify LAO about the use of excess LAO funds for bonus payments given the fact that the Clinic was not in excess of the personnel budget on an overall basis.

In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that, with the exception of Fiscal 2008 and 2010, any additional remuneration paid to Clinic staff during the Period of Review

was from funding received from program funders other than LAO. In Fiscal 2008 and 2010, the additional remuneration was paid from excess personnel funds provided by LAO. The payment of bonuses to Clinic staff in Fiscal 2008 using excess personnel funds provided by LAO is consistent with our findings as noted above. We understand from the Correspondence from Dewart Gleason LLP dated November 16, 2012 that the Clinic Board has resolved that this practice will not be repeated on a go forward basis.

During our review of the Clinic Board meeting minutes for Fiscal 2008, we did not note approval of the bonus amounts identified above by the Clinic Board. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC stated that in their view, all Clinic Board meeting minutes were made available to PwC and that PwC was advised of supplementary binders containing minutes for those portions of Clinic Board meetings that were held in-camera. The ACLC advised that, with the exception of the one payment noted above to [REDACTED] in 2008, Clinic Board approval of the payment of additional remuneration was recorded in the in-camera minutes and that PwC was advised that such minutes could be made available for inspection. While on-site at the ACLC premises, we requested all Clinic Board meeting minutes for the Period of Review and we reviewed all minutes provided to us. As set out in Appendix A, we noted that certain meetings minutes may not have been provided and some minutes were redacted for confidentiality and privileged purposes. We were not aware of the existence of in-camera minutes and these minutes were not provided for our review while on-site at the ACLC premises.

Note B: Ceridian Other (Budget \$0, Actual \$773)

Other payments made to Ceridian totalled \$773. It is our understanding from our review of the Clinic's records that these payments related to fees paid to Ceridian, which were not budgeted for separately. As directed by you, we did not perform procedures to validate these payments.

Note C: Professional Dues (Budget \$6,596, Actual \$8,912)

We noted that the budget does not contain further details with respect to the vendors included in professional dues. We have categorized certain payments as professional dues based on our review of the vendor detail in the cash general ledger. Of the actual payments of \$8,912, \$5,353 related to The Law Society of Upper Canada, \$2,500 related to the Association of African-Canadians, \$635 related to The Canadian Bar Association and \$424 related to The Advocate's Society. We reviewed \$6,052 or 68% of total professional dues in Fiscal 2008. As directed by you, we did not investigate the unfavourable variance from budget of \$2,316 as it was not considered significant.

Note D: Bookkeeper Costs (Budget \$3,699, Actual \$1,113)

We noted that the budget does not contain further details with respect to the vendors included in bookkeeper costs. We have categorized payments to Accountemps as bookkeeper costs based on our review of the vendor detail in the cash general ledger. As directed by you, we did not review the payments to Accountemps of \$1,113 or investigate the favourable variance from budget of \$2,586 as it was not considered significant.

Note E: Pay Equity, Statutory Benefits, Group Benefits and RRSP Contributions (Budget \$81,701, Actual \$57,009)

The favourable variance from budget of \$24,692 in pay equity, statutory benefits, group benefits and RRSP contributions is consistent with the fact that there were vacant positions during the year, for which no pay equity, statutory benefits or RRSP contributions were required.

Note 2: Rent Costs (Budget \$96,757, Actual \$101,031)

Set out below is a budget to actual analysis of rent costs for Fiscal 2008. As noted below, rent costs were over budget by \$4,274 in Fiscal 2008.

Description	Budget	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed
	\$	\$	\$	\$	%
Office rent – rent	96,757	97,985	(1,228)	97,985	100
Office rent - storage space	-	3,046	(3,046)	3,046	100
Total	96,757	101,031	(4,274)	101,031	100

The unfavourable variance of \$4,274 related primarily to additional rent paid to Oxford in the amount of \$3,046 for storage space that was not separately budgeted for. The amount was paid in accordance with the rental notice received from Oxford.

Note 3: Relocation and Renovation Costs (Budget \$0, Actual \$0)

Refer to *Section 9 – Findings - Relocation and Renovation Agreement* for a comparison of the actual relocation and renovation costs to the funding provided by LAO in accordance with the Relocation and Renovation Agreement.

Note 4: Other Operating Costs (Revised Budget \$89,373, Actual \$205,964)

Set out below is a budget to actual analysis of other operating costs for Fiscal 2008. As noted below, other operating costs were over budget by \$116,591 in Fiscal 2008. Explanations for the unfavourable budget to actual variance are included below. Set out in *Section 7.4 – Transaction Analysis – Other Operating Costs* is our review of a sample of these costs.

Description	Revised Budget (Note A)	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed	Notes
	\$	\$	\$	\$	%	
Other operating costs	89,373	205,964	(116,591)	138,981	67	B
Total	89,373	205,964	(116,591)	138,981	67	

Note A: Revised Budget (\$89,373)

As set out in paragraph 21 of the Funding Agreement, the Clinic can transfer funds between line items within the non-personnel categories, but they cannot transfer between the personnel and non-personnel categories. The rent and other operating costs included in our analysis are considered non-personnel, and therefore transfers between these categories are permitted. Taking into consideration the actual rent costs, we have considered the total remaining non-personnel costs available for spending on other cash operating costs. The calculation is as follows:

Original budgeted other operating costs	\$ 93,647
Budgeted rent costs	\$ 96,757
Budgeted total	\$ 190,404
Less: Actual rent costs	\$ 101,031
Revised budgeted other operating costs	\$ 89,373

As noted above, \$89,373 is available for spending on other operating costs.

Note B: (Revised Budget \$89,373, Actual \$205,964)

The unfavourable variance of \$116,591 identified above related to spending in excess of budget by the Clinic on items within the General Fund budget, payments by the General Fund to other ACLC Funds or expenditures incurred by the General Fund on behalf of other ACLC Funds. As some of the spending contributing to the unfavourable variance may have been incurred on behalf of other ACLC Funds, it is necessary to consider the cash inflows from other ACLC Funds as set out in *Section 7.2 – Source and Use of Cash Analysis*, as well as the amounts owing to the General Fund from other ACLC Funds throughout Fiscal 2008 as set out below.

Set out below is a summary of amounts owing to the General Fund from the other ACLC Funds throughout Fiscal 2008. As directed by you, we did not perform procedures to determine which payments by the General Fund to other ACLC Funds, or expenditures incurred by the General Fund on behalf of other ACLC Funds, if any, these receivables may relate to.

Account	Description in General Ledger	Debits
		\$
Acc 1260	Due to/from NACI	279
Acc 1210	Due to/from legal disbursements	24,770
Acc 1265	Due from Outreach	1,249
Acc 1240	Receivable from LAO – PE	1,001
Acc 1255	Due from ACYJP	20,838
Acc 2290	Due from Grant-Court Challenges	23,629
Total		71,766

As directed by you, we reviewed supporting documentation for a sample of other operating costs of \$205,964 incurred by the Clinic during Fiscal 2008. Set out in *Section 7.4 – Transaction Analysis – Other Operating Costs* is our review of a sample of these costs.

Note 5: Contingency (Budget \$10,368, Actual \$0)

As directed by you, we did not separately assess the actual costs incurred in relation to the contingency funding. Any actual contingency funding would be captured in the actual other operating costs of \$205,964 identified above.

7.3.2 Budget to Actual Analysis – Fiscal 2009

Set out below is the budget to the actual analysis and our review of supporting documentation for Fiscal 2009. Overall, as noted below, the Clinic was over budget by \$97,107 in Fiscal 2009. Explanations for the budget to actual variances for each category are included below.

Categories	Budget	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed
	\$	\$	\$	\$	%
Personnel costs (Note 1)	524,752	458,079	66,673	449,069	98
Rent costs (Note 2)	119,257	113,346	5,911	113,346	100
Relocation and renovation costs (Note 3)	168,977	60,779	108,198	59,328	98
Other operating costs (Note 4)	99,522	384,411	(284,889)	263,662	69
Contingency (Note 5)	7,000	-	7,000	-	-
Total	919,508*	1,016,615	(97,107)	885,405	87

* We note that the budget provided by LAO for Fiscal 2009 was \$750,531, consistent with the cash inflows from the General Fund for Fiscal 2009 noted in Section 7.2 – Source and Use of Cash Analysis. The budget of \$750,531 did not include an amount for relocation and renovation costs. As noted in further detail in note 3 below, funding of \$168,977 was provided by LAO in Fiscal 2009 for relocation and renovation costs under a separate Relocation and Renovation Agreement. Of this amount, \$60,779 was spent by the Clinic in Fiscal 2009, with the remainder spent in Fiscal 2010. For purposes of this budget to actual analysis, we have included the funding provided by LAO in Fiscal 2009 for the relocation and renovation costs of \$168,977 in the budgeted amount for Fiscal 2009, and the actual cash outflows of \$60,779 noted in Fiscal 2009, to accurately reflect the Fiscal 2009 budget to actual variance.

Note 1: Personnel Costs (Budget \$524,752, Actual \$458,079)

Set out below is a detailed budget to actual analysis of personnel costs for Fiscal 2009. As noted below, personnel costs were under budget by \$66,673 in Fiscal 2009.

Description	Budget	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed	Notes
	\$	\$	\$	\$	%	
Salaries	419,452	366,915	52,537	366,915	100	A
Pay Equity	30,132	20,720	9,412	20,720	100	E
Statutory Benefits	20,292	22,523	(2,231)	22,523	100	E
Group Benefits	19,624	15,428	4,196	15,428	100	E
RRSP Contributions	24,672	17,272	7,400	17,272	100	E
Ceridian - Other	-	1,535	(1,535)	-	-	B
Professional Dues	6,777	4,985	1,792	-	-	C
Bookkeeper Costs	3,803	8,701	(4,898)	6,211	71	D
Total	524,752	458,079	66,673	449,069	98	

Note A: Salaries (Budget \$419,452, Actual \$366,915)

Set out below is a comparison of budgeted salaries to actual salaries from Ceridian, by person and Clinic position, for Fiscal 2009.

Person	Position	Budget	Actual	Favourable/ (Unfavourable) Variance
		\$	\$	\$
Margaret Parsons	Executive Director			
Vacant	Lawyer	91,041	-	91,041
	Lawyer			
	Lawyer			
	Support Staff			
Vacant	Office Manager	44,543	39,221	5,322
	Unknown			
	Unknown			
	Unknown			
	Unknown			
	Unknown			
	Unknown			
	Unknown			
Total		419,452	366,915	52,537

As set out above, certain positions were indicated as "Vacant" in the budget. In some instances the positions were subsequently filled. For the vacant Office Manager position, we have included actual salary information from Ceridian of \$39,221 for [REDACTED] and [REDACTED].

As set out above, on an overall basis, the Clinic's actual salaries were less than budget by \$52,537. This variance is attributable to the salaries for positions that were budgeted for but remained, or became, vacant during Fiscal 2009

(\$137,796), offset by payments to certain individuals in excess of budget (\$30,000) and payments to individuals who were not included in the budget (\$55,259).

The salaries for the following individuals were in excess of budget (30,000):

- Ms. Parsons (Executive Director) [REDACTED];
- [REDACTED] (Lawyer) [REDACTED]; and
- [REDACTED] (Support Staff) [REDACTED]

During our review of the Ceridian registers (which pertain to the General Fund) for Fiscal 2009, we identified lump sum payments to the individuals noted above which appear to explain why actual costs were in excess of budget for these individuals. It is our understanding from the Clinic staff and Clinic Board members interviewed that the lump sum payments related to bonuses paid to Clinic staff for performance and to improve staff morale. Set out below are the lump sum payments by person for Fiscal 2009 made by the General Fund.

Person	Position	Amount
		\$
Margaret Parsons	Executive Director	[REDACTED]
[REDACTED]	Lawyer	
[REDACTED]	Support Staff	
[REDACTED]	Office Manager	
Total		33,000

We understand that the lump sum payment of \$3,000 to [REDACTED] related to MCYS centrally allocated funds that were paid [REDACTED] on an annual basis. However, we noted no cash inflows into the General Fund from ACYJP in Fiscal 2009. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, ACLC stated that [REDACTED] paid additional remuneration to [REDACTED] self prior to [REDACTED] departure from the Clinic and that Clinic Board approval was not obtained for this payment. ACLC advised that LAO was informed of the payment and [REDACTED] was asked to repay the amount to the Clinic but payment was never received. We understand from the Correspondence from Dewart Gleason LLP dated November 16, 2012 that the Clinic Board ultimately agreed, based on discussions with LAO, that it would “forgive its claim for reimbursement.” Ms. Budgell advised that while LAO acknowledges correspondence between ACLC and LAO regarding this payment, to her knowledge, approval was never provided by LAO to forgive repayment.

It is our understanding from paragraph 26 of the Funding Agreement that the excess funds related to vacant positions may be used for replacement staff, but cannot be used for any other purpose without the written approval of LAO. Excess funds held by the Clinic at the end of the year may be applied to the annual budget for the following year, with LAO’s approval. In our review of the documents provided by the Clinic and LAO, as set out in *Section 5 – Procedures Performed*, we noted no evidence of the Clinic requesting or obtaining written approval from LAO to use the excess LAO funds for the payment of bonuses. Therefore, the payment of bonuses with excess personnel funds does not appear to be in accordance with the Funding Agreement.

Ms. Parsons stated that in her view it was not necessary to notify LAO about the use of excess LAO funds for bonus payments given the fact that the Clinic was not in excess of the personnel budget on an overall basis.

In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that, with the exception of Fiscal 2008 and 2010, any additional remuneration paid to Clinic staff during the Period of Review was from funding received from program funders other than LAO. This view is inconsistent with our findings above, which indicate that in Fiscal 2009, lump sum payments totaling \$33,000 were made to Clinic staff from the General Fund. As set out above, it is our understanding from Clinic staff and Clinic Board members interviewed that the lump sum payments related to bonuses paid to Clinic staff for performance. However, as set out in *Section 7.2 - Source and Use of Cash Analysis*, we noted cash inflows from Other ACLC Funds totaling \$37,500 in Fiscal 2009. As set out in *Section 2 - Scope of Review*, because of the fact that cash inflows from other ACLC Funds were recorded in the General Fund in lump sum amounts, we were unable to determine whether these cash inflows from Other ACLC Funds related to reimbursement of the lump sum payments incurred by the General Fund.

During our review of the Clinic Board meeting minutes for Fiscal 2009, we did not identify documentation regarding approval of the bonus amounts identified above by the Clinic Board. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC stated that in their view, all Clinic Board meeting minutes were made available to PwC and that PwC was advised of supplementary binders containing minutes for those portions of Clinic Board meetings that were held in-camera. The ACLC advised that Board approval of the payment of additional remuneration was recorded in the in-camera minutes and that PwC was advised that such minutes could be made available for inspection. While on-site at the ACLC premises, we requested all Clinic Board meeting minutes for the Period of Review and we reviewed all minutes provided to us. As set out in Appendix A, we noted that certain meetings minutes may not have been provided and some minutes were redacted for confidentiality and privileged purposes. We were not aware of the existence of in-camera minutes and these minutes were not provided for our review while on-site at the ACLC premises.

Note B: Ceridian Other (Budget \$0, Actual \$1,535)

Other payments made to Ceridian totalled \$1,535. It is our understanding from our review of the Clinic's records that these payments related to fees paid to Ceridian, which were not budgeted for separately. As directed by you, we did not perform procedures to validate these payments.

Note C: Professional Dues (Budget \$6,777, Actual \$4,985)

We noted that the budget does not contain further details with respect to the vendors included in professional dues. We have categorized certain payments as professional dues based on our review of the vendor detail in the cash general ledger. Of the actual payments of \$4,985, \$3,576 related to The Law Society of Upper Canada, \$440 related to the Association of Community Legal Clinics, \$654 related to The Canadian Bar Association and \$315 related to The Advocate's Society. As directed by you, we did not review the payments for professional dues totalling \$4,985 or investigate the favourable variance from budget of \$1,792 as it was not considered significant.

Note D: Bookkeeper Costs (Budget \$3,803, Actual \$8,701)

We noted that the budget does not contain further details with respect to the vendors included in bookkeeper costs. We have categorized certain payments to Accountemps as bookkeeper costs based on our review of the vendor detail in the cash general ledger. We reviewed \$6,211 or 71% of total bookkeeper costs in Fiscal 2009 and we noted that the invoices related to payments for part-time Bookkeeper, [REDACTED]. Ms. Parsons advised that in her view the budgeted amount for the position of bookkeeper is not sufficient due to the volume of books and records required to be maintained by the Bookkeeper and that this accounts for the additional spending above that budgeted. We understand from [REDACTED] that the Bookkeeper is responsible for maintaining the general ledgers and preparing the financial statements for all ACLC Funds, including those funded by LAO. We further understand from [REDACTED] that the Bookkeeper is paid the same flat rate for all ACLC Funds for which services are provided and that most of the costs are paid out of the General Fund, including costs related to the bookkeeping for other ACLC Funds not funded by LAO. [REDACTED] indicated that MCYS/ACYJP also have a budget for bookkeeping.

Note E: Pay Equity, Statutory Benefits, Group Benefits and RRSP Contributions (Budget \$94,720, Actual \$75,943)

The favourable variance from budget of \$18,777 in pay equity, statutory benefits, group benefits and RRSP contributions is consistent with the fact that there were vacant positions during the year, for which no pay equity, statutory benefits or RRSP contributions were required.

Note 2: Rent Costs (Budget \$119,257, Actual \$113,346)

Set out below is a budget to actual analysis of rent costs for Fiscal 2009. As noted below, rent costs were under budget by \$5,911 in Fiscal 2009.

Description	Budget	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed
	\$	\$	\$	\$	%
Office rent – rent	119,257	106,164	13,093	106,164	100
Office rent - storage space	-	7,182	(7,182)	7,182	100
Total	119,257	113,346	5,911	113,346	100

The favourable variance of \$5,911 related primarily to an increase in the budget for the rent costs over the prior year due to the relocation. Actual expenditures were less than anticipated. The rent for Fiscal 2009 includes a payment of \$35,000 to Xceed Mortgage in relation to a deposit for 18 King Street.

Note 3: Relocation and Renovation Costs (Budget \$168,977, Actual \$60,779)

Refer to Section 9 – Findings - Relocation and Renovation Agreement for a comparison of the actual relocation and renovation costs to the funding provided by LAO in accordance with the Relocation and Renovation Agreement.

As noted above, the budget provided by LAO for Fiscal 2009 did not include an amount for relocation and renovation costs. Funding of \$168,977 was provided by LAO in Fiscal 2009 for relocation and renovation costs under a separate Relocation and Renovation Agreement. This funding was used by the Clinic in Fiscal 2009 and 2010. For purposes of the budget to actual analysis, we have included the funding provided by LAO for the relocation and renovation costs of \$168,977 in the budgeted amount for Fiscal 2009 (as opposed to Fiscal 2010), consistent with when the funding was provided by LAO to the Clinic. With respect to the renovation and relocation cost variance, this results in a favourable (actual < budget) variance in Fiscal 2009 of \$108,198 (as shown above), an unfavourable (actual > budget) variance of \$116,523 in Fiscal 2010 (as shown in *Section 7.3.3 – Budget to Actual Analysis – Fiscal 2010*), and an overall unfavourable variance (actual > budget) of \$8,325 for the Period of Review (as shown in *Section 7.3 – Budget to Actual Analysis*).

Note 4: Other Operating Costs (Revised Budget \$105,433, Actual \$384,411)

Set out below is a budget to actual analysis of other operating costs for Fiscal 2009. As noted below, other operating costs were over budget by \$278,978 in Fiscal 2009. Explanations for the unfavourable budget to actual variance are included below. Set out in *Section 7.4 – Transaction Analysis – Other Operating Costs* is our review of a sample of these costs.

Description	Revised Budget (Note A) \$	Actual \$	Favourable/ (Unfavourable) Variance \$	Reviewed \$	Reviewed %	Notes
Other operating costs	105,433	384,411	(278,978)	263,662	69	B
Total	105,433	384,411	(278,978)	263,662	69	

Note A: Revised Budget (\$105,433)

As set out in paragraph 21 of the Funding Agreement, the Clinic can transfer funds between line items within the non-personnel categories, but they cannot transfer between the personnel and non-personnel categories. The rent and other operating costs included in our analysis are considered non-personnel, and therefore transfers between these categories are permitted. Taking into consideration the actual rent costs, we have considered the total remaining non-personnel costs available for spending on other cash operating costs. The calculation is as follows:

Original budgeted other operating costs	\$ 99,522
Budgeted rent costs	\$ 119,257
Budgeted total	\$ 218,779
Less: Actual rent costs	\$ 113,346
Revised budgeted other operating costs	\$ 105,433

As noted above, \$105,433 is available for spending on other operating costs.

Note that relocation and renovation costs have appropriately been excluded from the above analysis as they were not included in the Fiscal 2009 budget provided by LAO. As stated in *Section 9 – Findings – Relocation and Renovation Agreement*, the funding for relocation and renovation costs was provided by LAO under a separate agreement.

Note B: (Revised Budget \$105,433, Actual \$384,411)

The unfavourable variance of \$278,978 identified above related to spending in excess of budget by the Clinic on items within the General Fund budget, payments by the General Fund to other ACLC Funds or expenditures incurred by the General Fund on behalf of other ACLC Funds. As some of the spending contributing to the unfavourable variance may have been incurred on behalf of other ACLC Funds, it is necessary to consider the cash inflows from other ACLC Funds as set out in *Section 7.2 – Source and Use of Cash Analysis*, as well as the amounts owing to the General Fund from other ACLC Funds throughout Fiscal 2009 as set out below.

Set out below is a summary of the amounts owing to the General Fund from the other ACLC Funds throughout Fiscal 2009. As directed by you, we did not perform procedures to determine which payments by the General Fund to other ACLC Funds, or expenditures incurred by the General Fund on behalf of other ACLC Funds, if any, these receivables may relate to.

Account	Description in General Ledger	Debits
		\$
Acc 1260	Due to/from NACI	174,952
Acc 1210	Due to/from legal disbursements	1,565
Acc 1211	Due from MAG	-
Acc 1240	Receivable from LAO – PE	1,170
Acc 1255	Due from ACYJP	69,425
Acc 1275	Due to/from Youth Just Education	-
Acc 2290	Due from Grant-Court Challenges	38,947
Total		286,059

As directed by you, we reviewed supporting documentation for a sample of other operating costs of \$384,411 incurred by the Clinic during Fiscal 2009. Set out in *Section 7.4 – Transaction Analysis – Other Operating Costs* is our review of a sample of these costs.

Note 5: Contingency (Budget \$7,000, Actual \$0)

As directed by you, we did not separately assess the actual costs incurred in relation to the contingency funding. Any actual contingency funding would be captured in the actual other operating costs of \$384,411 identified above.

7.3.3 Budget to Actual Analysis – Fiscal 2010

Set out below is the budget to the actual analysis and our review of supporting documentation for Fiscal 2010. Overall, as noted below, the Clinic was over budget by \$217,581 in Fiscal 2010. Explanations for the budget to actual variances for each category are included below.

Categories	Budget	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed
	\$	\$	\$	\$	%
Personnel costs (Note 1)	530,078	420,477	109,601	411,332	98
Rent costs (Note 2)	108,382	135,693	(27,311)	135,693	100
Relocation and renovation costs (Note 3)	-	116,523	(116,523)	116,065	100
Other operating costs (Note 4)	99,522	286,370	(186,848)	177,512	62
Contingency (Note 5)	3,500	-	3,500	-	-
Total	741,482	959,063	(217,581)	840,602	88

Note 1: Personnel Costs (Budget \$530,078, Actual \$420,477)

Set out below is a detailed budget to actual analysis of personnel costs for Fiscal 2010. As noted below, personnel costs were under budget by \$109,601 in Fiscal 2010.

Description	Budget	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed	Notes
	\$	\$	\$	\$	%	
Salaries	419,452	318,477	100,975	318,477	100	A
Pay Equity	33,813	23,943	9,870	23,943	100	E
Statutory Benefits	20,983	17,197	3,786	17,197	100	E
Group Benefits	20,115	15,654	4,461	15,654	100	E
RRSP Contributions	24,930	16,021	8,909	16,021	100	E
Ceridian – Other	-	1,017	(1,017)	-	-	B
Professional Dues	6,982	9,007	(2,025)	7,044	78	C
Bookkeeper Costs	3,803	19,161	(15,358)	12,996	68	D
Total	530,078	420,477	109,601	411,332	98	

Note A: Salaries (Budget \$419,452, Actual \$318,477)

Set out below is a comparison of budgeted salaries to actual salaries from Ceridian, by person and Clinic position, for Fiscal 2010.

Person	Position	Budget	Actual	Favourable/ (Unfavourable) Variance
		\$	\$	\$
Margaret Parsons	Executive Director			
Vacant	Lawyer	91,041	20,660	70,381
	Lawyer			
	Lawyer			
	Support Staff			
Vacant	Office Manager	44,543	49,543	(5,000)
Total		419,452	318,477	100,975

As set out above, certain positions were indicated as "vacant" in the budget. In some instances the positions were subsequently filled. For the vacant Lawyer position, we have included actual salary information from Ceridian of \$20,660 for [REDACTED] and [REDACTED]. For the vacant Office Manager position, we have included actual salary information from Ceridian of \$49,543 for [REDACTED] and [REDACTED].

We understand from [REDACTED] correspondence in Fiscal 2010 that the Clinic Board authorized the Executive Director to fill the vacancy in the Director of Legal Services position. We further understand that a candidate was identified and approved by the Clinic Board in Fiscal 2009, however over twelve months later the position remained vacant. We understand that the vacant lawyer position noted in the chart above related to the Director of Legal Services position. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that upon the Director of Legal Services position becoming vacant, a replacement was identified; however, it was agreed with LAO and the Clinic Board that the Clinic would hold off on filling this position pending an organizational review. The ACLC advised that an additional attempt was made to hire a Director of Legal Services in 2010 and, while qualified candidates were identified and offers were made by the ACLC, no offers were accepted because of the low salary. ACLC indicated that it is a priority of the Clinic Board to find a candidate for this position.

As set out above, on an overall basis, the Clinic's actual salaries were less than budget by \$100,975. This difference is attributable to salaries for positions that were budgeted for but remained, or became, vacant during Fiscal 2010 (\$143,975), offset by payments to certain individuals in excess of budget (\$43,000).

The salaries for the following individuals were in excess of budget (\$43,000):

- Ms. Parsons (Executive Director) [REDACTED];
- [REDACTED] (Support Staff) [REDACTED]; and
- [REDACTED] (Office Manager) [REDACTED].

During our review of the Ceridian registers (which pertain to the General Fund) for Fiscal 2010, we identified lump sum payments to the individuals noted above which appear to explain why actual costs were in excess of budget for these individuals. It is our understanding from the Clinic staff and Clinic Board members interviewed that the lump sum payments related to bonuses paid to Clinic staff for performance and to improve staff morale. Set out below are the lump sum payments by person for Fiscal 2010 made by the General Fund.

Person	Position	Amount
		\$
Margaret Parsons	Executive Director	[REDACTED]
[REDACTED]	Support Staff	[REDACTED]
[REDACTED]	Office Manager	[REDACTED]
Total		43,000

It is our understanding from paragraph 26 of the Funding Agreement that the excess funds related to vacant positions may be used for replacement staff, but cannot be used for any other purpose without the written approval of LAO. Excess funds held by the Clinic at the end of the year may be applied to the annual budget for the following

year, with LAO's approval. In our review of the documents provided by the Clinic and LAO, as set out in *Section 5 – Procedures Performed*, we noted no evidence of the Clinic requesting or obtaining written approval from LAO to use the excess LAO funds for the payment of bonuses. Therefore, the payment of bonuses with excess personnel funds does not appear to be in accordance with the Funding Agreement.

Ms. Parsons stated that in her view it was not necessary to notify LAO about the use of excess LAO funds for bonus payments given the fact that the Clinic was not in excess of the personnel budget on an overall basis.

In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that, with the exception of Fiscal 2008 and 2010, any additional remuneration paid to Clinic staff during the Period of Review was from funding received from program funders other than LAO. In Fiscal 2008 and 2010, the additional remuneration was paid for from excess personnel funds provided by LAO. The payment of bonuses to Clinic staff in Fiscal 2010 using excess personnel funds provided by LAO is consistent with our findings as noted above. We understand from the Correspondence from Dewart Gleason LLP dated November 16, 2012 that the Clinic Board has resolved that this practice will not be repeated on a go forward basis.

During our review of the Clinic Board meeting minutes for Fiscal 2010, we noted that discussions were held on November 17, 2009 and November 24, 2009 regarding the payment of additional amounts to Ms. Parsons, [REDACTED] and [REDACTED]. Ms. Parsons suggested amounts for the aforementioned individuals. The Clinic Board requested further information from Ms. Parsons related to the request, including responses to twelve questions. The key themes raised by the Clinic Board were as follows: LAO's policy on overtime remuneration for Executive Directors, acknowledgment from LAO that surpluses in personnel costs can be used as overtime remuneration, LAO's policies related to carrying forward salary surpluses, whether there were outstanding project expenses requiring payment, and the reconciliation between Ms. Parsons' request for two months' vacation and the compensation remuneration for overtime. We requested but were not provided a copy of the minutes related to the November 24, 2009 Clinic Board meeting to confirm Ms. Parson's response to the Clinic Board's request for further information.

We noted that the Clinic Board approved the additional payments to Ms. Parsons, [REDACTED] and [REDACTED] in the above noted amounts on November 24, 2009. The Clinic Board requested that staff properly document all overtime hours worked and submit the information to the Clinic Board on a quarterly basis for review.

Note B: Ceridian – Other (Budget \$0, Actual \$1,017)

Other payments made to Ceridian totalled \$1,017. It is our understanding from our review of the Clinic's records that these payments related to fees paid to Ceridian, which were not budgeted for separately. As directed by you, we did not perform procedures to validate these payments.

Note C: Professional Dues (Budget \$6,982, Actual \$9,007)

We noted that the budget does not contain further detail with respect to the vendors included in professional dues. We have categorized certain payments as professional dues based on our review of the vendor detail in the cash general ledger. Of the actual payments of \$9,007, \$3,342 related to The Law Society of Upper Canada, \$4,554 related to the Association of Community Legal Clinics, \$667 related to The Canadian Bar Association and \$444

related to The Advocate's Society. We reviewed \$7,044 or 78% of total professional dues in Fiscal 2010. As directed by you, we did not investigate the unfavourable variance of \$2,025 as it was not considered significant.

Note D: Bookkeeper Costs (Budget \$3,803, Actual \$19,161)

We noted that the budget does not contain further detail with respect to the vendors included in bookkeeper costs. We have categorized certain payments to Accountemps as bookkeeper costs based on our review of the vendor detail in the cash general ledger. We reviewed \$12,996 or 68% of total bookkeeper costs in Fiscal 2010 and we noted that the invoices related to payments for part-time Bookkeepers [REDACTED] and [REDACTED]. Ms. Parsons advised that in her view the budgeted amount for the position of bookkeeper is not sufficient due to the volume of books and records required to be maintained by the Bookkeeper and that this accounts for the additional spending above that budgeted. We understand from [REDACTED] that the Bookkeeper is responsible for maintaining the general ledgers and preparing the financial statements for all ACLC Funds, including those funded by LAO. We further understand from [REDACTED] that the Bookkeeper is paid the same flat rate for all of the ACLC Funds for which services are provided and that most of the costs are paid out of the General Fund, including costs related to the bookkeeping for other ACLC Funds not funded by LAO. [REDACTED] indicated that MCYS/ACYJP also have a budget for bookkeeping.

Note E: Pay Equity, Statutory Benefits, Group Benefits and RRSP Contributions (Budget \$99,841, Actual \$72,815)

The favourable variance from budget of \$27,026 in pay equity, statutory benefits, group benefits and RRSP contributions is consistent with the fact that there were vacant positions during the year, for which no pay equity, statutory benefits or RRSP contributions were required.

Note 2: Rent Costs (Budget \$108,382, Actual \$135,693)

Set out below is a budget to actual analysis of rent costs for Fiscal 2010. As noted below, rent costs were over budget by \$27,311 in Fiscal 2010.

Description	Budget	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed
	\$	\$	\$	\$	%
Office rent - rent	108,382	113,519	(5,137)	113,519	100
Office rent - storage space	-	22,174	(22,174)	22,174	100
Total	108,382	135,693	(27,311)	135,693	100

The unfavourable variance of \$27,311 related primarily to additional rent paid to Avison Young in the amount of \$22,174 for storage space not separately budgeted for. The amount was paid in accordance with the Storage Space Lease between Avison Young and the Clinic.

Note 3: Relocation and Renovation Costs (Budget \$0, Actual \$116,523)

Refer to Section 9 – Findings - Relocation and Renovation Agreement for a comparison of the actual relocation and renovation costs to the funding provided by LAO in accordance with the Relocation and Renovation Agreement.

As set out in Section 7.3.2 – Budget to Actual Analysis – Fiscal 2009, funding of \$168,977 was provided by LAO in Fiscal 2009 for relocation and renovation costs under a separate Relocation and Renovation Agreement. This funding was used by the Clinic in Fiscal 2009 and 2010. For purposes of the budget to actual analyses, we have included the funding provided by LAO for the relocation and renovation costs of \$168,977 in the budgeted amount for Fiscal 2009 (as opposed to Fiscal 2010), consistent with when the funding was provided by LAO to the Clinic. With respect to renovation and relocation costs, this results in a favourable (actual < budget) variance in Fiscal 2009 of \$108,198 (as shown in Section 7.3.2 – Budget to Actual Analysis – Fiscal 2009), an unfavourable (actual > budget) variance of \$116,523 in Fiscal 2010 (as shown above), and an overall unfavourable variance (actual > budget) of \$8,325 for the Period of Review (as shown in Section 7.3 – Budget to Actual Analysis).

Note 4: Other Operating Costs (Revised Budget \$72,211, Actual \$286,370)

Set out below is a budget to actual analysis of other operating costs for Fiscal 2010. As noted below, other operating costs were over budget by \$214,159 in Fiscal 2010. Explanations for the unfavourable budget to actual variance are included below. Set out in Section 7.4 – Transaction Analysis – Other Operating Costs is our review of a sample of these costs.

Description	Revised Budget (Note A)	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed	Notes
	\$	\$	\$	\$	%	
Other operating costs	72,211	286,370	(214,159)	177,512	62	B
Total	72,211	286,370	(214,159)	177,512	62	

Note A: Revised Budget (\$72,211)

As set out in paragraph 21 of the Funding Agreement, the Clinic can transfer funds between line items within the non-personnel categories, but they cannot transfer between the personnel and non-personnel categories. The rent and other operating costs included in our analysis are considered non-personnel, and therefore transfers between these categories are permitted. Taking into consideration the actual rent costs, we have considered the total remaining non-personnel costs available for spending on other cash operating costs. The calculation is as follows:

Original budgeted other operating costs	\$ 99,522
Budgeted rent costs	\$ 108,382
Budgeted total	\$ 207,904
Less: Actual rent costs	\$ 135,693
Revised budgeted other operating costs	\$ 72,211

As noted above, \$72,211 is available for spending on other operating costs.

Note that relocation and renovation costs have appropriately been excluded from the above analysis as they were not included in the Fiscal 2010 budget provided by LAO. As stated in *Section 9 – Findings – Relocation and Renovation Agreement*, the funding for relocation and renovation costs was provided by LAO under a separate agreement.

Note B: (Revised Budget \$72,211, Actual \$286,370)

The unfavourable variance of \$214,159 identified above related to spending in excess of budget by the Clinic on items within the General Fund budget, payments by the General Fund to other ACLC Funds or expenditures incurred by the General Fund on behalf of other ACLC Funds. As some of the spending contributing to the unfavourable variance may have been incurred on behalf of other ACLC Funds, it is necessary to consider the cash inflows from other ACLC Funds as set out in *Section 7.2 – Source and Use of Cash Analysis*, as well as the amounts owing to the General Fund from other ACLC Funds throughout Fiscal 2010 as set out below.

Set out below is a summary of the amounts owing to the General Fund from the other ACLC Funds throughout Fiscal 2010. As directed by you, we did not perform procedures to determine which payments by the General Fund to other ACLC Funds, or expenditures incurred by the General Fund on behalf of other ACLC Funds, if any, these receivables may relate to.

Account	Description in General Ledger	Debits \$
Acc 1260	Due to/from NACI	55,102
Acc 1210	Due to/from legal disbursements	26,192
Acc 1211	Due from MAG	3,657
Acc 1240	Receivable from LAO – PE	-
Acc 1255	Due from ACYJP	47,858
Acc 1275	Due to/from Youth Just Education	3,651
Acc 2290	Due from Grant-Court Challenges	4,105
Total		140,565

As directed by you, we reviewed supporting documentation for a sample of other operating costs of \$286,370 incurred by the Clinic during Fiscal 2010. Set out in *Section 7.4 – Transaction Analysis – Other Operating Costs* is our review of a sample of these costs.

Note 5: Contingency (Budget \$3,500, Actual \$0)

As directed by you, we did not separately assess the actual costs incurred in relation to the contingency funding. Any actual contingency funding would be captured in the actual other operating costs of \$286,370 identified above.

7.3.4 Budget to Actual Analysis – Fiscal 2011

Set out below is the budget to the actual analysis and our review of supporting documentation for Fiscal 2011. Overall, as noted below, the Clinic was over budget by \$124,857 in Fiscal 2011. Explanations for the budget to actual variances for each category are included below.

Categories	Budget	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed
	\$	\$	\$	\$	%
Personnel costs (Note 1)	531,738	493,107	38,631	483,825	98
Rent costs (Note 2)	117,168	144,076	(26,908)	144,076	100
Relocation and renovation costs (Note 3)	-	-	-	-	-
Other operating costs (Note 4)	103,141	243,221	(140,080)	151,449	62
Contingency (Note 5)	3,500	-	3,500	-	-
Total	755,547	880,404	(124,857)	779,350	89

Note 1: Personnel Costs (Budget \$531,738, Actual \$493,107)

Set out below is a detailed budget to actual analysis of personnel costs for Fiscal 2011. As noted below, personnel costs were under budget by \$38,631 in Fiscal 2011.

Description	Budget	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed	Notes
	\$	\$	\$	\$	%	
Salaries	417,501	383,744	33,757	383,744	100	A
Pay Equity	34,986	31,575	3,411	31,575	100	E
Statutory Benefits	21,307	20,839	468	20,839	100	E
Group Benefits	21,950	18,993	2,957	18,993	100	E
RRSP Contributions	25,071	16,813	8,258	16,813	100	E
Ceridian – Other	-	862	(862)	-	-	B
Professional Dues	7,120	7,411	(291)	4,435	60	C
Bookkeeper Costs	3,803	12,870	(9,067)	7,426	58	D
Total	531,738	493,107	38,631	483,825	98	

Note A: Salaries (Budget \$417,501, Actual \$383,744)

Set out below is a comparison of budgeted salaries to actual salaries from Ceridian, by person and Clinic position, for Fiscal 2011.

Person	Position	Budget	Actual	Favourable/ (Unfavourable) Variance
		\$	\$	\$
Margaret Parsons	Executive Director			
Vacant	Lawyer	96,049		
	Lawyer			
	Lawyer			
	Support Staff			
Vacant	Office Manager	46,665	51,808	(5,143)
	Unknown	-		
	Unknown	-		
	Unknown	-		
Total		417,501	383,744	33,757

As set out above, certain positions were indicated as "vacant" in the budget. In some instances the positions were subsequently filled. For the vacant Lawyer position, we have included actual salary information from Ceridian of [REDACTED] for [REDACTED] ([REDACTED]). For the vacant Office Manager position, we have included actual salary information from Ceridian of \$51,808 for [REDACTED], [REDACTED], [REDACTED], [REDACTED] and [REDACTED].

As set out above, on an overall basis, the Clinic's actual salaries were less than budget by \$33,757. This variance is attributable to salaries for positions that were budgeted for but remained, or became, vacant during Fiscal 2011 (\$97,723), offset by payments to certain individuals in excess of budget (\$46,407) and payments to individuals who were not included in the budget (\$17,559).

The salaries for the following individuals were in excess of budget (\$46,407):

- Ms. Parsons (Executive Director) [REDACTED];
- [REDACTED] (Lawyer) [REDACTED];
- [REDACTED] (Support Staff) [REDACTED] and
- Vacant (Office Manager) \$5,143.

During our review of the Ceridian registers (which pertain to the General Fund) for Fiscal 2011, we identified lump sum payments to the individuals noted above which appear to explain why actual costs were in excess of budget for these individuals. It is our understanding from the Clinic staff and Clinic Board members interviewed that the lump sum payments related to bonuses paid to Clinic staff for performance and to improve staff morale. Set out below are the lump sum payments by person for Fiscal 2011 made by the General Fund.

Person	Position	Amount \$
Margaret Parsons	Executive Director	[REDACTED]
[REDACTED]	Lawyer	
[REDACTED]	Lawyer	
[REDACTED]	Support Staff	
[REDACTED]	Office Manager	
Total		50,000

It is our understanding from paragraph 26 of the Funding Agreement that the excess funds related to vacant positions may be used for replacement staff, but cannot be used for any other purpose without the written approval of LAO. Excess funds held by the Clinic at the end of the year may be applied to the annual budget for the following year, with LAO's approval. In our review of the documents provided by the Clinic and LAO, as set out in *Section 5 – Procedures Performed*, we noted no evidence of the Clinic requesting or obtaining written approval from LAO to use the excess LAO funds for the payment of bonuses. Therefore, the payment of bonuses with excess personnel funds does not appear to be in accordance with the Funding Agreement.

Ms. Parsons stated that in her view it was not necessary to notify LAO about the use of excess LAO funds for bonus payments given the fact that the Clinic was not in excess of the personnel budget on an overall basis.

In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that, with the exception of Fiscal 2008 and 2010, any additional remuneration paid to Clinic staff during the Period of Review was from funding received from program funders other than LAO. This view is inconsistent with our findings above, which indicate that in Fiscal 2011, lump sum payments totaling \$50,000 were made to Clinic staff from the General Fund. As set out above, it is our understanding from the Clinic staff and Clinic Board members interviewed that the lump sum payments related to bonuses paid to Clinic staff for performance. However, as set out in *Section 7.2 - Source and Use of Cash Analysis*, we noted cash inflows from Other ACLC Funds totaling \$75,000 in Fiscal 2011. As set out in *Section 2 – Scope of Review*, because of the fact that cash inflows from other ACLC Funds were recorded in the General Fund in lump sum amounts, we were unable to determine whether these cash inflows from Other ACLC Funds related to reimbursement of the lump sum payments incurred by the General Fund.

During our review of the Clinic Board meeting minutes for Fiscal 2011, we did not identify documentation regarding approval of the bonus amounts identified above by the Clinic Board. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC stated that in their view, all Clinic Board meeting minutes were made available to PwC and that PwC was advised of supplementary binders containing minutes for those portions of Clinic Board meetings that were held in-camera. The ACLC advised that Board approval of the payment of additional remuneration was recorded in the in-camera minutes and that PwC was advised that such minutes could be made available for inspection. While on-site at the ACLC premises, we requested all Clinic Board meeting minutes for the Period of Review and we reviewed all minutes provided to us. As set out in Appendix A, we noted that certain meetings minutes may not have been provided and some minutes were redacted for confidentiality and privileged purposes. We were not aware of the existence of in-camera minutes and these minutes were not provided for our review while on-site at the ACLC premises.

Note B: Ceridian Other (Budget \$0, Actual \$862)

Other payments made to Ceridian totalled \$862. It is our understanding from our review of the Clinic's records that these payments related to fees paid to Ceridian, which were not budgeted for separately. As directed by you, we did not perform procedures to validate these payments.

Note C: Professional Dues (Budget \$7,120, Actual \$7,411)

We noted that the budget does not contain further details with respect to the vendors included in professional dues. We have categorized certain payments as professional dues based on our review of the vendor detail in the cash general ledger. Of the actual payments of \$7,411, \$2,060 related to The Law Society of Upper Canada, \$4,475 related to the Association of Community Legal Clinics, \$673 related to The Canadian Bar Association and \$203 related to The Advocate's Society. We reviewed \$4,435 or 60% of total professional dues in Fiscal 2011. As directed by you, we did not investigate the unfavourable variance from budget of \$291 as it was not considered significant.

Note D: Bookkeeper Costs (Budget \$3,803, Actual \$12,870)

We noted that the budget does not contain further details with respect to the vendors included in bookkeeper costs. We have categorized certain payments to Accountemps as bookkeeper costs based on our review of the vendor detail in the cash general ledger. We reviewed \$7,426 or 58% of total bookkeeper costs in Fiscal 2011 and we noted that the invoices related to payments for a part-time Bookkeeper, ██████████ Ms. Parsons advised that in her view the budgeted amount for the position of bookkeeper is not sufficient due to the volume of books and records required to be maintained by the Bookkeeper and that this accounts for the additional spending above that budgeted. We understand from ██████████ that the Bookkeeper is responsible for maintaining the general ledgers and preparing the financial statements all ACLC Funds, including those funded by LAO. We further understand from ██████████ that the Bookkeeper is paid the same flat rate for all ACLC Funds for which services are provided and that most of the costs are paid out of the General Fund including costs related to the bookkeeping for other ACLC Funds not funded by LAO. ██████████ indicated that MCYS/ACYJP also have a budget for bookkeeping.

Note E: Pay Equity, Statutory Benefits, Group Benefits and RRSP Contributions (Budget \$103,314, Actual \$88,220)

The favourable variance from budget of \$15,094 in pay equity, statutory benefits, group benefits and RRSP contributions is consistent with the fact that there were vacant positions during the year, for which no pay equity, statutory benefits or RRSP contributions were required.

Note 2: Rent Costs (Budget \$117,168, Actual \$144,076)

Set out below is a budget to actual analysis of rent costs for Fiscal 2011. As noted below, rent costs were over budget by \$26,908 in Fiscal 2011.

Description	Budget	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed
	\$	\$	\$	\$	%
Office rent - rent	117,168	120,033	(2,865)	120,033	100
Office rent - storage space	-	24,043	(24,043)	24,043	100
Total	117,168	144,076	(26,908)	144,076	100

The unfavourable variance of \$26,908 related primarily to additional rent paid to Avison Young in the amount of \$24,043 for storage space not separately budgeted for. The amount was paid in accordance with the Storage Space Lease between Avison Young and the Clinic.

Note 3: Relocation and Renovation Costs (Budget \$0, Actual \$0)

Refer to *Section 9 – Findings - Relocation and Renovation Agreement* for a comparison of the actual relocation and renovation costs to the funding provided by LAO in accordance with the Relocation and Renovation Agreement.

Note 4: Other Operating Costs (Revised Budget \$76,233, Actual \$243,221)

Set out below is a budget to actual analysis of other operating costs for Fiscal 2011. As noted below, other operating costs were over budget by \$166,988 in Fiscal 2011. Explanations for the unfavourable budget to actual variance are included below. Set out in *Section 7.4 – Transaction Analysis – Other Operating Costs* is our review of a sample of these costs.

Description	Revised Budget (Note A)	Actual	Favourable/ (Unfavourable) Variance	Reviewed	Reviewed	Notes
	\$	\$	\$	\$	%	
Other operating costs	76,233	243,221	(166,988)	151,449	62	B
Total	76,233	243,221	(166,988)	151,449	62	

Note A: Revised Budget (\$76,233)

As set out in paragraph 21 of the Funding Agreement, the Clinic can transfer funds between line items within the non-personnel categories, but they cannot transfer between the personnel and non-personnel categories. The rent and other operating costs included in our analysis are considered non-personnel, and therefore transfers between these categories are permitted. Taking into consideration the actual rent costs, we have considered the total remaining non-personnel costs available for spending on other cash operating costs. The calculation is as follows:

Original budgeted other operating costs	\$	103,141
Budgeted rent costs	\$	117,168
Budgeted total	\$	220,309
Less: Actual rent costs	\$	144,076
Revised budgeted other operating costs	\$	76,233

As noted above, \$76,233 is available for spending on other operating costs.

Note B: (Revised Budget \$76,233, Actual \$243,221)

The unfavourable variance of \$166,988 identified above related to spending in excess of budget by the Clinic on items within the General Fund budget, payments by the General Fund to other ACLC Funds or expenditures incurred by the General Fund on behalf of other ACLC Funds. As some of the spending contributing to the unfavourable variance may have been incurred on behalf of other ACLC Funds, it is necessary to consider the cash inflows from other ACLC Funds as set out in *Section 7.2 – Source and Use of Cash Analysis*, as well as the amounts owing to the General Fund from other ACLC Funds throughout Fiscal 2011 as set out below.

Set out below is a summary of the amounts owing to the General Fund from the other ACLC Funds throughout Fiscal 2011. As directed by you, we did not perform procedures to determine which payments by the General Fund to other ACLC Funds, or expenditures incurred by the General Fund on behalf of other ACLC Funds, if any, these receivables may relate to.

Account	Description in General Ledger	Debits
		\$
Acc 1205	Due from/to DOJ	36,255
Acc 1210	Due to/from legal disbursements	41,772
Acc 1211	Due from MAG	1,331
Acc 1212	Due from RAP	2,372
Acc 1254	Due to ACYJP-Training	7,266
Acc 1255	Due from ACYJP	14,838
Acc 1260	Due to/from NACI	4,374
Acc 1275	Due to/from Yth Just. Education	5,432
Acc 2220	Due to Non LAO-Vacation Pay	1,934
Total		115,574

As directed by you, we reviewed supporting documentation for a sample of other operating costs of \$243,221 incurred by the Clinic during Fiscal 2011. Set out in *Section 7.4 – Transaction Analysis – Other Operating Costs* is our review of a sample of these costs.

Note 5: Contingency (Budget \$3,500, Actual \$0)

As directed by you, we did not separately assess the actual costs incurred in relation to the contingency funding. Any actual contingency funding would be captured in the actual other operating costs of \$243,221 identified above.

7.4 Transaction Analysis

For the Period of Review, as directed by you, we selected a sample of transactions categorized as other operating costs and reviewed supporting documentation as set out in *Section 5 – Procedures Performed*. A sample of transactions were reviewed to understand the nature of the expenditures incurred by the Clinic during the Period of Review and how the funding provided by LAO for non-personnel was spent. Refer to the appendices below for a

complete list of the total cash outflows by vendor for each year during the Period of Review, as well as the sample of transactions selected for review.

- Appendix H – General Fund – Other Operating Costs by Vendor – Fiscal 2008;
- Appendix I – General Fund – Other Operating Costs by Vendor – Fiscal 2009;
- Appendix J – General Fund – Other Operating Costs by Vendor – Fiscal 2010; and
- Appendix K – General Fund – Other Operating Costs by Vendor – Fiscal 2011.

Set out below is a summary of the other operating costs and the amounts reviewed for each year during the Period of Review.

	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Total
Other Operating Costs (\$)	205,964	384,411	286,370	243,221	1,119,966
Reviewed (\$)	138,981	263,662	177,512	151,449	731,604
Reviewed (%)	67	69	62	62	65

For the Period of Review, the Clinic was unable to locate support for nine of the samples we selected totalling \$17,610 and included as “Reviewed” in the table above. Set out in Appendix G is a summary by year of the number and dollar amount of these invoices that could not be located by the Clinic. Also set out in Appendix G are the results of our review of a sample of cancelled cheques and Clinic Board approval of cheque requisitions for each year in the Period of Review. For instances where Clinic Board member approval was not obtained on the cheque requisition in accordance with the Clinic’s policies, it is our understanding from Ms. Parsons that a compensating control is in place, as the bank requires two signatures for each cheque and only Clinic Board members have signing authority for the Clinic.

As agreed with you, we have summarized below our findings for each vendor where payments were in excess of \$10,000 for any year during the Period of Review. Refer to Appendices H through K for a complete listing of all cash outflows by vendor for each year during the Period of Review, as well as the sample of transactions selected for review. The commentary below is based on our review of the supporting documentation and discussions with the Clinic staff and Clinic Board members interviewed.

With respect to the testing performed, we noted several instances where payments were made for a portion of an invoice total. We understand from Ms. Parsons that only a partial payment (as opposed to a full payment) is made in instances where the Clinic is experiencing cash constraints. With respect to petty cash amounts, we noted several instances where support was provided in the form of a cheque requisition; however no supporting receipts were attached. As agreed with you, we did not reconcile the petty cash payments to the supporting receipts and have not included these amounts in the missing support set out in Appendix G.

We understand from [REDACTED] correspondence that requests were made by the Clinic Board for the Executive Director to provide support for certain transactions, including trips to Nigeria and Geneva, a payment to

The Diamond Shop in excess of \$600 and a payment to [REDACTED] of \$10,000. We understand from this correspondence that no supporting documentation relating to these expenditures was provided.

Inter-Fund Transfers

Inter-fund transfers are noted as “ACLC” in the cash general ledger. We understand from the Clinic staff and Clinic Board members interviewed that outflows to other ACLC Funds occur when funds are loaned by the General Fund to other ACLC Funds or repayments are made by the General Fund for amounts previously borrowed from other ACLC Funds due to cash requirements. We understand from the Clinic staff and Clinic Board members interviewed that funds may be obtained from other sources in instances where cash is constrained due to timing differences in the receipt of funding. We noted per paragraph 28 of the Funding Agreement that the Clinic cannot obtain a loan without prior written approval from LAO. It is our understanding from the Clinic staff and Clinic Board members interviewed that there were no instances where loans were obtained from outside sources during the Period of Review. Set out below are the total cash outflows to other ACLC Funds and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows \$	Reviewed \$	Reviewed %
Fiscal 2008	53,650	53,650	100
Fiscal 2009	119,820	119,820	100
Fiscal 2010	28,599	28,599	100
Fiscal 2011	48,470	48,470	100
Total	250,539	250,539	100

Total cash outflows of \$250,539 were paid to other ACLC Funds as follows: “Conference” (\$77,000), Legal Disbursements Fund (\$71,741), MCYS (\$26,668), Court Challenges (\$24,057), DoJ (\$14,500), ACYJP (\$7,577), Outreach (\$1,249) and other transfers (\$27,747). Refer to Appendix L for details with respect to individual inter-fund transfers for each year during the Period of Review.

Bell Canada

The Clinic makes payments to Bell Canada on a monthly basis for telephone services, long distance charges, internet and teleconferencing. Set out below are the total cash outflows to Bell Canada and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows \$	Reviewed \$	Reviewed %
Fiscal 2008	9,058	4,664	51
Fiscal 2009	10,865	5,220	48
Fiscal 2010	8,373	5,206	62
Fiscal 2011	8,388	4,255	51
Total	36,684	19,345	53

Of the total amount reviewed of \$19,345, the Clinic paid \$5,620 or 29% for teleconferencing. We were advised by Ms. Parsons that teleconferencing is required for Clinic Board or team meetings and for certain legal cases where the expert resides elsewhere in Canada or the United States.

The total amount reviewed of \$19,345 for the Period of Review includes long distance charges for calls to Ottawa, Port Spain, TrinCity, Union, Kingstown, Switzerland, Djibouti, London, Kingston, Brazil and various American and Canadian cities. In most instances, long distance charges were covered by the Clinic's long distance plan. We understand from Ms. Parsons that it is not unusual for calls to be placed outside of Canada. This occurs when out of country experts are engaged for legal cases and in relation to the Clinic's involvement in the international community, including the United Nations. We understand from the Funding Agreement that the Clinic's mandate is to service African Canadians throughout Ontario and we noted that certain costs identified above related to locations outside of Ontario. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that in their view, travel outside of Ontario is not inconsistent with this mandate and that the ACLC has participated in various international meetings for the direct benefit of African Canadians in Ontario.

CIBC Visa

The Clinic makes payments to CIBC on a monthly basis for charges incurred on the Clinic's Visa card. We understand from Ms. Parsons that the Visa is typically used to book travel and hotel accommodations for Clinic staff. Set out below are the total cash outflows to CIBC Visa and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows	Reviewed	Reviewed
	\$	\$	%
Fiscal 2008	25,100	25,100	100
Fiscal 2009	93,106	58,025	62
Fiscal 2010	29,621	29,621	100
Fiscal 2011	34,000	34,000	100
Total	181,827	146,746	81

We understand from Ms. Parsons that the limit on the Visa card is \$3,000. We noted that the monthly transactions for the Period of Review were generally in excess of \$3,000. We understand from Clinic staff interviewed that the Clinic made pre-payments on the Visa card in order to incur expenditures in excess of the \$3,000 limit.

It is our understanding from the Clinic staff and Clinic Board members interviewed that CIBC Visa account number [REDACTED] 13 is used for expenditures of the General Fund and other ACLC Funds. As set out in *Section 6 – Understanding of ACLC's Processes*, upon receipt of the Visa statement, the Support Staff is responsible for noting beside each transaction on the statement the fund to which the transaction relates. During our review of the Visa statements, we noted that these notations were not made consistently across or within the Visa statements and we identified several instances where no notations were made.

The cash outflows noted in our review related to payments for transactions that occurred in the previous month, or for prepayments on the credit card. However, the supporting documents attached to the statement supported the current transactions. Furthermore, we noted that in many instances, payments were being made for an amount

that was less than the outstanding balance from the previous statement. As the payment amounts did not match the outstanding balance, and notations were not made consistently across the statements, we were unable to identify which transactions the payments made from the General Fund related to. As directed by you, we did not perform further procedures or inquiries to validate the individual transactions on the statements, or to validate whether amounts paid by the General Fund on behalf of other ACLC Funds were subsequently received.

As noted above, we understand from Ms. Parsons that the Visa is typically used to book travel and hotel accommodations for Clinic staff. The staff travel line item within the budgets submitted by the Clinic to LAO ranged from \$18,743 to \$19,267 annually during the Period of Review. The total cash outflows to CIBC Visa appear high in comparison to the staff travel within the budget. In accordance with the Funding Agreement, the Clinic can transfer funds between line items within the non-personnel line items in the budget.

We noted transactions on the Visa statement that related to travel to locations outside of Ontario. We understand from the Funding Agreement that the Clinic's mandate is to service African Canadians throughout Ontario. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that in their view, travel outside of Ontario is not inconsistent with this mandate and that the ACLC has participated in various international meetings for the direct benefit of African Canadians in Ontario.

Diamond Taxi

The Clinic makes payments to Diamond Taxi on a monthly basis for charges incurred in relation to the Clinic's taxi account. The Clinic incurs charges for taxi chits used by Clinic staff, which are charged to the Clinic account. We noted that the Clinic does not have any written policies with respect to the use of taxis. It is our understanding from Ms. Parsons that taxis would typically be used by Clinic staff for travel in the following scenarios:

- For legal cases where staff are required to carry documents from one location to another;
- For legal cases where clients or meetings are located outside of the downtown core (i.e. Brampton, Mississauga, etc);
- From home to the airport or Union Station (and vice versa) for work-related travel;
- To attend meetings that are not on-site at the Clinic;
- From work to home when staff are required to work late; and
- To/from work when staff are required to work on the weekends.

Set out below are the total cash outflows to Diamond Taxi and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows \$	Reviewed \$	Reviewed %	Notes
Fiscal 2008	7,982	2,298	29	A
Fiscal 2009	11,321	5,078	45	A, B
Fiscal 2010	13,837	4,893	35	A, B
Fiscal 2011	5,867	2,967	51	C
Total	39,007	15,236	39	

Note A: The amount reviewed of \$12,269 for Fiscal 2008 through 2010 related to various Diamond Tax invoices where payments were made against a portion of the invoice. In most instances, the payments related to the “current” amount on the invoice and did not reflect payments for amounts identified on the Diamond Tax invoices as past due. All amounts reviewed for Fiscal 2008 through 2010 were paid from the General Fund and we did not identify any notation by the Clinic on the invoices indicating that any of the transactions related to other ACLC Funds. As directed by you, we did not perform procedures to determine if any transactions related to other ACLC Funds and whether receivables were recorded in the General Fund from other ACLC Funds in these instances.

Note B: It is our understanding from Ms. Parsons that the taxi costs were highest during the period leading up to the NACI conference in March 2009, as staff worked significant overtime during this period in preparation for the NACI conference. The NACI conference took place in March 2009; however, we noted that the Diamond Tax account was in arrears in certain instances. This may explain why the cash outflows related to Diamond Tax were highest in Fiscal 2010.

Note C: The amount reviewed of \$2,967 in Fiscal 2011 related to various Diamond Tax invoices. In each instance, an allocation schedule was prepared by the Bookkeeper, outlining the amount owing from each fund. The allocation schedule reconciled to the invoice total. All amounts reviewed in Fiscal 2011 were allocated across various Funds and only the portion identified as related to the General Fund was paid out of the General Fund. As directed by you, we did not perform procedures to validate the accuracy of the allocation schedule prepared by the Bookkeeper.

We noted the following general findings with respect to the Diamond Tax invoices and related support that we reviewed:

- In some instances, taxi chits were attached to the invoice as support and some of the taxi chits had notations indicating which ACLC Fund the chits related to. As directed by you, we did not reconcile the chits or notations to the amounts paid out of the General Fund;
- The invoices from Diamond Tax often indicated payments were past due;
- Taxis are used to travel between the Clinic and residential addresses on a frequent basis;
- Taxis were taken by the Executive Director at various times and days of the week on a frequent basis; and
- Taxi payments appeared high, given the size of the Clinic and the number of staff.

It is our understanding from Ms. Parsons that the Clinic made payments to [REDACTED] to translate materials for the NACI project from English to French. Set out below are the total cash outflows to [REDACTED] and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows	Reviewed	Reviewed	Notes
	\$	\$	%	
Fiscal 2008	-	-	-	
Fiscal 2009	-	-	-	
Fiscal 2010	15,250	7,750	51	A
Fiscal 2011	-	-	-	
Total	15,250	7,750	51	

Note A: The amount reviewed of \$7,750 in Fiscal 2010 related to three payments to [REDACTED] towards one invoice of \$20,982 for translation of policy documents, short programs, biographies, glossaries, evaluation forms and full programs.

Globex Plus Messenger Services Inc.

The Clinic makes payments to Globex Plus Messenger Services Inc. for courier services. Courier services are used in relation to legal cases, sending documents to Clinic Board members, and in other instances where documents are required to be transferred to and from various locations. Set out below are the total cash outflows to Globex Plus Messenger Services Inc. and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows	Reviewed	Reviewed	Notes
	\$	\$	%	
Fiscal 2008	3,397	-	-	
Fiscal 2009	5,617	-	-	
Fiscal 2010	10,233	4,154	41	A
Fiscal 2011	1,724	-	-	
Total	20,971	4,154	20	

Note A: The amount reviewed of \$4,154 in Fiscal 2010 related to various invoices from Globex Plus Messenger Services Inc. for courier services. We noted handwritten notations on the invoices indicating that costs related to the General Fund, MAG, MCYS, ACYJP and other ACLC Funds. As directed by you, we did not perform procedures to determine whether receivables were recorded from the other ACLC Funds for payments made by the General Fund on their behalf.

The Clinic makes payments to [REDACTED] for legal services, as required. As set out in *Section 8.2 – Legal Disbursements Fund – Deficit*, payments were made to [REDACTED] in Fiscal 2011 for legal services provided in

relation to legal cases. We understand from Ms. Parsons that legal services are contracted to [REDACTED] as current counsel for the Clinic comprises individuals who were recently called to the bar and as such, it has been necessary to engage external counsel with more experience. It is our understanding from Ms. Parsons that the Clinic pays [REDACTED] using the funds from the vacant Lawyer position in the personnel budget. Set out below are the total cash outflows to [REDACTED] and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows	Reviewed	Reviewed	Notes
	\$	\$	%	
Fiscal 2008	-	-	-	
Fiscal 2009	-	-	-	
Fiscal 2010	3,171	2,203	69	A
Fiscal 2011	57,251	33,000	58	B
Total	60,422	35,203	58	

Note A: The amount reviewed of \$2,203 in Fiscal 2010 related to a payment of \$1,205 to [REDACTED] for Matter # 001 pertaining to Xceed Mortgage Corporation and a payment of \$998 for a meeting attended by [REDACTED] with Mr. Elliott and Ms. Parsons on March 18, 2010.

Note B: The amount reviewed of \$33,000 in Fiscal 2011 related to five payments towards three invoices totalling \$77,375. The invoices related to professional services rendered for the periods ending December 9, 2009, June 30, 2010 and September 15, 2010.

With respect to the above noted cash outflows to [REDACTED] in some instances we were not provided with all pages of the [REDACTED] invoices. In addition, certain information on the invoices provided was redacted by the Clinic. It is our understanding from Ms. Parsons that redaction was required to maintain client-solicitor privilege.

HUB International

The Clinic makes payments to HUB International on an annual basis for insurance. Set out below are the total cash outflows to HUB International and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows	Reviewed	Reviewed	Notes
	\$	\$	%	
Fiscal 2008	1,092	1,092	100	A
Fiscal 2009	11,295	10,924	97	B
Fiscal 2010	4,050	4,050	100	C
Fiscal 2011	6,430	3,294	51	D
Total	22,867	19,360	85	

Note A: The amount reviewed of \$1,092 in Fiscal 2008 related to insurance for 180 Adelaide Street West and 111 Richmond Street West.

Note B: The amount reviewed of \$10,924 in Fiscal 2009 related to Director and Officer's insurance and commercial insurance.

Note C: The amount reviewed of \$4,050 in Fiscal 2010 related to Director and Officer's insurance.

With respect to the above noted cash outflows set out in Notes A through C, the amounts paid out of the General Fund from Fiscal 2008 through 2010 reconciled to the invoice totals and we did not identify any payments from the General Fund on behalf of other ACLC Funds. As directed by you, we did not perform procedures to determine if any transactions related to other ACLC Funds and if so, whether receivables were recorded in the General Fund in these instances.

Note D: The amount reviewed of \$3,294 in Fiscal 2011 related to two invoices for renewal of Director and Officer's insurance and package insurance. We noted a schedule prepared by the Bookkeeper allocating the total invoices to the General Fund, ACYJP and YJEP. The reconciliation between the invoices and the allocation schedule contained an unreconciled difference of \$55. It is our understanding from [REDACTED] that no further amounts are owed out of the General Fund. As directed by you, we did not perform procedures to validate the accuracy of the allocation schedule prepared by the Bookkeeper.

Kelly Services

It is our understanding from Ms. Parsons that [REDACTED] was engaged through Kelly Services to act as the Office Manager during the office relocation in Fiscal 2009. Ms. Parsons indicated that [REDACTED] was paid through Kelly services beginning in December 2008 and in January 2009 she received a full-time contract with the Clinic. Set out below are the total cash outflows to Kelly Services and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows	Reviewed	Reviewed	Notes
	\$	\$	%	
Fiscal 2008	-	-	-	
Fiscal 2009	10,293	10,293	100	A
Fiscal 2010	-	-	-	
Fiscal 2011	-	-	-	
Total	10,293	10,293	100	

Note A: The amount reviewed of \$10,293 related to payments to Kelly Services between November 17, 2008 and January 5, 2009.

[REDACTED]

We understand from Ms. Parsons that [REDACTED] was a lawyer with the Clinic until November 2009. During our review of the Clinic Board meeting minutes for Fiscal 2009, we noted that [REDACTED] was hired as the Director of Legal Services on April 22, 2008 and accepted this position on September 9, 2008. In the November 4, 2009 Clinic Board meeting minutes, we noted reference to the Director of Legal Services position being vacant. We understand from Ms. Budgell that in instances where the Clinic staffing complement has changed, by way of a staff new hire,

departure or change of position within the Clinic, the Clinic is required to provide LAO with a staff change form. We understand from Ms. Budgell that LAO was not provided with a staff change form to indicate that [REDACTED] moved from the position of staff lawyer to the Director of Legal Services in Fiscal 2009.

We understand from Ms. Parsons that the Clinic made payments to [REDACTED] to reimburse her for expenses incurred in relation to travel and hotel accommodations for ACLC initiatives. Set out below are the total cash outflows to [REDACTED] and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows	Reviewed	Reviewed	Notes
	\$	\$	%	
Fiscal 2008	2,881	1,508	52	
Fiscal 2009	14,249	12,827	90	A
Fiscal 2010	27,370	26,755	98	B
Fiscal 2011	3,000	3,000	100	C
Total	47,500	44,090	93	

Note A: Of the amount reviewed of \$12,827 in Fiscal 2009, \$2,827 related to an expense reimbursement to [REDACTED] for meals and taxis in Toronto, Miami and Brazil and taxis, meals, groceries and hotels in Switzerland. The remaining amount of \$10,000 related to an expense reimbursement to [REDACTED] for expenditures noted on her March 15, 2009 personal Visa statement. While certain information on the supporting Visa statement was redacted, we noted the following un-redacted information on the Visa statement as support for the \$10,000 expense reimbursement. Note that the additional amount below of \$19,072 pertains to Fiscal 2010 and is discussed in further detail in Note B below.

Date	Description	Amount
		\$
13-Mar-09	The Printing House Brancottawa On	5,000
11-Mar-09	Pronto Reproductions Ltd Toronto On	5,000
12-Mar-09	Interpretecan Ottawa On	3,259
11-Mar-09	Westjet - AB	1,714
10-Mar-09	American AI 0013923759517Toronto ON	1,364
10-Mar-09	Air Canada 0143923759518Winnipeg MB	1,132
10-Mar-09	Pronto Reproductions Ltd Toronto On	5,000
10-Mar-09	Porter Air Toronto ON	414
10-Mar-09	Air Canada 0142168626767Winnipeg MB	6,082
10-Mar-09	Via Rail Internet #50000 Montreal QC	107
	Total	29,072

Note B: Of the amount reviewed of \$26,755 in Fiscal 2010, \$7,683 related to an expense reimbursement to [REDACTED] for Crowne Plaza Ottawa costs incurred on [REDACTED] personal Visa statement. We noted handwritten notations indicating "NACI conference" included as supporting documentation for this reimbursement. The remaining amount of \$19,072 related to an expense reimbursement to [REDACTED] for her March 15, 2009 personal Visa statement, the details of which are set out in Note A above.

Note C: The amount reviewed of \$3,000 in Fiscal 2011 related to two expense reimbursements to ██████ for hotel accommodations, travel and meal costs incurred between April and May 2009 for a conference in Geneva. The total expense report was for \$3,887 and we reviewed a letter from the Canadian Arab Foundation indicating that \$846 would be received by ██████ from the Canadian Arab Foundation. We noted a difference of \$41 between the amount contained in the letter (\$846) and the remaining amount owing to ██████ (\$887). As directed by you, we did not perform additional procedures to investigate this difference.

With respect to the above noted invoices, it is our understanding from Ms. Parsons that ██████ was not required to submit receipts to support the transactions on ██████ personal Visa statements. The Clinic used ██████'s personal Visa for certain expenditures as her limit was higher than the Clinic's Visa card. Ms. Parsons stated that she has a general understanding of the nature of the items on ██████'s Visa statements and noted that in many cases, the travel related to these expenditures was booked by the Clinic. Ms. Parsons and the Clinic were unable to provide any specific information, receipts or other actual support for these expenditures. We understand from Ms. Parsons that the expenditures related primarily to the NACI conference.

We understand from the Funding Agreement that the Clinic's mandate is to service African Canadians throughout Ontario and we noted that certain costs identified above related to locations outside of Ontario. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that in their view, travel outside of Ontario is not inconsistent with this mandate and that the ACLC has participated in various international meetings for the direct benefit of African Canadians in Ontario.

Meyers Norris Penny

The Clinic makes payments to Meyers Norris Penny for professional services provided in relation to the annual audit of the ACLC financial statements, which include the General and Legal Disbursements Funds. Set out below are the total cash outflows to Meyers Norris Penny and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows	Reviewed	Reviewed	Notes
	\$	\$	%	
Fiscal 2008	-	-	-	
Fiscal 2009	8,138	8,138	100	A
Fiscal 2010	13,538	7,961	59	B
Fiscal 2011	5,000	2,500	50	C
Total	26,676	18,599	70	

Note A: The amount reviewed of \$8,138 in Fiscal 2009 related to a payment to Meyers Norris Penny for their examination of the Clinic's records and preparation of the Clinic's financial statements for Fiscal 2008.

Note B: Of the amount reviewed of \$7,961 in Fiscal 2010, \$4,961 related to a payment for the financial statement audit of the ACLC for Fiscal 2009. The remaining amount of \$3,000 related to a payment towards an invoice totalling \$11,178 for professional services rendered by Meyers Norris Penny for the period up to and including January 31, 2010.

With respect to the above noted cash outflows for Fiscal 2009 and 2010 paid out of the General Fund, we did not identify any payments made by the General Fund on behalf of other ACLC Funds. As directed by you, we did not perform procedures to determine if any transactions related to other ACLC Funds and whether receivables were recorded in the General Fund in these instances.

Note C: The amount reviewed of \$2,500 in Fiscal 2011 related to a payment towards an invoice totaling \$8,268 for professional services rendered by Meyers Norris Penny for Fiscal 2010. The invoice total was allocated across the General Fund, ACYJP and MAG. An allocation schedule was prepared by the Bookkeeper detailing the amount owing from each fund. Of the total invoice of \$8,268, \$5,000 was allocated to the General Fund. As directed by you, we did not perform procedures to validate the accuracy of the allocation schedule prepared by the Bookkeeper.

Print Three

The Clinic makes payments to Print Three for printing, photocopying, binding and other similar services in relation to legal cases and other ACLC initiatives, as required. Set out below are the total cash outflows to Print Three and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows	Reviewed	Reviewed	Notes
	\$	\$	%	
Fiscal 2008	3,356	-	-	
Fiscal 2009	3,984	-	-	
Fiscal 2010	11,641	2,971	26	A
Fiscal 2011	8,850	-	-	
Total	27,831	2,971	11	

Note A: The amount reviewed of \$2,971 in Fiscal 2010 related to a payment towards an invoice totalling \$5,471 for printing and the creation of name tags for a conference held by the Clinic. We noted handwritten notations indicating "NACI Program" on the invoice and "2,500 from NACI" on the cheque stub. As directed by you, we did not perform procedures to determine whether receivables were recorded in the General Fund for payments made by the General Fund on behalf of the NACI Fund.

The Professional Travel Place

The Clinic makes payments to The Professional Travel Place for travel arrangements made by them on behalf of the Clinic. Set out below are the total cash outflows to The Professional Travel Place and the amounts reviewed for each year during the Period of Review.

Year	Total Outflows \$	Reviewed \$	Reviewed %	Notes
Fiscal 2008	8,916	3,551	40	A
Fiscal 2009	3,056	3,056	100	B
Fiscal 2010	16,491	16,491	100	B
Fiscal 2011	5,006	2,862	57	B
Total	33,469	25,960	78	

Note A: We were unable to obtain support from the Clinic for the cash outflow of \$3,551 in Fiscal 2008. It is our understanding from Ms. Parsons that the Clinic was unable to locate the supporting documentation.

Note B: Details with respect to the amounts reviewed of \$22,409 for Fiscal 2009 through 2011 are set out below. Unless otherwise stated, all details noted below were obtained from invoices from The Professional Travel Place.

Year	Amount \$	Description
Fiscal 2009	1,268	Flights for [REDACTED] and [REDACTED] roundtrip from Toronto to Washington Dulles (October 1 – 5, 2009).
Fiscal 2009	1,788	Flight for [REDACTED] from Toronto to Kenora (February 25, 2008). Handwritten notation on the invoice indicated "General – public education".
Sub-Total – Fiscal 2009	3,056	
Fiscal 2010	10,000	It is our understanding from [REDACTED] that \$7,398 of this amount related to payment against an invoice of \$99,618 for travel for participants for the NACI conference held from March 12 - 14, 2009 in Ottawa. We understand that the remainder of the payment (\$2,602) was recorded as a receivable from Court Challenges.
Fiscal 2010	1,491	Flight for Ms. Parsons roundtrip from Toronto to Ottawa (June 12, 2009) and flight for [REDACTED] from Toronto to Chicago (July 26 to August 2, 2009).
Fiscal 2010	5,000	Payment of \$5,000 against an invoice of \$99,618 related to travel for participants and speakers for the NACI conference held from March 12 - 14, 2009 in Ottawa.
Sub-Total – Fiscal 2010	16,491	
Fiscal 2011	2,862	Flight for [REDACTED] and [REDACTED] roundtrip from Toronto to Washington (October 6 & 8, 2010), flight for [REDACTED] roundtrip from Toronto to Washington (October 6 & 8, 2010) and flight for [REDACTED] roundtrip from Toronto to Washington (September 30 & October 5, 2010).
Sub-Total – Fiscal 2011	2,862	
Total – Fiscal 2009 to 2011	22,409	

We were not provided with additional details from the Clinic regarding the specific purpose of the above noted travels. It is our understanding from Ms. Parsons that travel is common and expected of Clinic staff. Ms. Parsons indicated that she travels regularly due to her involvement with international coordinating committees for the United Nations and other initiatives within and outside of Canada. Ms. Parsons indicated that her involvement with these committees and initiatives is consistent with the Clinic's mandate to address anti-black hate at all levels.

We understand from the Funding Agreement that the Clinic's mandate is to service African Canadians throughout Ontario and we noted that certain costs detailed above related to locations outside of Ontario. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that in their view, travel outside of Ontario is not inconsistent with this mandate and that the ACLC has participated in various international meetings for the direct benefit of African Canadians in Ontario.

As set out in paragraph 95 of the LAO Directive, which became effective for all Clinics on September 1, 2010, Clinics must obtain written approval in advance for travel, using the appropriate travel request forms. Per paragraphs 32 and 33 of the LAO Directive, travel outside of Canada must be approved by the Clinic Board and the responsible LAO Vice-President or Designate. With respect to the above noted flights in September and October 2010 to Washington, we understand from Ms. Budgell that these expenditures were not approved by an LAO Vice-President or Designate as is required by the Directive.

In our review of the supporting documentation for the above noted expenditures relating to The Professional Travel Place, we did not note any evidence of first-class travel.

8. Findings – Legal Disbursements Fund

As agreed with you, we performed a detailed analysis of the activity in the Legal Disbursements Fund for the Period of Review and the Stub Period. As set out in *Section 2 – Scope of Review*, we performed the following:

- Performed a Source and Use of Cash Analysis; and
- Reviewed supporting documentation provided by LAO and the ACLC to obtain an understanding of the deficit in the Legal Disbursements Fund in accordance with the letter from the ACLC to LAO dated June 10, 2011.

8.1 Source and Use of Cash Analysis

As agreed with you, our source and use of cash analysis was prepared using the cash general ledger for account 1020. Set out below are the results of our analyses.

Cash Inflows

Set out below are the cash inflows in the Legal Disbursements Fund identified through our source and use of cash analysis for each year during the Period of Review and the Stub Period. As directed by you, we reviewed supporting documentation for all cash inflows noted below, as set out in *Section 5 – Procedures Performed*, with the exception of 'Other cash receipts'.

Source	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Stub Period	Total
	\$	\$	\$	\$	\$	\$
General Fund	25,261	1,079	23,599	21,802	21,802	93,543
LAO – Legal	12,298	24,596	-	-	-	36,894
City of Ottawa	-	-	-	10,000	-	10,000
Other cash receipts	40	-	35	348	4,446	4,869
Total	37,599	25,675	23,634	32,150	26,248	145,306

In most instances, the funding received by the Clinic from LAO for legal disbursements is direct deposited into the General Fund and subsequently transferred by the Clinic into the Legal Disbursements Fund. In instances where cheques were received from LAO rather than direct deposit, the amounts were deposited into the Legal Disbursements Fund. As set out in the table above, in Fiscal 2008 and Fiscal 2009, a portion of the legal disbursements funding was received by cheque and deposited directly into the Legal Disbursements Fund with the remainder deposited into the General Fund and subsequently transferred by the Clinic into the Legal Disbursements Fund. From Fiscal 2010 onwards, all amounts were direct deposited into the General Fund and subsequently transferred by the Clinic into the Legal Disbursements Fund.

Set out below are the actual cash inflows received from LAO related to legal disbursements compared to the legal disbursements funding reflected on LAO's Funding Schedules. The Funding Schedules set out the funding provided by LAO.

	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Stub Period	Total
	\$	\$	\$	\$	\$	\$
Actual Cash Inflows	37,599	25,675	23,634	32,150	26,248	145,306
LAO Funding Schedule	25,135	25,727	21,802	21,802	21,802	116,268
Variance	12,464	(52)	1,832	10,348	4,446	29,038

As set out in the table above, for all years except Fiscal 2009, the actual cash inflows were in excess of the amount of funding expected to be provided by LAO in accordance with the Funding Schedules. We reconciled the additional cash inflows received by the Legal Disbursements Fund from the General Fund to the inter-fund transfers set out in Appendix L. Our understanding of the variance with respect to actual cash inflows compared to the Funding Schedule is as follows:

- **Fiscal 2008:** The variance of \$12,464 represents excess funding that was transferred from the General Fund to the Legal Disbursements Fund in error. We noted an amount of \$12,298 was re-paid by the Legal Disbursements Fund to the General Fund in Fiscal 2009 to rectify this incorrect transfer. As directed by you, we did not investigate the remaining variance of \$166 as it is not considered significant;
- **Fiscal 2009:** As directed by you, we did not investigate the variance of \$52 as it is not considered significant;
- **Fiscal 2010:** The variance of \$1,832 represents excess funding received by the Legal Disbursements Fund from the General Fund. We were not provided further details from the Clinic as to the nature of this funding;
- **Fiscal 2011:** Of the variance of \$10,348, \$10,000 represents funding received from the City of Ottawa for a legal case. The remaining variance of \$348 related primarily to a debit adjustment of \$338 which was subsequently reversed; and
- **Stub Period:** The variance of \$4,446 related primarily to two adjustments totalling \$4,429 that were subsequently reversed.

Cash Outflows

Set out below are the cash outflows from the Legal Disbursements Fund identified through our source and use of cash analysis for each year during the Period of Review and the Stub Period.

	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Stub Period	Total
Cash Outflows (\$)	8,536	37,988	20,480	54,694	20,566	142,264
Reviewed (\$)	7,646	37,515	20,341	53,950	20,259	139,711
Reviewed (%)	90	99	99	99	99	98

As set out in Appendix M, for the Period of Review and the Stub Period, the Clinic was unable to locate support for two of the samples we selected totalling \$1,551 and included as "Reviewed" in the table above. Also set out in Appendix M are the results of our review of a sample of cancelled cheques and Clinic Board approval of cheque requisitions for each year in the Period of Review and the Stub Period. For instances where Clinic Board member approval was not obtained on the cheque requisition in accordance with the Clinic's policies, it is our understanding from Ms. Parsons that a compensating control is in place, as the bank requires two signatures for each cheque and only Clinic Board members have signing authority for the Clinic.

As agreed with you, set out below are the total cash outflows by vendor for each year in the Period of Review and the Stub Period. We have provided additional detail for each vendor where payments were in excess of \$1,000 in any year during the Period of Review and the Stub Period. The commentary below is based on our review of the supporting documentation and discussions with the Clinic staff and Clinic Board members interviewed.

For certain cash outflows set out below we noted that information provided by the Clinic as support was redacted. It is our understanding from Ms. Parsons that this was to maintain client-solicitor privilege.

Fiscal 2008

Set out below are the total cash outflows, by vendor, for the Legal Disbursements Fund and the amounts reviewed for Fiscal 2008. As noted above, we have provided additional detail for each vendor where payments were in excess of \$1,000 during Fiscal 2008.

Vendor	Total Outflows	Reviewed	Reviewed	Notes
	\$	\$	%	
A.S.A.P. Reporting Services Inc.	507	507	100	
ACLC	3,531	3,531	100	A
Diamond Taxicab	619	398	64	
Fedex	76	-	-	
Globex Plus Messenger Services Inc.	123	-	-	
Margaret Parsons	69	-	-	
██████████	2,370	2,297	97	B
Print Three	489	489	100	
Purolator Courier Ltd.	132	-	-	
(blank)	620	424	68	
Total	8,536	7,646	90	

Note A: Inter-Fund Transfers

Inter-fund transfers are noted as "ACLC" in the cash general ledger. Of the outflows to other ACLC Funds reviewed of \$3,531 in Fiscal 2008, we noted that the Clinic paid \$2,955 to the Court Challenges fund and \$576 to the General Fund.

Note B: [REDACTED]

We understand from Ms. Parsons that the Clinic made payments to [REDACTED] to reimburse her for expenses incurred in relation to travel and hotel accommodations. Of the amount reviewed of \$2,297 in Fiscal 2008, the Clinic paid \$1,195 to reimburse [REDACTED] for flights for herself and [REDACTED] hotel accommodations and various taxi rides. We were not provided with additional details from the Clinic regarding the purpose of this travel. Furthermore, the Clinic was unable to provide support for the remaining cash outflow of \$1,102.

Fiscal 2009

Set out below are the total cash outflows, by vendor, for the Legal Disbursements Fund and the amounts reviewed for Fiscal 2009. As noted above, we have provided additional detail for each vendor where payments were in excess of \$1,000 during Fiscal 2009.

Vendor	Total Outflows \$	Reviewed \$	Reviewed %	Notes
Accountemps	349	349	100	
ACLC	12,298	12,298	100	A
Collaborative Therapy and Assessment Group	840	720	86	
Diamond Taxicab	801	612	76	
Dye & Durham	2,772	2,772	100	B
[REDACTED]	224	224	100	
[REDACTED]	5,175	5,175	100	C
Margaret Parsons	6	-	-	
[REDACTED]	10,542	10,521	100	D
Print Three	4,245	4,166	98	E
Purolator Courier Ltd.	8	-	-	
Rapid Photo	215	215	100	
[REDACTED]	263	263	100	
[REDACTED]	200	200	100	
[REDACTED]	50	-	-	
Total	37,988	37,515	99	

Note A: Inter-Fund Transfers

Inter-fund transfers are noted as "ACLC" in the cash general ledger. The outflows to other ACLC Funds reviewed of \$12,298 in Fiscal 2009 related to a payment by the Legal Disbursements Fund to the General Fund. As noted in the *Cash Inflows* section above, the payment of \$12,298 is to return an amount that was transferred by the General Fund to the Legal Disbursements Fund in Fiscal 2008 in error.

Note B: Dye & Durham

It is our understanding from Ms. Parsons that the Clinic made payments to Dye & Durham for electric binding services provided in relation to legal documents. The amount reviewed of \$2,772 in Fiscal 2009 related to the purchase of a 27170 GB Electric Kombo Binding Machine from Dye & Durham.

Note C: [REDACTED]

The Clinic makes payments to various experts in relation to legal cases. The amount reviewed of \$5,175 in Fiscal 2009 related to a payment to [REDACTED], a Forensic Scientist, Epidemiologist and Mediator, for professional services rendered in relation to a forensic review.

Note D: [REDACTED]

The amount reviewed of \$10,521 in Fiscal 2009 related to two payments to [REDACTED] for reimbursement of expenses incurred for travel to Ottawa for legal work, including airfare, hotel accommodations, meals and taxi fares. We were not provided with additional details from the Clinic regarding the purpose of this travel. We noted that the amount paid to [REDACTED] was \$12 less than the amount on the expense report.

Note E: Print Three

The Clinic makes payments to Print Three for printing, photocopying, binding and other similar services in relation to legal cases, as required. The amount reviewed of \$4,166 in Fiscal 2009 related to two payments to Print Three for various invoices for binding, collating, copying and cerloxing related to legal cases.

Fiscal 2010

Set out below are the total cash outflows, by vendor, for the Legal Disbursements Fund and the amounts reviewed for Fiscal 2010. As noted above, we have provided additional detail for each vendor where payments were in excess of \$1,000 during Fiscal 2010.

Vendor	Total Outflows \$	Reviewed \$	Reviewed %	Notes
Comm Plus Fee	35	35	100	
Diamond Taxicab	410	410	100	
Echo Cleaning Services Inc.	1,943	1,943	100	A
Globex Plus Messenger Services Inc.	17	-	-	
██████████	256	256	100	
██████████	2,323	2,260	97	B
Print Three	6,169	6,169	100	C
Purolator Courier Ltd.	49	-	-	
T Harris Environmental Management	2,137	2,137	100	D
The Receiver General of Canada	7,131	7,131	100	E
(blank)	10	-	-	
Total	20,480	20,341	99	

Note A: Echo Cleaning Services Inc.

The amount reviewed of \$1,943 in Fiscal 2010 related to a payment to Echo Cleaning Services Inc. for post-construction and mould clean-up, including detailed cleaning and sanitization of a home. It is our understanding from Ms. Parsons that the Clinic made payments to Echo Cleaning Services Inc. for mould clean-up at a client's home in relation to a legal case.

Note B: ██████████

Of the amount reviewed of \$2,260 in Fiscal 2010, \$1,042 was paid to ██████████ as reimbursement for airfare, hotel accommodations, meals and transportation in relation to Ontario Human Rights Tribunal attendance at a hearing in June 2009. An additional \$769 was paid to ██████████ as reimbursement for airfare, hotel accommodations, meals and transportation for the CHR Tribunal Mediation in Ottawa. It is our understanding from Ms. Parsons that the Clinic was unable to locate the supporting documentation for the remaining cash outflow of \$449.

Note C: Print Three

The amount reviewed of \$6,169 in Fiscal 2010 related to two payments to Print Three for various invoices related to binding, collating, copying and cerloxing.

Note D: T Harris Environmental Management

The amount reviewed of \$2,137 in Fiscal 2010 related to a payment to T Harris Environmental Management for time incurred for labour, analysis and disbursements for environmental management. It is our understanding from Ms. Parsons that the Clinic made payments to T Harris Environmental Management for environmental management in relation to a legal case.

Note E: The Receiver General of Canada

Of the amount reviewed of \$7,131 in Fiscal 2010, \$4,225 was paid to the DoJ for assessment costs from the Federal Court of Canada and \$2,906 was paid to the DoJ in relation to a client's 'Enforce the Assessment Order'.

Fiscal 2011

Set out below are the total cash outflows, by vendor, for the Legal Disbursements Fund and the amounts reviewed for Fiscal 2011. As noted above, we have provided additional detail for each vendor where payments were in excess of \$1,000 during Fiscal 2011.

Vendor	Total Outflows \$	Reviewed \$	Reviewed %	Notes
██████████	8	-	-	
At Your Service	291	291	100	
Canadian Process Serving Ottawa	106	106	100	
CIBC Visa	5,000	5,000	100	A
Debit adjustment	338	338	100	
Diamond Taxicab	1,217	1,010	83	B
██████████	1,750	1,750	100	C
██████████	5,650	5,650	100	D
██████████	4,324	4,324	100	E
Globex Plus Messenger Services Inc.	497	333	67	
██████████	4,583	4,583	100	F
██████████	119	119	100	
██████████	45	-	-	
Margaret Parsons	940	940	100	
Ministry of Finance	5	-	-	
Multi-Languages Corporation	280	280	100	
Print Three	7,512	7,385	98	G
Purolator Courier Ltd.	80	-	-	
██████████	214	214	100	
██████████	1,300	1,300	100	H
██████████	292	292	100	
The McLeod Group	6,000	6,000	100	I
The Professional Travel Place Inc.	11,856	11,856	100	J
Time Trek Courier	49	-	-	
██████████	800	800	100	
Victory Verbatim	1,379	1,379	100	K
(blank)	59	-	-	
Total	54,694	53,950	99	

Note A: CIBC Visa

The amount reviewed of \$5,000 in Fiscal 2011 related to a payment towards a Visa statement with an opening credit balance of \$402, payments of \$8,000, purchases of \$7,964 and an ending balance of \$898. We noted

handwritten notations on the statement indicating that transactions totalling \$4,864 related to "legal". The transactions identified as "legal" appear to relate to meals and hotel accommodations in Ottawa. As directed by you, we did not perform further procedures or inquiries to validate the individual transactions on the statements.

Note B: Diamond Taxi

The amount reviewed of \$1,010 in Fiscal 2011 related to four payments to Diamond Taxi. In each instance, an allocation schedule was prepared by the Bookkeeper, outlining the amount owing from each fund. The allocation schedules reconciled to the invoice total. All amounts reviewed in Fiscal 2011 were allocated across various ACLC Funds and only the portion identified as related to the Legal Disbursements Fund was paid out of the Legal Disbursements Fund. As directed by you, we did not perform further procedures or inquiries to validate the individual tax receipts supporting the invoices and we did not perform procedures to validate the accuracy of the allocation schedule prepared by the Bookkeeper.

Note C: [REDACTED]

The Clinic makes payments to various experts for services provided with respect to legal cases. The amount reviewed of \$1,750 in Fiscal 2011 related to a payment to [REDACTED] for expert witness services during August and September 2010.

Note D: [REDACTED]

The Clinic makes payments to various lawyers for services provided with respect to legal cases. The amount reviewed of \$5,650 in Fiscal 2011 related to a payment to [REDACTED] at [REDACTED] for professional services performed from April 6, 2010 to June 16, 2010.

Note E: [REDACTED]

The Clinic makes payments to various lawyers for services provided with respect to legal cases. The amount reviewed of \$4,324 in Fiscal 2011 related to a payment to [REDACTED] for professional services performed from February 19, 2010 to May 17, 2010.

Note F: [REDACTED]

The Clinic makes payments to various lawyers for services provided with respect to legal cases. The amount reviewed of \$4,583 in Fiscal 2011 related to a payment to [REDACTED] for professional services rendered and disbursements incurred for the period ending April 16, 2010.

Note G: Print Three

The amount reviewed of \$7,385 in Fiscal 2011 related primarily to payments to Print Three for creation of copies, books and DVDs related to legal cases.

Note H: [REDACTED]

The Clinic makes payments to various experts for services provided with respect to legal cases. The amount reviewed of \$1,300 in Fiscal 2011 related to a payment to [REDACTED] for expert testimony services.

Note I: McLeod Group

The Clinic makes payments to various lawyers for services provided with respect to legal cases. The amount reviewed of \$6,000 in Fiscal 2011 related to a payment towards an invoice of \$10,419 from the McLeod Group for services performed from April 24, 2010 to August 12, 2010. The faxed invoice indicates that the services related to 119.4 hours of [REDACTED] time at a rate of \$87.26.

Note J: The Professional Travel Place

The amount reviewed of \$11,856 in Fiscal 2011 related to several payments to the Professional Travel Place for travel to/from Ottawa for [REDACTED], [REDACTED], [REDACTED], Ms. Parsons, [REDACTED], [REDACTED] and [REDACTED]; travel to/from Washington for [REDACTED] and [REDACTED] and travel to/from New York for [REDACTED] and [REDACTED]. We were not provided with additional details from the Clinic regarding the purpose of this travel. We noted certain costs identified above that related to locations outside of Ontario. It is our understanding from Ms. Parsons that travel booked to the Legal Disbursements Fund related to travel for legal cases, including costs incurred for Clinic staff and expert witnesses.

Note K: Victory Verbatim

The Clinic makes payments to Victory Verbatim for transcription services. The amount reviewed of \$1,379 in Fiscal 2011 related to a payment to Victory Verbatim for copies, handling and courier fees and cell phone transcription.

Stub Period

Set out below are the total cash outflows, by vendor, for the Legal Disbursements Fund and the amounts reviewed for the Stub Period. As noted above, we have provided additional detail for each vendor where payments were in excess of \$1,000 during the Stub Period.

Vendor	Total Outflows	Reviewed	Reviewed	Notes
	\$	\$	%	
ACLC	10,901	10,901	100	A
CIBC Visa	1,900	1,900	100	B
Cunningham Swan	618	618	100	
Diamond Taxicab	77	-	-	
Ocean Grill Restaurant	160	160	100	
Print Legal.ca	51	-	-	
Print Three	220	220	100	
Purolator Courier Ltd.	200	200	100	
South Ottawa Community Legal Services	254	254	100	
The Professional Travel Place Inc.	2,095	2,095	100	C
Time Trek Courier	120	-	-	
(blank)	3,969	3,911	99	D
Total	20,565	20,259	99	

Note A: Inter-Fund Transfers

Inter-fund transfers are noted as "ACLC" in the cash general ledger. The outflow to other ACLC Funds reviewed of \$10,901 in the Stub Period related to a payment by the Legal Disbursements Fund to the General Fund. The payment of \$10,901 is to return an amount that was transferred by the General Fund into the Legal Disbursements Fund during the Stub Period.

Note B: CIBC Visa

The amount reviewed of \$1,900 in the Stub Period related to a payment towards a Visa statement with an opening credit balance of \$230, payments of \$11,861, purchases of \$11,052 and an ending balance of \$580. An allocation schedule was prepared by the Bookkeeper, outlining the amount owing from each fund. As directed by you, we did not perform further procedures or inquiries to validate the individual transactions on the statements and we did not perform procedures to validate the accuracy of the allocation schedule prepared by the Bookkeeper.

Note C: The Professional Travel Place

The amount reviewed of \$2,095 in the Stub Period related to a payment to the Professional Travel Place for travel to/from Kingston for [REDACTED], [REDACTED] and Ms. Parsons; travel to/from Edmonton for [REDACTED], [REDACTED] travel to/from Ottawa for [REDACTED], [REDACTED] and [REDACTED] and travel to/from Montreal for [REDACTED]. We were not provided with additional details from the Clinic regarding the purpose of this travel. We noted certain costs above that related to locations outside of Ontario. It is our understanding from Ms. Parsons that travel booked to the Legal Disbursements Fund related to travel for legal cases, including costs incurred for Clinic staff and expert witnesses.

Note D: Adjustment

The amount reviewed of \$3,911 in the Stub Period appears to relate to the reversal of an adjustment based on the cash general ledger. This amount is included in the total adjustments of \$4,429 described in the *Cash Inflows* section above.

As set out in the analysis above, we noted several instances where staff travel was included in the Legal Disbursements Fund during the Period of Review. Paragraphs 3.01 and 3.02 of the Clinic's Disbursements Policy states that "legal disbursement expenses shall not include items which are part of normal office overhead or operating expenses, such as staff travel, long distance telephone charges, in-house photocopying, ordinary postage and stationery expenses." It is our understanding from Ms. Parsons that any costs associated with legal cases, including staff travel, would be considered legal disbursements and included in the Legal Disbursements Fund. We also reviewed the Clinic Services Office Operational Policy – Legal Disbursements, which sets out LAO's policy with respect to legal disbursements. We noted that this policy indicates that legal disbursements may include staff travel "in relation to test cases and when conducting focus groups in test case litigation".

8.2 Legal Disbursements Fund – Deficit

Summarized below is the excess (deficiency) of revenue over expenses and surplus (deficit) for the Legal Disbursements Fund for each year in the Period of Review and the Stub Period, based on the Clinic's audited financial statements.

Year	Revenue	Expenses	Excess (deficiency) of revenue over expenses	Surplus (deficit)
	\$	\$	\$	\$
Opening balance	-	-	-	16,187
Fiscal 2008	12,837	(11,688)	1,149	17,336
Fiscal 2009	25,727	(20,024)	5,703	23,039
Fiscal 2010	21,802	(22,484)	(682)	22,357
Fiscal 2011	31,802	(69,927)	(38,125)	(15,768)
Stub Period	21,802	(26,090)	(4,288)	(20,056)

In the June 10 letter from the Clinic to LAO, the Clinic identified a total deficit of \$223,923 at March 31, 2011 in the Legal Disbursements Fund (Appendix N). This deficit is not consistent with the deficit in the Legal Disbursements Fund at March 31, 2011 of \$15,768 as set out above and noted in the Clinic's audited financial statements. The deficit of \$223,923 was calculated by the Clinic as follows:

Legal Disbursements Incurred in Fiscal 2011	\$339,270
Less: Legal Disbursement Funding Received from LAO in Fiscal 2011	(\$21,802)
Less: Funding provided to the General Fund for the vacant Lawyer position (Note A)	(\$93,545)
Total Deficit	\$223,923

Note A: This amount was obtained from the June 10 letter. We calculated the funds available for the vacant Lawyer position to be \$93,932 in Fiscal 2011, as set out in *Section 7.3.4 – Budget to Actual Analysis – Fiscal 2011*.

In correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that the deficit noted in the audited financial statements of \$15,768 is accurate. The ACLC indicates that the June 10 letter was written prior to the issuance of the financial statements, and many of the expenditures comprising the \$339,270 referenced in the June 10, 2011 letter as incurred as of March 31, 2011 were actually estimates made at the time of the letter that were later avoided. The ACLC further stated the following: “when the figures for the actual and pending liabilities for external legal counsel are backed out of the June 10 letter, the deficit for the year ending March 31, 2011 corresponds very closely to the figure on the financial statement.” As set out in further detail below, of the total expenditures of \$339,270 identified in the June 10, 2011 letter as incurred as of March 31, 2011, the Clinic provided third-party support for \$187,608. If this is offset by funding received from LAO (\$21,802) and funding provided to the General Fund for the vacant lawyer position (\$93,545), we note a deficit of \$72,261 (\$187,608 - \$21,802 - \$93,545) as of March 31, 2011. Further inquiry is required of the ACLC to understand how the amounts noted in the June 10, 2011 letter, subject to the adjustments referenced above, approximates the deficit of \$15,768 noted in the audited financial statements as of March 31, 2011.

Ms. Parsons provided us with invoices to support \$187,608 or 55% of the total legal disbursement costs of \$339,270 identified by the Clinic as incurred in Fiscal 2011 (Appendix N). Set out in the table below is a summary of the total costs as noted in the June 10 letter and the amounts for which support was provided by the Clinic. Refer to Appendix O for a summary of legal disbursement costs incurred, by legal case, for each category listed below.

Category	Total per June 10 Letter \$	Total Support Provided \$	Total Support Provided %
Accommodation	8,655	7,996	92
Airline Expenses	1,719	1,719	100
Experts/Expert Reports	6,275	7,925	126
For settlement	(10,000)	(10,000)	-
Outside Counsel	325,832	172,136	53
Printing	5,538	6,423	116
Printing	201	201	100
Travel	911	1,208	133
Unreconciled difference (Note B)	139	-	-
Total	339,270	187,608	55

Note B: We noted a difference of \$139 between the sum of the individual costs in the letter (\$339,131) and the total costs noted as incurred (\$339,270) which appears to relate to a mathematical error.

Based on our review of the invoices provided to support the June 10 letter we noted the following:

- Of the total costs of \$339,270 set out in the June 10 letter, \$325,832 (96%) relate to fees for Outside Counsel. The LAO-Clinic Legal Disbursement Policy states that a legal disbursement is an “out-of-pocket expense paid to a third party incurred in the course of conducting a case on behalf of a client who has an

open case file.” Various examples are provided in the LAO-Clinic Legal Disbursement Policy for what may constitute a “legal disbursement.” We note that Outside Counsel fees are not specifically listed in the policy as an example of a “legal disbursement.” We understand from Ms. Budgell that Outside Counsel fees do not qualify as legal disbursements under the LAO-Clinic Legal Disbursement Policy;

- Of the total costs of \$339,270 set out in the June 10 letter, \$187,608 (55%) were supported by third party invoices. The remaining amount, \$151,622 (45%) could not be supported by third party invoices. As set out above, the unsupported costs related primarily to costs incurred for Outside Counsel. It is our understanding from Ms. Parsons that the unsupported costs related to estimates provided verbally by Outside Counsel for which no invoices were received. In the correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that many of the expenditures comprising the \$339,270 referenced in the June 10, 2011 letter as incurred as of March 31, 2011 were actually estimates made at the time of the letter that were later avoided ; and
- Of the total amount of \$187,608 for which support was provided by the Clinic, we noted from our testing performed in *Section 7.4 – Transactional Analysis* and *Section 8.1 – Source and Use of Cash Analysis* that \$39,753 and \$32,574 was paid out of the General and Legal Disbursements Funds, respectively, during the Period of Review and the Stub Period. It is our understanding from Ms. Parsons that payments were made out of the General Fund in some instances due to cash funding constraints in the Legal Disbursements Fund. It is possible that additional amounts not included in our testing were paid out of the General and Legal Disbursements Funds.

With respect to the Legal Disbursements Fund deficit of \$223,923 included in the June 10 letter, Ms. Parsons indicated that the costs for Outside Counsel have increased substantially since [REDACTED], the former Director of Legal Services, left the Clinic in November 2009. Current counsel for the Clinic comprises individuals who were recently called to the bar and as such, it is often necessary for the Clinic to engage external counsel with more experience. It is our understanding from Ms. Parsons that the excess personnel costs for the vacant Lawyer position in Fiscal 2011 as set out in *Section 7.3.4 – Budget to Actual Analysis – Fiscal 2011*, were used to pay [REDACTED] for providing legal services in relation to legal cases.

Ms. Parsons indicated that the Clinic has made various attempts to notify LAO of the increasing legal disbursements costs. Mr. Elliott stated that an attempt was made to discuss the deficit identified in the June 10 letter with Ms. Robertson (Vice President, LAO) in March 2011. Mr. Elliott noted that the Clinic was not given the opportunity to discuss the deficit with LAO prior to June 2011. We understand from Ms. Budgell that the audited financial statements as at March 31, 2011 only reflected a deficit of \$15,768 and LAO was not made aware of a \$223,923 deficit until the June 10 letter.

As set out in *Section 10 – Recommendations*, we recommend that further inquiry be made of the Clinic to determine what expenditures comprising the \$339,270 set out in the June 10 letter were incurred as of March 31, 2011 and how the amounts noted in the June 10, 2011 letter, after backing out those expenditures not incurred, approximate the deficit of \$15,768 noted in the audited financial statements as of March 31, 2011.

Furthermore, as set out above, of the total amount of \$187,608 for which support was provided by the Clinic, we noted that \$39,753 and \$32,574 was paid out of the General and Legal Disbursements Funds, respectively, during

the Period of Review and the Stub Period. As set out in *Section 10 – Recommendations*, we recommend that further inquiry be made of the Clinic to understand whether the remaining supported costs of \$115,281 (\$187,608 - \$39,753 - \$32,574) were paid out of the General Fund prior to March 31, 2011.

9. Findings – Relocation and Renovation Agreement

As set out in Section 7.2 – Source and Use of Cash Analysis, \$168,977 was received by the Clinic from LAO in Fiscal 2009 in relation to the office relocation to 18 King Street East and related renovation costs. This amount is consistent with the funding set out in the Relocation and Renovation Agreement (Appendix D). As set out in the Relocation and Renovation Agreement, the relocation and renovation funds may be used for build-out, moving, design and engineering costs and lease hold contributions, as needed.

In accordance with the Relocation and Renovation Agreement, the funding provided by LAO was to be placed in a separate interest-bearing account until the renovations began, at which time the funds were to be segregated in a separate project account in the books and records of the Clinic. We noted that the funding was placed in the bank account for the General Fund and not in a separate interest-bearing account. Furthermore, the spending incurred in relation to the Relocation and Renovation Agreement was not segregated in a separate project account and the transactions were included in the general ledger for the General Fund.

Set out below are the cash outflows in the General Fund related to relocation and renovation costs during the Period of Review. We identified the costs paid to the vendors below as relocation and renovation costs based on the descriptions included on the invoices reviewed. As set out below, the relocation and renovation costs identified of \$177,302 are in excess of the amount funded by LAO of \$168,977. We understand that the difference of \$8,325 related to additional costs that were not anticipated based on the amount funded by LAO. This is supported by a letter we reviewed from Ms. Parsons' to Mr. Wayne Brown in May 2009 indicating that the expenses of the Clinic are legitimate and relate to the office relocation and the NACI project. The letter to LAO included a request to use the monthly surplus in personnel funding to further reduce the deficit resulting from the office relocation and the NACI project.

Vendor	Total Outflows \$	Reviewed \$	Reviewed %	Notes
AMJ Campbell Van Lines	6,405	6,405	100	A
Barry's Office Furniture Inc.	35,986	35,528	99	B
Intercede Facilities Management Inc.	22,089	20,638	93	C
Jesslin Interiors Limited	112,822	112,822	100	D
Total	177,302	175,393	99	

Based on the invoices we reviewed for the vendors set out in the table above, the invoices related to the following:

- **Note A: AMJ Campbell Van Lines** – costs reviewed of \$6,405 related primarily to a relocation quote and paid duty officer.
- **Note B: Barry's Office Furniture** – costs reviewed of \$35,528 related primarily to labour and installation of office furniture, desk and file cabinet repair and hanging artwork. The amount reviewed of

\$35,528 included payments towards various invoices in Fiscal 2009. We noted that in some instances, payments were made towards a portion of the invoice total.

- **Note C: Intercede Facilities Management** – costs reviewed of \$20,638 related primarily to engineering and design costs and costs for structural, mechanical and electrical engineers.
- **Note D: Jesslin Interiors Limited** – costs reviewed of \$112,822 related to a contract with Jesslin Interiors for renovations of \$128,217. It is our understanding from [REDACTED] that the difference between the amount reviewed and the contract total related to amounts in dispute that have not been paid by the Clinic.

It is our understanding that the payments to the vendors identified above were considered moving costs and leasehold improvements. Based on the descriptions included in the invoices we reviewed, the costs appear to be in accordance with the Relocation and Renovation Agreement.

10. Recommendations

Based on the specific procedures performed, subject to the specific limitations noted in this report and the Restrictions and Qualifications set out in Appendix A, we recommend the following:

- With respect to the Clinic's Policies and Procedures, we recommend that LAO require of the Clinic the following:
 - Notations by the Office Manager on invoices reviewed as evidence of approval;
 - Development of policies and procedures to reconcile taxi chits used by Clinic staff to the invoices received from Diamond Taxi to ensure that the invoices are accurate and that the appropriate amounts are allocated to each of the ACLC Funds;
 - Development of policies and procedures to reconcile the individual transactions on the Visa statements to each of the ACLC Funds to ensure that the appropriate amounts are allocated to each of the ACLC Funds; and
 - Implement a policy to provide guidelines with respect to the use of taxis by Clinic staff. This policy should be aligned with LAO policies.
- With respect to the Clinic's Visa expenditures, we recommend that LAO require of the Clinic the following:
 - Implementation of a policy to provide guidelines with respect to the use of the Clinic's Visa, including the review and approval of transactions incurred on the Visa;
 - Prohibit pre-payments on the Visa, to ensure that the Clinic's spending limit is adhered to;
 - Require the preparation of expense reports for expenditures incurred on the Clinic's Visa, including appropriate review and approval processes;
 - Require receipts, invoices or other support for all expenses incurred on the Clinic's Visa; and
 - Consider having separate Visa accounts for the General Fund and other ACLC Funds.
- With respect to the Clinic's Visa transactions, we recommend that further inquiries be made with the Clinic regarding the nature of the transactions identified on the Visa statements;
- With respect to the Clinic's expenditures incurred in relation to travel, we recommend that LAO consider implementing requirements for the Clinic Board to monitor the Clinic's compliance with the Clinic Travel, Meal and Hospitality Expenses Directive, applicable to clinics receiving funding from LAO as of September 1, 2010;

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- With respect to the payment of discretionary bonuses and lump-sum payments totalling \$170,000 during the Period of Review, we recommend the following:
 - Ensure that the Clinic maintains a policy for the payment of discretionary bonuses that is consistent with the Funding Agreement, as applicable; and
 - Implement monitoring procedures to ensure that the Clinic is in compliance with the Funding Agreement and its own policies as it relates to the payment of discretionary bonuses, including written documentation of performance feedback and approval by the Clinic Board.

 - With respect to the provision of days in lieu for overtime and the accrual of \$155,107 as of March 31, 2011, we recommend the following:
 - Supporting documentation be required of the Clinic to support the overtime incurred to date;
 - Ensure that the Clinic provides support for all overtime incurred by Ms. Parsons to support the current accrual at March 31, 2011 pertaining to Ms. Parsons of \$150,513;
 - Ensure that the Clinic maintains support for all overtime incurred by Clinic staff on a go forward basis;
 - Revise the Clinic's Personnel Policy to clearly indicate whether it applies to the Executive Director;
 - Ensure that the Clinic maintains a policy for the provision of days in lieu that is consistent with the LAO Personnel Policy Guidelines for Clinics, as applicable;
 - Implement monitoring procedures to ensure that the Clinic is in compliance with the LAO Personnel Policy Guidelines for Clinics and its own policies as it relates to the provision of days in lieu, including the requirement for regular reporting of overtime hours and written approval by the Clinic Board; and
 - The Clinic should seek direction from Meyers Norris Penny and legal counsel with respect to the compensation accrual and how it will be settled.

 - With respect to spending incurred on behalf of other ACLC Funds and initiatives, we recommend the following:
 - Assess whether the costs incurred in relation to the NACI project meet the definition of clinic law services. We noted this was an open item in the management letter received by the Clinic from Meyers Norris Penny on July 20, 2011;
 - Assess whether the costs incurred for travel outside of Ontario are in compliance with the mandate set out in the Funding Agreement;

- Ensure that the Clinic maintains a policy for travel outside Ontario that is consistent with the Funding Agreement, as applicable; and
- Implement monitoring procedures to ensure that the Clinic is in compliance with the Funding Agreement and its own policies as it relates to travel outside Ontario, including written approval by the Clinic Board.
- With respect to inter-fund transfers, we recommend the following:
 - Ensure that the Clinic maintains a policy for inter-fund transfers that is consistent with the Funding Agreement, as applicable; and
 - Implement monitoring procedures to ensure that the Clinic is in compliance with the Funding Agreement and its own policies as it relates to inter-fund transfers, including the requirement for regular reporting of inter-fund transfers and written approval by the Clinic Board.
- With respect to the quarterly reporting process, we recommend the following:
 - Consider revising the requirements for the quarterly reporting from the Clinic to LAO to include budget to actual information for the line items specified in the budget; and
 - Ensure that monitoring procedures are implemented at LAO to follow up on budget to actual discrepancies reported by the Clinic.
- With respect to the Legal Disbursements Fund, we recommend the following:
 - LAO require direct deposits into the Legal Disbursements Fund to ensure that legal disbursements funding is not deposited into the General Fund; and
 - Ensure that the Clinic's Disbursement Policy is aligned with the LAO-Clinic Legal Disbursements Policy.
- With respect to the legal disbursements deficit set out in the June 10 letter from Ms. Parsons, we recommend the following:
 - Further inquiry be made of the Clinic to understand what expenditures comprising the \$339,270 set out in the June 10 letter were incurred as of March 31, 2011 and how the amounts noted in the June 10 letter, after backing out those expenditures not incurred, approximate the deficit of \$15,768 noted in the audited financial statements as of March 31, 2011; and
 - Further inquiry be made of the Clinic to understand whether the remaining supported costs of \$115,281 were paid out of the General Fund prior to March 31, 2011.

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V

Appendix A - Restrictions & Qualifications

General

We have set out in this report the detailed investigative and accounting procedures undertaken by us and our findings thereon. The primary sources of information considered and relied upon are referred to in the body of this report. Our review does not constitute an audit, as defined by Canadian Generally Accepted Auditing Standards. We have not attempted to audit or otherwise verify the information presented to us beyond the expressed scope stated in this report. We have not sought external verification of the information provided to us by LAO or the Clinic except as expressly stated. Should further information come to our attention, the results and conclusions expressed herein could change.

We understand that LAO will use this report to assist them in their review of expenditures incurred by the Clinic in accordance with the Memorandum of Understanding and Funding Agreement. Our report is not intended for general circulation or publication, nor is it to be reproduced or used for any purpose other than that outlined in our initial contract without our prior written consent in each specific instance. We will not assume any responsibility or liability for losses occasioned to LAO or to other parties as a result of the circulation, publication, reproduction or use of our report, contrary to the provisions of this paragraph.

We make no representation regarding questions of legal interpretation.

Specific

We note the following additional restrictions and qualifications:

- We have not gathered, processed or reviewed any electronic information or performed Computer Assisted Auditing Techniques;
- We did not attempt to confirm that actual services were provided or actual purchases were made or in any other way validate or verify receipt of goods or services with respect to the payments reviewed and analyzed;
- We did not interview or contact the vendors who supplied the services noted throughout this report;
- We requested, but were not provided, an executed version of the Memorandum of Understanding and Funding Agreement for the Period of Review. We understand that these documents could not be located by LAO;
- We did not correspond with the Clinic's auditor, Meyers Norris Penny, or review their working paper files and they have not reviewed the contents of this report. Furthermore, we did not perform procedures to validate the accuracy of references made by the Clinic staff and Clinic Board members interviewed with respect to the views of Meyers Norris Penny;
- We did not correspond with Iller Campbell LLP or perform procedures to validate the accuracy of references made by the Clinic staff and Clinic Board members interviewed with respect to the views of Iller Campbell LLP;

- We requested interviews with the following individuals and they declined:
 - [REDACTED] and
 - [REDACTED].
- We did not correspond with Deloitte and Touche or review their working paper files and they have not reviewed the contents of this report. Furthermore, we did not perform procedures to validate the accuracy of references made by the Clinic staff and Clinic Board members interviewed to Deloitte and Touche;
- We did not perform procedures to validate the accuracy or completeness of the write-off of the inter-fund receivable and we relied on the audited financial statements to identify the write-off amount;
- We did not perform procedures to validate the accuracy or completeness of the Excel spreadsheet entitled "ACLIC stats and funding compared to other speciality clinics" provided by LAO;
- As directed by LAO, we did not perform procedures, beyond those detailed in this report, to validate the statements of current or former ACLIC staff and the ACLIC Board of Directors as this was not within the scope of our mandate;
- We relied on the Compensation Accrual calculation prepared by the Clinic for the Period of Review and we did not perform procedures to validate the calculation;
- In our analysis of the impact of the Compensation Accrual on the cumulative deficit, we have assumed that the debit entry to record the accrual is an expense, thus contributing to the cumulative deficit in the Clinic's financial statements;
- We did not reconcile the cash outflows for the General and Legal Disbursements Funds, including the costs associated with the Relocation and Renovation Agreement, to the corresponding debit general ledger accounts or the financial statements;
- As agreed with you, in instances where third party support was not available, we relied on handwritten notations in the deposit books as support for the cash inflows we reviewed;
- We did not adjust the cash general ledger for the General Fund or Legal Disbursement Fund for reconciling items between the cash general ledger and the bank statements;
- As agreed with you, we reviewed a sample of cash inflows and outflows and did not review all cash inflows and outflows and related supporting documentation for the General or the Legal Disbursements Funds for the Period of Review and the Stub Period;
- As agreed with you, we did not review or validate the indirect cash funding received from LAO;
- As agreed with you, we validated the vendor details in the cash general ledger for the sample of cash outflows we reviewed. We did not perform procedures to validate the vendor details for cash outflows not reviewed and we relied on the vendor details as identified in the cash general ledger;

- As agreed with you, in some instances we relied on photocopies, faxes and email correspondence as supporting documentation for the cash inflows and outflows reviewed during the Period of Review and the Stub Period;
- As agreed with you, in some instances the information provided to us by the Clinic for the General and Legal Disbursements Funds was redacted and in certain instances not all pages of the legal invoices or meeting minutes were provided. It is our understanding from the Clinic that this was due to solicitor-client privilege. In these instances, we were unable to verify details related to the invoices or meeting minutes;
- In some instances, the cash outflows reviewed were for a portion of an invoice total. We did not review all payments in these instances and we relied on the Clinic's documentation or explanation that the cash outflow was paid in relation to the invoice provided;
- We relied on the payroll information (employee names, rates of pay, etc) in the Ceridian system and did not reconcile this information to employment contracts;
- We did not validate whether the Clinic's employees received the amount of pay (salary and bonuses) as set out in the Ceridian reports;
- As agreed with you, we did not review receipts to support the individual transactions identified on the expense reports for the Clinic staff and our procedures were limited to reviewing the summary of expenses prepared by the Clinic staff;
- We did not review the individual taxi chits for taxi fares paid to Diamond Taxi and our procedures were limited to reviewing the invoices received from Diamond Taxi;
- We did not review the receipts to support the transactions related to petty cash requests and our procedures were limited to reviewing the cheque requisitions and descriptions in the cash general ledger;
- We did not review the receipts to support the individual transactions identified on the Visa statements and our procedures were limited to reviewing the statements received from Visa;
- We did not consider payments made using the Visa statements when assessing the budget to actual for various categories and we assessed all payments made on the Visa statement within the other operating costs;
- In some instances, an invoice related to various ACLC Funds. As agreed with you, we did not perform procedures to identify whether the inter-fund receivables/payables were recorded appropriately by the Clinic in instances where the General Fund paid the amounts on behalf of other ACLC Funds. Furthermore, we did not validate the accuracy of the allocation schedules prepared by the Bookkeeper or reconcile the amounts identified as relating to other ACLC Funds to the corresponding funds' books and records;
- As agreed with you, we performed a review of a sample of cancelled cheques and cheque requisitions for the General and Legal Disbursements Funds for the Period of Review and the Stub Period. Where we did not review the cancelled cheques, we relied on the cheque stubs;
- As agreed with you, we did not perform procedures to validate the account name or account details included on the cheque requisitions;

- We did not verify Clinic Board signatures on the cheque requisitions to determine whether they were authorized by the appropriate individual;
- As agreed with you, we performed a review of the invoices provided to support the letter from the Clinic to LAO dated June 10, 2011 and we did not review the bank statements to identify the cash outflows associated with the invoices provided;
- As agreed with you, our analysis was performed on a cash basis and we did not perform procedures to reconcile inter-fund cash inflows or cash outflows to the general ledger accounts for inter-fund transactions or validate the collectability of inter-fund receivables in the General Fund;
- We did not perform procedures to validate the amounts identified as debits in the due to/from accounts;
- As agreed with you, the Clinic did not provide us with electronic or hard copies of the records that were subject to our review. We were not able to retain copies of the documents we reviewed for our working paper files;
- We did not perform procedures, beyond those detailed in this report, to determine whether any payments from the General Fund to other ACLC Funds, or expenditures incurred by the General Fund on behalf of other ACLC Funds, were subsequently reimbursed by other ACLC Funds as this was not within the scope of our mandate; and
- We reviewed correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel), correspondence dated December 14, 2012 addressed to Dewart Gleason LLP from Fasken Martineau DuMoulin LLP, and correspondence dated December 18, 2012 addressed to Fasken Martineau DuMoulin LLP from Dewart Gleason LLP. As agreed with you, we updated the report to incorporate LAO and ACLC's comments as noted in these correspondences, as applicable. We have not performed procedures, beyond those detailed in this report, to validate the additional information set out in these correspondences, as this was not within the scope of our mandate. We can conduct further inquiries at the request of LAO.

B

Community Legal Clinics Policies

Memorandum of Understanding

Between Legal Aid Ontario and Community Legal Clinic



LEGAL AID ONTARIO
AIDE JURIDIQUE ONTARIO

Memorandum of Understanding

Between: Legal Aid Ontario("LAO") and Community Legal Clinic (the "Clinic")

Introduction

The purpose of the Legal Aid Services Act, 1998 is to promote access to justice throughout Ontario for low-income individuals, by identifying, assessing and recognising the diverse legal needs of low income and disadvantaged communities and responding by providing consistently high quality legal aid services in a cost effective and efficient manner.

In accordance with the Act, Legal Aid Ontario is to encourage and facilitate flexibility and innovation in the provision of legal aid services, while recognising the private bar as the foundation for the provision of legal aid services in the areas of criminal and family law, and clinics as the foundation for the provision of legal aid services in the area of clinic law.

Legal Aid Ontario and the Clinic recognize and acknowledge the legitimate, distinct and complementary roles and responsibilities of each in the delivery of legal aid services to low income and disadvantaged communities. Legal Aid Ontario and the Clinic will work together in promoting access to justice for low income Ontarians, in providing high quality legal aid services in a cost-effective and efficient manner and in demonstrating accountability for the expenditure of public funds. Both Legal Aid Ontario and the Clinic are committed to respecting and advancing the principles of equity and human rights.

Ontario's community legal clinics are a vital component of Ontario's legal aid system, and clinic law is a priority area of law for Legal Aid Ontario. Legal Aid Ontario recognises and acknowledges the importance and value of independent community legal clinics in the delivery of clinic law legal services. Legal Aid Ontario recognizes and acknowledges the importance of the support provided by Legal Aid Ontario to the Clinic. Legal Aid Ontario also recognises and acknowledges the Clinic's statutory responsibility to determine the legal needs of the individuals and communities served or to be served by the Clinic and the Clinic's responsibility to ensure that it provides legal aid services in accordance with those needs in a high-quality, cost-effective, accountable and efficient manner.

The Clinic recognises and acknowledges Legal Aid Ontario's statutory responsibility to ensure that the Clinic is determining the legal needs of the individuals and communities that the Clinic will serve and Legal Aid Ontario's responsibility to ensure that legal aid services are provided in a high-quality, cost-effective, accountable and efficient manner.

Purpose of the Agreement

- 1) This Memorandum of Understanding is intended to:
 - a) Define the roles and responsibilities of Legal Aid Ontario and the Clinic for the term of this Memorandum;

b) Establish a framework for ongoing relations between Legal Aid Ontario and the Clinic. That framework includes the Funding Agreement, the Consultation Policy and the Dispute Resolution Policy that are appended to this Memorandum.

2) In the event of a conflict between this Memorandum of Understanding and the Legal Aid Services Act, 1998 or any other applicable law, the Act or applicable law prevails.

Definitions

3) For the purposes of this Memorandum of Understanding and the attached Funding Agreement, Consultation Policy and Dispute Resolution Policy,

a) "the Act" means the Legal Aid Services Act, 1998, and includes the regulations under the Act;

b) "clinic" means an independent community organisation structured as a corporation without share capital that provides legal aid services to the community it serves on a basis other than fee for service, and includes the Board of that clinic;

c) "Clinic Committee" means the committee of the LAO Board of Directors established under section 8 of the Act;

d) "clinic law" means the areas of law which particularly affect low-income individuals or disadvantaged communities, including, legal matters related to,

i) housing and shelter, income maintenance, social assistance and other similar government programs, and

ii) human rights, health, employment and education.

e) "Clinic Law Advisory Committee" means the advisory committee of the LAO Board of Directors established under section 7 of the Act;

f) "clinic law services" means legal and other services provided under the Act, in clinic law areas, and includes legal representation and advice, community development and organising, law reform, and public legal education;

g) "Legal Aid Ontario" or "LAO" or "corporation" means Legal Aid Ontario established under the Legal Aid Services Act, 1998 and includes the Board of Directors of LAO;

Legal Aid Ontario Corporate Matters

4) Legal Aid Ontario is a corporation without share capital that is independent from, but accountable to, the Government of Ontario, as set out in the Legal Aid Services Act, 1998.

5) The affairs of Legal Aid Ontario are governed and managed by its Board of Directors.

6) The Clinic Committee of the LAO Board of Directors is responsible for any functions that are assigned to it by the LAO Board and those that are specifically identified in the Act, including:

- a) recommending policies and guidelines to the Board in respect of LAO's funding of clinics;
 - b) recommending standards to the Board for the operation of clinics;
 - c) making decisions with respect to applications by a clinic for funding and reconsidering such decisions made by it or by an officer or employee of LAO.
- 7) The LAO Board of Directors shall establish a Clinic Law Advisory Committee, whose composition and function shall be as determined by the Board of Directors.

Legal Aid Ontario's Roles and Responsibilities

8) The Legal Aid Services Act, 1998 gives Legal Aid Ontario the responsibility and authority to establish and administer a cost-effective and efficient system for providing high quality legal aid services to low-income individuals and disadvantaged communities in Ontario, and to

- a) determine the legal needs of low-income individuals and disadvantaged communities in Ontario;
- b) establish priorities for the areas of law, types of cases and types of proceedings for which it will provide legal aid services;
- c) establish policies for the kinds of legal aid services to be provided in the different areas of law, types of cases and types of proceedings;
- d) establish policies and priorities for the provision of legal aid services based on its financial resources;
- e) develop the financial eligibility requirements to be prescribed under the Act;
- f) facilitate co-ordination among the different methods by which legal aid services are provided;
- g) provide legal aid services in the area of clinic law having regard to the fact that clinics are the foundation for the provision of legal aid services in that area;
- h) establish operational standards and policies which are consistent with this Memorandum of Understanding and its appendices;
- i) monitor and supervise legal aid services provided by clinics and other entities funded by LAO;
- j) co-ordinate services with other aspects of the justice system and with community services; and

k) advise the Attorney General on all aspects of legal aid services in Ontario including any features of the justice system that affect or may affect the demand for or quality of legal aid services.

Legal Aid Ontario's Support to the Clinic

9) Legal Aid Ontario and the Clinic acknowledge that the responsibility for the success of the Clinic and the clinic system in delivering high-quality clinic law services to low income individuals and disadvantaged communities in Ontario is shared by LAO and the Clinic and is enhanced by LAO leadership and support. Accordingly, LAO commits to maintaining a clinic services office and to providing the following assistance and administrative and legal support services to the Clinic to facilitate the effective functioning of the Clinic, subject to the Act, this Memorandum of Understanding and LAO's available financial resources:

a) Services to caseworkers delivering legal services, including legal research, a clinic law database, publications, litigation support and continuing legal education materials, as presently provided by the Clinic Resource Office;

b) Services of the Quality Assurance Program;

c) Management assistance with respect to clinic administration and personnel, annual business and budget planning including the approval of the annual business plan and budget, unresolved disputes within the clinic and the implementation of LAO policies, procedures and operational standards;

d) Information and support to assist clinics in managing themselves, including information with respect to needs assessments, caseload statistics, financial management, and human resources management;

e) Administration of a group benefits plan for clinic employees;

f) Administration of a group RRSP for clinic employees;

g) Administration of insurance policy coverage for clinics, clinic staff and clinic boards, including: property and general liability, directors and officers liability and professional liability;

h) Training opportunities for clinic staff and clinic Board members;

i) Audit of clinic and trust accounts;

j) Support for purchasing, leasing and maintenance contracts for office equipment, including: computers, printers, telephone systems, photocopiers, fax machines;

k) Computer and communications equipment installation, support and training;

l) Software application development, training and support;

- m) Support for capital purchases and facilities management;
- n) Lease negotiation assistance;
- o) Copies of all LAO policies, procedures, directives, guidelines and other communications which pertain to the clinic system, including copies of operational standards and quality assurance standards.

The Clinic's Role and Responsibilities

10) Pursuant to the Legal Aid Services Act, 1998, LAO and the Board of Directors of the Clinic have a responsibility to ensure that clinic law services are delivered to low-income individuals and disadvantaged communities in Ontario. The Board of Directors of the Clinic agrees to:

- a) ensure that the board is comprised of members of the communities to be served by the clinic and make reasonable efforts to have a board that includes persons representative of the low-income community, persons reflecting the diversity of the community, persons with experience working with community agencies, persons with financial skills, persons with management skills and lawyers;
- b) effectively and efficiently manage the services, finances and personnel of the Clinic in a manner consistent with the responsible and cost-effective expenditure of public funds;
- c) develop such policies, procedures and guidelines as are necessary for the effective and efficient operation of the Clinic;
- d) regularly determine the legal needs of the individuals and communities to be served by the clinic, and to provide clinic law services in accordance with those needs, including such advocacy as appropriate to address the community's needs;
- e) ensure that the Clinic is flexible and innovative in the provision of clinic law services;
- f) develop an annual business plan (for approval by LAO), based on an objective assessment of the community's needs, which sets out measurable goals and the objectives and results the clinic expects to achieve for the year;
- g) ensure that the Clinic complies with its approved annual business plan;
- h) ensure that clinic staff provide high quality services consistent with the clinic's business plan, including referrals, advice, brief services, casework, law reform, public legal education and community development as described in the approved business plan;
- i) ensure that clinic staff assess the eligibility of applications for clinic law services according to the financial eligibility requirements prescribed under the Act;
- j) provide LAO with an annual report(s) including audited financial statements, a summary of legal services provided for the year, a summary of complaints received by

the clinic and any other information relating to the operation of the clinic, as requested by LAO;

k) ensure that clinic staff, board members and volunteers co-operate with LAO's Quality Assurance Program;

l) ensure that the Clinic co-operates on a reasonable basis with the local area office and area director, including maintaining a knowledge of the legal aid services provided by the local area office and working with the local area office towards providing the fullest and most complementary range of legal aid services;

m) ensure that the clinic co-operates on a reasonable basis with LAO, other community legal clinics and other LAO funded service providers;

n) advise the Clinic Committee of LAO, on its own initiative or at the request of the Clinic Committee, on matters relating to the provision of legal aid services by clinics.

Mutual Support

11) Under the Act and this Memorandum of Understanding, Legal Aid Ontario and the Clinic share a responsibility to provide legal aid services to low-income individuals and disadvantaged communities in Ontario. LAO and the Clinic agree to support each other in fulfilling this responsibility by:

a) sharing information about the diverse legal needs of low-income individuals and disadvantaged communities in Ontario;

b) taking such information into consideration when establishing legal aid service delivery priorities;

c) providing the fullest and most complementary range of legal aid services, within available financial resources;

d) facilitating co-ordination among the different methods by which legal aid services are provided; and

e) co-ordinating services with other service providers in the justice system and with community agencies.

Nothing in this section derogates from Legal Aid Ontario's responsibility under sections 12 and 14(1) of the Act or the Clinic's responsibilities under section 39(2) of the Act.

Funding

12) LAO will provide funding to the Clinic under the terms and conditions set out in the Funding Agreement, which is attached as Appendix "A" to this Memorandum of Understanding.

Consultation

13) LAO will consult with the Clinic in accordance with the Consultation Policy, which is attached as Appendix "B" to this Memorandum of Understanding.

Dispute Resolution

14) Where LAO believes that a Clinic is not complying with its obligations under the Act, this Memorandum of Understanding or the Funding Agreement, disputes will be resolved in accordance with the Dispute Resolution Policy, which is attached as Appendix "C" to this Memorandum of Understanding.

French Language Services

15) The Clinic will endeavour to respect the spirit and intent of the French Language Services Act when providing services to all individuals and communities served or to be served by the Clinic.

Duration

16) This Memorandum of Understanding is effective on the date it is signed by both parties.

17) This Memorandum of Understanding shall remain in effect for five years from the date of signing or until a new or amended Memorandum of Understanding is agreed to by the parties.

New Board Members

18) A copy of the Memorandum of Understanding shall be provided to all new members of the Board of Directors of Legal Aid Ontario upon that member's appointment to the Board.

19) A copy of the Clinic's Memorandum of Understanding with Legal Aid Ontario shall be provided to all new members of the Board of Directors of the Clinic upon that member's appointment to the Board.

DATED: _____

SIGNED:

Chair, Board of Directors
Legal Aid Ontario

Chair, Board of Directors
Community Legal Clinic

Appendix "A"

FUNDING AGREEMENT

BETWEEN:

**LEGAL AID ONTARIO
("LAO")**

and

**COMMUNITY LEGAL CLINIC
(the "Clinic")**

INTRODUCTION

This Agreement establishes the process for the annual application for funding by the Clinic and the process for appealing decisions made about funding.

This Agreement also sets out the terms and conditions which attach to the funding, the financial, operational and administrative responsibilities of the board of directors of the Clinic and the corporate and financial reporting requirements of the Clinic. It is recognized that, in addition to being accountable to LAO for the funds received, the Clinic is also accountable to the community it serves for the clinic law services the Clinic provides.

Schedule 1 to this Agreement contains the annual funding decision and the approved Annual Budget.

DEFINITIONS

- 1) In this agreement,
 - a) "the Act" means the *Legal Aid Services Act, 1998*, and includes the regulations under the Act;
 - b) "agreement" means this funding agreement entered into between LAO and the Clinic and includes all schedules and attachments to this funding agreement and any instrument amending this agreement;
 - c) "Annual Budget" for a particular fiscal year for the Clinic means the budget specified or deemed to be the budget for such fiscal year by LAO;
 - d) "clinic" means an independent community organisation structured as a corporation without share capital that provides clinic law services to the community it serves on a basis other than fee for service, and includes the board of directors of that clinic;
 - e) "Clinic Committee" means the committee of the LAO Board of Directors established under section 8 of the Act;
 - f) "clinic law" means the areas of law which particularly affect low-income individuals or disadvantaged communities, including legal matters related to,
 - i) housing and shelter, income maintenance, social assistance and other similar government programs, and
 - ii) human rights, health, employment and education;
 - g) "clinic law services" means legal and other services provided under the Act, in clinic law areas, and includes legal representation and advice, community development and organising, law reform, and public legal education;
 - h) "fiscal year" means any period commencing on April 1 and ending March 31 of the following year during the term of this Agreement;
 - i) "funding" means the funds provided to the Clinic by LAO pursuant to this Agreement;

- j) "Legal Aid Ontario" or "LAO" or "corporation" means Legal Aid Ontario established under the *Legal Aid Services Act, 1998* and includes the Board of Directors of LAO;
- k) "LAO Staff" means the staff of LAO, or their designates, authorised to exercise the rights and perform the duties of LAO under the Act, the Memorandum of Understanding or this Agreement;
- l) "Memorandum of Understanding" means the Memorandum of Understanding between LAO and the Clinic, and includes all of the documents appended to the Memorandum of Understanding;
- m) "policies" means the policies, priorities and operational standards issued by LAO that affect community legal clinics.

PART I

PURPOSE OF AGREEMENT

- 2) In addition to the assistance and support which LAO has committed to providing to the Clinic under the Memorandum of Understanding, by this Agreement, LAO agrees to provide funding to the Clinic for the purpose of providing high quality, cost-effective clinic law services to the individuals and communities served or to be served by the Clinic. The Clinic agrees to accept funding subject to the provisions of the Act, the Memorandum of Understanding and this Agreement.

DURATION AND TERM OF AGREEMENT

- 3) This Agreement is effective on the date it is signed by both parties.
- 4) This Agreement shall remain in effect until March 31, 2003 or until a new or amended Agreement is agreed to by the parties.

ASSIGNMENT OF FUNDING AND AGREEMENT

- 5) The Clinic shall not assign the funding or any part of it, or this Agreement or any part of it, without the prior written consent of LAO.

SEVERABILITY OF PROVISIONS

- 6) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and any invalid provision shall be deemed to be severed.

PART II

CORPORATE MATTERS

- 7) The Clinic will be a corporation without share capital under the *Ontario Corporations Act*.
- 8) The board of directors of the Clinic shall comply with all obligations imposed by the *Corporations Act*.
- 9) The board of directors of the Clinic shall file a copy of the Clinic's letters patent and by-laws with LAO within fourteen days after the effective date of incorporation. Thereafter, the board shall provide written notice to LAO of any changes or amendments in the letters patent or by-laws within fourteen days after the adoption of such changes or amendments.

BOARD OF DIRECTORS OF THE CLINIC

- 10) As set out in the Memorandum of Understanding, the Clinic will have a board of directors which is reflective of the diversity of the communities to be served by the Clinic and will make reasonable efforts to have a board that includes:
 - a) persons representative of the low-income community;
 - b) persons with experience working with community agencies;
 - c) persons with financial skills;

- d) persons with management skills; and
 - e) lawyers.
- 11) Where Legal Aid Ontario has provided funding to the Clinic for the purposes of providing French language clinic law services, the Clinic will make reasonable efforts to ensure that the Clinic board of directors includes representatives of the francophone communities to be served by the Clinic, subject to any LAO policy on French Language Services.
 - 12) The board of directors shall notify LAO of any change in the composition of the board. The board shall provide such notice in writing within fourteen days after the adoption of the change(s) or the resignation of any member of the board.
 - 13) The board will ensure that its members exercise the care, diligence and skill of a reasonably prudent person in exercising their powers and performing their functions as directors, and that they act honestly, in good faith and in the best interests of the Clinic and the community it serves.
 - 14) A director may receive reasonable remuneration and expenses for his or her service to the Clinic as a director.
 - 15) In addition to a President and a Secretary, the board of directors shall nominate a Treasurer of the board who shall not be the Clinic's bookkeeper, and who shall be at arm's length from the bookkeeper, and who shall have responsibilities assigned by the board.

DUTIES OF THE BOARD OF DIRECTORS OF THE CLINIC

- 16) The board of directors of the Clinic shall
 - a) ensure that the Clinic complies with LAO's policies, priorities and operational standards of which it has been advised by LAO;
 - b) ensure that the Clinic complies with all requirements of the Law Society of Upper Canada;
 - c) ensure that the Clinic complies with all federal and provincial statutes and municipal by-laws of general application;

- d) develop such policies, procedures and guidelines as are necessary for the effective and efficient operation of the Clinic;
 - e) make reasonable efforts to maintain a full staff complement equivalent to the number of approved full-time positions funded by LAO, unless otherwise approved by LAO. In a clinic that receives funding from sources other than LAO, the clinic staff complement must be not less than the number of approved full-time positions funded by LAO;
 - f) obtain approval from LAO prior to making any commitment in relation to any lease or purchase of premises for the Clinic or for any satellite office;
 - g) ensure that some or all of the Clinic staff and Clinic board members participate in appropriate training opportunities, including substantive law training, administrative and information technology training, financial and management training and board of directors training.
 - h) ensure that the Clinic complies with any direction issued by the LAO board of directors under section 38 of the Act.
- 17) Where Legal Aid Ontario has provided funding to the Clinic for the purposes of providing French language clinic law services, the board of directors of the Clinic will make every effort to maintain a staff complement capable of providing French language clinic law services, subject to any LAO policy on French Language Services.

PART III

FUNDING

- 18) In each fiscal year, LAO shall provide funding to the Clinic for the purpose of providing clinic law services.
- 19) LAO reserves the right to determine the amounts, times and manner of such payments. To facilitate the effective functioning of the Clinic, LAO shall make reasonable efforts to provide any such payments on a regular basis.

- 20) Each year, by a date determined by LAO, the Clinic shall submit a draft budget for the subsequent fiscal year for approval, in or substantially in the form provided by LAO. LAO staff will review the draft budget and may require changes to be made to the draft budget prior to approving it. Each draft budget approved by LAO shall be deemed, as of the commencement of the next fiscal year, to be the Annual Budget for that fiscal year and will replace the Annual Budget for the prior fiscal year. The annual funding decision and the approved Annual Budget will become Schedule 1 to this Agreement, and will supersede the previous year's schedule.
- 21) The Clinic shall expend the funding in each fiscal year in accordance with the Annual Budget and LAO policies. The Clinic may transfer funds between budget lines set out in the Annual Budget, but the Clinic may not, without LAO's written consent:
 - a) use funding provided for personnel expenses for non-personnel expenses; or
 - b) use funding provided for non-personnel expenses for personnel expenses.
- 22) The Clinic shall notify LAO immediately if it becomes aware of a potential or actual year-end deficit or unfunded liability.
- 23) If LAO's funding decreases during the fiscal year, LAO may decrease the funding to the Clinic. In such a case, LAO will provide as much notice as is reasonably possible of any decrease in the funding of the clinic.

ADDITIONAL FUNDS

- 24) Requests for additional funding for a particular situation or project shall be submitted in the manner required by LAO.

DISBURSEMENTS

- 25) Funds shall be provided to the Clinic for the purpose of legal disbursements. These funds shall be used for that purpose only, unless LAO gives prior written consent. These funds shall be placed in a separate account.

SURPLUS FUNDS

- 26) Personnel funds accumulated during the fiscal year by reason of staff turnover, gaps in hiring, or leaves of absences may be expended for the employment of replacement staff, but shall not be expended for any other purpose without the approval of LAO. Such personnel funds not expended shall be held by the Clinic as surplus funds to March 31. Surplus funds held by the Clinic at year end shall be applied to the Clinic's Annual Budget for the following fiscal year, unless otherwise approved by LAO.
- 27) The Clinic may retain up to \$7,000 in surplus funds held at year end, or such additional amounts as may be approved by LAO, as a contingency for the subsequent fiscal year.

LOANS

- 28) The Clinic shall not obtain any funds by way of a loan from a bank, trust company, lending institution, or any other source without prior written approval from LAO.

CREDIT CARDS

- 29) The Clinic may obtain a credit card(s) for the purpose of paying the expenses associated with the operation of the Clinic. The credit limit of any such credit card(s) shall not exceed \$5,000.

INTEREST

- 30) The Clinic may place the funding in an interest bearing account, and shall account to LAO in every audited financial statement provided to LAO on the interest earned on the funding to date. Interest funds held by the Clinic at year end shall be applied to the Clinic's Annual Budget for the following fiscal year, unless otherwise approved by LAO.

APPEALS

- 31) Pursuant to section 36 of the Act, the Clinic may ask the Clinic Committee of the LAO Board of Directors to reconsider the decision of LAO staff, or a decision of the Clinic Committee made under section 35 of the Act, with respect to the Clinic's request for funding. The decision with respect to the Clinic's request for funding shall not be effective until the time period for requesting

reconsideration has expired or the Clinic Committee has made a decision on the Clinic's request for reconsideration, whichever is later.

- 32) A request made pursuant to section 31 of this Agreement must be made within 30 days from the date that the decision with respect to the Clinic's request for funding is communicated to the Clinic's board of directors. The request must be made in writing and must specify the grounds upon which reconsideration is requested.
- 33) Within 30 days from the date that the Clinic makes a request under section 31 of this Agreement, LAO staff shall prepare a written report for the Clinic Committee's consideration. This report will include a copy of the Clinic's request for funding and the reasons of LAO staff for the decision with respect to the request for funding. A copy of this report will also be provided to the Clinic.
- 34) Within 30 days from the date that the Clinic receives the LAO staff report to the Clinic Committee the Clinic may make a written submission to the Clinic Committee which outlines the reasons why the decision with respect to the request for funding should be reconsidered.
- 35) After considering the written report from LAO staff and the Clinic's written submission, the Clinic Committee may decide to hold an oral hearing. If the decision under reconsideration will result in a significant reduction of the Clinic's funding or will have a significant impact on the Clinic's ability to provide clinic law services, the Clinic Committee shall hold an oral hearing.
- 36) The Clinic Committee shall reconsider the decision with respect to the Clinic's request for funding and may confirm, reverse or vary the decision.
- 37) The Clinic Committee shall provide the Clinic with its decision, and the reasons for the decision, in writing, within 30 days from the receipt of the Clinic's written submission or within 30 days from the date of the oral hearing, whichever is later.

PART IV

FINANCIAL RECORDS AND REPORTING

- 38) The Clinic shall maintain financial records and books of account respecting services provided under this Agreement in a manner consistent with Generally Accepted Accounting Practices, except as otherwise required by LAO policies.
- 39) On an annual basis, the Clinic shall allow LAO staff to inspect and audit such records and books at reasonable times, after giving notice to the Clinic or appropriate body, both during the term of this Agreement and subsequent to its expiration or termination.
- 40) At each regular meeting of the board of directors of the Clinic a financial report shall be presented by the Treasurer or the Treasurer's designate. The books and ledgers of the Clinic, including bank balance, shall be reconciled for each financial report.
- 41) During each fiscal year the Clinic shall submit quarterly financial reports to LAO, on or before July 31, October 31, January 31, and April 30, and at more frequent intervals as LAO may require. The quarterly financial reports shall be in the form approved by LAO and shall set out in detail the expenditure of funds paid pursuant to this Agreement with respect to the three months preceding the month the report is due.
- 42) The quarterly financial report shall include the following information:
 - a) A statement of the income received by the Clinic and the expenditures made by the Clinic for each reporting period;
 - b) A reconciliation between LAO funds on hand and the Clinic's records for each bank account for each reporting period;
 - c) A statement of all interest earned for the reporting period, and year to date;
 - d) A statement of income from other sources for the reporting period and year to date;

- e) Any other financial statements as may reasonably be required by LAO.
- 43) The Clinic shall provide to LAO an audited financial statement and reconciliation report with respect to the services provided pursuant to this Agreement within four (4) months of the fiscal year end, unless LAO specifies otherwise, in writing.
- 44) The Clinic will adhere to any additional financial reporting requirement specified by LAO in its policies.

PART V

OTHER REPORTING

- 45) The Clinic shall provide quarterly statistical reports to LAO, in the form approved by LAO.
- 46) The Clinic shall provide such other information concerning the operation of the clinic as specified in the request for funding.

PART VI

CONSENT TO RELEASE INFORMATION

- 47) The Clinic retainer shall include a client consent allowing the release of statistical and financial information relating to the client to LAO, subject to section 37(4) of the Act.

LAO ACCESS TO INFORMATION

- 48) LAO shall monitor the operation of the Clinic, and may conduct financial audits of the Clinic, as it considers necessary for that purpose.
- 49) The Clinic will permit the LAO Board or persons designated by the Board to enter at reasonable times, on notice, any premises used by the Clinic in connection with the provision of services pursuant to the Act, the Memorandum of Understanding or this Agreement, for the purpose of verifying any information required to be submitted by the Clinic to LAO concerning the legal aid services

provided and any other financial or other information relating to the operation of the Clinic, subject to section 37(4) of the Act.

PART VII

ASSETS

- 50) The ownership of all capital assets provided to the Clinic by LAO and all capital assets purchased by the Clinic out of funding from LAO vest with LAO on the termination of this Agreement.
- 51) The Clinic shall not, without the prior written consent of LAO, sell, lease, or otherwise dispose of any asset of significant value that has been provided to the Clinic by LAO or any capital assets of significant value purchased by the Clinic out of funding provided by LAO.

DISPOSITION OF FUNDING

- 52) In the event that the Clinic ceases operation, the Clinic shall return to the LAO all funds provided by LAO under the Act, the Memorandum of Understanding or this Agreement and not expended at the time that the Clinic ceases to operate.

DISPOSITION OF RECORDS

- 53) In the event that the Clinic ceases operation, the Clinic shall not dispose of any records related to the services provided for under the Act, the Memorandum of Understanding or this Agreement without the prior consent of LAO. If necessary, LAO will assume the responsibility and cost of the storage of such records.

PART VIII

CLINIC POLICIES AND GUIDELINES

- 54) The board of directors of the Clinic shall adopt and maintain reasonable policies, guidelines or procedures that are consistent with the Act, the Memorandum of Understanding and this Agreement, and that reflect the spirit and intent of LAO policies, in the following areas:

- a) conflict of interest for members of the board of directors;
 - b) staff supervision;
 - c) clinic accessibility;
 - d) human resources;
 - e) complaints;
 - f) retainer;
 - g) outside work for staff;
 - h) legal disbursement-client collection;
 - i) purchasing, which ensures a competitive process for acquiring goods and services above a certain value, to be determined by the board;
 - j) limitation reminder or tickler system;
 - k) financial eligibility;
 - l) opening, closing and central storage of clinic files.
- 55) The Clinic shall provide a copy of each of these policies, guidelines or procedures to LAO within fourteen days of its adoption.
- 56) The board of directors of the Clinic shall provide written notice to LAO of any changes or amendments to these policies, guidelines or procedures within fourteen days of the adoption of such changes or amendments.

GEOGRAPHIC AREA OF SERVICE /COMMUNITY SERVED

- 57) The Clinic shall serve the geographic area or community described in schedule 2 to this Agreement. In exceptional circumstances the Clinic may provide services outside of its geographic area or community.
- 58) The Clinic shall not change its geographic area or community to be served without LAO approval.

- 59) The Clinic shall amend its corporate documents if the geographic area or community to be served is changed.

ACKNOWLEDGEMENT OF LAO SUPPORT

- 60) The Clinic shall acknowledge the support of LAO in copies of any reports and publications and any advertising and publicity relating to the Clinic, in a format agreed to by LAO and the Clinic.

PART XI

FAILURE TO COMPLY

- 61) LAO may reduce or suspend funding if the Clinic fails to comply with its obligations under the Act, the Memorandum of Understanding or this Agreement. Such a reduction or suspension of funding will be done in accordance with the Dispute Resolution Policy which is appended to the Memorandum of Understanding.

SCHEDULES

- 62) The following are the schedules attached to and forming part of this Agreement:
- a) Schedule 1 – Funding Decision and Annual Budget
 - b) Schedule 2 – Geographic Area of Service/Community Served.

DATED: _____

SIGNED:

Bob Ward
President/CEO
Legal Aid Ontario

Chair, Board of Directors
Community Legal Clinic

Schedule 1 – Funding Decision and Annual Budget

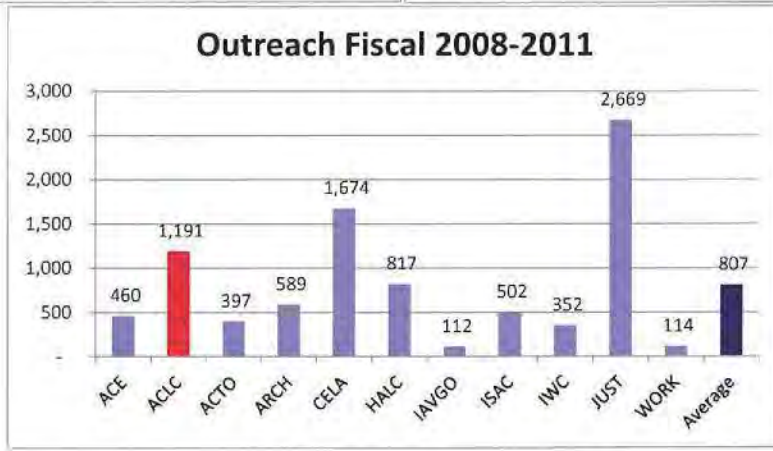
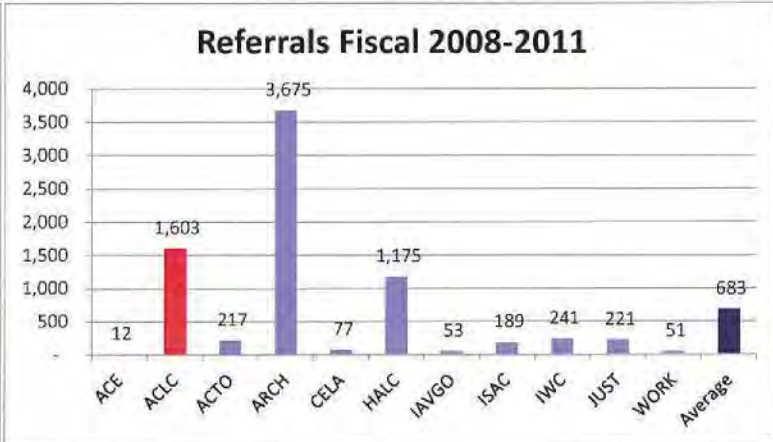
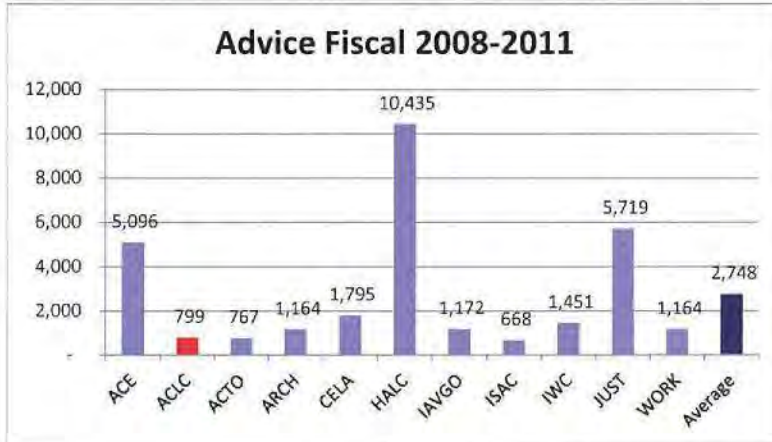
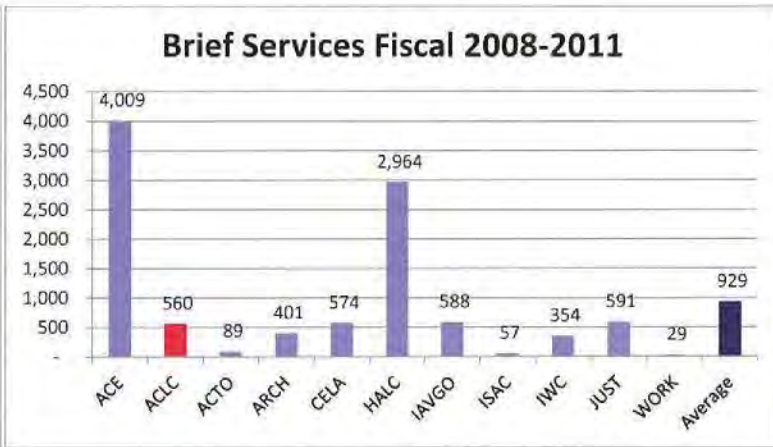
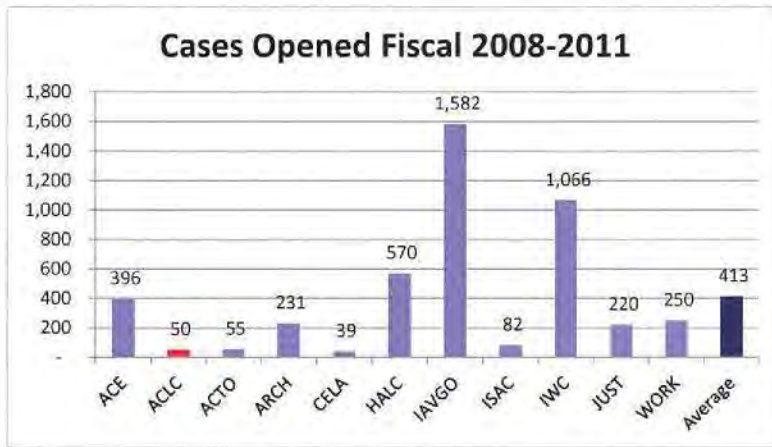
Schedule 2 – Geographic Area of Service/Community Served

C

Appendix C - ACLC Case Statistics for the Period of Review

Set out below are ACLC's case statistics, as provided by LAO, for Fiscal 2008 through 2011 compared to the other specialty clinics funded by LAO.

	CASES OPENED	BRIEF SERVICES	ADVICE	REFERRALS	OUTREACH	FUNDING
	Fiscal 2008-11	Fiscal 2008-11	Fiscal 2008-11	Fiscal 2008-11	Fiscal 2008-11	Fiscal 2008-11
ACE	396	4,009	5,096	12	460	\$ 3,745,919
ACLC	50	560	799	1,603	1,191	\$ 2,909,227
ACTO	55	89	767	217	397	\$ 2,975,207
ARCH	231	401	1,164	3,675	589	\$ 4,448,112
CELA	39	574	1,795	77	1,674	\$ 4,489,232
HALC	570	2,964	10,435	1,175	817	\$ 1,890,537
IAVGO	1,582	588	1,172	53	112	\$ 3,229,377
ISAC	82	57	668	189	502	\$ 3,110,477
IWC	1,066	354	1,451	241	352	\$ 3,531,984
JUST	220	591	5,719	221	2,669	\$ 2,745,710
WORK	250	29	1,164	51	114	\$ 1,984,878
Average	413	929	2,748	683	807	\$ 3,187,333
Total	4,541	10,216	30,230	7,514	8,877	\$ 35,060,659
ACLC compared to average	-88%	-40%	-71%	135%	48%	-9%



D

Appendix D - Relocation and Renovation Agreement

- 1 -

AFRICAN CANADIAN LEGAL CLINIC

TERMS & CONDITIONS OF FUNDING

CLINIC RELOCATION AND RENOVATIONS - Year ended March 31, 2009

Legal Aid Ontario (LAO) has approved that African Canadian Legal Clinic, receive \$168,977 in funding for the relocation to and renovations of its new office space at 18 King Street East, Toronto, Ontario.

FUNDING

Funding of \$168,977 will be provided to allow African Canadian Legal Clinic to move to and renovate its office space, as follows:


- a) Buildout Costs
 - > Voice/Data Cabling
- b) Moving Costs
 - > Packers
 - > Bins
 - > Movers
 - > Notifications
- c) Design costs and or Engineering costs (If required)
- d) Lease hold contribution to landlord

TERMS AND CONDITIONS

1. The clinic acknowledges that the funding provided is for the renovation project as outlined under the heading "Funding".
 2. These LAO funds may only be used to pay for progress billings. All progress billings must be accompanied with the approved quote. Copies of quotes and progress billings must be submitted to LAO immediately upon completion of the project, at the latest by December 1, 2008.
 3. The funds shall be placed in a separate interest-bearing account until renovations commence. Upon commencement of the renovation project the funds shall be placed in a separate project account, from which cheques can be written.
- If the clinic accumulates any surplus as a result of receipt of the funds covered by this certificate, the surplus shall be placed in an interest-bearing account.
4. The funds, including interest earned, will be accounted for separately in the clinic's quarterly reports.
 5. Surplus funds, including interest earned on the surplus funds, not expended will be returned to LAO, unless LAO approves other arrangements. All funds and surplus funds will be returned to LAO one (1) month after project completion date. Project completion date is one (1) month after move in date.

Copy 1 of 10

The Board of Directors has considered the terms and conditions attached to the receipt of these funds and hereby accepts the terms and conditions set out above.



Margaret Parsons
Executive Director, African Canadian Legal Clinic
I have authority to bind the corporation.

Date: *November 26, 2008*

F

Appendix E – ACLC Roles and Responsibilities

Set out below is our understanding of the roles and responsibilities of Clinic staff and Board members interviewed. The information is based on interviews with Clinic staff and Board members and correspondence received by LAO from former Clinic staff and Board members.

Support Staff – [REDACTED]

[REDACTED] began working at the Clinic in [REDACTED] and has held the position of Support Staff since this time. Her working hours are Monday through Friday from 9:00 am to 5:00 pm. It is our understanding that in some instances [REDACTED] is required to work overtime. In such instances, [REDACTED] receives time off in lieu of compensation. We understand from [REDACTED] that her primary responsibilities include the following:

- Performing administrative tasks such as answering phones, filing documents, sorting and delivering the mail and coordinating meetings and travel;
- Reviewing vendor invoices and identifying which ACLC Fund the transactions relate to;
- Purchasing administrative supplies based on verbal approval from the Office Manager or through a request to use petty cash;
- Assisting with monthly preparation of the Board packages;
- Providing administrative support to Clinic staff, including the Program Directors for the various ACLC Funds; and
- Providing support for one-time conferences, such as the NACI conference. It is our understanding from [REDACTED] that she spent a large portion of her time working on the NACI conference during the period December 2008 through March 2009.

Office Manager – [REDACTED]

[REDACTED] began working at the Clinic on [REDACTED] and has held the position of Office Manager since this time. Her working hours are Monday through Friday from 9:00 am to 5:00 pm. It is our understanding that in some instances [REDACTED] is required to work overtime. In such instances [REDACTED] receives time off in lieu of compensation. We understand from [REDACTED] that her primary responsibilities include the following:

- Preparing cheque requisitions and tracking and following up on outstanding vendor invoices, as required;
- Maintaining a sound understanding of the Clinic's financial statements, accounts payable and accounts receivable;
- Providing support for LAO initiatives and projects related to other ACLC Funds;
- Attending weekly finance meetings with the Executive Director and Bookkeeper;

- Updating payroll data, as required, through communication with Ceridian;
- Reconciling the Visa statements to supporting documentation on a monthly basis;
- Overseeing the Support Staff and the administrative assistant for the YJEP and ACYJP funds;
- Providing support to the Executive Director, the Program Directors for YJEP and ACYJP, and other staff associated with each of these programs, as required;
- Assisting with monthly preparation of the Board packages;
- Maintaining knowledge of LAO policies and procedures and the policies and procedures associated with other ACLC funding arrangements; and
- Updating the Clinic's policies and procedures to ensure that they are aligned with the LAO MoU and Funding Agreement.

██████████ noted that she works on LAO projects, and initiatives related to other ACLC Funds. Her allocation of time between the various projects will depend on what initiatives are taking place.

Executive Director – Ms. Margaret Parsons

Ms. Parsons started with the Clinic in 1994. For the period from 1994 to 1996, she was a Board member. In December of 1996, Ms. Parsons began working at the Clinic in the capacity of Executive Director and has held this position since. Her working hours are 12 to 14 hours per day, including Saturdays. It is our understanding that on most days, Ms. Parsons is required to work overtime. In such instances, Ms. Parsons receives time off in lieu of compensation. We understand from Ms. Parsons that her primary responsibilities include the following:

- Managing the activities of the Clinic;
- Providing clinic law services;
- Liaising with the Board members to ensure that they are aware of the Clinic's activities and have the appropriate information to make informed decisions;
- Attending the monthly Board meetings, as applicable;
- Monitoring the financial situation of the Clinic;
- Supervising the Clinic staff and overseeing the management team;
- Attending weekly finance meetings with the Bookkeeper and Office Manager;
- Liaising with the other ACLC funders and officials;
- Representing the Clinic on various committees, including international committees; and

- Travelling for conferences, United Nations meetings and other initiatives related to the Clinic.

Ms. Parsons noted that she also works closely with the legal team as the Director of Legal Services position was vacant for a portion of the Period of Review. She further noted that her travel time can be extensive, depending on what conferences or events are taking place. For example, she attends meetings for international committees, national meetings, the United Nations Working Group on People of African Descent and other United Nations meetings. Her ongoing United Nations involvement requires significant travel and she indicated that her involvement in this role is consistent with the Clinic's mandate to address anti-black hate at all levels.

When the NACI conference was taking place, Ms. Parsons noted that she was travelling approximately three weekends per month. She concluded that her travel is extensive due to the human rights nature of the Clinic. It is Ms. Parsons view that this travel is in line with the Clinic's mandate.

Bookkeeper – [REDACTED]

[REDACTED] began working at the Clinic on [REDACTED] and was employed on contract through Accountemps. In [REDACTED], [REDACTED] was hired directly by the Clinic and he has held the position of Bookkeeper since this time. [REDACTED] works at the Clinic two days per week, from 9:00 am to 5:00 pm. We understand from [REDACTED] that his primary responsibilities include the following:

- Maintaining the general ledgers and preparing the monthly financial statements for all of the ACLC Funds;
- Booking journal entries in the Quickbooks system ("Quickbooks"), the accounting software used by the Clinic;
- Preparing cheque requisitions and performing cheque runs, as required;
- Preparing support for inter-fund transfers;
- Preparing the accounts payable aging schedule on a weekly basis;
- Attending weekly finance meetings with the Executive Director and Office Manager;
- Preparing the following on a monthly basis:
 - Bank reconciliations;
 - Payroll reconciliations;
 - Petty cash reconciliations;
 - Petty cash counts;
 - Inter-fund reconciliations; and
 - Financial statement packages for the Board meeting.

- Preparing quarterly reporting packages for LAO and the other ACLC Funds;
- Preparing the annual financial statements for the all of the ACLC Funds; and
- Assisting with responses to questions raised by the auditors and the Board members in relation to the financial statements.

Chair – Mr. Rawle Elliott

Mr. Elliott joined the Board prior to 2007 and has been a Board member, Vice Chair and Chair of the Board since this time. Prior to October 2007, Mr. Elliott held the position of Board Member. In October 2007, he was appointed Vice Chair of the Board and in November 2010 he was also appointed Chair of the Board. We understand from Mr. Elliott that his primary responsibilities as Chair of the Board include the following:

- Representing the Clinic on corporate matters;
- Ensuring that a democratic process is in place when the Board is making decisions;
- Acting as a member of various committees related to the Board;
- Acting as a signing officer for financial matters of the Clinic;
- Reviewing the monthly Board materials in advance of the Board meetings, including the financial statements; and
- Attending the monthly Board meetings.

Mr. Elliott noted that he does not have a financial background and relies heavily on the Treasurer, Executive Director, Office Manager and Bookkeeper to maintain the financial information of the Clinic.

Vice Chair and Treasurer – Mr. Christopher Holder

Mr. Holder joined the Board prior to 2009 and became the Vice Chair and Treasurer in November 2010. We understand from Mr. Holder that his primary responsibilities as Vice Chair and Treasurer of the Board include the following:

- Fiduciary duty to ensure that the Clinic’s mission and vision are being carried out and that the funds are being used for their intended purpose;
- Attending the monthly Board meetings;
- As Vice Chair, he is responsible for assisting the Chair in carrying out his/her duties, including making timely decisions, ensuring the Clinic’s responsibilities are adhered to and ensuring transparency and accountability to the Board members; and
- As Treasurer, he is responsible for the following:

- Reviewing the financial statements on a monthly basis;
- Reporting to the Board members on the monthly financial statements and obtaining their approval;
- Reviewing the quarterly financial statements; and
- Liaising with the Executive Director and Bookkeeper to obtain responses to the Board members' questions on the financial statements.

F

Appendix F - Correspondence between ACLC and LAO re: NACI Conference



40 Dundas Street West, Suite 200, Toronto, ON M5G 2H1
40, rue Dundas Ouest, bureau 200, Toronto ON M5G 2H1
Toll free / Sans frais : 1.800.668.8258
Phone / Téléphone : 416.979.2352 ext / poste 5104
Fax / Télécopieur : 416.204.4701
Email / Courriel : lapointc@lao.on.ca
www.legalaid.on.ca

Oscar Brathwaite
Chair of the Board of Directors
African Canadian Legal Clinic
18 King Street East
Suite 901
Toronto, ON MC5 1C4

RE: AFRICAN CANADIAN LEGAL CLINIC FINANCIAL REPORT

LAO has reviewed the African Canadian Legal Clinic's quarterly financial report for the nine months ended December 31, 2008. I am writing at this time for clarification of certain items within that report.

Funds Balance, April 1, 2008 (General Funds)

The deficit shown on the quarterly report is \$149,480.54. This amount should be the amount reported on the clinic's audited financial statement as at March 31, 2008. The audited statement shows a deficit of \$60,576, and this amount includes capital assets with a net book value of \$24,310. The deficit relating to the general funds is therefore \$84,886 (\$60,576 + 24,310), and it is this amount which should show as the Funds Balance, April 1, 2008. Please ensure that the adjustments are made to the clinic's accounting records such that the clinic's March 31, 2009 quarterly financial report shows \$84,886 as the opening deficit.

This deficit remains very large and has existed for numerous years, and is experiencing an in-year deficit in 2008-2009 as well. This is cause for concern regarding the financial management of the clinic. Therefore, please provide LAO with the clinic's plan for managing down this deficit.

Operating expenses

It appears that the clinic is experiencing a deficit (overexpenditure) in operating expenses in 2008-2009. We have removed moving expenses from our calculation because of the recent move and the fact that separate funds were allocated for that purpose. With this adjustment, comparing the clinic's net operating expenses of \$188,285.75 with the funding of \$147,777.75 (\$197,037.00 per 2008-09 Approved Annual Budget, pro-rated for 9 months), leaves an overexpenditure) of **\$40,508**.

Particularly, there are a number of expenses (staff travel, miscellaneous expense, stationery, insurance, conference fees, audit, legal fees, and printing)

which are substantially more than the funding provided to the clinic for such expenses.

Because of the size of the clinic's deficit and the high level of some of the expenses incurred by the clinic, I am writing for clarification of the following:

1. The clinic has provided LAO with a list of capital expenditures, but the total amount does not agree with any numbers on the Operating Costs schedule. Therefore, please provide us with a general ledger listing of the clinic's operating expenses.
2. Whether any LAO funding has been directed to non-LAO projects.
3. Whether clinic's reported audit expenses include the audit of non-LAO funds.

Personnel expenses

In the 2008-2009 fiscal year, as at December 31, 2008 the clinic reported personnel expenditures of \$373,857.66, against funding of \$392,812.70 (\$523,750.24 per the 2008-09 Approved Annual Budget, prorated for 9 months), resulting in a surplus of \$18,955.04. This appears to be due to staff vacancies throughout the year.

Under the terms of the clinic's funding agreement, the clinic may not normally use funding provided for personnel expenses for non-personnel expenses. However, given the clinic's current deficit situation, LAO would expect that any underexpenditures will be used to reduce the clinic's deficit.

We would be prepared to discuss these issues further in a meeting. If you have any questions about these figures, or wish to clarify, please contact Roza Lebedev at 416 979-2352, ext. 5109 or Wayne Brown at ext. 6221.

Yours truly,

Coreen Lapointe

Manager, French Language Services & Specialty Clinic Program
Central Programming & Innovation

cc. Roza Lebedev, Administrator for Specialty Clinics
Wayne Brown, Financial Analyst



AFRICAN CANADIAN LEGAL CLINIC

May 7, 2009

Mr. Wayne Brown
Financial Analyst
Legal Aid Ontario
40 Dundas Street West
Suite 200
Toronto, ON
M5G 2H1

*rec'd
May 14/09*

Dear Mr. Brown:

Re: ACLC's Financial Report

I am writing in response to a letter from Legal Aid Ontario (LAO) and signed by Coreen Lapointe concerning the quarterly financial report of the African Canadian Legal Clinic (ACLC). This response will reflect the financial reality of the ACLC as of March 31, 2009. This letter is being addressed to you as Ms. Lapointe is no longer the Manager for the Specialty Clinics Program and no one has been appointed to replace her.

April 1, 2008 Funds Balance (General Funds)

As per LAO's request, an adjustment has been made to the ACLC's accounting records to show an opening deficit of \$84,886. Our recent quarterly report for March 31, 2009, which you received on May 1, 2009, reflects this change.

Personnel Expenses

Regarding the surplus from our personnel funds, as of March 31, 2009 we do not have a surplus of \$18,955. These funds were utilized in the fourth quarter of this fiscal year. In fact, the actual surplus for personnel expenses at the end of the 2008-09 fiscal year is \$507.84.

Operating Expenditures

As per LAO's annual approved budget for 2008-09 of \$523,750 for personnel and \$197,037 for operating costs, our in-year over-expenditure is \$50,804.79 as of March 31, 2009. All of the in-year expenses that are identified as being substantially more than LAO's funding to the ACLC are legitimate Clinic expenses and relate to two significant events we had undertaken in the

2008-09 fiscal year, namely, the office re-location and a major national community development and public education initiative (National African Canadian Policy Conference and Forum on Anti-Black Hate) in Ottawa. The ACLC's plan to manage down this over-expenditure is as follows:

- We have put in place a plan to drastically reduce our spending to only essential expenditures in the area of operating expenses. All funds saved will go towards reducing the 2008-09 over-expenditure every month.
- In light of the fact that we have staff vacancies, we are requesting to LAO to use the monthly surplus in personnel to further reduce the 2008-09 over-expenditure.

The ACLC's plan will result in the elimination of the 2008-09 over-expenditure by August 31, 2009.

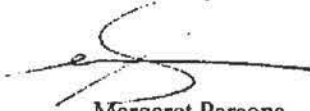
As requested, we have enclosed a copy of the Clinic's General Ledger listing all of our expenses up to and including March 31, 2009. Please be advised, that none of the expenses recorded in the General Ledger relate to non-LAO projects.

Regarding the audit expenses reported in our quarterly report, the total amount billed by the Auditor was \$15,137.50. Of this amount, \$4,842 was paid by the non-LAO funded projects. Therefore, the portion of the Clinic's annual audit paid for by LAO relates to LAO's portion of the audit.

I trust that this letter and the enclosed document answer any questions and address your concerns regarding ACLC's financial report. At our meeting with Roza Lebedev on May 7, 2009 we requested a meeting with you to further discuss and clarify issues raised in LAO's letter. I await your reply as to the date of the meeting and look forward to meeting with you.

In the interim, please do not hesitate to contact me if you have any questions or require additional information.

Yours truly,



Margaret Parsons
Executive Director

cc ACLC's Board of Directors
Roza Lebedev, Administrator for Specialty Clinics, LAO



LEGAL AID ONTARIO
AIDE JURIDIQUE ONTARIO

40 Dundas Street, Suite 200, Toronto, ON M5G 2C2
40, rue Dundas Ouest, bureau 200, Toronto, On M5G 2C2

Toll free / Sans frais : 1-800-668-8258
Phone / Téléphone : 416-204-7168
Fax / Télécopieur : 416-204-4701
Email / Courriel : danisz@lao.on.ca
www.legalaid.on.ca

August 20, 2010

██████████
Meyers Norris Penny
1100-2 Bloor St. E
Toronto, Ontario
M4W 1A8

Dear ██████████

In our discussion on July 20th 2010, you inquired about the African Canadian Legal Clinic's Project Fund deficit, and whether LAO was going to provide additional funds to address this deficit. You also indicated that the clinic received approval to use LAO funds for over-expenditures related to the National African Canadian Policy Conference held in March 2009.

We have looked into this assertion and can confirm LAO has not approved the use of these funds for this purpose and will not provide additional funding to address the over-expenditures incurred by the clinic. LAO was only made aware of the use of LAO funds to address over-expenditures pertaining to this conference after the fact. No request for approval was made in advance or at any time.

We have received the March 2010 draft audited financial statements for the clinic which purports to include an interfund transfer from the LAO General Fund, to the Operating Fund (formerly the Project Fund) of \$116,020. LAO does not approve this interfund transfer. The transfer is in contradiction of sections 21 and 26 of the LAO-Clinic Funding agreement, which state:

- 21) The Clinic shall expend the funding in each fiscal year in accordance with the Annual Budget and LAO policies. The Clinic may transfer funds between budget lines set out in the Annual Budget, but the Clinic may not, without LAO's written consent:
 - a) use funding provided for personnel expenses for non-personnel expenses; or
 - b) use funding provided for non-personnel expenses for personnel expenses.
- 26) Personnel funds accumulated during the fiscal year by reason of staff turnover, gaps in hiring, or leaves of absences may be expended for the employment of replacement staff, but shall not be expended for any other purpose without the approval of LAO. Such personnel funds not expensed shall be held by the Clinic as surplus funds to March 31. Surplus funds held by the Clinic at year end shall be applied to the Clinic's Annual Budget for the following fiscal year, unless otherwise approved by LAO.

Pending any further discussions, LAO requires the draft audited statements to be restated to exclude the interfund transfer from the LAO General account.

Yours Truly,
Zeynep Danis, Business Manager, Central Programming & Innovations

c.c. Heather Robertson, VP, Central Programming & Innovation, Legal Aid Ontario
c.c. Rawle Elliot, Chair, Board of Directors, African Canadian Legal Clinic
c.c. Margaret Parsons, Executive Director, African Canadian Legal Clinic

AFRICAN CANADIAN LEGAL CLINIC



VIA COURIER

August 24, 2010

[REDACTED]
Myers Norris Penny
1100-2 Bloor Street East
Toronto, ON
M4W 1A8

Dear [REDACTED]

Re: 2009-10 Audited Financial Statement

Further to our telephone conversation on August 20, 2010, I am writing in response to the August 20, 2010 letter from Zeynep Danis of Legal Aid Ontario (LAO) concerning the 2009-10 Audited Financial Statement of the African Canadian Legal Clinic (ACLC).

The ACLC does not agree with the position taken by Ms. Danis regarding the use of LAO funding for the National African Canadian Policy Conference (National Conference). This initiative was not a stand alone project but fell within the community development, law reform and public education mandate of the ACLC.

On several occasions in the past, senior officials at LAO encouraged Clinics to seek funding from other sources to support our activities in these particular areas of our LAO mandated work. This fact has been confirmed by an Executive Director of another Clinic. While the ACLC was successful in obtaining some funding for this initiative, it does not exclude a Clinic from utilizing LAO funds to support its legitimate work. Moreover, there is no policy that requires Clinics to obtain prior approval from LAO to use its funding to support its mandated work that it may have received additional funding for. This has also been confirmed by an Executive Director of another Clinic. Therefore, Ms. Danis' suggestion that LAO has to approve the use of these funds is untrue and is holding the ACLC to a different standard that other LAO funded Clinics are not expected to meet.

Ms. Danis' statement that "LAO was only made aware of the use of LAO funds to address over-expenditures pertaining to this conference after the fact", is also inaccurate. By way of background information, in February 2009, I had a telephone conversation with Coreen Lapointe of LAO at which time she raised concerns with an in-year deficit for the 2008-09 fiscal year and she informed me that she would be following up in writing with a letter. During this conversation I informed her that the reason for the over-expenditure was due in large part to the National Conference we were planning for March 2009 and that we would be responding to her letter when we receive it and requesting to use any surplus funds to address the over-expenditure. We received a letter from Ms. Lapointe on April 15, 2009 (after the National Conference and the fiscal year were over) and the ACLC replied in a letter dated May 7, 2009. I have enclosed a copy of these letters.

In our letter we also explained that "[a]ll of the in-year expenses that are identified as being substantially more than LAO's funding to the ACLC are legitimate Clinic expenses and relate to two significant events we had undertaken in the 2008-09 fiscal year, namely, the office relocation and a major national community development and public education initiative (National African Canadian Policy Conference and Forum on Anti-Black Hate) in Ottawa". We further stated that "... none of the expenses recorded in the General Ledger relate to non-LAO projects". This was also stated to Wayne Brown when he attended at our Clinic with Zeynep Danis on July 21, 2009 and August 7, 2009 to review our books and provide us with feedback. At both of these meetings neither Wayne Brown nor Zeynep Danis expressed concern with the use of LAO funds to reduce the over-expenditure related to this community development, public education and law reform initiative.

In the fall of 2009, Heather Robertson, a Vice President at LAO, attended at the ACLC to discuss and highlight some of the ACLC's major cases, activities and initiatives for 2009. During this meeting we again discussed the overwhelming success of the National Conference and some unanticipated costs associated with this activity such as French language translation and simultaneous interpretation, which resulted in an over-expenditure. We were not informed at this meeting or in previous meetings with LAO officials that we could not use LAO funds to support and reduce any over-expenditure associated with the National Conference.

As of March 2009, all activities relating to this initiative has concluded. In light of this, the ACLC does not owe any funds to LAO for legitimate LAO mandated work or activity. In addition, the use of these LAO funds to support this LAO mandated activity is not in contradiction with any aspect of the LAO-Clinic Funding Agreement, including sections 21 and 26.

This was explained to you and your colleagues during the 2009-10 audit process. We also explained that the former Bookkeeper recorded these legitimate LAO expenditures incorrectly in the General Ledger as funds owing to LAO. The National Conference was a significant aspect of our LAO mandated work in the 2008-09 fiscal year and as such, the ACLC used LAO funds to support this work and any expenditure associated with it. The ACLC does not approve any changes to our Audited Financial Statements as suggested by Ms. Danis.

Please do not hesitate to contact me if you have any questions or require additional information.

Yours truly,



Margaret Parsons
Executive Director

cc ACLC Board of Directors
Heather Robertson, VP, Central Programming & Innovation, LAO
Zeynep Danis, Business Manager, Central Programming & Innovations, LAO

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LEGAL AID ONTARIO
AIDE JURIDIQUE ONTARIO

40 Dundas Street, Suite 200, Toronto, ON M5G 2C2
40, rue Dundas Ouest, bureau 200, Toronto, On M5G 2C2

Toll free / Sans frais : 1-800-668-8258
Phone / Téléphone : 416-204-7168
Fax / Télécopieur : 416-204-4701
Email / Courriel : danisz@lao.on.ca
www.legalaid.on.ca

September 21st 2010

Margaret Parsons
African Canadian Legal Clinic
18 King Street East
Suite 901
Toronto, ON
M5C 1C4

Dear Ms Parsons,

Thank you for the clarification provided in your letter to [REDACTED] on August 24th 2010.

The question that was put to us by [REDACTED] in a phone conversation on July 20th 2010, was whether LAO was going to provide additional funds to address the deficit in the clinic's Project Fund. He also indicated to us that the clinic had received explicit approval from LAO to use LAO funds for over-expenditures related to the National African Canadian Policy Conference held in March 2009.

You have advised that it is your position that no explicit approval was required to use LAO funds for the conference because the clinic has within its mandate to use LAO funds for law reform, public legal education and other similar activities.

LAO supports the work of clinics in providing legal services, community development, law reform and public legal education. LAO also requires clinics to adhere to policies as per LAO's Memorandum of Understanding with clinics, to effectively and efficiently manage the services, finances, and personnel of the clinic in a manner consistent with the responsible and cost-effective use of public funds.

LAO does not approve clinic spending that creates or increases a deficit, whether related to LAO funds or overall clinic funds

Beginning in the spring of 2009 LAO advised the clinic of its concerns regarding the clinic's deficit and requested information relating to the clinic's plans to manage the deficit. The information provided by the clinic relating to its financial operations has not been complete enough to allow LAO to assess clinic operations and financial decisions. In no way should our discussions or meetings with the clinic and the clinic's board be construed as accepting or condoning the increasing deficit.

The March 31st 2010 financial statements reflect an inter-fund transfer of \$116,020 from the LAO General Fund, to the Operating Fund (Project Fund). This increases the deficit of the LAO General Fund from \$99,520 to \$215,540 and creates a surplus in the clinic's Operating Fund. This effectively commits LAO funds for 2009/10, and future years, to addressing the Operating Fund deficit. LAO is requesting that all LAO funding provided for personnel and operating expenses be maintained and reported under the LAO General Fund. Funds provided by LAO for specific one-time project funding, relocation

and renovation, or legal disbursements, must be maintained in separate funds and reported as such in the clinic's financial statements. Any surplus in the LAO General Fund is to be allocated to the accumulated deficit in this fund, reported as \$176,884 as of March 31st 2009. As such, we maintain our requirement for the audited statements to be restated to exclude the inter-fund transfer from the LAO General Fund.

Yours Truly,

Zeynep Danis
Business Manager, Central Programming & Innovation, Legal Aid Ontario

cc Heather Robertson, VP, Central Programming & Innovation, Legal Aid Ontario
Rawle Elliott, Chair, Board of Directors, African Canadian Legal Clinic
[REDACTED], Myers Norris Penny

G

Appendix G - General Fund - Review of Invoices, Cancelled Cheques and Cheque Requisitions for the Period of Review

Review of Invoices

Set out below is a summary, for each year during the Period of Review, of instances where support could not be located by the Clinic for cash outflows selected for testing.

	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Total
Total outflows (\$)	205,964	384,411	286,370	243,221	1,119,966
Reviewed (\$)	138,981	263,662	177,512	151,449	731,604
Reviewed (%)	67	69	62	62	65
Reviewed (# items)	69	79	89	67	304
Missing support (\$)	5,801	7,800	4,009	Nil	17,610
Missing support (%)	4	3	2	Nil	2

Review of Cancelled Cheques

Set out below is a summary, for each year during the Period of Review, of the results of our review of cancelled cheques.

Cancelled cheques	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Total
Reviewed (#)	35	40	52	33	160
Endorsed (#)	8	10	7	3	28
Manual (#)	-	1	-	-	1

Review of Cheque Requisitions for Board Approval

Set out below is a summary, for each year during the Period of Review, of the results of our review of cheque requisitions.

# of signatures noted on cheque requisition	Fiscal 2008		Fiscal 2009		Fiscal 2010		Fiscal 2011		Fiscal 2011	
	#	%	#	%	#	%	#	%	#	%
Two signatures	56	81	70	90	80	90	66	99	272	90
One signature	2	3	5	6	5	6	1	1	13	4
No signatures	7	10	2	3	1	1	-	-	10	3
Missing	4	6	1	1	3	3	-	-	8	3
Total	69	100	78	100	89	100	67	100	303	100

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Appendix H – General Fund - Other Operating Costs by Vendor - Fiscal 2008

Set out below is a summary of cash outflows by vendor for Fiscal 2008. Vendor information was derived from the cash general ledger account 1010.

Vendor	Total \$	Reviewed \$	Reviewed %
ACLC	53,650	53,650	100
ACLCO	400	-	-
AGCO	850	-	-
API Alarm Inc.	397	-	-
Barry's Office Furniture Inc.	496	-	-
Bell Canada	9,058	4,664	51
██████████	500	500	100
Canada Catering Co Ltd	129	-	-
Canada Law Book	2,041	-	-
Canadian Human Rights Report Inc.	1,036	-	-
Canadian Springs	138	-	-
Canvasback Publishing	442	-	-
Caribbean-Canadian Catholic Chur...	240	-	-
Carswell	1,870	903	48
██████████	91	-	-
██████████	220	-	-
CIBC Visa	25,100	25,100	100
██████████	72	-	-
Culligan	221	-	-
Dell Computer	524	-	-
Diamond Taxi	7,982	2,298	29
Diners Corner	280	-	-
██████████	56	-	-
Education Law Reporter	721	-	-
██████████	1,000	1,000	100
Fanak	1,140	-	-
Fedex	164	-	-
Fraser Milner Casgrain	7,836	7,178	92
Globex Plus Messenger Services Inc.	3,397	-	-
██████████	101	-	-
Horwath Orenstein LLP	3,533	3,533	100
HUB International Ontario Ltd.	1,092	1,092	100
Intuit Supplies	221	-	-
██████████	530	-	-
██████████	42	-	-
██████████	3,750	2,150	57
LexisNexis Canada Inc.	2,074	-	-
Manhattan Trophies	245	-	-
Manyata	1,090	1,090	100
Margaret Parsons	1,279	718	56
██████████	2,881	1,508	52
Ministry of Finance	5,209	-	-
NAACP Legal Defense & Education...	1,000	-	-
██████████	100	100	100
Oakham House	1,626	-	-
Ocean Gill Restaurant	760	760	100

Set out below is a summary of cash outflows by vendor for Fiscal 2008. Vendor information was derived from the cash general ledger account 1010.

Vendor	Total	Reviewed	Reviewed
	\$	\$	%
██████████	69	-	-
Ontario Black History Society	850	-	-
██████████	540	540	100
P.A.C.E.	500	500	100
Pitney Bowes	1,389	-	-
Pitney Works	459	-	-
Pride News Magazine	616	-	-
Print Three	3,356	-	-
Print X Inc.	914	-	-
Purolator Courier	1,227	-	-
██████████	1,469	1,257	86
██████████	573	-	-
Rogers Cable Communications Inc.	703	-	-
SACHM	250	-	-
Share Communications	1,244	1,244	100
Staples Business Depot	9,463	5,720	60
Suzanne's Kitchen Sensations	400	400	100
Symes & Street	4,976	4,976	100
The Caribbean Camera	755	-	-
The City of Toronto	80	-	-
The Gleaner Company (Canada) Inc.	1,049	731	70
The Old Mill Inn & Spa	5,249	5,249	100
The Professional Travel Place Inc.	8,916	3,551	40
The Spectrum	37	-	-
The Toronto Star	5,241	5,241	100
Thomson Carswell	2,963	1,233	42
Toshiba of Canada Limited	4,024	2,095	52
██████████	794	-	-
██████████	53	-	-
Windsor Women Working with Imm...	100	-	-
Xerox Canada Ltd	998	-	-
YMCA of Greater Toronto	165	-	-
(blank)	958	-	-
Total	205,964	138,981	67

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Appendix I – General Fund - Other Operating Costs by Vendor - Fiscal 2009

Set out below is a summary of cash outflows by vendor for Fiscal 2009. Vendor information was derived from the cash general ledger account 1010.

Vendor	Total \$	Reviewed \$	Reviewed %
ACLC	119,820	119,820	100
AMJ Shredding	746	-	-
API Alarm Inc.	1,151	-	-
Bell Canada	10,865	5,220	48
Campbell & Kennedy Electric	378	-	-
Canada Law Book	2,938	-	-
Canadian Human Rights Report Inc.	1,050	788	75
Canadian Race Relations Foundati...	23	-	-
Canadian Springs	542	-	-
Canvasback Publishing	450	-	-
Caribbean-Canadian Catholic Chur...	300	300	100
CIBC Visa	93,106	58,025	62
Dell Computer	853	-	-
Diamond Taxi	11,321	5,078	45
██████████	140	-	-
Diners Corner	233	-	-
Druxy's	99	-	-
Dye & Durham	62	-	-
Education Law Reporter	714	-	-
Fanak	2,486	-	-
Fedex	627	-	-
Fraser Milner Casgrain	5,489	1,585	29
George Brown College	210	210	100
Globex Plus Messenger Services Inc.	5,617	-	-
Hallmark Housekeeping Services Inc.	368	-	-
██████████	280	-	-
Horwath Orenstein LLP	7,350	-	-
HUB International Ontario Ltd.	11,295	10,924	97
Intuit Supplies	221	-	-
██████████	2,705	2,705	100
Kelly Services (Canada), Ltd.	10,293	10,293	100
KTS	102	102	100
La Villa Ballroom Ltd.	3,786	3,786	100
Margaret Parsons	3,016	3,016	100
██████████	14,249	12,827	90
██████████	2,500	2,500	100
Meyers Norris Penny	8,138	8,138	100
Oakham House	302	-	-
Ocean Gill Restaurant	430	-	-
OfficeTeam	8,384	7,718	92
██████████	143	143	100
Ontario Black History Society	600	-	-
Pitney Bowes	3,249	-	-
Print Three	3,984	-	-
Print X Inc.	2,096	-	-

Set out below is a summary of cash outflows by vendor for Fiscal 2009. Vendor information was derived from the cash general ledger account 1010.

Vendor	Total \$	Reviewed \$	Reviewed %
Purolator Courier	1,572	-	-
Receiver General	1,370	-	-
██████████	153	-	-
██████████	68	32	47
Rogers Cable Communications Inc.	776	-	-
Ronen Systems Ltd.	1,356	1,356	100
Staples Business Depot	8,970	-	-
The Gleaner Company (Canada) Inc.	630	-	-
The Maytree Foundation	85	-	-
The Professional Travel Place Inc.	3,056	3,056	100
The Spectrum	37	-	-
The Toronto Star	52	-	-
Thomson Carswell	4,583	897	20
Tim Hortons	91	-	-
Toshiba Business Solutions	360	-	-
Toshiba of Canada Limited	2,886	2,193	76
██████████	2,950	2,950	100
██████████	263	-	-
Xerox Canada Ltd	2,190	-	-
(blank)	10,252	-	-
Total	384,411	263,662	69

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Appendix J – General Fund - Other Operating Costs by Vendor - Fiscal 2010

Set out below is a summary of cash outflows by vendor for Fiscal 2010. Vendor information was derived from the cash general ledger account 1010.

Vendor	Total \$	Reviewed \$	Reviewed %
A+ Translations	2,201	2,201	100
ACLC	28,599	28,599	100
ACLCO	250	-	-
Alliance of Guyanese Can. O...	700	-	-
API Alarm Inc.	486	-	-
Association Multicultruelle d...	1,279	1,279	100
[REDACTED]	93	-	-
Bell Canada	8,373	5,206	62
Beta Care & Resources	750	750	100
black Health Alliance	200	200	100
Campbell & Kennedy Electric	2,816	-	-
Canada Law Book	4,295	2,822	66
Canadian Human Rights Report Inc.	788	-	-
Canadian Springs	434	-	-
Canvasback Publishing	473	-	-
CIBC Visa	29,621	29,621	100
[REDACTED]	144	-	-
Davis+Henderson	309	-	-
Diamond Taxi	13,837	4,893	35
[REDACTED]	1,484	132	9
Diners Corner	688	-	-
Druxy's	251	-	-
Fanak	1,034	1,034	100
Fedex	243	-	-
[REDACTED]	15,250	7,750	51
[REDACTED]	215	-	-
George brown College	353	-	-
Globex Plus Messenger Services Inc.	10,233	4,154	41
Grand & Toy	1,991	-	-
[REDACTED]	38	-	-
Harbourfront Community Cen...	125	-	-
[REDACTED]	3,171	2,203	69
HUB International Ontario Ltd.	4,050	4,050	100
Interpret Can	3,921	2,000	51
Jones & Jones Productions Ltd.	1,050	-	-
[REDACTED]	351	-	-
[REDACTED]	414	-	-
Kiwan Institute	220	-	-
KTS	915	-	-
LexisNexis Canada Inc.	5,845	2,716	46
LMI Canada Inc.	1,650	-	-
Margaret Parsons	2,334	1,862	80
[REDACTED]	27,370	26,755	98
[REDACTED]	2,500	2,500	100
[REDACTED]	53	-	-

Set out below is a summary of cash outflows by vendor for Fiscal 2010. Vendor information was derived from the cash general ledger account 1010.

Vendor	Total	Reviewed	Reviewed
	\$	\$	%
Meyers Norris Penny	13,538	7,961	59
Miscellaneous	8	-	-
NAACP Legal Defense & Education...	2,243	2,243	100
[REDACTED]	269	-	-
OfficeTeam	2,321	2,321	100
[REDACTED]	80	-	-
ONTARIO 2020	175	-	-
Ontario Bar Association	742	-	-
[REDACTED]	91	-	-
Pitney Bowes	1,886	-	-
Pitney Works	368	-	-
Postage by Phone	218	-	-
Print Three	11,641	2,971	26
Print X Inc.	1,698	-	-
Pronto Reproductions ltd.	6,095	6,095	100
Purolator Courier	2,154	-	-
[REDACTED]	120	-	-
Rogers Cable Communications Inc.	1,004	-	-
Safety Deposit Box	63	-	-
[REDACTED]	500	-	-
Small Change Bookkeeping	1,865	-	-
Staples Business Depot	2,686	-	-
[REDACTED]	1,177	951	81
[REDACTED]	275	-	-
Telcom Computer	6,015	-	-
The Black Coalition of Quebec	400	-	-
The Creative Group	651	-	-
The Old Mill Inn & Spa	3,714	675	18
The Printing House	4,109	4,109	100
The Professional Travel Place Inc.	16,491	16,491	100
The Spectrum	37	-	-
The Spice Route	600	-	-
Thomson Carswell	3,847	-	-
Toronto Police Services	41	-	-
Toshiba Business Solutions	958	-	-
Toshiba of Canada Limited	2,079	-	-
Travesty Productions	126	-	-
Tropicana Community Services	500	-	-
Ultimate Progress Leadership...	1,650	-	-
[REDACTED]	1,287	1,287	100
[REDACTED]	2,649	1,030	39
Xerox Canada Ltd	3,294	651	20
(blank)	5,308	-	-
Total	286,370	177,512	62

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Appendix K – General Fund - Other Operating Costs by Vendor - Fiscal 2011

Set out below is a summary of cash outflows by vendor for Fiscal 2011. Vendor information was derived from the cash general ledger account 1010.

Vendor	Total \$	Reviewed \$	Reviewed %
ACLC	48,470	48,470	100
[REDACTED]	396	198	50
API Alarm Inc.	510	-	-
Barry's Office Furniture Inc.	28	-	-
Bell Canada	8,388	4,255	51
Black Pages Directory.	113	-	-
Campbell & Kennedy Electric	215	-	-
Canada Law Book	2,172	-	-
Canadian Human Rights Report Inc.	848	-	-
Canadian Springs	399	-	-
Canvasback Publishing	462	-	-
[REDACTED]	250	-	-
Charity Village Ltd	290	-	-
CIBC Visa	34,000	34,000	100
Crowne Plaza Ottawa	1,110	-	-
Davis+Henderson	284	-	-
[REDACTED]	30	-	-
Diamond Taxi	5,867	2,967	51
Diners Corner	472	-	-
Education Law Infosource...	357	-	-
[REDACTED]	330	-	-
Fedex	41	-	-
[REDACTED]	4,875	4,875	100
Fraser Milner Casgrain	4,008	2,264	56
Globex Plus Messenger Services Inc.	1,724	-	-
Grand & Toy	2,986	-	-
[REDACTED]	57,251	33,000	58
HUB International Ontario Ltd.	6,430	3,294	51
[REDACTED]	908	-	-
Infonec Computers	1,439	-	-
Joan H. Miller Scholarship...	500	-	-
Keith Forde Retirement	1,000	1,000	100
Margaret Parsons	1,778	1,096	62
[REDACTED]	3,000	3,000	100
MCHRAT	45	-	-
[REDACTED]	823	-	-
Meyers Norris Penny	5,000	2,500	50
Ministry of Finance	435	-	-
Ministry of Revenue	562	-	-
[REDACTED]	139	139	100
[REDACTED]	210	-	-
Ocean Gill Restaurant	798	438	55
Ontario Bar Association	102	-	-
Ontario Black History Society	350	-	-
Pitney Works	1,981	-	-

Set out below is a summary of cash outflows by vendor for Fiscal 2011. Vendor information was derived from the cash general ledger account 1010.

Vendor	Total	Reviewed	Reviewed
	\$	\$	%
Print Three	8,850	-	-
Print X Inc.	573	-	-
Purolator Courier	616	-	-
Rogers Cable Communications Inc.	738	-	-
██████████	78	-	-
██████████████████	450	-	-
██████████	623	483	78
██████████	320	-	-
Telcom computer	1,041	-	-
The McLeod Group	3,878	3,878	100
The Professional Travel Place Inc.	5,006	2,862	57
The Spectrum	37	-	-
Thomson Carswell	2,155	-	-
Time Trek Courier	48	-	-
Toronto Star Newspaper Ltd	55	-	-
Toshiba Business Solutions	345	-	-
Toshiba of Canada Limited	2,199	1,242	56
Trinidad & Tobago Associat...	275	-	-
██████████	2,638	1,488	56
Wardle Daley Bernstein	2,571	-	-
Xerox Canada Ltd	3,088	-	-
YMCA Catering- Metro Hall	174	-	-
(blank)	6,087	-	-
Total	243,221	151,449	62

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Appendix L - Inter-Fund Transfers for the Period of Review

Set out below are the inter-fund transfers noted from the General Fund to other ACLC funds for each year during the Period of Review. Information in the memo field was derived from cash general ledger account 1010.

Fiscal 2008

Memo	Date	Total \$
Legal Disb Transfer from General	22-Jun-07	126
Legal Disb Transfer from General-2007/08 Funding	22-Jun-07	12,298
Transfer to ACYJP for General Expenses paid	2-Oct-07	7,053
Transfer to C. Challenges for General Expenses p...	3-Mar-08	20,087
Transfer - Legal Disbursement Funds received in G...	28-Mar-08	539
Transfer - Interfund repayment - Outreach	28-Mar-08	1,249
Transfer - Legal Disbursement Funds received in G...	31-Mar-08	12,298
Total		53,650

Fiscal 2009

Memo	Date	Total \$
Interfund transfer - repayment of loan to Court Ch...	1-Apr-08	3,970
ACYJP interfund dues as of June 30/08	1-Aug-08	524
LEGAL interfund dues as of June 30/08	12-Aug-08	1,079
Interfund repayment - Deposit for 18 King Street	16-Dec-08	19,247
Interfund trf - Admin Asst \$1, 416.67 x 6 months	16-Dec-08	8,500
Interfund borrowing - Conference	6-Mar-09	77,000
Borrowing to cover DOJ Payroll	24-Mar-09	9,500
Total		119,820

Fiscal 2010

Memo	Date	Total \$
Interfund Borrowing to Fund DOJ payroll	24-Apr-09	5,000
Payback to Legal Disbursement fund received in general	3-Sep-10	9,504
payback to legal disbursement	25-Mar-10	14,095
Total		28,599

Fiscal 2011

Memo	Date	Total \$
Payback to MCYS Gst money for April-sep...	20-May-10	1,668
Payback to Legal	18-Jun-10	5,000
Payback to Legal	13-Jul-10	5,901
Payback to Legal	2-Nov-10	10,901
Deposited back into right a/c-MCYS	3-Dec-10	25,000
Total		48,470

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Appendix M - Legal Disbursements Fund - Review of Invoices, Cancelled Cheques and Cheque Requisitions for the Period of Review and the Stub Period

Review of Invoices

Set out below is a summary, for each year during the Period of Review and Stub Period, of instances where support could not be located by the Clinic for cash outflows selected for testing.

	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Stub Period	Total
Total outflows (\$)	8,536	37,988	20,480	54,694	20,566	142,264
Reviewed (\$)	7,646	37,515	20,341	53,950	20,259	139,711
Reviewed (%)	90	99	99	99	99	98
Reviewed (# items)	9	16	19	42	10	96
Missing support (\$)	1,102	-	449	-	-	1,551
Missing support (%)	14	-	2	-	Nil	Nil

Review of Cancelled Cheques

Set out below is a summary, for each year during the Period of Review and Stub Period, of the results of our review of cancelled cheques.

Cancelled cheques	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Stub Period	Total
Reviewed (#)	9	16	12	41	6	84
Endorsed (#)	3	2	-	8	-	13
Manual (#)	-	-	-	-	-	-

Review of Cheque Requisitions for Board Approval

Set out below is a summary, for each year during the Period of Review and Stub Period, of the results of our review of cheque requisitions.

# of signatures noted on cheque requisition	Fiscal 2008		Fiscal 2009		Fiscal 2010		Fiscal 2011		Stub Period		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
Two Signatures	8	89	14	88	11	92	38	93	7	100	78	92
One Signature	-	-	2	12	1	8	3	7	-	-	6	7
No Signatures	-	-	-	-	-	-	-	-	-	-	-	-
Missing	1	11	-	-	-	-	-	-	-	-	1	1
Total	9	100	16	100	12	100	41	100	7	100	85	100

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AFRICAN CANADIAN LEGAL CLINIC



June 10, 2011

**STRICTLY PRIVILEGED AND CONFIDENTIAL
BY COURIER**

Zeynep Danis
Business Manager, Central Programming & Innovation
Legal Aid Ontario
40 Dundas Street West, Suite 200
Toronto, ON M5G 2H1

Dear Ms. Danis:

Re: ACLC's Request for Additional Legal Disbursements Funds

Further to your e-mail message of May 6, 2011, I am writing to provide you with information that will demonstrate why our normal allocation of legal disbursements will not be sufficient.

Below is a description of our cases, including the subject matters, forums, and expenses incurred between April 1, 2010 and March 31, 2011 and anticipated expenses between April 1, 2011 and March 30, 2012 for, but not limited to, outside counsel, travel, accommodation, meals, experts, expert reports, application fees, submission fees, and printing costs. Please note some of the anticipated expenses described in our letter of January 18, 2011 have not yet been incurred.

As you are aware, further to the ACLC's test case litigation mandate and intervention strategy, the ACLC provides advice and representation to African Canadians on legal matters involving issues of systemic and institutional racism and racial discrimination where the matters are likely to result in decisions that set *significant legal precedents*. As a result, the ACLC frequently confronts novel legal issues in its document and time intensive test cases and must rely upon expert testimony, which has a substantial effect on the clinic's legal disbursements fund. However, with the exception of the Executive Director, the most senior lawyer on staff was called in 2009. Thus, the ACLC often relies on outside counsel to provide leadership and litigation training to the clinic's junior counsel, which also has a substantial effect on the clinic's legal disbursements fund.

As of today's date, the balance of our legal disbursements fund is approximately \$7,965.00.

ACTUAL EXPENSES INCURRED BETWEEN APRIL 1, 2010 AND MARCH 31, 2011

Discrimination in Employment Case [REDACTED]

Forum: Human Rights Tribunal of Ontario

Subject Matter: This case involves allegations of systemic and individual discrimination on the basis of race by [REDACTED]

[REDACTED] The majority of the case was dealt with by way of written submissions, pursuant to the direction of the Vice-Chair.

Hearing Dates: [REDACTED] 2011

Expenses Incurred:

Outside Counsel: \$283,905.71

Travel: \$568.00

Accommodation: \$3,772.30

Experts and Expert Reports: \$4875.00

Total Expenses Incurred: \$293,121.01

Please note that, as a result of the significance of the issues to be determined at the hearing, the case direction that the majority of the hearing be dealt with by way of written submissions, the volume of relevant documents that had to be reviewed and the number of interim motions, the ACLC retained outside counsel with expertise in administrative law and employment law and experience appearing before administrative tribunals. The ACLC worked closely with three lawyers from the firm that was retained, including a senior litigation partner. Overall, the firm wrote down over \$200,000 worth of billable hours as pro-bono legal work in connection with the file.

Racial Profiling and Racial Discrimination re: Use of Force (Gunpoint Takedown)

Forum: Human Rights Tribunal of Ontario

Subject Matter: This case involves the stop and subsequent gun point takedown of our client by members of an Ontario municipal police force. The client's complaint alleges that the stop and takedown were discriminatory on a number of grounds enumerated in the *Code*, including race.

Hearing Dates:

[REDACTED] 2010

[REDACTED] 2011

Expenses Incurred:

Outside Counsel: Hearing and Preparation time = \$15,654.44

Printing: \$201.14

Total Expenses Incurred: \$15,855.58

Racial Profiling and Racial Discrimination re: Use of Force (Tasering)

Forum: Human Rights Tribunal of Ontario

Subject Matter: This case involves the stop, subsequent takedown and repeated tasering of our client by members of an Ontario municipal police force near his high school. The client's complaint alleges that the stop and takedown were discriminatory on a number of grounds

enumerated in the *Code*, including race. Moreover, subsequent human rights applications were launched as a result of alleged harassment by members of the same police force which may also constitute discrimination and/or a reprisal. The ACLC successfully settled the human rights applications which included significant systemic remedies on [REDACTED], 2011.

Expenses Incurred:

Printing: \$1,236.15

Travel: \$95.11

Total Expenses Incurred: \$1,331.26

Racial Profiling and Racial Discrimination re: Use of Force (Driving while Black)

Forum: Human Rights Tribunal of Ontario

Subject Matter: This case involves the decision to stop our client and the manner in which he was treated after his car was stopped by members of an Ontario municipal police force. The client's complaint alleges the stop and subsequent treatment were discriminatory on a number of grounds enumerated in the *Code*, including race. The ACLC successfully settled the client's claim for individual compensation and some institutional remedies. The hearing will continue from [REDACTED] - [REDACTED] 2011 in Ottawa.

Hearing Dates: [REDACTED] 2010

Expenses Incurred:

Outside Counsel: \$17,826.84 - \$10,000 (legal fees rec'd through settlement) = \$7,826.84

Travel: \$102.59

Airline Expenses: \$1,719.48

Accommodation: \$4,882.77

Expert and Expert Report: \$1,400.00

Printing: \$1,031.69

Total Expenses Incurred: \$16,963.37

Racial Discrimination re: Use of Force (Police Assault)

Forum: Human Rights Tribunal of Ontario

Subject Matter: This case involves the disproportionate physical treatment that our client received by members of an Ontario municipal police force. Our client sustained serious injuries as a result of the altercation with police. The client's complaint alleges that the physical treatment she received was discriminatory on a number of grounds enumerated in the *Code*, including race. The case was dismissed in an interim decision of the Tribunal, dated [REDACTED], 2010.

Expenses Incurred:

Printing: \$662.63

Total Expenses Incurred: \$662.63

Constitutionality of s.13 of the Canadian Human Rights Act (Hate Speech I)

Forum: Federal Court

Subject Matter: The proceeding evaluates the constitutionality of section 13 (i.e. the hate speech provisions) of the *Canadian Human Rights Act*. The ACLC was granted intervener status

on December 23, 2010. The ACLC's factum and books of authorities were filed with the court and served upon all parties on May 20, 2011.

Hearing Dates: December 13 and 14, 2011

Expenses Incurred:

LAO Test-Case Funding Granted: \$12,000

Outside Counsel: \$5,650.00 (paid prior to the receipt of LAO Test-Case Funding)

Printing: \$107.35

Total Expenses Incurred: \$5,757.35

Constitutionality of s.95(2) of the Criminal Code (Mandatory Minimum Sentence)

Forum: Ontario Superior Court of Justice

Subject Matter: The proceeding evaluates the constitutionality of section 95(2) of the *Criminal Code*. Section 95(2) is a mandatory minimum sentencing provision that prescribes a minimum period of incarceration of three years for the possession of a restricted or unlicensed firearm, when the Crown proceeds by way of indictment. The ACLC was granted intervener status on April 26, 2010.

Hearing Dates:

April 6, 19, 26, August 18, September 1, 16, December 8-10, 13-17, 2010

January 4-5, 10-12, February 24, 28, March 24-25, 2011

Expenses Incurred:

LAO Test-Case Funding Granted: \$12,000

Outside Counsel: \$9,291.52 + \$2,795.33 - \$9,291.52 (paid by LAO Test-Case Fund) = \$2,795.33 (outstanding)

Printing: \$2,367.12

Total Expenses Incurred: \$5,162.45

Discrimination in the Provision of Insurance

Forum: The ACLC's request that the OmbudService for Life and Health Insurance investigate our clients' complaint and conduct a mediation of the complaint, dated [REDACTED] 2010, was unsuccessful.

Subject Matter: The case involves historical discrimination in the provision of insurance on the basis of race

Expenses Incurred:

Printing: \$132.89

Travel: \$145.48

Total Expenses Incurred: \$278.37

SUMMARY OF ACTUAL EXPENSES INCURRED BETWEEN APRIL 1, 2010 and MARCH 31, 2011

Legal Disbursement incurred April 2010 – March 2011	\$339,269.91
Legal Disbursement Received from LAO	-\$21,802.00
DLS Surplus Funds used	-\$93,544.52
Total Deficit	\$223,923.39

ANTICIPATED EXPENSES BETWEEN APRIL 1, 2011 AND MARCH 31, 2012

Constitutionality of s.13 of the Canadian Human Rights Act (Hate Speech I)

Forum: Federal Court

Subject Matter: The proceeding evaluates the constitutionality of section 13 (i.e. the hate speech provisions) of the *Canadian Human Rights Act*. The ACLC was granted intervener status on December 23, 2010. The ACLC's factum and books of authorities were filed with the court and served upon all parties on May 20, 2011.

Hearing Dates: December 13 and 14, 2011

Anticipated Expenses:

Outside Counsel: \$6,226.44

Travel: \$100

Printing: \$2,000.00

Total Anticipated Expenses: \$8,326.44

Expenses Incurred:

LAO Test-Case Funding Granted: \$12,000

Outside Counsel: \$4,000 (outstanding)

Total Expenses Incurred: \$4,000

Constitutionality of s.14 of the Saskatchewan Human Rights Code (Hate Speech II)

Forum: Supreme Court of Canada

Subject Matter: The proceeding evaluates the constitutionality of section 14 (i.e. the hate speech provisions) of the *Saskatchewan Human Rights Code*. The ACLC filed its application for intervention on April 29, 2011.

Hearing Date: October 12, 2011

Anticipated Expenses:

Outside Counsel: \$12,830.24

Travel: \$1,000.00

Accommodation: \$4,500.00

Meals: \$900.00

Printing: \$10,000.00 (30 copies of factum and books of authorities)

Supreme Court of Canada Filing Fee: \$75.00

Consultation: \$3,000.00 venue + \$1,500 airfare + \$300 ground transportation for our consultation on June 4, 2011.

Process Server: \$750.00

Total Anticipated Expenses: \$34,855.24

Expenses Incurred:

Outside Counsel: \$7,345

Total Expenses Incurred: \$7,345

Discrimination in Employment Case against Ontario Municipality (I)

Forum: Human Rights Tribunal of Ontario

Subject Matter: This case will deal with allegations of individual and systemic discrimination on the basis of race and sex at the managerial level against a major Ontario municipality and other individuals. The Application will be filed with the Human Rights Tribunal of Ontario on or about [REDACTED] 2011.

Anticipated Expenses:

Printing, filing and service of the application: \$200

Reply Submissions and Responses to Preliminary Motions: \$1,200

Total Anticipated Expenses: \$1,400

Discrimination in Employment Case against Ontario Municipality (II)

Forum: Human Rights Tribunal of Ontario

Subject Matter: The ACLC will file a human rights application on the basis of race on or about [REDACTED] 2011 against a major Ontario municipality and various individuals before the Human Rights Tribunal of Ontario based on the city and individuals' failure respond to a hate crime. In preparation for this, the ACLC will have to conduct extensive Freedom of Information requests which will involve fees.

Anticipated Expenses:

Freedom of Information Requests: \$200

Printing, filing and service of the application: \$ 200

Reply Submissions and Responses to Preliminary Motions: \$1,200

Total Anticipated Expenses: \$1,600

Discrimination in the Provision of Insurance

Forum: The ACLC's request that the OmbudService for Life and Health Insurance investigate our clients' complaint and conduct a mediation of the complaint, dated [REDACTED] 2010, was unsuccessful. Accordingly, the ACLC needs to retain and consult with an expert in the insurance law field to determine, what, if any, further recourse is available and advisable.

Subject Matter: The case involves historical discrimination in the provision of insurance on the basis of race

Anticipated Expenses:

Expert Services: \$6,000

Travel: \$300

Total Anticipated Expenses: \$6,300

Racial Profiling and Discrimination in Education

Forum: Human Rights Tribunal of Ontario

Subject Matter: A Transitional Human Rights Application was filed in [REDACTED] 2009, alleging discrimination on the basis of race against an Ontario school board, municipal police force and various individual respondents in connection with the suspension and arrest of a young African Canadian student.

Hearing Dates: The mediation held on [REDACTED] 2011 was unsuccessful. The hearing has been scheduled for [REDACTED] 2011. However, an additional 9 days of hearing will likely have to be scheduled and would be held in advance of [REDACTED], 2012.

Anticipated Expenses:

Outside Counsel: \$11,000
Experts and Expert Reports: \$1,300
Printing: \$300.00
Total Anticipated Expenses: \$12,600

Discrimination in Education (Race and Disability)

Forum: Human Rights Tribunal of Ontario

Subject Matter: The ACLC filed a human rights application against an Ontario school board for its unfair application of safe school's principles to the case of a young Black man who suffers from a disability. Mediation has not yet been scheduled.

Anticipated Expenses:

Reply Submissions and Responses to Preliminary Motions: \$1,200
Total Anticipated Expenses: \$1,200

Racial Profiling and Racial Discrimination re: Use of Force (Driving while Black)

Forum: Human Rights Tribunal of Ontario

Subject Matter: This case involves the decision to stop our client and the manner in which he was treated after his car was stopped by members of an Ontario municipal police force. The client's complaint alleges the stop and subsequent treatment were discriminatory on a number of grounds enumerated in the *Code*, including race. The ACLC successfully settled the client's claim for individual compensation and some institutional remedies.

Hearing Dates: [REDACTED] 2011

Anticipated Expenses:

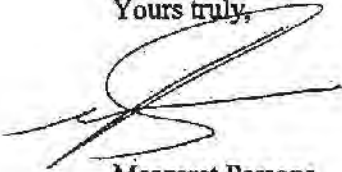
Outside Counsel: \$18,000
Travel: \$2,000.00
Accommodation: \$5,000.00
Expert and Expert Report: \$4,800
Printing: \$2,300
Total Anticipated Expenses: \$32,100

Conclusion

The total anticipated legal expenses of the ACLC in the form of disbursements between April 1, 2011 and March 31, 2012 is \$109,636.68. Included in this figure is the sum of \$11,345.00 which is legal disbursements expense we have already incurred for the fiscal year 2011/2012. To date, we have received the full legal disbursement allotment for 2011/12 in the amount of \$21,802.00. Thus, The ACLC is anticipating a deficit for 2011/12 in the amount of \$87,834.68. In light of the fact that the legal disbursement fund of the ACLC is virtually depleted and the above-noted legal matters are ongoing, the ACLC's request for additional funding requires immediate attention.

Should you have any questions, please do not hesitate to contact me.

Yours truly,



Margaret Parsons
Executive Director, ACLC

CC (by courier):

Janet Budgell
Vice-President
Legal Aid Ontario
40 Dundas Street West, Suite 200
Toronto, ON M5G 2H1

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Appendix O - Legal Disbursements Fund - Disbursements by Case

Case/Category	Amount per LAO Letter \$	Amount Reviewed \$	Difference \$
Case 1 - Discrimination in Employment Case [REDACTED]			
Accommodation	3,772	3,742	30
Experts and Expert Reports	4,875	6,625	(1,750)
Outside Counsel	283,906	128,488	155,418
Travel	568	675	(107)
	293,121	139,530	153,591
Case 2 - Racial Profiling and Racial Discrimination re: Use of Force (Gunpoint Takedown)			
Outside Counsel	15,654	14,297	1,357
Printing	201	201	-
	15,855	14,498	1,357
Case 3 - Racial Profiling and Racial Discrimination re: Use of Force (Taser)			
Printing	1,236	653	583
Travel	95	388	(293)
	1,331	1,041	290
Case 4 - Racial Profiling and Racial Discrimination re: Use of Force (Driving while Black)			
Accommodation	4,883	4,254	629
Airline Expenses	1,719	1,719	-
Experts and Expert Reports	1,400	1,300	100
For settlement	(10,000)	(10,000)	-
Outside Counsel	17,827	19,376	(1,549)
Printing	1,032	1,032	-
Travel	103	-	103
	16,964	17,681	(717)
Case 5 - Racial Discrimination re: Use of Force (Police Assault)			
Printing	663	663	-
	663	663	-
Case 6 - Constitutionality of s.13 of the Canadian Human Rights Act (Hate Speech I)			
Outside Counsel	5,650	5,650	-
Printing	107	1,651	(1,544)
	5,757	7,301	(1,544)
Case 7 - Constitutionality of s.95(2) of the Criminal Code (Mandatory Minimum Sentence)			
Outside Counsel	2,795	4,324	(1,529)
Printing	2,367	2,292	75
	5,162	6,616	(1,454)
Case 8 - Discrimination in the Provision of Insurance			
Printing	133	133	-
Travel	145	145	-
	278	278	-
Unreconciled Difference	139	-	-
Total	339,270	187,608	151,523

Legal Aid Ontario

Forensic Review of the African Canadian Legal Clinic – Addendum

Copy 4 of 10





Private and Confidential

4/8/2013

Copy 4 of 10

Ms. Janet Budgell
Vice-President, South-West Region
Legal Aid Ontario
40 Dundas Street West, Suite 200
Toronto, Ontario
M5G 2H1

Dear Ms. Budgell,

With respect to the amending agreements entered into on February 9, 2012 and April 30, 2012 with you, Legal Aid Ontario, please find attached our report with respect to our review of certain credit card expenditures incurred by the African Canadian Legal Clinic. This report should be read in conjunction with our final report on the Forensic Review of the African Canadian Legal Clinic issued on April 8, 2013.

If you have any questions, please do not hesitate to call Steven Henderson at 416-941-8328 or Krista Mooney at 416-941-8290.

Yours Sincerely,

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

PricewaterhouseCoopers LLP

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 - B. Unsupported Expenditures
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 - I. Supported Other Expenditures by Category
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 - K. Timeline of Correspondence with the Clinic
-

1. Introduction

PricewaterhouseCoopers LLP ("PwC" or "we") was retained by you, Legal Aid Ontario ("LAO" or "you") in accordance with the Amending Agreements dated February 9, 2012 and April 30, 2012.

LAO has requested a forensic review of the African Canadian Legal Clinic ("the Clinic" or "ACLC"), in relation to certain credit card expenditures incurred by the Clinic during the period April 1, 2007 to March 31, 2011.

The purpose of this report is to summarize our scope of review, findings and recommendations based on our work performed. This report represents an addendum and should be read in conjunction with our final report on the Forensic Review of the ACLC issued on April 8, 2013. Please refer to Appendix A for our Restrictions & Qualifications.

We understand from LAO that Fasken Martineau DuMoulin LLP (LAO's external counsel) provided Dewart Gleason LLP (the Clinic's external counsel) with a copy of the draft addendum for their review on October 30, 2012, with a deadline for comments by November 13, 2012. We note that comments were provided by Dewart Gleason to Fasken Martineau DuMoulin LLP by way of correspondence dated November 16, 2012 and December 18, 2012. As agreed with you, we updated the draft addendum, prior to finalization, to incorporate comments from the Clinic as noted in this correspondence, as applicable.

Please refer to Appendix K for a timeline of our correspondence with the Clinic.

2. Scope of Review

The scope of our review, as set out in our Amending Agreements dated February 9, 2012 and April 30, 2012, included the following procedures to be performed for the period April 1, 2007 to March 31, 2011 (“Period of Review”):

- Review credit card transactions on the Visa statements for 24 months for the period April 1, 2007 through to March 31, 2011;
- Conduct detailed interviews with the ACLC Executive Director regarding the above noted credit card transactions; and
- Incorporate findings into the current ACLC draft report.

It was further agreed with you that we would perform a detailed review of the credit card transactions (“the Selected Expenditures”) for the following 24 months (collectively, “the Selected Months”):

- 2007: April, July – December (7 months);
- 2008: January – April, August, October, December (7 months);
- 2009: February, March, June – September (6 months);
- 2010: March, June, December (3 months); and
- 2011: January (1 month).

It was subsequently agreed with LAO that the findings in relation to the procedures set out above would be reported as an addendum to our final report on the Forensic Review of the ACLC issued on April 8, 2013.

As set out in Appendix A, our mandate did not include performing procedures, beyond those detailed in this Addendum, to determine whether any payments from the General Fund to other ACLC Funds, or expenditures incurred by the General Fund on behalf of other ACLC Funds, were subsequently reimbursed by other ACLC Funds. As noted in further detail in our final report on the Forensic Review of the ACLC issued on April 8, 2013, this is due to the fact that the cash inflows noted from other ACLC Funds were recorded in the General Fund in lump sum amounts, making it difficult to determine what payments or expenditures, if any, the cash inflows related to.

In addition, as set out in Appendix A, our mandate did not include performing procedures, beyond those detailed in this addendum, to validate the statements of current or former ACLC staff and the ACLC Board of Directors (“the Clinic Board”).

The results of our analysis have been reported in our detailed findings in Section 5 of this report.

All amounts in this report are stated in Canadian dollars consistent with ACLC’s reporting currency.

All references to years throughout this report are in relation to ACLC's fiscal year (April 1 – March 31) unless otherwise stated.

3. Executive Summary

Based on the work performed, subject to the specific limitations noted in this report and our Restrictions and Qualifications set out in Appendix A, the following is a summary of our findings:

Overall Findings

Summarized below are our overall findings with respect to the Selected Expenditures:

- The Selected Expenditures comprised 793 transactions totaling \$206,142. The Clinic was unable to locate third-party support for 339 transactions representing \$59,545 (or 28.9%) of the total Selected Expenditures. We noted a decrease in the number and dollar amount of unsupported expenditures during the Period of Review. Of the Selected Expenditures of \$59,545 for which the Clinic was unable to locate third-party support, \$33,862 (or 56.9%) were incurred in Fiscal 2008, \$18,213 (or 30.6%) were incurred in Fiscal 2009, \$4,653 (or 7.8%) were incurred in Fiscal 2010 and \$2,817 (or 4.7%) were incurred in Fiscal 2011. We understand from our review of the Clinic Travel, Meal and Hospitality Expenses Directive issued by LAO in June 2010, which came into effect in September 2010, that the Clinic is required to retain original receipts supporting all expenditures incurred;
- Of the Selected Expenditures totaling \$206,142, \$84,813 (or 41.2%) were incurred by cardholder [REDACTED] 77, \$65,224 (or 31.6%) were incurred by cardholder [REDACTED] 86, \$44,328 (or 21.5%) were incurred by cardholder [REDACTED] 09, \$8,094 (or 3.9%) were incurred by cardholder [REDACTED] 24 and \$3,683 (or 1.8%) were incurred by cardholder [REDACTED] 99. On two occasions, we requested from Ms. Margaret Parsons, Executive Director, ACLC, but were not provided, information as to whom these cards were assigned. We understand from Ms. Parsons that she contacted CIBC, the Clinic's banking institution, to obtain this information without success. In correspondence dated January 7, 2013 from Fasken Martineau DuMoulin LLP (LAO's external counsel) to Dewart Gleason LLP (ACLC's external counsel), we note that LAO requested that the ACLC contact CIBC to obtain information with respect to whom these credit cards were issued. In correspondence dated January 10, 2013 from Dewart Gleason LLP to Fasken Martineau DuMoulin LLP, the ACLC indicated that this information is not available. Based on our procedures performed, credit card [REDACTED] 86 appears to be the card issued in the name of Ms. Parsons, credit card [REDACTED] 09 appears to be the card issued in the name of [REDACTED] and credit card [REDACTED] 99 appears to be the card issued in the name of [REDACTED]. We note that effective mid-2010, in an effort to maintain better controls with respect to the Clinic credit cards, all credit cards with the exception of card number [REDACTED] 86 were cancelled. The Clinic continues to maintain only one credit card for use by Clinic staff;
- Consistent with our findings in Section 6 – Understanding of ACLC's Processes of our final report on the Forensic Review of the ACLC issued on April 8, 2013, the Visa credit cards are used by the Clinic to incur expenditures for all ACLC funds (including the General Fund which pertains to LAO funding). Of the Selected Expenditures totaling \$206,142, \$28,410 (or 13.8%) were identified based on the general ledger details as relating to the General Fund and \$98,603 (or 47.8%) were identified as relating to other ACLC Funds. For expenditures totaling \$79,129 (or 38.4%), because the transactions were recorded in the

general ledger in lump sum amounts, it was not possible to determine whether the transactions related to the General Fund or other ACLC Funds;

- We understand from Ms. Parsons that the Office Manager, Bookkeeper and the Clinic Board are responsible for ensuring that all transactions incurred by the Clinic are supported. We further understand from Ms. Parsons that the bookkeeper is specifically responsible for reviewing the Visa statements and identifying transactions for which no third party supporting documentation has been provided. We understand from our review of the Clinic's By-Law No. 1 that the Clinic's Treasurer has overall financial responsibility for maintaining the financial records of the Clinic, overseeing the funds of the Clinic and ensuring that all necessary accounts are maintained. We further understand that the Executive Director is responsible for monitoring the financial situation of the Clinic. We understand from Ms. Parsons that no concerns were raised by the Clinic's Treasurer (or any other of the Clinic Board) regarding the Selected Expenditures, including those expenditures identified as unsupported. We were advised by Mr. Christopher Holder, the current ACLC Treasurer, that he never reviewed a cheque requisition without the appropriate supporting documentation. We understand that Mr. Holder has been the ACLC Treasurer since the latter half of 2010. As noted in Appendix B, in our review we noted several instances of expenditures incurred during the months of June 2010, November 2010 and December 2010 for which no supporting documentation was provided;
- For Visa expenditures incurred during the Selected Months, the Clinic did not have formal policies and procedures with respect to use of the Clinic's Visa, including when it may be appropriate to use the Visa and the required levels of review and approval for transactions incurred on the Visa. We understand from Ms. Parsons that expenditures are reviewed and approved verbally by the Executive Director (and in certain instances, by the Clinic Board for expenditures related to the Executive Director) and no written approval is provided. It appears that the process for using the Visa and reviewing and approving the Visa transactions is ad hoc and at the discretion of the Executive Director. We understand that there are currently no formal policies and procedures in place at the Clinic governing use of the Clinic's Visa;
- We understand from a former Office Manager that the Executive Director was aware of the Visa expenditures incurred by Clinic staff and that she approved all transactions. We further understand that in some instances, the Executive Director provided approval verbally, without supporting documentation for the expenditures. We understand from the former Office Manager that the Executive Director provided approval to the Administrative Assistant to make purchases on any of the Clinic's Visas at her discretion and without explanation to the cardholder. We further understand that concerns were raised by the former Office Manager with the Executive Director regarding the lack of support and approval for certain expenditures incurred on the Clinic Visa, however the process was not changed. It is the view of the former Office Manager that the Clinic Board did not have a strong enough role in overseeing the expenditures of the Clinic and relied primarily on the Executive Director for expenditure approval.
- The Clinic Travel, Meal and Hospitality Expenses Directive issued by LAO in June 2010 provides guidelines with respect to travel, meals and hospitality. As described in further detail in the specific findings below, this Directive has not been consistently followed by the Clinic since its inception. We understand that LAO distributed the Directive to all clinics in June 2010 and advised the clinics that they would need to be in compliance with the Directive by September 2010;

- Prior to issuance of the Clinic Travel, Meal and Hospitality Expenses Directive, we understand that the Clinic was required to comply with the Funding Agreement distributed by LAO to all clinics. We note the following paragraphs from the Funding Agreement that are relevant to this review:
 - Paragraph 2 states the following: “LAO agrees to provide funding to the Clinic for the purpose of providing high quality, cost effective clinic law services to the individuals and communities served or to be served by the Clinic.” Paragraph 18 also states the following: “In each fiscal year, LAO shall provide funding to the Clinic for the purpose of providing clinic law services”. As noted in further detail below, in our review we noted expenditures incurred on the Clinic Visa that may not directly relate to the provision of clinic law services to individuals and communities (for example gifts to internal Clinic staff members). As set out in further detail in *Section 5 - Findings*, the Clinic Visa is used to incur expenditures for all ACLC Funds (including the General Fund which pertains to LAO funding). While we attempted to categorize expenditures as relating to the General Fund or other ACLC Funds based on the general ledger detail provided in the General Fund, this was not always possible because of the fact that certain transactions were recorded in the General Fund’s general ledger in lump sum amounts;
 - Paragraph 21 states the following: “The Clinic shall expend the funding in each fiscal year in accordance with the Annual Budget and LAO policies.” As noted in our final report on the Forensic Review of the ACLC issued on April 8, 2013, we noted instances where actual expenditures exceeded the budget provided by LAO, both in total and on a line item basis. We note that a portion of these expenditures included those incurred on the Clinic Visa; and
 - Paragraph 29 states the following: “The Clinic may obtain a credit card(s) for the purpose of paying the expenses associated with the operation of the Clinic.” As noted in further detail below and in *Section 5.4 - Other Expenditures*, in our review we noted two expenditures incurred on the Clinic Visa that were identified by Ms. Parsons as likely personal in nature.

Specific Findings

As described in further detail in *Section 5 - Findings*, we reviewed the Selected Expenditures on the Visa statements for the Selected Months and categorized the Selected Expenditures based on their nature. Summarized below are our findings with respect to expenditures relating to Transportation, Accommodation, Meals, Other and Cash Advances.

In our review of the **Transportation Expenditures**, we noted the following:

- Transportation Expenditures include expenditures incurred for transportation by air, train, taxi and coach;
- Transportation Expenditures totaled \$77,062, for which third-party support was provided for \$67,580 (or 87.7%);
- Of the total Transportation Expenditures of \$77,062, \$72,713 (or 94.3%) were incurred by cardholder [REDACTED] 77. Ms. Parsons was unable to verify to whom this card was assigned;

- Of the total supported Transportation Expenditures of \$67,580, \$26,847 (or 39.7%) related to travel within Ontario, \$35,690 (or 52.8%) related to travel within Canada (excluding Ontario) and \$5,043 (or 7.5%) related to travel outside of Canada. We understand from the Funding Agreement that the Clinic's mandate is to service African Canadians throughout Ontario. In correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLIC's external counsel), the ACLIC advised that in their view, travel outside of Ontario is not inconsistent with this mandate and that the ACLIC has participated in various international meetings for the direct benefit of African Canadians in Ontario;
- Of the total supported Transportation Expenditures of \$67,580, \$65,973 (or 97.6%) related to transportation for attendees of the NACI conference. This conference was attended by various representatives and community members from across Canada and internationally, and included Clinic staff, the Clinic Board and other conference attendees and speakers. The majority of attendees travelled to and from the NACI conference by air. In our review of the Clinic Board of Director meeting minutes ("the Clinic Board meeting minutes"), we did not identify approval for travel for attendees of the NACI conference. We understand from Ms. Parsons that the Clinic Board approves travel verbally. In our review of the NACI agreements and certain related draft budgets, we did not identify any budgets with funding specifically designated for attendee travel costs;
- In our review of the Clinic Travel, Meal and Hospitality Expenses Directive issued by LAO in June 2010, which came into effect in September 2010, we noted that the Clinic must obtain written approval in advance for Transportation Expenditures. Travel within Ontario must be approved by the Executive Director (or in instances of travel by the Executive Director, by the Clinic Board). Travel within Canada (excluding Ontario) must be approved by the Clinic Board. Travel outside of Canada must be approved by the Clinic Board and the responsible LAO Vice-President or Designate. We understand from Ms. Parsons that during the Period of Review, she verbally approved all Clinic travel within Ontario and Canada, including her own, and the Clinic Board was only involved in approving international travel. Where approval for international travel was required from the Clinic Board, this would occur verbally at the Clinic Board meetings or directly with the Chair of the Clinic Board depending on the urgency of the approval. No written approval was provided by the Clinic Board. We note that the Transportation Expenditures reviewed during the Period of Review were incurred prior to issuance of the Clinic Travel, Meal and Hospitality Expenses Directive, and the Funding Agreement does not specifically address the approval levels and method of approval required for these expenditures. Furthermore, there were no Clinic or LAO policies in place prior to issuance of the Clinic Travel, Meal and Hospitality Expenses Directive by LAO in June 2010 that set out such requirements;
- The Clinic currently has no policies or procedures with respect to the booking and approval of travel, including when it is appropriate for Clinic staff, the Executive Director and the Clinic Board to travel. It appears that the process for booking travel is ad hoc and at the discretion of the Executive Director; and
- In our review of the supporting documentation for the Transportation Expenditures, we did not note any evidence of first-class travel booked by the Clinic. In our review of the Transportation Expenditures related to the NACI conference, we noted anomalies in the rates per one way trip as compared to the average rates. We were advised by Ms. Parsons that the prices for Transportation Expenditures varied depending on how far in advance the travel was booked and what days the passengers were required to travel on.

In our review of the **Accommodation Expenditures**, we noted the following:

- Accommodation Expenditures include expenditures incurred for hotels (including charges for rooms, meals and other costs incurred at the hotel, as applicable);
- Accommodation Expenditures totaled \$41,254, for which third-party support was provided for \$22,503 (or 54.5%);
- Of the total Accommodation Expenditure of \$41,254, \$27,793 (or 67.4%) were incurred by cardholder [REDACTED] 86. Ms. Parsons was unable to verify to whom this card was assigned. Based on our procedures performed, this credit card appears to be the card issued in the name of Ms. Parsons;
- Of the total Accommodation Expenditures of \$41,254, \$18,215 (or 44.2%) related to accommodations within Ontario, \$8,971 (or 21.7%) related to accommodations within Canada (excluding Ontario) and \$14,068 (or 34.1%) related to accommodations outside of Canada. We understand from the Funding Agreement that the Clinic's mandate is to service African Canadians throughout Ontario. In correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLIC's external counsel), the ACLIC advised that in their view, travel outside of Ontario is not inconsistent with this mandate and that the ACLIC has participated in various international meetings for the direct benefit of African Canadians in Ontario;
- Of the total Accommodation Expenditures of \$41,254, \$25,961 (or 62.9%) were incurred at 3 star hotels;
- We understand from our review of the Clinic Travel, Meal and Hospitality Expenses Directive issued by LAO in June 2010, which came into effect in September 2010, that the Clinic is permitted to book single accommodations in a standard room when travelling, and suites are not permitted. We noted one instance in January 2011 where the Clinic booked a suite at the Radisson Hotel in Kingston for [REDACTED]. We understand from Ms. Parsons that this suite was booked in lieu of a more expensive meeting room. As set out in further detail in *Section 5.2 – Accommodation Expenditures*, this expenditure appears to relate to the General Fund;
- Several instances were noted where Ms. Parsons was unable to explain the purpose of the Accommodation Expenditures;
- In our review of the Clinic Travel, Meal and Hospitality Expenses Directive issued by LAO in June 2010, which came into effect in September 2010, we noted that the Clinic must obtain written approval in advance for Accommodation Expenditures. Travel within Ontario must be approved by the Executive Director (or, in instances of travel by the Executive Director, by the Clinic Board). Travel within Canada (excluding Ontario) must be approved by the Clinic Board. Travel outside of Canada must be approved by the Clinic Board and the responsible LAO Vice-President or Designate. We understand from Ms. Parsons that during the Period of Review, she verbally approved all Clinic travel within Ontario and Canada, including her own, and the Clinic Board was only involved in approving international travel. Where approval for international travel was required from the Clinic Board, this would occur verbally at the Clinic Board meetings or directly with the Chair of the Clinic Board depending on the urgency of the approval. No written approval was provided by the Clinic Board. While several of the Accommodation Expenditures

reviewed during the Period of Review were incurred prior to issuance of the Clinic Travel, Meal and Hospitality Expenses Directive, we noted that Accommodation Expenditures incurred subsequent to issuance of the Directive were not compliant with the approval levels (Executive Director vs. the Clinic Board vs. LAO Designate) and/or methods of approval (verbal vs. written and in advance) set out therein; and

- The Clinic currently has no policies or procedures with respect to the booking and approval of accommodations, including when it is appropriate for Clinic staff, the Executive Director and the Clinic Board to travel. It appears that the process for booking travel is ad hoc and at the discretion of the Executive Director.

In our review of the **Meal Expenditures**, we noted the following:

- Meal Expenditures include expenditures incurred by the Clinic for lunch, dinner and other meals;
- Meal Expenditures totaled \$23,872, for which third-party support was provided for \$14,216 (or 59.6%);
- Of the total Meal Expenditures of \$23,872, \$15,621 (or 65.4%) were incurred by cardholder [REDACTED] 86. Ms. Parsons was unable to verify to whom this card was assigned. Based on our procedures performed, this credit card appears to be the card issued in the name of Ms. Parsons;
- Of the total Meal Expenditures of \$23,872, \$22,272 (or 93.3%) were incurred within Ontario, \$938 (or 3.9%) were incurred within Canada (excluding Ontario) and \$662 (or 2.8%) were incurred outside of Canada. We understand from the Funding Agreement that the Clinic's mandate is to service African Canadians throughout Ontario. In correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel), the ACLC advised that in their view, travel outside of Ontario is not inconsistent with this mandate and that the ACLC has participated in various international meetings for the direct benefit of African Canadians in Ontario;
- Of the total supported Meal Expenditures incurred within Ontario of \$13,893, \$12,959 (or 93.2%) were incurred within Toronto. We understand from Ms. Parsons that meal expenditures in Toronto are required for monthly staff and Clinic Board meetings, conferences, workshops or in instances where Clinic staff or the Executive Director are required to work late or on weekends. In accordance with the Clinic Travel, Meal and Hospitality Expenses Directive issued by LAO in June 2010, which came into effect in September 2010, the Clinic can reimburse meal expenditures in instances where the claimant is required to work during or through normal meal periods or when, during a normal meal period, the claimant is away from the headquarters area on Clinic business;
- Several instances were noted where Ms. Parsons was unable to explain the purpose of the Meal Expenditures;
- We noted one instance where a Meal Expenditure was incurred by Ms. Parsons on the Clinic Visa for personal reasons. This expenditure occurred on June 7, 2009 at the Manyata Courtyard Café in Toronto in the amount of \$121. Based on our review of the petty cash ledger, a repayment by Ms. Parsons of \$121 was

identified. We understand from Ms. Parsons that this was the only personal expenditure, and that all other Meal Expenditures for which the purpose was known by Ms. Parsons were for legitimate business purposes;

- In our review of the Clinic Travel, Meal and Hospitality Expenses Directive issued by LAO in June 2010, which came into effect in September 2010, we noted that the Clinic can reimburse Meal Expenditures for Clinic staff who work during or through normal meal periods or when, during a normal meal period, Clinic staff are away from the headquarters area on Clinic business. Meal Expenditures must be approved by the Executive Director (for expenditures incurred by Clinic staff) or by the Clinic Board (for expenditures incurred by the Executive Director). In accordance with the Directive, Clinic staff are allocated \$40 for a full-day of meal claims (i.e. breakfast, lunch and dinner). For less than a full-day of meal claims, the Directive sets out the specific rates for each meal (breakfast - \$8.75, lunch - \$11.25 and dinner - \$20.00). While the majority of Meal Expenditures reviewed during the Period of Review were incurred prior to issuance of the Clinic Travel, Meal and Hospitality Expenses Directive, we noted two instances of lunch expenditures incurred subsequent to issuance of the Directive that were not compliant with the meal rates per person set out therein. As set out in further detail in *Section 5.3 – Meal Expenditures*, these expenditures were incurred at Swiss Chalet on December 10, 2010 for \$209 (\$17.42 per person) and Pumpnickel's on December 3, 2010 for \$217 (\$18.08 per person). The expenditure at Swiss Chalet appears to relate to the General Fund while the expenditure at Pumpnickel's appears to relate to an ACLC Fund other than the General Fund;
- We understand from our review of the Clinic Travel, Meal and Hospitality Expenses Directive issued by LAO in June 2010, which came into effect in September 2010, that meal reimbursements should not include reimbursement for alcohol purchases. In our review of the supporting documentation for Meal Expenditures, we noted instances where alcohol was purchased during meals attended by Clinic staff. While the majority of alcohol purchases reviewed during the Period of Review were incurred prior to issuance of the Clinic Travel, Meal and Hospitality Expenses Directive, we note one instance of an alcohol purchase incurred subsequent to issuance of the Directive. As set out in further detail in *Section 5.3 – Meal Expenditures*, this expenditure was incurred at The Boiler House on December 4, 2010 for \$1,020, which included \$344 related to alcohol. This expenditure appears to relate to both the General Fund (\$350) and an ACLC Fund other than the General Fund (\$670). It is unknown to which fund the alcohol purchase relates;
- As set out in further detail in *Section 5.3 – Meal Expenditures*, in correspondence dated December 14, 2012 and January 7, 2013 from Fasken Martineau DuMoulin LLP (LAO's external counsel) to Dewart Gleason LLP (ACLC's external counsel), we note that LAO requested that the ACLC further investigate certain expenditures incurred on the Clinic Visa related to Christmas parties held by the Clinic to confirm whether LAO funds were used for these expenditures. These expenditures related to transactions at Delta Hotel on December 8, 2007 in the amount of \$1,914, The Boiler House on December 4, 2010 in the amount of \$1,020 and The Boiler House on January 8, 2011 in the amount of \$1,042. In the correspondence from Dewart Gleason to Fasken Martineau DuMoulin LLP dated December 18, 2012 (provided in response to the correspondence from Fasken Martineau DuMoulin LLP to Dewart Gleason LLP dated December 14, 2012), the ACLC stated that it is their understanding that LAO funds were not used for these expenditures. The ACLC further stated that, given the amount and timing of these expenditures, they have not taken the time to investigate and verify this information. In the correspondence dated January 10, 2013 from Dewart Gleason LLP to Fasken Martineau DuMoulin LLP (provided in response to the correspondence from

Fasken Martineau DuMoulin LLP to Dewart Gleason LLP dated January 7, 2013), the ACLC indicated that, given the fact that these expenditures were incurred several years ago, and they have agreed to address the expenditures on a go forward basis to ensure proper governance, they will not be investigating these expenditures further. As set out in further detail in *Section 5.3 – Meal Expenditures*, it is unknown to which fund the Delta Hotel expenditure of \$1,914 incurred on December 8, 2007 relates. The Boiler House expenditure of \$1,020 incurred on December 4, 2010 appears to relate to both the General Fund (\$350) and an ACLC Fund other than the General Fund (\$670). The Boiler House expenditure of \$1,042 incurred on January 8, 2011 appears to relate to both the General Fund (\$260) and an ACLC Fund other than the General Fund (\$782); and

- The Clinic currently has no policies or procedures with respect to the approval of Meal Expenditures and meal rates per person, including when it is appropriate for Clinic staff and the Executive Director to incur such expenditures. It appears that the process for incurring meal expenditures is ad hoc and at the discretion of the Executive Director.

In our review of the **Other Expenditures**, we noted the following:

- Other Expenditures include all other expenditures incurred by the Clinic that were not categorized as Transportation, Accommodations or Meals (as defined above) or Cash Advances (as defined below). These expenditures include purchases related to room bookings, catering, telecommunications, electronics, gifts, flowers, etc.;
- Other Expenditures totaled \$57,004, for which third-party support was provided for \$41,998 (or 73.7%);
- Of the total Other Expenditure of \$57,004, \$24,395 (or 42.8%) were incurred by cardholder [REDACTED] 09 and \$19,690 (or 34.5%) were incurred by [REDACTED] 86. As stated above, Ms. Parsons was unable to verify to whom these cards were assigned to. Based on our procedures performed, credit card [REDACTED] 09 appears to be the card issued in the name of [REDACTED] and credit card [REDACTED] 86 appears to be the card issued in the name of Ms. Parsons;
- Several instances were noted where Ms. Parsons was unable to explain the purpose of the Other Expenditures. In correspondence dated December 18, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel), the ACLC provided additional explanations with respect to certain Other Expenditures which have been incorporated into this Addendum;
- We noted two expenditures incurred on the Clinic Visa that were identified by Ms. Parsons as likely personal in nature. For both expenditures, no third-party support was provided and details with respect to the expenditures were obtained from the Visa credit card statement and/or the general ledger. The expenditures were as follows:
 - An expenditure in the amount of \$37 relating to a haircut for Ms. Parsons at Amorphous Hair Group on June 6, 2009. As set out in further detail in *Section 5.4 – Other Expenditures*, this expenditure appears to relate to the General Fund. Based on our review of the petty cash ledger, a re-payment by Ms. Parsons of \$37 was identified; and

- An expenditure in the amount of \$754 relating to the purchase of a ring at The Diamond Shop on March 30, 2007. As set out in further detail in *Section 5.4 – Other Expenditures*, it is unknown to which fund this expenditure relates. We understand from Ms. Parsons that she repaid the amount in cash the subsequent day and that the cash payment was provided to [REDACTED] the Office Manager at the time. We were unable to identify a deposit in the General Fund cash account, petty cash or other records indicating repayment of \$754 to the Clinic. We understand from a former Office Manager that this purchase was identified as part of reconciling the credit card statements. When this transaction was raised by the former Office Manager with Ms. Parsons, we understand that Ms. Parsons indicated that she had forgotten to repay the Clinic for the purchase. We understand from the former Office Manager that Ms. Parsons made no mention to her of the expenditure being repaid to a Clinic staff member. The former Office Manager indicated that she was not aware of subsequent re-payment by Ms. Parsons for this expenditure. In correspondence dated December 18, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLIC's external counsel), the ACLIC stated that on the same day the jewellery was purchased by Ms. Parsons, she withdrew funds from her personal bank account and reimbursed the Clinic for the expenditure. The ACLIC further stated in this correspondence that the Office Manager at the time forgot to provide Ms. Parsons with a receipt indicating repayment to the Clinic and Ms. Parsons forgot to ask for a receipt. The ACLIC stated that Ms. Parsons explained this to the Clinic Board and offered to make the payment a second time; however the Clinic Board declined the offer. As stated above, during our interview with Ms. Parsons, we were advised that she repaid the Clinic for this expenditure in cash the subsequent day. We were not aware of, or provided with, an explanation regarding the fact that the Office Manager forgot to issue a receipt to Ms. Parsons for this purchase or that Ms. Parsons forgot to request a receipt from the Office Manager. In our review of the Clinic Board meeting minutes for the Period of Review, we noted no reference to this purchase at The Diamond Shop. In email correspondence dated January 7, 2013 from Gideon Forrest of Fasken Martineau DuMoulin LLP (LAO's external counsel) to Sean Dewart of Dewart Gleason LLP (ACLIC's external counsel), LAO requested from the ACLIC copies of Ms. Parsons' bank statements for March and April 2007 supporting the withdrawal of funds from Ms. Parsons' personal bank account to reimburse the Clinic for the ring purchase. In correspondence dated January 10, 2013 from Dewart Gleason LLP to Fasken Martineau DuMoulin LLP, the ACLIC has declined to provide this supporting documentation.
- We noted several expenditures incurred on the Clinic Visa for purchases of gifts, alcohol, flowers, appliances, electronics, telecommunications, charity donations, training, parking and room bookings/catering. With respect to gifts, we noted that the Clinic Travel, Meal and Hospitality Expenses Directive issued by LAO in June 2010, which came into effect in September 2010, permits token gifts of appreciation valued at up to \$30 to persons who are not attached to the Clinic. While the majority of the Other Expenditures reviewed during the Period of Review were incurred prior to issuance of the Clinic Travel, Meal and Hospitality Expenses Directive, we noted two instances where gifts were extended to Clinic staff members and exceeded \$30 (Bath and Body Works and Homesense on December 3, 2010 for \$90 and \$45, respectively). Ms. Parsons indicated that in her view, the Directive does not state that gifts cannot be provided to Clinic staff members. She further noted that the Directive only reflects the spending requirements related to LAO's funding but the expenditures incurred on the Clinic Visa are for the General Fund as well as other ACLIC Funds. As set out in further detail in *Section 5.4 – Other Expenditures*, the expenditures at Bath and Body Works and Homesense appear to relate to the General Fund. With respect

to other purchases related to flowers, appliances, etc., the Clinic Travel, Meal and Hospitality Expenses Directive does not address incurrence of expenditures of this nature. The LAO Procurement Directive stipulates that expenditures below \$5,000 should be in accordance with policies and procedures issued by the Clinic;

- As set out in further detail in *Section 5.4 – Other Expenditures*, in correspondence dated December 14, 2012 and January 7, 2013 from Fasken Martineau DuMoulin LLP (LAO's external counsel) to Dewart Gleason LLP (ACLC's external counsel), we note that LAO requested that the ACLC further investigate certain staff gift expenditures to confirm whether LAO funds were used for these expenditures. These expenditures related to transactions at The Bay on July 28, 2008 in the amount of \$150 and Toys 'R' Us on April 1, 2008 in the amount of \$169. In the correspondence from Dewart Gleason to Fasken Martineau DuMoulin LLP dated December 18, 2012 (provided in response to the correspondence from Fasken Martineau DuMoulin LLP to Dewart Gleason LLP dated December 14, 2012), the ACLC stated that it is their understanding that LAO funds were not used for these expenditures. The ACLC further stated that, given the amount and timing of these expenditures, they have not taken the time to investigate and verify this information. In correspondence dated January 10, 2013 from Dewart Gleason LLP to Fasken Martineau DuMoulin LLP (provided in response to correspondence from Fasken Martineau DuMoulin LLP to Dewart Gleason LLP dated January 7, 2013), the ACLC indicated that, given the fact that these expenditures were incurred several years ago, and they have agreed to address the expenditures on a go forward basis to ensure proper governance, they will not be investigating these expenditures further. As set out in further detail in *Section 5.4 – Other Expenditures*, based on our procedures performed, the expenditure at The Bay appears to relate to the General Fund while the expenditure at Toys 'R' Us appears to relate to an ACLC Fund other than the General Fund; and
- The Clinic currently has no policies and procedures with respect to the approval of the above noted expenditures. It appears that the process for incurring these expenditures is ad hoc and at the discretion of the Executive Director.

In our review of the **Cash Advances**, we noted the following:

- Cash Advances include cash advanced from the Clinic's Visa cards;
- Cash Advances totaled \$6,950, for which third-party support was provided for \$300 (or 4.3%);
- Of the total Cash Advances of \$6,950, \$5,434 (or 78.2%) occurred in fiscal 2008;
- Of the total Cash Advances of \$6,950, \$6,707 (or 96.5%) were incurred by cardholder [REDACTED] 09. Ms. Parsons was unable to verify to whom this card was assigned. Based on our procedures performed, this credit card appears to be the card issued in the name of [REDACTED];
- Ms. Parsons was unable to explain the purpose of the Cash Advances. It is our understanding from Ms. Parsons that the Cash Advances took place without her knowledge and approval and were not authorized. Ms. Parsons indicated that there were no instances where she advanced cash on the Clinic's Visa;
- We understand from a former Office Manager that cash advances were required in instances where money was needed by the Clinic but a Clinic Board member was not available to attend the Clinic and sign a

cheque. We further understand from the former Office Manager that Ms. Parsons authorized all cash advances, regardless of whose Visa card the advances were made on. The former Office Manager advised that approval was obtained verbally from Ms. Parsons and no receipts were provided to support the expenditure incurred with the advanced cash; and

- We understand from Ms. Parsons that Clinic staff are not permitted to advance cash on the Visa. We note that the Clinic currently has no written policies or procedures to this effect.

Recommendations

With respect to the Clinic's Visa expenditures, in our final report on the Forensic Review of the ACLC issued on April 8, 2013 we recommended that LAO discuss with the Clinic requirements for the following:

- Implementation of a policy to provide guidelines with respect to the use of the Clinic's Visa, including the review and approval of transactions incurred on the Visa statements;
- Prohibit pre-payments on the Visa, to ensure that the Clinic's spending limit is adhered to;
- Require the preparation of expense reports for expenditures incurred on the Clinic's Visa, including appropriate review and approval processes;
- Require receipts, invoices or other support for all expenses incurred on the Clinic's Visa; and
- Consider having separate Visa accounts for the General Fund and other ACLC Funds.

In addition to the recommendations set out above and previously communicated to LAO, we recommend that LAO discuss with the Clinic requirements for the following:

- Consider implementation of Clinic policies and procedures with respect to travel, accommodations, meals, cash advances and other Clinic expenditures that are reviewed and approved by the Clinic Board. The policies and procedures should address when the expenditures can be incurred, the level of support required for reimbursement, the level of approval required for reimbursement, and how expenditures are to be dealt with in instances where no support is provided;
- Consider performing a quarterly review of the ACLC expenditures to ensure compliance with the Clinic Travel, Meal and Hospitality Expenses Directive issued by LAO in June 2010 and other Clinic policies and procedures implemented, as applicable;
- Consider implementation of Clinic policies and procedures to ensure payment of Visa statements in full at the end of each month; and
- Consider performing additional procedures (including interviews with former and/or current ACLC staff members) to validate information and explanations obtained during the interview with Ms. Parsons.

4. Procedures Performed

We performed the following procedures:

- Reviewed the Selected Expenditures on the Visa statements for the Selected Months;
- Agreed the Selected Expenditures to third-party supporting documentation, as available (i.e. invoices, email correspondence, fax correspondence, etc);
- Reviewed the Clinic Travel, Meal and Hospitality Expenses Directive issued by LAO in June 2010, applicable to clinics receiving funding from LAO as of September 1, 2010 (“the LAO Directive”);
- Reviewed the Clinic’s By-Law No. 1 (last amended May 10, 2007) in conjunction with our final report on the Forensic Review of the ACLC issued on April 8, 2013;
- Reviewed the Clinic Procurement Directive issued by LAO in June 2010 (“the LAO Procurement Directive”);
- Reviewed certain draft budgets, as well as the Clinic’s agreements relating to the National African Canadian initiative (“the NACI agreements”) in conjunction with our final report on the Forensic Review of the ACLC issued on April 8, 2013 as follows:
 - National African Canadian Policy Conference and Forum on Anti-Black Hate, for the period from September 1, 2008 to March 31, 2009, between ACLC and the Minister of Justice and Attorney General of Canada;
 - Hate Crime Program, for the period from January 1, 2008 to October 31, 2008, between ACLC and the Attorney General; and
 - National African Canadian Initiative Contribution Agreement, for the period from December 30, 2005 to December 31, 2008, between ACLC and the Minister of Canadian Heritage (“the Contribution Agreement”).
- Reviewed the Clinic Board meeting minutes obtained from the Clinic in conjunction with our final report on the Forensic Review of the ACLC issued on April 8, 2013 as follows:
 - **Fiscal 2008:** April 10, 2007, April 23, 2007, April 30, 2007, June 6, 2007, July 30, 2007, August 14, 2007, September 11, 2007, September 13, 2007, October 16, 2007, December 11, 2007 and March 11, 2008;
 - **Fiscal 2009:** April 22, 2008, May 13, 2008, May 20, 2008, June 10, 2008, June 24, 2008, July 8, 2008, July 21, 2008, August 21, 2008, September 9, 2008, November 1, 2008 and November 24, 2008;

- **Fiscal 2010:** April 14, 2009, June 9, 2009, July 27, 2009, October 6, 2009, October 13, 2009, October 17, 2009, October 23, 2009, November 13, 2009, November 17, 2009, November 24, 2009, December 8, 2009, March 9, 2010 and March 25, 2010; and
 - **Fiscal 2011:** April 28, 2010, June 15, 2010, July 21, 2010, August 26, 2010, September 21, 2010, October 21, 2010, November 4, 2010, November 20, 2010, December 20, 2010, February 15, 2011 and March 15, 2011.
- Reviewed ACLC's categorization of individuals identified during our review of NACI expenditures as either "Clinic Staff", "Clinic Board", "Conference attendee/speaker" or "Unknown";
 - Review information received by LAO from a former Office Manager of the Clinic ("former Office Manager");
 - Obtained the star ratings for Accommodation Expenditures from online travel websites;
 - Conducted an interview with Mr. Christopher Holder, Treasurer & Vice-Chair, ACLC Board of Directors in conjunction with our final report on the Forensic Review of the ACLC issued on April 8, 2013;
 - Conducted interviews with Ms. Margaret Parsons, Executive Director;
 - Conducted an interview with a former Office Manager;
 - As agreed with you, categorized the Selected Expenditures based on the nature of the expenditure as noted in our review of the invoices and general ledger, as well as our interview with Ms. Parsons;
 - Reviewed, to the extent necessary, the general ledger details for the General Fund for Selected Months to identify which fund the Selected Expenditures related to;
 - Reviewed the deposit books and petty cash reconciliations in relation to repayments by Clinic staff members for personal expenditures incurred on the Clinic Visa for the Selected Months;
 - Reviewed correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel) ("the Correspondence from Dewart Gleason LLP dated November 16, 2012"). As agreed with LAO, updated the Addendum to incorporate ACLC's comments as noted in the Correspondence, as applicable;
 - Reviewed correspondence dated December 14, 2012 addressed to Dewart Gleason LLP (ACLC's external counsel) from Fasken Martineau DuMoulin LLP (LAO's external counsel) in response to the above noted correspondence dated November 16, 2012 ("the Correspondence from Fasken Martineau DuMoulin LLP dated December 14, 2012"). As agreed with LAO, updated the Addendum to incorporate LAO's comments as noted in this correspondence, as applicable;

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- Reviewed correspondence dated December 18, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel) in response to the above noted correspondence dated December 14, 2012 ("the Correspondence from Dewart Gleason LLP dated December 18, 2012"). As agreed with LAO, updated the Addendum to incorporate ACLC's comments as noted in this correspondence, as applicable;
 - Reviewed correspondence dated January 7, 2013 addressed to Dewart Gleason LLP (ACLC's external counsel) from Fasken Martineau DuMoulin LLP (LAO's external counsel) ("the Correspondence from Fasken Martineau DuMoulin LLP dated January 7, 2013"). As agreed with LAO, updated the Addendum to incorporate LAO's comments as noted in this correspondence, as applicable; and
 - Reviewed correspondence dated January 10, 2013 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel) in response to the above noted correspondence dated January 7, 2013 ("the Correspondence from Dewart Gleason LLP dated January 10, 2013"). As agreed with LAO, updated the Addendum to incorporate ACLC's comments as noted in this correspondence, as applicable.

5. Findings

As agreed with you, and set out in *Section 4 – Procedures Performed*, we reviewed the Selected Expenditures on the Visa statements for the Selected Months and categorized them based on the nature of the expenditure, as follows:

- **Transportation Expenditures** – include expenditures incurred for transportation by air, train, taxi and coach;
- **Accommodation Expenditures** – include expenditures incurred for hotels (including charges for rooms, meals and other costs incurred at the hotel, as applicable);
- **Meal Expenditures** – include expenditures incurred for lunch, dinner and other meals;
- **Other Expenditures** – include all other expenditures incurred by the Clinic that were not categorized as Transportation, Accommodations or Meals (as defined above) or Cash Advances (as defined below); and
- **Cash Advances** – relates to cash advanced from the Clinic's Visa credit card.

As agreed with you, we summarized the Transportation, Accommodation and Meal Expenditures by geographical location as follows:

- **Ontario** – represents instances where the origin or destination of the Transportation Expenditure, the destination for the Accommodation Expenditure or the incurrence of the Meal Expenditure occurred within Ontario;
- **Domestic** – represents instances where the origin or destination of the Transportation Expenditure, the destination for the Accommodation Expenditure or the incurrence of the Meal Expenditure occurred within Canada (excluding Ontario); and
- **International** – represents instances where the origin or destination of the Transportation Expenditure, the destination for the Accommodation Expenditure or the incurrence of the Meal Expenditure occurred outside of Canada.

Summary of Findings

Set out in table 5.0.1 is a summary of the Selected Expenditures by category and the amount of support provided for each category. The “#” of instances set out below represents the number of Visa transactions. Each of the categories set out in table 5.0.1 are described in further detail in Sections 5.1 through 5.5 of this report.

5.0.1 – Selected Expenditures by Category and Level of Support

Report Section	Category	Supported		Unsupported		Total		% of Total Supported
		#	\$	#	\$	\$	%	
5.1	Transportation	135	67,580	34	9,482	77,062	37.4	87.7
5.2	Accommodations	39	22,503	31	18,751	41,254	20.0	54.5
5.3	Meals	110	14,216	93	9,656	23,872	11.6	59.6
5.4	Other	169	41,998	148	15,006	57,004	27.6	73.7
5.5	Cash Advance	1	300	33	6,650	6,950	3.4	4.3
	Total	454	146,597	339	59,545	206,142	100.0	71.1

As set out in table 5.0.1, the Selected Expenditures comprise 793 transactions totalling \$206,142. Overall, third-party supporting documentation was provided for 454 transactions totalling \$146,597 (or 71.1%) of the Selected Expenditures. As set out in *Section 4 – Procedures Performed*, we obtained and reviewed supporting documentation for all expenditures identified in table 5.01 as “Supported”. The commentary throughout this report is based on our review of the supporting documentation and discussions with Ms. Parsons. The Clinic was unable to provide third-party supporting documentation for 339 transactions representing \$59,545 (or 28.9%) of the Selected Expenditures. Set out in Appendix B is a detailed listing by category of the Selected Expenditures for which support could not be located by the Clinic. Paragraph 2 of the LAO Directive indicates that Clinics are required to retain original receipts and credit card slips are insufficient to support a claim for reimbursement. Consistent with the LAO Directive, we have considered transactions to be “unsupported” if credit card slips were the only supporting documentation provided.

Set out in table 5.0.2 is a summary of the Selected Expenditures by year for which third-party support could not be provided. As set out in table 5.0.2, we noted a decrease in the number and dollar amount of unsupported expenditures during the Period of Review. Subsequent to issuance of the LAO Directive to the Clinics in June 2010, which took effect in September 2010, we noted nine expenditures totalling \$668 (or 1.1% of total unsupported expenditures) for which third-party support could not be provided.

5.0.2 – Unsupported Expenditures by Year

Fiscal Year	Unsupported		% of Total Unsupported
	#	\$	
2008	164	33,862	56.9
2009	105	18,213	30.6
2010	48	4,653	7.8
2011	22	2,817	4.7
Total	339	59,545	100.0

It is our understanding from Ms. Parsons that the Office Manager, Bookkeeper and Clinic Board are responsible for ensuring that all transactions incurred by the Clinic are supported. We further understand from Ms. Parsons that the Bookkeeper is specifically responsible for reviewing the Visa statements and identifying unsupported transactions. We understand that Ms. Parsons, in her position as Executive Director, is responsible for monitoring the financial situation of the Clinic. Ms. Parsons was unable to confirm whether the transactions set out in Appendix B were identified by the Bookkeeper as unsupported. Ms. Parsons noted that the issue of unsupported transactions has not been raised as an area of concern by either the Clinic Board or their auditors.

We reviewed the Clinic's By-Law No. 1 and noted that the responsibilities of the Clinic's Treasurer include maintaining all financial records of the Clinic, overseeing the funds of the Clinic and ensuring that all necessary accounts are maintained. We note that Mr. Christopher Holder became the Clinic's Treasurer in the latter half of 2010. It is our understanding from Mr. Holder that in his role as the Treasurer, he had a fiduciary responsibility related to the Clinic's mission and vision, including ensuring that the Clinic's funds are being used for their intended purpose. Mr. Holder indicated that none of his responsibilities during his time as the Treasurer were delegated to management. Mr. Holder further indicated that he never reviewed a cheque requisition without the appropriate supporting documentation. As noted in Appendix B, in our review we noted several instances of expenditures incurred during the months of June 2010, November 2010 and December 2010 for which no supporting documentation was provided. While several of the other Unsupported Expenditures were incurred prior to Mr. Holder's role as Treasurer, we understand from By-Law No. 1 that all Treasurers have similar fiduciary responsibilities to oversee the financial records of the Clinic and ensure that funds are used appropriately. Based on Mr. Holder's description of the role of the Treasurer, and consistent with the responsibilities described in By-Law No. 1, we would have expected the unsupported expenditures to have been raised as a concern by the Treasurer of the Clinic Board. As described above, we understand from Ms. Parsons that no such concerns were raised.

We understand from a former Office Manager that Ms. Parsons was aware of the expenditures incurred by Clinic staff and that she approved all transactions. We further understand that in many instances, Ms. Parsons' approval was provided verbally, without supporting documentation, for the expenditures. We understand from a former Office Manager that concerns were raised with Ms. Parsons regarding the lack of support and approval for certain expenditures; however, the process was not changed. It is the view of the former Office Manager that the Clinic Board did not have a strong enough role in overseeing the expenditures of the Clinic and relied primarily on Ms. Parsons for expenditure approval.

Set out in table 5.0.3 is a summary of the Selected Expenditures by card number and the amount of support provided for each credit card. The "#" of instances set out below represents the number of Visa transactions.

5.0.3 – Selected Expenditures by Card Number and Level of Support

Card No.	Supported		Unsupported		Total		% of Total Supported
	#	\$	#	\$	\$	%	
██████████24	13	4,758	23	3,336	8,094	3.9	58.8
██████████09	96	22,222	81	22,106	44,328	21.5	50.1
██████████99	20	2,424	28	1,259	3,683	1.8	65.5
██████████77	187	74,885	54	9,928	84,813	41.2	88.3
██████████86	138	42,308	153	22,916	65,224	31.6	64.9
Total	454	146,597	339	59,545	206,142	100.0	71.1

As set out in table 5.0.3, there were five active credit cards used by ACLC during the Selected Months. Ms. Parsons was unable to verify to whom each of the cards were assigned to; however, we noted the following with respect to the above noted credit cards:

- Ms. Parsons confirmed that she signed a Cafe Pacifica Vancouver invoice on March 25, 2007 for \$174 charged to card number [REDACTED] 86 (see *Section 5.3 – Meal Expenditures* and Appendix F for further details with respect to this expenditure). Ms. Parsons verified that there were no instances where she used any credit card but her own. Based on this explanation, it is our understanding that card number [REDACTED] 86 was issued in the name of Ms. Parsons;
- We noted a receipt from Spring Rolls on August 31, 2007 for \$136 charged to card number [REDACTED] 09 (see Appendix F for further details with respect to this expenditure). The receipt indicates [REDACTED] as the individual whose signature is required. Based on this information, it is our understanding that card number [REDACTED] 09 was issued in the name of [REDACTED]; and
- We noted a credit card slip for DCA Venture Cibo Bistro on November 14, 2007 for \$21 charged to card number [REDACTED] 99 (see Appendix B for further details with respect to this expenditure). The slip indicates [REDACTED] as the individual whose signature is required. Based on this information, it is our understanding that card number [REDACTED] 99 was issued in the name of [REDACTED]

We understand from Ms. Parsons that effective mid-2010, in an effort to maintain better controls with respect to the Clinic credit cards, all credit cards with the exception of card number [REDACTED] 86 were cancelled. The Clinic continues to maintain only one credit card for use by Clinic staff.

We were advised by Ms. Parsons that there were instances where her credit card was used by the Office Manager, Administrative Assistant and other Clinic staff members to book travel arrangements or make other purchases. Ms. Parsons was unable to confirm exactly what purchases these were and whether these purchases were made online or in stores. Ms. Parsons further noted that there was a period of time where the Office Manager had photocopied her credit card and was using it to make unauthorized payments. We understand from Ms. Parsons that these expenditures may have had a business purpose; however, they were not authorized in advance of the purchase.

We further understand from a former Office Manager that Ms. Parsons provided approval to the Administrative Assistant to make purchases on any of the Clinic's Visas (including those issued in the name of individuals other than Ms. Parsons), at Ms. Parsons' discretion. We further understand that such expenditures were incurred without explanation to the cardholder. Ms. Parsons acknowledged that ACLC funds were, on occasion, used for expenses of a personal nature. In instances where Ms. Parsons incurred personal expenditures on the Clinic Visa, Ms. Parsons noted that she would make a notation on the invoice to indicate the expenditure was personal and subsequently re-pay the Clinic. Where Clinic staff were identified as using the Visa for personal expenditures, they were required to re-pay the Clinic. We were not provided with additional detail with respect to what specific expenditures were incurred for personal purposes. During our interview with Ms. Parsons she advised of one instance, described in further detail in *Section 5.4 – Other Expenditures*, where a Clinic staff member, [REDACTED], used the Clinic Visa credit card to make telecommunication purchases for personal purposes. We understand from Ms. Parsons that [REDACTED] was required to re-pay the Clinic for these expenditures and upon doing so, she resigned from the Clinic. In the Correspondence from Dewart Gleason LLP dated December 18, 2012, provided in response to the Correspondence from Fasken Martineau DuMoulin LLP dated December 14, 2012, the ACLC stated that repayment of these expenditures by [REDACTED] occurred by way of a set-off

against her wages. In our review of the October 23, 2009 Clinic Board meeting minutes, we noted that Ms. Parsons informed the ACLC Board of \$3,000 in personal charges incurred on the Clinic Visa by the Director of ACYJP. Ms. Parsons stated that the Director of ACYJP was reprimanded. We note that the Clinic Board expressed serious concern with this matter. In our review of these Clinic Board meeting minutes, we did not note further discussion with respect to how the Director of ACYJP was reprimanded, including whether these personal expenditures were repaid. While the Clinic Board meeting minutes referred to the Director of ACYJP, and did not specify a name for this individual, we understand that the Director of ACYJP at this time was [REDACTED]

Consistent with our findings in *Section 6 – Understanding of ACLC’s Processes* of our final report on the Forensic Review of the ACLC issued on April 8, 2013, the Visa card numbers noted in table 5.0.2 are used by the Clinic to incur expenditures for all ACLC funds (including the General Fund which pertains to LAO funding). Set out in table 5.0.4 is a summary of the Selected Expenditures, which have been categorized as relating to the General Fund or other ACLC Funds. See Appendix C for a detailed listing of the transactions that relate to each Fund. Our categorization of expenditures as relating to the General Fund or Other ACLC Funds was based on the general ledger detail provided in the General Fund. For example, if the accounting entry noted in the general ledger for the General Fund included a debit to an expense account, it is our understanding from Ms. Parsons that the expenditure related to the General Fund. If, however, the entry in the general ledger included a debit to a receivable owing from another ACLC Fund, it is our understanding from Ms. Parsons that the expenditure related to an ACLC Fund other than the General Fund. The amounts reflected in table 5.0.4 are based on the initial general ledger entries recorded when the expenditures were occurred, and do not reflect any subsequent adjustments in the general ledger.

Table 5.0.4 – Visa Expenditures by Fiscal Year

Fiscal Year	General Fund	Other ACLC Funds	Unknown	Total
	\$	\$	\$	\$
2008	2,542	-	69,267	71,809
2009	10,394	76,383	8,569	95,346
2010	8,522	6,565	1,313	16,400
2011	6,952	15,655	(20)	22,587
Total \$	28,410	98,603	79,129	206,142
Total %	13.8	47.8	38.4	100.0

As set out in table 5.0.4, transactions totalling \$79,129 were recorded in the general ledger in lump sums in earlier years, with no additional general ledger detail provided. As such, it was not possible to determine whether these transactions related to expenses recorded in the General Fund or other ACLC funds.

5.1 Transportation Expenditures

Overall Analysis

As previously noted, Transportation Expenditures relate to expenditures for transportation by air, train, taxi and coach.

Set out in table 5.1.1 is a summary of the Transportation Expenditures by method of transportation and the amount of supporting documentation provided for each method. The “#” of instances set out below represents the number of Visa transactions.

Table 5.1.1 – Transportation Expenditures by Method and Level of Support

Method	Supported		Unsupported		Total		% of Total Supported
	#	\$	#	\$	\$	%	
Air	124	65,123	7	1,982	67,105	87.1	97.0
Coach	-	-	1	4,650	4,650	6.0	-
Train	7	1,856	8	2,009	3,865	5.0	48.0
Taxi	1	70	17	750	820	1.1	8.5
Bus	2	431	-	-	431	0.6	100.0
Transit Pass	1	100	1	91	191	0.2	52.4
Total	135	67,580	34	9,482	77,062	100.0	87.7

As set out in table 5.1.1, Transportation Expenditures totalled \$77,062, of which \$67,580 (or 87.7%) were supported. Modes of transportation utilized by ACLC included air, coach, train, taxi, bus and transit, with air representing the most common method of travel.

As set out in paragraph 95 of the LAO Directive, Clinics must obtain written approval in advance for travel (including transportation), using the appropriate travel request forms. Per paragraphs 22 through 27 of the LAO Directive, travel within Ontario (defined in the LAO Directive as routine travel) must be approved by the Executive Director (or in the instance of travel by the Executive Director, by the Clinic Board). Per paragraphs 28 through 41 of the LAO Directive, travel within Canada (excluding Ontario) (defined in the LAO Directive as extraordinary travel) must be approved by the Clinic Board. Per paragraphs 32 and 33 of the LAO Directive, travel outside of Canada must be approved by the Clinic Board and the responsible LAO Vice-President or Designate. It is our understanding from Ms. Parsons that during the Period of Review, she verbally approved all Clinic travel within Ontario and Canada, including her own, and the Clinic Board was only involved in approving international travel. Where approval for international travel was required from the Clinic Board, this would occur verbally at Clinic Board meetings or directly with the Chair of the Clinic Board depending on the urgency of the approval. No written approval was provided by the Clinic Board.

We note that the Transportation Expenditures reviewed during the Period of Review were incurred prior to issuance of the LAO Directive, and the Funding Agreement does not specifically address the approval levels and method of approval required for these expenditures. Furthermore, there were no Clinic or LAO policies in place prior to the LAO Directive that set out such requirements. We note that the Clinic does not currently have its own policies and procedures with respect to the booking and approval of travel, including when it is appropriate for Clinic staff, the Clinic Board and the Executive Director to travel. It appears that the process for booking travel is ad hoc and at the discretion of the Executive Director.

As set out in paragraphs 57 through 58 of the LAO Directive, Clinics may permit travel by train or air when these are the most practical and economical means to travel. It is our understanding from Ms. Parsons that the Clinic typically permits travel by air in instances where driving time would exceed four hours. For shorter distances, Clinic travel would typically occur by train or rental car. Ms. Parsons also noted that in instances where staff

members are required to carry large items, they are permitted to travel by air. Ms. Parsons advised that there are also instances where staff members choose travel via train over air based on personal preference.

As set out in paragraph 59 of the LAO Directive, the standard travel class permitted is economy or the equivalent. Business class may be permitted for flights outside of Canada; however, this must be approved by the Clinic Board and the responsible LAO Vice-President as part of approval of the overall trip. Ms. Parsons indicated that first class travel has never been booked for herself, Clinic staff or the Clinic Board. We understand from Ms. Parsons that in some instances, she has upgraded her flights to first class using travel vouchers, at no additional expense to the Clinic. In our review of the supporting documentation for the Transportation Expenditures, we did not note any evidence of first-class travel booked by the Clinic.

Set out in table 5.1.2 is a summary of the Transportation Expenditures by cardholder and the amount of support provided for each cardholder. The “#” of instances set out below represents the number of Visa transactions.

Table 5.1.2 – Transportation Expenditures by Cardholder and Level of Support

Cardholder	Supported		Unsupported		Total		% of Total Supported
	#	\$	#	\$	\$	%	
██████████ 24	1	70	4	280	350	0.5	20.0
██████████ 09	2	609	1	912	1,521	2.0	40.0
██████████ 99	-	-	3	156	156	0.2	-
██████████ 77	129	66,337	9	6,376	72,713	94.3	91.2
██████████ 86	3	564	17	1,758	2,322	3.0	24.5
Total	135	67,580	34	9,482	77,062	100.0	87.7

As noted in table 5.1.2, \$72,713 (or 94.3%) of the Transportation Expenditures were incurred by cardholder ██████████ 77. Ms. Parsons was unable to confirm to whom this card was assigned.

Supported Expenditures

As set out in table 5.1.3, Transportation Expenditures for which support was provided totalled \$67,580. All Transportation Expenditures were discussed during our interviews with Ms. Parsons.

Set out in table 5.1.3 is a summary of the supported Transportation Expenditures by trip and geographic location. The “#” of instances set out below represents the number of one-way trips. Set out in Appendix D is a detailed summary of the supported Transportation Expenditures, including the origin of travel, specific dates of travel, method of travel and the names of the individuals who travelled. This information is also detailed in notes A to G below.

Table 5.1.3 – Transportation Expenditures by Trip and Geographic Location

Destination	Date	Ontario		Domestic		International		Total		Notes
		#	\$	#	\$	#	\$	#	\$	
Unknown	N/A	2	170	-	-	-	-	2	170	A
Ottawa, ON (Trip 1)	Mar-09	146	25,749	92	35,690	6	4,534	244	65,973	B
Ottawa, ON (Trip 2)	Apr-09	2	364	-	-	-	-	2	364	C
Owen Sound, ON	Aug-07	2	75	-	-	-	-	2	75	D
Washington, DC	Sept-07	-	-	-	-	2	509	2	509	E
Windsor, ON (Trip 1)	Apr-07	2	212	-	-	-	-	2	212	F
Windsor, ON (Trip 2)	Mar-10	2	277	-	-	-	-	2	277	G
Total # and \$		156	26,847	92	35,690	8	5,043	256	67,580	
Total %		60.9	39.7	36.0	52.8	3.1	7.5	100.0	100.0	

As set out in table 5.1.3, of the total supported Transportation Expenditures of \$67,580, \$26,847 (or 39.7%) related to travel within Ontario, \$35,690 (or 52.8%) related to travel with Canada (excluding Ontario), and \$5,043 (or 7.5%) related to travel outside Canada. Furthermore, \$65,973 (or 97.6%) of the total Transportation Expenditures related to Trip 1 to Ottawa for the NACI conference. This trip is described in further detail in note B below.

Note A – Unknown Trips

We note the following with respect to the unknown trips:

Geographic Location	Date	Method	Total \$	Rate per one-way trip \$	Attendees	Type of Attendee
Ontario	N/A	Taxi	70	70	[REDACTED]	Clinic Staff
Ontario	N/A	Metro Pass	100	N/A	Unknown	Non-Clinic

Ms. Parsons was unable to explain the purpose of the taxi expenditure for \$70. We understand from Ms. Parsons that this expenditure may have related to [REDACTED] as [REDACTED] lived in Kitchener and may have required a taxi for transportation in the area.

Ms. Parsons was unable to explain the purpose of the \$100 Metro Pass expenditure. We understand from Ms. Parsons that the Ministry may require the Youth Justice Program to provide support to a client of the Clinic. Support can take the form of food, school supplies or transit to clients and is at the discretion of the Clinic.

Note B – Ottawa, ON (Trip 1)

Noted below are the details related to Trip # 1 to Ottawa in March 2009. Refer to Appendix D for further details regarding this trip, including the names of those individuals who travelled.

- **Purpose** – this trip to Ottawa related to the NACI conference which occurred in March 2009. The NACI conference was attended by various representatives and community members from across Canada. We understand that various initiatives related to NACI were held in the months leading up to NACI, including

visits to various communities across Canada, which culminated in a presentation of findings at the NACI conference in Ottawa in March 2009.

- **Geographic Location** – Set out below is a summary of the NACI conference attendees by geographic location, based on information obtained from the Visa transactions and supporting documentation reviewed. We note that the number of attendees may be higher, as our analysis is based on the Selected Expenditures identified on the Visa transactions only and does not reflect travel booked using other means, such as the Professional Travel Place.

Geographic Location	# of attendees	Total	
		\$	%
Ontario	76	25,749	39.0
Domestic	46	35,690	54.1
International	3	4,534	6.9
Total	125	65,973	100.0

It is our understanding from Ms. Parsons that approximately 300 to 400 people attended the NACI conference, including participants, speakers, Clinic staff and the Clinic Board. Ms. Parsons indicated that the Clinic covered the travel costs for some of the attendees. Ms. Parsons further noted that attendees travelled from across Canada as the conference was a national event. Furthermore, certain speakers travelled from locations outside of Canada to attend the conference. In our review of the Clinic Board meeting minutes, we did not identify approval for travel associated with the NACI conference. We understand from Ms. Parsons that the Clinic Board approves travel verbally as opposed to in writing. Furthermore, during our review of the NACI agreements and certain related draft budgets, we did not identify any budgets with funding specifically designated for travel costs for NACI attendees.

- **Method of travel** – Set out below is a summary of the methods of transportation used by NACI attendees.

Method	# of attendees	Total	
		\$	%
Air	119	64,250	97.4
Train	5	1,367	2.1
Bus	1	356	0.5
Total	125	65,973	100.0

As set out above, 119 (or 97.4%) of attendees travelled to and from the NACI conference by air. As noted in Appendix D, 70 of these 119 attendees travelled from locations within Ontario. It is our understanding from Ms. Parsons that the decision of whether attendees would travel by air, train or bus was based on the location from which they were travelling, as well as their role in the conference. Participants travelled by air if this was the most practical method of transportation based on their location of origin. Conference speakers typically travelled by air. Ms. Parsons further noted that the Clinic rented two coach buses and several participants travelled by bus to the conference. This is consistent with our discussion with Ms. Parsons in relation to unsupported payments to Dallas Equipment, as described in the Section *Unsupported Expenditures* below.

- **Rate per one-way trip** – Set out below is the average rate per one-way trip based on the geographic location and origin of travel.

Geographic Location	Origin	# of one-way trips	Total \$	Average rate per one-way trip \$	Notes
Ontario	Belleville, ON	2	279	139.50	
	Kitchener, ON	1	270	270.00	
	Toronto Island, ON	4	1,042	260.50	
	Toronto, ON	139	24,158	173.80	1
Total Ontario		146	25,749		
Domestic	Charlottetown, PEI	8	3,398	424.75	2
	Edmonton, AB	10	4,476	447.60	
	Fredericton, NB	6	2,129	354.83	
	Halifax, NS	32	10,897	340.53	
	Regina, SK	4	1,693	423.25	
	St. Johns, NF	4	2,869	717.25	
	Vancouver, BC	18	7,894	438.56	
	Winnipeg, MB	10	2,334	233.40	
Total Domestic		92	35,690		
International	Washington, DC	4	2,676	669.00	3
	Cleveland, OH	2	1,858	929.00	
Total International		6	4,534		
Total		244	65,973		

Note 1 – As set out above, the average rate per one way trip for the Toronto to Ottawa leg was \$173.80. In our review of the rates per one-way trip for each individual within the Toronto to Ottawa leg, as set out in Appendix D, we noted certain transactions where the rates per one-way trip were higher than \$173.80. These transactions are detailed below.

Origin	Method	Type of Attendee	Passengers	# of one-way trips	Total \$	Rates per one-way trip \$
Toronto, ON	Air	Clinic	Parsons, Margaret	2	742	371.00
Toronto, ON	Air	Conference		2	810	405.00
Toronto, ON	Air	Unknown		2	542	271.00
Toronto, ON	Air	Conference		1	364	364.00
Toronto, ON	Air	Unknown		2	521	260.50

Ms. Parsons advised that these anomalies in the rates per one way trip as compared to the average rate are not the result of first class travel. It is our understanding from Ms. Parsons that there were no instances where the Clinic booked first class travel. Ms. Parsons indicated that the prices varied depending on how far in advance

travel was booked and what days the passengers were required to travel on. Ms. Parsons advised that the Clinic always selected the most cost effective flights available at the time of booking.

Note 2 – As set out above, the average rate per one way trip for the Charlottetown to Ottawa leg was \$424.75. In our review of the rates per one-way trip for each individual within the Charlottetown to Ottawa leg, as set out in Appendix D, we noted certain transactions where the rates per one-way trip were higher than \$424.75. These transactions are detailed below.

Origin	Method	Type of Attendee	Passengers	# of one-way trips	Total \$	Rates per one-way trip \$
Charlottetown, PEI	Air	Unknown	[REDACTED]	2	1,026	513.00
Charlottetown, PEI	Air	Unknown	[REDACTED]	2	1,026	513.00

Ms. Parsons advised that these anomalies in rates per one way trip as compared to the average rate are not the result of first class travel. As stated above, it is our understanding from Ms. Parsons that there were no instances where the Clinic booked first class travel. Ms. Parsons indicated that the prices varied depending on how far in advance the travel was booked and what days the passengers were required to travel on. Ms. Parsons advised that the Clinic always selected the most cost effective flights available at the time of booking.

Note 3 – As set out above, the average rate per one way trip for the Washington to Ottawa leg was \$669.00. In our review of the rates per one-way trip for each individual within the Washington to Ottawa leg, as set out in Appendix D, we noted one transaction where the rate per one-way trip was higher than \$669.00. This transaction is detailed below.

Origin	Method	Type of Attendee	Passengers	# of one-way trips	Total \$	Rate per one-way trip \$
Washington, DC	Air	Unknown	[REDACTED]	2	2,320	1,160.00

Ms. Parsons advised that this anomaly in the rate per one way trip as compared to the average rate is not the result of first class travel. As stated above, it is our understanding from Ms. Parsons that there were no instances where the Clinic booked first class travel. Ms. Parsons indicated that the prices varied depending on how far in advance travel was booked and what days the passengers were required to travel on. Ms. Parsons advised that the Clinic always selected the most cost effective flights available at the time of booking. Ms. Parsons further indicated that in her view, flights to/from Washington are generally more expensive given the fact that Washington is an international travel hub. Furthermore, we understand from Ms. Parsons that [REDACTED] was a speaker at the NACI conference and had constraints as to which days she could travel.

- **Attendees:** Set out below is a summary of the type of NACI attendee (Clinic staff, the Clinic Board etc.).

Type of attendee	# of attendees	Total	
		\$	%
Clinic staff	8	2,930	4.4
Clinic Board	8	3,614	5.5
Conference attendee/speaker	39	17,988	27.3
Unknown	70	41,441	62.8
Total	125	65,973	100.0

As set out above, attendees include Clinic staff, the Clinic Board and conference attendees, as identified by Ms. Parsons. There were 70 individuals representing \$41,441 (or 62.8%) of the total NACI expenditures who could not be identified by Ms. Parsons.

Note C – Ottawa, ON (Trip 2)

Noted below are the details related to Trip # 2 to Ottawa in April 2009. It is our understanding from Ms. Parsons that the purpose of [REDACTED] travel to Ottawa was for the NACI conference.

Geographic Location	Date	Method	Total \$	Rate per one-way trip \$	Attendees	Type of Attendee
Ontario	Apr-09	Air	364	182.00	[REDACTED]	Clinic Staff

Note D – Owen Sound, ON

Noted below are the details related to Trip # 1 to Owen Sound in August 2007. It is our understanding from Ms. Parsons that the purpose of [REDACTED]'s travel to Owen Sound was for the NACI initiative. Ms. Parsons advised that Owen Sound is a historic black community and the Clinic conducted community forums at this location.

Geographic Location	Date	Method	Total \$	Rate per one-way trip \$	Attendees	Type of Attendee
Ontario	Aug-07	Bus	75	37.50	[REDACTED]	Clinic Staff

Note E – Washington, ON

Noted below are the details related to Trip # 1 to Washington in September 2007. Ms. Parsons was unable to explain the purpose of this expenditure.

Geographic Location	Date	Method	Total \$	Rate per one-way trip \$	Attendees	Type of Attendee
International	Sept-07	Air	509	254.50	Oscar Braithwaite	Clinic Board

Note F – Windsor, ON (Trip 1)

Noted below are the details related to Trip # 1 to Windsor in April 2007. Ms. Parsons was unable to explain the purpose of this expenditure. It is our understanding from Ms. Parsons that [REDACTED] may have travelled to Windsor for hate-crimes research related to the hate-crimes policy manual.

Geographic Location	Date	Method	Total \$	Rate per one-way trip \$	Attendees	Type of Attendee
Ontario	Apr-07	Train	212	106.00	[REDACTED]	Clinic Staff

Note G – Windsor, ON (Trip 2)

Noted below are the details related to Trip # 2 to Windsor in March 2010. Ms. Parsons was unable to explain the purpose of this expenditure. It is our understanding from Ms. Parsons that [REDACTED] may have travelled to Windsor to visit a client.

Geographic Location	Date	Method	Total \$	Rate per one-way trip \$	Attendees	Type of Attendee
Ontario	Mar-10	Train	277	138.50	[REDACTED]	Clinic Staff

Unsupported Expenditures

As set out in table 5.1.1, Transportation Expenditures for which no support was provided totalled \$9,482. As set out in table 5.1.4, of the total unsupported Transportation Expenditures of \$9,482, \$7,197 (or 75.9%) were selected for further inquiry with Ms. Parsons. Set out in Appendix B is a detailed list of all unsupported expenditures.

Table 5.1.4 – Unsupported Transportation Expenditures

Transaction Date	Method	Geographic Location	Company Name	Total \$	Type of Attendee	Notes
26-Nov-07	Air	Unknown	Air Canada	912	Unknown	A
3-Mar-09	Air	Unknown	Air Canada	446	Unknown	B
4-Mar-09	Air	Unknown	Westjet	227	Unknown	B
5-Mar-09	Air	Unknown	Air Canada	132	Unknown	B
9-Mar-09	Air	Unknown	Porter Airlines	190	Unknown	B
10-Mar-09	Train	Unknown	Via Rail	565	Unknown	B
10-Mar-09	Air	Unknown	Air Canada	521	Unknown	B
11-Mar-09	Air	Unknown	Air Canada	(446)	Unknown	B
13-Mar-09	Coach	Unknown	Dallas Equipment	4,650	Unknown	C
Total Discussed				7,197		
Total Unsupported Transportation Expenditures				9,482		
% Discussed				75.9%		

As set out in table 5.1.4, Ms. Parsons was unable to explain the geographic location or attendees associated with the unsupported Transportation Expenditures.

Note A - Ms. Parsons was unable to explain the purpose of the travel on November 26, 2007.

Note B - It is our understanding from Ms Parsons that these expenditures related to travel to the NACI conference.

Note C - It is our understanding from Ms Parsons that this expenditure related to coach rentals which were used to transport participants to the NACI conference.

5.2 Accommodation Expenditures

Overall Analysis

As previously noted, Accommodation Expenditures relate to expenditures for hotels and include charges for room, meals and other costs incurred at the hotel.

Set out in table 5.2.1 is a summary of the Accommodation Expenditures by geographic location and the amount of supporting documentation provided for each location. The “#” of instances set out below represents the number of Visa transactions.

Table 5.2.1 – Accommodation Expenditures by Geographic Location and Level of Support

Geographic Location	Supported		Unsupported		Total		% of Total Supported
	#	\$	#	\$	\$	%	
Ontario	18	8,527	11	9,688	18,215	44.2	46.8
Domestic	7	5,399	8	3,572	8,971	21.7	60.2
International	14	8,577	12	5,491	14,068	34.1	61.0
Total	39	22,503	31	18,751	41,254	100.0	54.5

As set out in table 5.2.1, Accommodation Expenditures totalled \$41,254, of which \$22,503 (or 54.5%) were supported. Of the total Accommodation Expenditures, \$18,215 (or 44.2%) related to accommodations within Ontario, \$8,971 (or 21.7%) related to accommodations within Canada (excluding Ontario) and \$14,068 (or 34.1%) related to accommodations outside of Canada. It is our understanding from Ms. Parsons that accommodations are typically required for travel associated with legal cases and conferences. Ms. Parsons indicated that all travel paid for using the Clinic Visa account would relate to Clinic work and would not include personal expenditures.

As set out in paragraph 95 of the LAO Directive, Clinics must obtain written approval in advance for travel (including accommodations), using the appropriate travel request forms. Per paragraphs 22 through 27 of the LAO Directive, travel within Ontario (defined in the LAO Directive as routine travel) must be approved by the Executive Director (or, in the instance of travel by the Executive Director, by the Clinic Board). Per paragraphs 28 through 41 of the LAO Directive, travel within Canada (excluding Ontario) (defined in the LAO Directive as extraordinary travel) must be approved by the Clinic Board. Per paragraphs 32 and 33 of the LAO Directive, travel outside of Canada must be approved by the Clinic Board and the responsible LAO Vice-President or Designate. It is our understanding from Ms. Parsons that during the Period of Review, she verbally approved all Clinic travel within

Ontario and Canada, including her own, and the Clinic Board was only involved in approving international travel. Where approval for international travel was required from the Clinic Board, this would occur verbally at Clinic Board meetings or directly with the Chair of the Clinic Board depending on the urgency of the approval. No written approval was provided by the Clinic Board.

While several of the Accommodation Expenditures reviewed during the Period of Review were incurred prior to issuance of the LAO Directive, Accommodation Expenditures incurred subsequent to issuance of the LAO Directive were not compliant with the approval levels (Executive Director vs. the Clinic Board vs. LAO Designate) and/or methods of approval (verbal vs. written and in advance) set out therein. We further noted that the Clinic does not currently have its own policies and procedures with respect to the booking and approval of accommodations. It appears that the process for booking travel is ad hoc and at the discretion of the Executive Director.

Set out in table 5.2.2 is a summary of the Accommodation Expenditures by cardholder, and the amount of support provided for each cardholder. The “#” of instances set out below represents the number of Visa transactions.

Table 5.2.2 – Accommodation Expenditures by Cardholder and Level of Support

Cardholder	Supported		Unsupported		Total		% of Total Supported
	#	\$	#	\$	\$	%	
██████████ 24	4	3,799	7	2,233	6,032	14.6	63.0
██████████ 09	1	164	3	7,265	7,429	18.0	2.2
██████████ 86	34	18,540	21	9,253	27,793	67.4	66.7
Total	39	22,503	31	18,751	41,254	100.0	54.5

As noted in table 5.2.2, \$27,793 (or 67.4%) of the Accommodation Expenditures were incurred by cardholder ██████████ 86. As set out in *Section 5 - Findings*, it is our understanding that this credit card was assigned to Ms. Parsons. It is our understanding from Ms. Parsons that her card would have been used to book travel for herself as well as other Clinic staff members.

As set out in the Supported Expenditures below, certain of the Accommodation Expenditures incurred by cardholder ██████████ 86 related to preparation for the NACI conference. Based on the explanations for the Supported Expenditures set out below, a total of \$1,855 (\$393 within Ontario and \$1,462 within Canada, excluding Ontario) related to Ms. Parsons’ travel for community development initiative leading up to the NACI conference. We understand from a former Office Manager that although the budget only permitted travel by the Program Director, Ms. Parsons also travelled for the NACI conference. We further understand that these additional costs resulted in the Program Director being let go and the Clinic using LAO’s money to fund the shortfall in funding for the conference. In the Correspondence from Dewart Gleason LLP dated November 16, 2012, the ACLC advised that the budget, set out in the Contribution Agreement, contained no restriction with respect to travel by the Program Director only. As set out in our final report on the Forensic Review of the ACLC issued on April 8, 2013, our review of the Contribution Agreement did not provide sufficient detail as to the individuals permitted to travel within the budget.

Set out in table 5.2.3 is a summary of the Accommodation Expenditures by hotel star rating, as obtained from online travel websites. The “#” of instances set out below represents the number of Visa transactions.

Table 5.2.3 – Accommodation Expenditures by Star Rating

Star Rating	Total		
	#	\$	%
Unknown	2	1,300	3.2
2	1	909	2.2
2.5	1	393	1.0
3	36	25,961	62.9
3.5	17	7,468	18.1
4	12	5,075	12.2
5	1	148	0.4
Total	70	41,254	100.0

Paragraph 61 of the LAO Directive indicates that Clinics can expense single accommodations in a standard room. Clinics cannot expense costs for suites, executive floors or concierge levels. It is our understanding from Ms. Parsons that the Clinic selected accommodations based on availability, rates and proximity to the travel destination. We noted one instance where the Clinic booked a suite at the Radisson Hotel in Kingston for [REDACTED]. Further details with respect to this expenditure are set out below.

Supported Expenditures

As indicated in table 5.2.4, Accommodation Expenditures for which support was provided totalled \$22,503. All Accommodation Expenditures were discussed during our interviews with Ms. Parsons.

Set out in table 5.2.4 is a summary of the supported Accommodation Expenditures by geographic location. The “#” of instances set out below represents the number of Visa transactions. Set out in Appendix E is a detailed list of the supported Accommodation Expenditures, including details with respect to the destination of travel, date(s) of travel, name of hotel, name of person(s) travelling, rate per night and any meal or other changes incurred while at the hotel.

Table 5.2.4 – Accommodation Expenditures by Geographic Location and Level of Support

Geographic Location	Supported			Notes
	#	\$	%	
Ontario	18	8,527	37.9	A
Domestic	7	5,399	24.0	B
International	14	8,577	38.1	C
Total	39	22,503	100.0	

As set out in table 5.2.4, of the total supported Accommodation Expenditures of \$22,503, \$8,527 (or 37.9%) related to accommodations within Ontario, \$5,399 (or 24.0%) related to accommodations within Canada (excluding Ontario), and \$8,577 (or 38.1%) related to accommodations outside of Canada.

Note A - Geographic Location: Ontario

As noted in table 5.2.4, Accommodation Expenditures within Ontario totalled \$8,527. Further details with respect to these expenditures as noted in our interview with Ms. Parsons are set out in notes 1 to 7 below. In addition, set out in Appendix E is a detailed list of the supported Accommodation Expenditures, including details with respect to the destination of travel, date(s) of travel, name of hotel, name of person(s) travelling, rate per night and any meal or other changes incurred while at the hotel.

Destination	Date	Hotel	Type of Attendee	Passenger	Total \$	Rate per Night \$	Notes
Kingston	Jan-11	Radisson	Clinic Staff	[REDACTED]	1,616	400.00	1
			Clinic Staff	[REDACTED]	567	109.00	1
			Clinic Staff	[REDACTED]	436	109.00	1
			Clinic Staff	Parsons, Margaret	750	109.00	1
			Unknown	[REDACTED]	370	109.00	1
Niagara	Sept-07	Brock Plaza	Clinic Staff	Parsons, Margaret	1,489	190.00	2
Ottawa	Jun-07	Minto Suites	Clinic Staff	Parsons, Margaret	215	179.00	3
	Sept-07	Delta Hotel	Clinic Staff	Parsons, Margaret	542	180.00	3
			Clinic Staff	[REDACTED]	417	180.00	3
	May-09	Crowne Plaza	Clinic Staff	Parsons, Margaret	273	189.00	3
	May-09	Hotel Indigo	Clinic Staff	Parsons, Margaret	148	127.00	3
	Jun-09	Hotel Indigo	Clinic Staff	Parsons, Margaret	467	135.67	3
	Jun-10	Radisson	Clinic Staff	Parsons, Margaret	192	170.00	3
Owen Sound	Aug-07	Days Inn	Clinic Staff	Parsons, Margaret	393	159.00	4
Toronto	Jun-09	Sutton Place	Clinic Staff	Parsons, Margaret	246	175.00	5
Windsor	Mar-08	Radisson	Clinic Staff	[REDACTED]	164	149.00	6
	Mar-08	Radisson	Clinic Staff	[REDACTED]	121	110.00	7
			Clinic Staff	Parsons, Margaret	121	110.00	7
Total					8,527		

Note 1 – It is our understanding from Ms. Parsons that the trip to Kingston from 17-Jan-11 to 20-Jan-11 was related to a legal case. We noted that the invoices contained hand-written notations indicating “visa legal”. Ms. Parsons indicated that [REDACTED] was the lead lawyer on the case and the Clinic booked a suite in her name that had a table for group discussions. This suite was booked in lieu of renting additional meeting rooms at the hotel. Ms. Parsons advised that all other individuals on the trip stayed in a standard room, which is consistent with the rates per night as noted above. We understand from our review of the LAO Directive issued in June 2010, which came into effect in September 2010, that the Clinic is permitted to book single accommodations in a standard room when travelling, and suites are not permitted. As set out in Appendix C, and based on our understanding as set out in Section 5 – Findings, this expenditure appears to relate to the General Fund.

As set out in Section 4 - Procedures Performed, the ACLC categorized the above individuals as either “Clinic Staff”, “Clinic Board”, “Conference attendee/speaker” or “Unknown”. We noted that ACLC categorized [REDACTED], [REDACTED] and [REDACTED] as Clinic Staff. We understand from Ms. Budgell that according to LAO’s records, these individuals are not Clinic Staff but rather, they appear to be lawyers from [REDACTED].

Note 2 – Ms. Parsons was unable to explain the purpose of the trip to Niagara from 18-Sep-07 to 21-Sep-07. It is our understanding from Ms. Parsons that this trip may have related to the Youth Justice Ontario conference.

Note 3 – Ms. Parsons was unable to explain the purpose of the trips to Ottawa. It is our understanding from Ms. Parsons that she travels to Ottawa on a regular basis as this is where the Federal Government, Canadian Human Rights Commissions and other groups are located. Ms. Parsons indicated that these trips may have related to a case, hearing before parliamentary committees or government meetings. We noted that the invoice from Crowne Plaza contained a hand-written notation indicating “ACLC - visa”. The invoice from Hotel Indigo for \$148 contained a notation indicating “routed from Parsons Margaret of room #522 Court Challenges”.

Note 4 – It is our understanding from Ms. Parsons that the purpose of the trip to Owen Sound from 3-Aug-07 to 5-Aug-07 was to meet with members of the black community. We understand from Ms. Parsons that these meetings were part of the community development initiative leading up to the NACI conference in March 2009.

Note 5 – Ms. Parsons was unable to explain the purpose of her stay in Toronto from 17-Jun-09 to 18-Jun-09. Ms. Parsons indicated that there were instances where she stayed in a hotel in Toronto overnight, for example if she had an early morning meeting downtown.

Note 6 – Ms. Parsons was unable to explain the purpose of the trip to Windsor from 17-Mar-08 to 18-Mar-08. Ms. Parsons indicated that this trip may have related to a legal case, as [REDACTED] was a lawyer with the Clinic.

Note 7 – Ms. Parsons was unable to explain the purpose of the trip to Windsor from 24-Mar-08 to 25-Mar-08. Ms. Parsons indicated that this trip may have related to a legal case, as [REDACTED] was a lawyer with the Clinic.

Note B - Geographic Location: Domestic

As noted in table 5.2.4, Accommodation Expenditures within Canada (excluding Ontario) totalled \$5,399. Further details with respect to these expenditures as noted in our interview with Ms. Parsons are set out in notes 1 and 2 below. In addition, set out in Appendix E is a detailed list of the supported Accommodation Expenditures, including details with respect to the destination of travel, date(s) of travel, name of hotel, name of person(s) travelling, rate per night and any meal or other changes incurred at the hotel.

Destination	Date	Hotel	Type of Attendee	Passenger	Total \$	Rate pe Night:	Notes
Dartmouth	Aug-09	Best Western	Clinic Staff	[REDACTED]	507	146.67	1
Edmonton	Jul-07	Delta	Clinic Staff	Parsons, Margaret	331	149.00	2
Gatineau	Mar-07	Sheraton	Clinic Staff	Parsons, Margaret	139	120.00	2
Halifax	Jun -Jul-07	Cambridge Suites	Clinic Staff	[REDACTED]	2,512	149.00	2
	Aug -Sept-09	Westin Hotels	Clinic Staff	Parsons, Margaret	614	169.00	2
Vancouver	Mar-07	Delta Suites	Clinic Staff	Parsons, Margaret	378	159.00	2
			Clinic Staff	[REDACTED]	378	159.00	2
Yellowknife	Jul-07	Explorer Hotel	Clinic Staff	[REDACTED]	540	165.00	2
Total					5,399		

Note 1 – It is our understanding from Ms. Parsons that the purpose of the trip to Dartmouth from 11-Aug-09 to 14-Aug-09 was for Youth Justice meetings and was part of program development. Ms. Parsons indicated that program development costs include gathering research and resources to prepare programs for the coming fiscal year.

Note 2 – It is our understanding from Ms. Parsons that the trips to Edmonton, Gatineau, Halifax, Vancouver and Yellowknife related to community meetings and consultations with communities as part of the NACI initiative.

Note C - Geographic Location: International

As noted in table 5.2.4, Accommodation Expenditures to locations outside of Canada totalled \$8,577. Further details with respect to these expenditures as noted in our interview with Ms. Parsons are set out in notes 1 to 5 below. In addition, set out in Appendix E is a detailed list of the supported Accommodation Expenditures, including details with respect to the destination of travel, date(s) of travel, name of hotel, name of person(s) travelling, rate per night and any meal or other changes incurred at the hotel.

Destination	Date	Hotel	Type of Attendee	Passenger	Total \$	Rate per Night \$	Notes
Baltimore	Dec-10	Sheraton Hotels	Clinic Staff	[REDACTED]	547	158.00	1
Christ Church	Feb-08	Sandy Ground	Clinic Staff	Parsons, Margaret	99	77.00	2
	Feb-08	Southern Palms	Clinic Staff	Parsons, Margaret	270	270.00	2
Columbus	Mar-10	Hyatt Columbus	Clinic Staff	[REDACTED]	253	104.00	3
			Clinic Staff	[REDACTED]	243	104.00	3
Downey	Dec-10	Embassy Suites	Clinic Staff	[REDACTED]	842	154.40	1
Fort Myers	Jan-11	Hotel Indigo	Clinic Staff	[REDACTED]	871	130.83	1
Geneva	Apr/May-08	Hotel Mon-Repos	Clinic Staff	Parsons, Margaret	246	192.30	4
			Clinic Staff	[REDACTED]	247	192.00	4
	Oct-08	Hotel Mon-Repos	Clinic Staff	[REDACTED]	2,298	192.86	4
Lima, Peru	Apr-09	Hotel Mon-Repos	Clinic Staff	Parsons, Margaret	(520)	202.80	4
			Clinic Staff	[REDACTED]	793	138.80	5
Lima, Peru	Jun-10	Radisson Hotel	Clinic Staff	Parsons, Margaret	793	138.80	5
			Clinic Staff	[REDACTED]	793	138.80	5
Long Island	Dec-10	Holiday Inn	Clinic Staff	[REDACTED]	1,595	274.80	1
Total					8,577		

Note 1 – It is our understanding from Ms. Parsons that the purpose of the trips to Baltimore, Downey, Fort Myers and Long Island were for Youth Justice Meetings and were part of program development. Consistent with the explanation provided for the trip to Dartmouth described above, Ms. Parsons indicated that program development costs include gathering research and resources to prepare programs for the coming fiscal year. We noted that the invoices from Embassy Suites and the Holiday Inn contained hand-written notations indicating “DoJ”.

Note 2 – It is our understanding from Ms. Parsons that the trips to Christ Church from 17-Feb-08 to 18-Feb-08 and 23-Feb-08 to 24-Feb-08 related to UN meetings. Ms. Parsons indicated that the accommodations within Christ Church were for the same trip, as it was necessary to switch hotels during the stay.

Note 3 – It is our understanding from Ms. Parsons that the purpose of the trip to Columbus from 11-Mar-10 to 13-Mar-10 was for a criminal justice conference focusing on justice reform related to race.

Note 4 – It is our understanding from Ms. Parsons that the various trips to Geneva related to UN meetings or presentations to the UN, as Canada reports at various UN conventions.

Note 5 – It is our understanding from Ms. Parsons that the purpose of the trip to Lima from 4-Jun-10 to 9-Jun-10 was for OAS Human Rights meetings.

Unsupported Expenditures

As set out in table 5.2.1, Accommodations Expenditures for which no support was provided totalled \$18,751. As set out in table 5.2.5, of the total unsupported Accommodations Expenditures of \$18,751, \$18,409 (or 98.2%) were selected for further inquiry with Ms. Parsons. Set out in Appendix B is a detailed list of all unsupported expenditures.

Table 5.2.5 – Unsupported Accommodation Expenditures

Company Name	Transaction Date	Destination	Total \$	Type of Attendee	Notes
Empire Landmark Hotel	24-Mar-07	Vancouver, BC	298	Unknown	A
Delta Hotel	25-Mar-07	Vancouver, BC	369	Unknown	A
Delta Hotel	12-Apr-07	Halifax, NS	428	Unknown	A
Delta Hotel	15-Jul-07	Edmonton, AB	331	Unknown	A
The Explorer Hotel	20-Jul-07	Yellowknife, NT	77	Unknown	A
The Explorer Hotel	24-Jul-07	Yellowknife, NT	728	Unknown	A
Hotel Mon-Repos	24-Aug-07	Geneva	450	Unknown	B
Hotel Mon-Repos	3-Sep-07	Geneva	1,032	Unknown	B
Radisson Hotel	1-Oct-07	Windsor, ON	514	Unknown	C
Delta Hotel	3-Oct-07	Ottawa, ON	576	Unknown	C
Radisson Hotel	29-Nov-07	Etobicoke, ON	6,637	Unknown	D
Hyatt Hotels	3-Dec-07	Columbus, OH	494	Unknown	E
Les Suites	16-Mar-08	Ottawa, ON	675	Unknown	C
Hotel Mon-Repos	4-Feb-09	Geneva	1,090	Unknown	B
Westin Hotel	2-Jul-09	Halifax, NS	482	Unknown	F
Howard Johnson	2-Aug-09	Chicago, IL	909	Unknown	E
Nairobi Serona Hotel	24-Feb-10	Nairobi, Kenya	148	Unknown	B
New Stanley Hotel	24-Feb-10	Nairobi, Kenya	265	Unknown	B
New Stanley Hotel	24-Feb-10	Nairobi, Kenya	34	Unknown	B
Panafrie Hotel	26-Feb-10	Nairobi, Kenya	87	Unknown	B
Holiday Inn	29-May-10	Toronto, ON	168	Unknown	H
Radisson Hotel	3-Jun-10	Lima, Peru	230	Unknown	G
Radisson Hotel	3-Jun-10	Lima, Peru	230	Unknown	G
CWT	25-Jan-08	Unknown	776	Unknown	H
International Vacations	14-Dec-07	Unknown	522	Unknown	H
Cambridge Suites Ltd.	12-Jun-10	Halifax, NS	859	Unknown	F
Total Discussed			18,409		
Total Unsupported Accommodation Expenditures			18,751		
% Discussed			98.2%		

As set out in table 5.2.5, Ms. Parsons was unable to explain the attendees associated with the unsupported Accommodation Expenditures.

Note A – Ms. Parsons was unable to explain the purpose of these expenditures. It is our understanding from Ms. Parsons that the accommodations in Vancouver, Halifax, Edmonton and Yellowknife may have related to NACI community consultations and meetings.

Note B – It is our understanding from Ms. Parsons that the accommodations in Geneva and Kenya related to UN initiatives. The accommodations in Kenya related specifically to UN initiatives for people of African descent.

Note C – Ms. Parsons was unable to explain the purpose of these expenditures. It is our understanding from Ms. Parsons that the accommodations in Windsor and Ottawa may have related to legal cases or NACI initiatives.

Note D – It is our understanding from Ms. Parsons that the costs incurred in Etobicoke related to the NACI policy forum. We further understand that each community sent a representative from their community to set priorities and present findings. This was part of the NACI initiatives leading up to the NACI conference in Ottawa.

Note E – It is our understanding from Ms. Parsons that the purpose of the accommodations in Columbus and Chicago was for program development costs.

Note F – Ms. Parsons was unable to explain the purpose of these expenditures. It is our understanding from Ms. Parsons that the accommodations in Halifax may have related to various Clinic initiatives. Ms. Parsons indicated that the Clinic collaborates with Halifax groups on various initiatives given the large black community in Halifax.

Note G – It is our understanding from Ms. Parsons that the accommodations in Lima related to OAS Human Rights initiatives.

Note H – Ms. Parsons was unable to explain the purpose of these expenditures.

5.3 Meal Expenditures

Overall Analysis

As previously noted, meal expenditures relate to expenditures for lunch, dinner and other meals incurred by the Clinic.

Set out in table 5.3.1 is a summary of the Meal Expenditures by geographic location and the amount of supporting documentation provided for each location. The “#” of instances set out below represents the number of Visa transactions.

Table 5.3.1 – Meal Expenditures by Geographic Location and Level of Support

Location	Supported		Unsupported		Total		% of Total Supported
	#	\$	#	\$	\$	%	
Ontario	107	13,893	78	8,379	22,272	93.3	62.4
Domestic	2	285	6	653	938	3.9	30.4
International	1	38	9	624	662	2.8	5.7
Total	110	14,216	93	9,656	23,872	100.0	59.6

As set out in table 5.3.1, Meal Expenditures totalled \$23,872, of which \$14,216 (or 59.6%) were supported. Of the total Meal Expenditures of \$23,872, \$22,272 (or 93.3%) occurred within Ontario. Of the total supported expenditures within Ontario of \$13,893, meals totalling \$12,959 (or 93.2%) were purchased in Toronto. These

meals were comprised of lunch expenditures of \$3,466 (32 instances), dinner expenditures of \$4,169 (45 instances) and other expenditures of \$5,324 (19 instances).

It is our understanding from Ms. Parsons that meals are most commonly incurred in relation to staff travel, as there are many cases and conferences outside of Toronto and Canada. Ms. Parsons further noted that meals are often required within Toronto for local staff and Clinic Board meetings, attendance at conferences and workshops and in instances where Clinic staff are required to work late or on the weekends. In instances where Clinic staff are required to work late, they would either order food into the Clinic or dine out at a restaurant, depending on the circumstances. We understand from Ms. Parsons that the Clinic does not have its own policies and procedures with respect to the approval of meal expenditures and meal rates per person.

Paragraphs 75 through 77 of the LAO Directive indicate that Clinic's can reimburse meal expenditures where the claimant is required to work during or through normal meal periods or when, during a normal meal period, the claimant is away from the headquarters area on Clinic business. Meal expenditures must be approved by the Executive Director (for expenditures incurred by Clinic staff) or by the Clinic Board (for expenditures incurred by the Executive Director). Appendix A of the LAO Directive indicates that Clinic staff are to be allocated \$40 for a full-day of meal claims (i.e. breakfast, lunch and dinner). For less than a full-day of meal claims, the guidance indicates meal rates as follows: breakfast - \$8.75, lunch - \$11.25 and dinner - \$20.00. While the majority of Meal Expenditures reviewed during the Period of Review were incurred prior to issuance of the LAO Directive, we noted two instances of lunch expenditures incurred subsequent to issuance of the LAO Directive that were not compliant with the meal rates per person set out therein. As set out in Appendix F, these expenditures were incurred at Swiss Chalet on December 10, 2010 for \$209 (\$17.42 per person) and Pumpernickel's on December 10, 2010 for \$217 (\$18.08 per person). As set out in Appendix C, and based on our understanding as set out in *Section 5 – Findings*, the expenditure at Swiss Chalet appears to relate to the General Fund while the expenditure at Pumpernickel's appears to relate to an ACLC Fund other than the General Fund.

Paragraph 80 of the LAO Directive stipulates that meal reimbursements should not include reimbursement for any alcoholic beverages. Per paragraph 83 of the LAO Directive, there are certain instances where alcohol may be reimbursed if related to hospitality expenditures incurred for persons who are not engaged in work for the Clinic. It is our understanding from Ms. Parsons that it would be rare for Clinic staff to expense alcoholic beverages. In our review of the supporting documentation for Meal Expenditures, we noted instances where alcohol was purchased during meals attended by Clinic staff. While the majority of alcohol purchases reviewed during the Period of Review were incurred prior to issuance of the LAO Directive, we note one instance of an alcohol purchase incurred subsequent to issuance of the LAO Directive. As set out in Appendix H, this expenditure was incurred at The Boiler House on December 4, 2010 for \$1,020, which included \$344 related to alcohol. As set out in Appendix C, and based on our understanding as set out in *Section 5 – Findings*, this expenditure appears to relate to both the General Fund (\$350) and an ACLC Fund other than the General Fund (\$670). It is unknown to which fund the alcohol purchase relates.

We note that the Clinic currently has no policies or procedures with respect to the approval of Meal Expenditures and meal rates per person, including when it is appropriate for Clinic staff and the Executive Director to incur such expenditures. It appears that the process for incurring meal expenditures is ad hoc and at the discretion of the Executive Director.

Set out in table 5.3.2 is a summary of the Meal Expenditures by cardholder and the amount of support provided for each cardholder. The “#” of instances set out below represents the number of Visa transactions.

Table 5.3.2 – Meal Expenditures by Cardholder and Level of Support

Cardholder	Supported		Unsupported		Total		% of Total Supported
	#	\$	#	\$	\$	%	
██████████24	3	295	7	536	831	3.5	35.5
██████████09	24	3,370	11	903	4,273	17.9	78.9
██████████99	11	730	9	319	1,049	4.4	69.6
██████████77	11	1,277	12	821	2,098	8.8	60.9
██████████86	61	8,544	54	7,077	15,621	65.4	54.7
Total	110	14,216	93	9,656	23,872	100.0	59.6

As set out in table 5.3.2, we noted that \$15,621 (or 65.4%) of the Meal Expenditures were incurred by cardholder ██████████86. As previously stated, it is our understanding that this credit card was assigned to Ms. Parsons. It is our understanding from Ms. Parsons that her card would have been used to purchase meals for herself, as well as other Clinic staff members.

Supported Expenditures

As indicated in table 5.3.1, Meal Expenditures for which support was provided totalled \$14,216. Of the total supported Meal Expenditures of 14,216, we discussed \$8,585 (or 60.4%) during our interviews with Ms. Parsons.

As agreed with you, we performed a detailed analysis of the supported Meal Expenditures using the following categories:

- **Lunch:** represents meals where the purchase took place between 11:00 AM and 3:00 PM or where the details of the support suggested the expenditure related to a lunch;
- **Dinner:** represents meals that were not included in the lunch category; and
- **Other:** represents other purchases of prepared food, including catering, coffee, fruit and baked goods.

In determining the cost per attendee, we applied professional judgement in determining the number of attendees based on the number of meals, drinks and/or cutlery indicated on the supporting documentation.

Set out in table 5.3.3 is a summary of the supported Meal Expenditures by category and the amounts discussed during our interviews with Ms. Parsons. The “#” of instances set out below represents the number of Visa transactions. Set out in Appendices F through H are detailed lists of the supported Meal Expenditures. In addition, set out in Appendix E is a detailed list of the supported Accommodation Expenditures, a portion of which includes charges for meals incurred at the respective hotel.

Table 5.3.3 – Meal Expenditures Supported and Discussed by Category

Category	Supported		Discussed		% Discussed	Notes
	#	\$	#	\$		
Lunch	36	3,784	9	1,242	32.8	A
Dinner	53	4,913	25	2,675	54.4	B
Other	21	5,519	7	4,668	84.6	C
Total	110	14,216	41	8,585	60.4	

As set out in table 5.3.3, supported Meal Expenditures totalled \$14,216, of which \$3,784 (26.6%) related to lunch, \$4,913 (34.6%) related to dinner and \$5,519 (38.8%) related to other Meal Expenditures.

Note A - Lunch Expenditures

Of the total lunch expenditures of \$3,784, \$1,242 (or 32.8%) were selected for further inquiry with Ms. Parsons. The following criteria were used to select transactions from Appendix F for further discussion with Ms. Parsons:

- Number of attendees (> 12 attendees);
- Cost per attendee (> \$20 per attendee);
- Meals where alcohol was purchased; or
- Meals that occurred on the weekends.

Set out below are the lunch expenditures that were selected for further inquiry with Ms. Parsons.

Company Name	Transaction Date	Location	# of attendees	Total \$	\$ per attendee	Alcohol \$	Weekend (Yes/No)	Notes
Diners Corner	17-Apr-07	Toronto	18	308	17.11	-	No	1
Duke of Westminster	16-Aug-07	Toronto	2	41	20.50	-	No	2
Island Foods	24-Jun-09	Toronto	26	202	7.77	-	No	3
Little Anthony's	29-Nov-07	Toronto	2	83	41.50	-	No	4
Pizza Hut	29-Jul-09	North York	7	145	20.71	-	No	3
Spring Rolls	16-Oct-08	Toronto	5	150	30.00	-	No	3
	16-Oct-08	Toronto	4	94	23.50	-	No	3
Szechuan Szechuan	25-Mar-08	Toronto	2	44	22.00	-	No	4
Café Pacifica	25-Mar-07	Vancouver	3	175	58.33	-	Yes	5
Total Lunch Expenditures Discussed				1,242				

Note 1 – Ms. Parsons was unable to explain the purpose of this lunch expenditure. It is our understanding from Ms. Parsons that this lunch expenditure may have related to lunch for Clinic staff while conducting a large meeting or workshop at the YMCA on Grosvenor Street in Toronto.

Note 2 – Ms. Parsons was unable to explain the purpose of this lunch expenditure. It is our understanding from Ms. Parsons that this lunch expenditure may have related to lunch for two Clinic staff members while working on a case.

Note 3 – Ms. Parsons was unable to explain the purpose of these lunch expenditures. It is our understanding from Ms. Parsons that these lunch expenditures may have related to a Clinic staff or Clinic Board meeting. These meetings are held on a monthly basis, or more frequently where necessary. Typically, the Clinic has lunch or dinner delivered for these meetings. We noted that the invoice from Island Foods contained a hand-written notation indicating "Visa, ACLC Lunch, Staff meeting June 24th, 2009". The invoice from Pizza Hut contained a hand-written notation indicating "YCF".

Note 4 – Ms. Parsons was unable to explain the purpose of these lunch expenditures. It is our understanding from Ms. Parsons that these lunch expenditures may have related to lunch business meetings or working lunches for Clinic staff. Ms. Parsons noted that the lunch at Szechuan Szechuan likely relates to a youth program.

Note 5 – It is our understanding from Ms. Parsons that the lunch expenditure of \$175 at Cafe Pacifica related to travel in relation to a community forum held in Vancouver. Ms. Parsons indicated that community leaders from Vancouver attended the lunch. Furthermore, Ms. Parsons recalls there being more than 3 people in attendance at the lunch. It is our understanding from Ms. Parsons that this meal was expensed on a weekend as Clinic staff were required to be in Vancouver over the weekend.

Note B - Dinner Expenditures

Of the total dinner expenditures of \$4,913, \$2,675 (or 54.4%) were selected for further inquiry with Ms. Parsons. The following criteria were used to select transactions from Appendix G for further discussion with Ms. Parsons:

- Number of attendees (> 12 attendees);
- Cost per attendee (> \$20 per attendee);
- Meals where alcohol was purchased; or
- Meals that occurred on the weekends.

Set out below are the dinner expenditures that were selected for further inquiry with Ms. Parsons.

Company Name	Transaction Date	Location	# of attendees	Total \$	\$ per attendee	Alcohol \$	Weekend (Yes/No)	Notes
Baton Rouge	6-Dec-07	Toronto	2	51	25.50	-	No	1
Beer Bistro	7-Sept-09	Toronto	1	44	44.00	-	No	2
	13-Sept-09	Toronto	1	31	31.00	-	Yes	2
Boston Pizza	23-Sept-09	Kenora	1	26	26.00	-	No	3
Diners Corner	4-Jan-08	Toronto	16	138	8.63	-	No	4
Domus Café	15-Sept-07	Ottawa	5	250	50.00	26	Yes	5
Harlem 1920	11-Apr-08	Toronto	2	70	35.00	18	No	1
Kelsey's	21-Sept-07	Scarborough	2	50	25.00	-	No	6
Metropolitan Hotel	13-Sept-07	Toronto	2	83	41.50	10	No	7
Montana's	19-Sept-07	Niagara Falls	2	80	40.00	7	No	8
Muse Bistro	27-Jul-07	Toronto	10	630	63.00	-	No	9
Pepperwood Bistro	23-Jun-10	Burlington	4	100	25.00	-	No	10
Pickle Barrel	3-Dec-07	Etobicoke	2	52	26.00	-	No	11
Pizzaville	4-Apr-08	Toronto	15	90	6.00	-	No	4
Tony Deluca	21-Sept-07	Niagara Falls	3	107	35.67	-	No	8
Sheraton	6-Oct-07	Toronto	1	36	36.00	-	Yes	12
Spring Rolls	22-Oct-07	Toronto	15	207	13.80	-	No	4
	24-Nov-07	Toronto	5	98	19.60	-	Yes*	4
	14-Apr-08	Toronto	5	102	20.40	-	No	4
	1-Dec-08	Toronto	5	95	19.00	-	Yes*	4
	17-Aug-08	Toronto	6	97	16.17	-	Yes*	4
Swiss Chalet	26-Aug-09	Toronto	2	46	23.00	-	No	13
The Courtyard	1-Jun-09	Ottawa	1	39	39.00	-	No	14
Vittoria Trattoria	12-Jun-09	Ottawa	1	43	43.00	-	No	14
The King and I Thai	14-Jul-07	Edmonton	Unknown	110	Unknown	Unknown	Yes	15
Total Dinner Expenditures Discussed				2,675				

* In these instances, the transaction date on the Visa statement was on a weekend. Based on the invoice details, these transactions occurred on a weekday.

Note 1 – Ms. Parsons was unable to explain the purpose of these dinner expenditures or why alcohol was purchased and subsequently charged to the Clinic. It is our understanding from Ms. Parsons that these dinner expenditures were likely incurred by [REDACTED] who was the Office Manager at the Clinic during 2008. We understand from a former Office Manager that [REDACTED] does not consume or purchase alcohol and did not make such purchases in her role as Office Manager at the Clinic.

Note 2 – It is our understanding from Ms. Parsons that these dinner expenditures were incurred by Ms. Parsons while working late or on the weekend. Consistent with this explanation, we noted that the invoices from the Beer

Bistro indicated that the meals totalling \$44 and \$31 were incurred at 12:24 AM and 10:12 PM, respectively. We noted that the invoices contained hand-written notations indicating "General".

Note 3 – It is our understanding from Ms. Parsons that this dinner expenditure related to a meal while travelling out-of-town for youth justice meetings. These meetings occur on an annual basis. We noted that the invoice contained a hand-written notation indicating "ACYJP".

Note 4 - Ms. Parsons was unable to explain the purpose of these dinner expenditures. It is our understanding from Ms. Parsons that these dinner expenditures may have related to Clinic staff or Clinic Board meetings. We noted that the invoices from Spring Rolls for \$207 and \$95 contained hand-written notations indicating "visa-general, meals-staff". As described within the lunch expenditures above, these meetings are held on a monthly basis, or more frequently where necessary. Typically, the Clinic has lunch or dinner delivered for these meetings. Ms. Parsons noted that many of these meals were ordered from Spring Rolls because of the generous portion sizes, which were shared amongst attendees and there were well in excess of five or six people at each meeting.

Note 5 – Ms. Parsons was unable to explain the purpose of this dinner expenditure or why alcohol was purchased and subsequently charged to the Clinic. It is our understanding from Ms. Parsons that this dinner expenditure may have related to Clinic staff working in Ottawa over the weekend for NACI. Ms. Parsons indicated that there were several meetings in Ottawa and [REDACTED] would have been in attendance at the meetings. We noted that the invoice contained a hand-written notation indicating "NACI – Ottawa".

Note 6 – Ms. Parsons was unable to explain the purpose of this dinner expenditure.

Note 7 – Ms. Parsons was unable to explain the purpose of this dinner expenditure or why alcohol was purchased and subsequently charged to the Clinic. It is our understanding from Ms. Parsons that this dinner expenditure may have related to a case as the restaurant is located close to the Ontario Human Rights Commission. Ms. Parsons estimated that three or four Clinic staff would have been in attendance.

Note 8 – Ms. Parsons was unable to explain the purpose of these dinner expenditures or why alcohol was purchased and subsequently charged to the Clinic. It is our understanding from Ms. Parsons that the dinner expenditures of \$80 and \$107 at Montana's and Tony De Luca's, respectively, may have related to a youth justice meeting attended by Clinic staff in Niagara Falls. Clinic staff would have expensed their meals while working off-site.

Note 9 - It is our understanding from Ms. Parsons that this dinner expenditure was for a Clinic Board member, Clinic staff and volunteer appreciation event after the annual general meeting. Ms. Parsons indicated that well in excess of 10 people were in attendance at the event.

Note 10 – It is our understanding from Ms. Parsons that this dinner expenditure was related to a public training workshop attended by Clinic staff. The Clinic staff expensed their meal during the two or three day training course which was held off-site. We noted that the invoice contained a hand-written notation indicating "MCYS module".

Note 11– Ms. Parsons was unable to explain the purpose of this dinner expenditure. It is our understanding from Ms. Parsons that this dinner expenditure may have related to Clinic staff expensing dinner after a meeting. Ms. Parsons was unable to explain the purpose of the meeting.

Note 12 – Ms. Parsons was unable to explain the purpose of this dinner expenditure. It is our understanding from Ms. Parsons that the dinner expenditure may have related to a Clinic staff member working on a Saturday.

Note 13 – It is our understanding from Ms. Parsons that the dinner expenditure of \$46 at Swiss Chalet was incurred while Ms. Parsons and other Clinic staff were working late. We noted that the invoice contained a hand-written notation indicating "working late + Margaret Parsons". Consistent with Ms. Parsons' explanation, we noted that the invoice from the Swiss Chalet was issued at 9:22 PM. Ms. Parsons indicated that there were more than two people who were working late in this instance.

Note 14 – Ms. Parsons was unable to explain the purpose of these dinner expenditures. It is our understanding from Ms. Parsons that the dinner expenditures of \$39 and \$43 incurred at The Courtyard and Vittoria Trattoria, respectively, were likely related to a case or community meeting in Ottawa. We noted that the invoices contained hand-written notations indicating "ACLC" and "ACLC-General", respectively.

Note 15 – It is our understanding from Ms. Parsons that this dinner expenditure was related to a community meeting as part of the NACI initiative. It is our understanding from Ms. Parsons that this meal was expensed on a weekend as Clinic staff were required to be in Edmonton over the weekend.

Note C - Other Expenditures

Of the total Other Expenditures of \$5,519, \$4,668 (or 84.6%) were selected for further inquiry with Ms. Parsons. Other Expenditures were comprised of purchases related to baked goods, breakfast, fruit, coffee and tea, as well as costs related to events. The following criteria were used to select transactions from Appendix H for further discussion with Ms. Parsons:

- Meals where alcohol was purchased; or
- Meals that occurred on the weekends.

Set out below are the other expenditures that were selected by PwC and LAO for further inquiry with Ms. Parsons.

Company Name	Transaction Date	Location	Total \$	Alcohol \$	Weekend? (Yes/No)	Notes
Canadian Arab Federation	22-Jun-07	Toronto	100	Unknown	No	1
Delta Hotel	8-Dec-07	Toronto	1,914	Unknown	Yes	2
Druxy's	26-Feb-08	Toronto	157	-	No	3
	21-Oct-08	Toronto	189	-	No	3
Pumpnickel's	17-Jan-11	Toronto	246	-	No	4
The Boiler House	4-Dec-10	Toronto	1,020	344	Yes	2
	8-Jan-11	Toronto	1,042	-	Yes	2
Total Other Expenditures Discussed			4,668			

Note 1 – It is our understanding from Ms. Parsons that the payment of \$100 to the Canadian Arab Federation related to a dinner in support of the Federation's 40th anniversary.

Note 2 – It is our understanding from Ms. Parsons that the payments to the Delta Hotel and the Boiler House related to annual Christmas parties for Clinic staff, the Clinic Board and Clinic volunteers. These events occurred on weekends and in at least one instance included alcohol. We understand from Ms. Parsons that The Boiler House expenditures noted above relate to one event, that being the annual ACLC Christmas Party, and that a deposit was charged to the Clinic credit card in advance of the event. As noted above, per paragraph 83 of the LAO Directive, there are certain instances where alcohol may be reimbursed if related to hospitality expenditures incurred for persons who are not engaged in work for the Clinic. It appears based on our discussions with Ms. Parsons that all attendees associated with the Boiler House expenditures were engaged in work for the Clinic.

In the Correspondence from Dewart Gleason LLP dated December 18, 2012, provided in response to the Correspondence from Fasken Martineau DuMoulin LLP dated December 14, 2012, the ACLC stated that it is their understanding that LAO funds were not used for the above noted expenditures. The ACLC further stated that they have not further investigated or verified this information. In the correspondence from Fasken Martineau DuMoulin LLP dated January 7, 2013, LAO requested that the ACLC further investigate this matter to confirm whether LAO funds were used for the above noted expenditures. In the correspondence from Dewart Gleason LLP dated January 10, 2013, ACLC indicated that, given the fact that these expenditures were incurred several years ago, and they have agreed to address the expenditures on a go forward basis to ensure proper governance, they will not be investigating these expenditures further.

As set out in Appendix C, and based on our understanding as set out in *Section 5 - Findings*, The Boiler House expenditure of \$1,020 incurred on December 4, 2010 appears to relate to both the General Fund (\$350) and an ACLC Fund other than the General Fund (\$670). The Boiler House expenditure of \$1,042 incurred on January 8, 2011 appears to relate to both the General Fund (\$260) and an ACLC Fund other than the General Fund (\$782). With respect to the Delta Hotel expenditure of \$1,914 incurred on December 8, 2007, it is unknown to which Fund

Note 3 – Ms. Parsons was unable to explain the purpose of these expenditures. It is our understanding from Ms. Parsons that the payments to Druxy's likely related to snacks and related items for the legal team in relation to a case. We noted notation on the invoice indicating that the expenditure related to food ordered for [REDACTED]'s mothers wake.

Note 4 – Ms. Parsons was unable to explain the purpose of this expenditure. It is our understanding from Ms. Parsons that the payment of \$246 to Pumpernickel's may have related to a purchase by ACYJP staff. We noted that the invoice contained a hand-written notation indicating ""staff mtg lunch visa ACYJP".

Unsupported Expenditures

As set out in table 5.3.1, Meal Expenditures for which no support was provided totalled \$9,656. As set out in table 5.3.4, of the total unsupported Meal Expenditures of \$9,656, \$3,464 (or 35.9%) were selected for further inquiry with Ms. Parsons. Set out in Appendix B is a detailed list of all unsupported expenditures.

Table 5.3.4 – Unsupported Meal Expenditures

Geographic Location	Company Name	Location	Transaction Date	Total \$	Attendees	Notes
Ontario	Fairmont Hotel	Toronto	13-Dec-08	589	Unknown	A
	Manyata Courtyard Cafe	Toronto	7-Jun-09	121	Unknown	B
	Metro Brasserie	Ottawa	15-Mar-09	999	Unknown	C
	The Old Mill Catering	Toronto	28-Jun-07	350	Unknown	D
	The Old Mill Catering	Toronto	25-Oct-07	750	Unknown	D
Domestic	Delta Hotel	Vancouver	24-Mar-07	51	Unknown	C
International	Aquapisce Bar & Grill	Christ Church	23-Feb-08	50	Unknown	E
	Brasserie Lipp	Geneva	18-Oct-08	161	Unknown	F
	Country Club Lima Hotel	Lima	8-Jun-10	63	Unknown	E
	DCA Venture Cibo Bistro	Washington	14-Nov-07	21	Unknown	C
	Restaurant Han Lung	Geneva	15-Oct-08	262	Unknown	F
	Sheraton	Baltimore	4-Dec-10	21	Unknown	G
	Tamambo Ltd.	Nairobi	25-Feb-10	26	Unknown	H
Total Discussed				3,464		
Total Unsupported Meal Expenditures				9,656		
% Discussed				35.9%		

As set out in table 5.3.4, Ms. Parsons was unable to explain the attendees associated with the unsupported Meal Expenditures.

Note A – It is our understanding from Ms. Parsons that the payment to the Fairmont Hotel related to an annual Christmas party for Clinic staff, the Clinic Board and volunteers.

Note B – It is our understanding from the general ledger details that the payment to Manyata of \$121 was a personal expenditure that was subsequently repaid by Ms. Parsons through petty cash. Based on our review of the petty cash ledger a re-payment by Ms. Parsons in the amount of \$121 was identified.

Note C – Ms. Parsons was unable to explain the purpose of these meal expenditures.

Note D – Ms. Parsons was unable to explain the purpose of these meal expenditures. It is our understanding from Ms. Parsons that the meal expenditures totalling \$1,100 at The Old Mill Catering likely related to strategic planning or training meetings.

Note E – It is our understanding from Ms. Parsons that these meal expenditures related to meals while travelling in Christ Church and Lima for OAS meetings. Ms. Parsons indicated that more than one Clinic staff member was travelling; however, she could not recall who or how many staff travelled in these instances.

Note F – It is our understanding from Ms. Parsons that these meal expenditures incurred in Geneva related to travel for Clinic staff for UN meetings. Ms. Parsons indicated that more than one Clinic staff member was travelling; however, she could not recall who travelled in these instances.

Note G – Ms. Parsons was unable to explain the purpose of this expenditure. It is our understanding from Ms. Parsons that this meal expenditure may have related to meals incurred while staff travelled for training purposes.

Note H – It is our understanding from Ms. Parsons that the meal expenditures in Nairobi related to staff travel for an international women’s project. Ms. Parsons could not recall who or how many staff travelled in this instance.

5.4 Other Expenditures

Overall Analysis

As previously noted, Other Expenditures relate to expenditures that were not categorized as either Transportation, Accommodations or Meals (as discussed in Sections 5.1 through 5.3 above) or Cash Advances (as discussed in Section 5.5 below).

Set out in table 5.4.1 is a summary of the Other Expenditures by category and the amount of supporting documentation provided for each category. The categories set out in table 5.4.1 were determined based on the nature of the transaction. The “#” of instances set out below represents the number of Visa transactions.

Table 5.4.1 – Other Expenditures by Category and Level of Support

Category	Supported		Unsupported		Total		% of Total Supported
	#	\$	#	\$	\$	%	
Alcohol	2	74	2	41	115	0.2	64.3
Appliances	2	361	-	-	361	0.6	100.0
Books/Periodicals	9	1,601	7	681	2,282	4.0	70.2
Charity/Donation	2	1,255	4	636	1,891	3.3	66.4
Computer Services	3	665	2	227	892	1.6	74.6
Conference	8	1,091	2	425	1,516	2.7	72.0
Delivery	3	86	-	-	86	0.2	100.0
Electronics	5	5,344	4	205	5,549	9.7	96.3
Flowers	8	1,137	6	730	1,867	3.3	60.9
Gifts	31	2,662	-	-	2,662	4.7	100.0
Grocery	5	103	8	778	881	1.5	11.7
Lawyer Fees	1	159	-	-	159	0.3	100.0
Other	10	2,167	25	3,247	5,414	9.5	40.0
Parking	11	2,530	21	404	2,934	5.1	86.2
Registration Fee	-	-	1	290	290	0.5	0.0
Room Bookings/Catering	6	9,139	3	1,304	10,443	18.3	87.5
Salary –Bookkeeping	2	872	-	-	872	1.5	100.0
Supplies	42	5,331	21	2,633	7,964	14.0	66.9
Telecommunications	5	475	40	3,356	3,831	6.7	12.4
Training	8	6,782	-	-	6,782	11.9	97.7
Travel Fees	6	164	2	49	213	0.4	77.0
Total	169	41,998	148	15,006	57,004	100.0	73.7

As set out in table 5.4.1, Other Expenditures totalled \$57,004, of which \$41,998 (or 73.7%) were supported.

Set out in table 5.4.2 is a summary of the Other Expenditures by cardholder and the amount of support provided for each cardholder. The “#” of instances set out below represents the number of Visa transactions.

Table 5.4.2 – Other Expenditures by Cardholder and Level of Support

Cardholder	Supported		Unsupported		Total		% of Total Supported
	#	\$	#	\$	\$	%	
██████████24	5	594	5	287	881	1.6	67.4
██████████09	68	17,779	35	6,616	24,395	42.8	72.9
██████████99	9	1,694	15	585	2,279	4.0	68.4
██████████77	47	7,271	31	2,488	9,759	17.1	74.5
██████████86	40	14,660	62	5,030	19,690	34.5	75.2
Total	169	41,998	148	15,006	57,004	100.0	73.7

As set out in table 5.4.2, we noted that \$24,395 (or 42.8%) of the Other Expenditures were incurred by cardholder ██████████09 and \$19,690 (or 34.5%) were incurred by cardholder ██████████86. Ms. Parsons was unable to confirm to whom card number ██████████09 was assigned to. As previously noted, it is our understanding that the credit card number ██████████86 was assigned to Ms. Parsons.

Supported Expenditures

As indicated in table 5.4.1, Other Expenditures for which support was provided totalled \$41,998. Of the total supported Other Expenditures of \$41,998, we discussed \$31,897 (or 75.9%) during our interview with Ms. Parsons.

Set out in table 5.4.3 are the supported Other Expenditures that that were selected for further inquiry with Ms. Parsons. The “#” of instances set out below represents the number of Visa transactions. Set out in Appendix I is a detailed list of all supported Other Expenditures.

Table 5.4.3 – Other Expenditures Supported and Discussed by Category

Category	Supported		Discussed		% Discussed	Notes
	#	\$	#	\$		
Alcohol	2	74	2	74	100.0	A
Appliances	2	361	2	361	100.0	B
Books/Periodicals	9	1,601	-	-	-	
Charity/Donation	2	1,255	2	1,255	100.0	C
Computer Services	3	665	-	-	-	
Conference	8	1,091	-	-	-	
Delivery	3	86	-	-	-	
Electronics	5	5,344	3	4,921	92.1	D
Flowers	8	1,137	8	1,137	100.0	E
Gifts	31	2,662	27	2,618	98.3	F
Grocery	5	103	-	-	-	
Lawyer Fees	1	159	-	-	-	
Other	10	2,167	10	2,167	100.0	G
Parking	11	2,530	11	2,530	100.0	H
Room Bookings/Catering	6	9,139	4	8,211	89.8	I
Salary – Bookkeeping	2	872	-	-	-	
Supplies	42	5,331	1	1,183	22.2	J
Telecommunications	5	475	4	814	171.4*	K
Training	8	6,782	7	6,626	97.6	L
Travel Fees	6	164	-	-	-	
Total	169	41,998	81	31,897	75.9	

* This category includes certain credit amounts that were not selected for discussion during the interview with Ms. Parsons.

Note A - Alcohol

Set out below are expenditures related to alcohol that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
LCBO	██████████09	8-Feb-08	47	1
	██████████09	28-Mar-08	27	2
Total Alcohol Discussed			74	

Note 1 – Based on the invoice details, the payment to the LCBO of \$47 related to the purchase of two bottles of Bacardi Gold Rum Bottega Petalo Moscato. Ms. Parsons was unable to explain the purpose of these expenditures. We understand from a former Office Manager that alcohol was kept on-site at the Clinic and that “Bacardi Friday” events were held by Clinic staff.

In the Correspondence from Dewart Gleason LLP dated December 18, 2012, provided in response to the Correspondence from Fasken Martineau DuMoulin LLP dated December 14, 2012, the ACLC advised that explanations were provided by Ms. Parsons to PwC with respect to the above noted expenditures. The ACLC stated that these expenditures appear to be personal in nature and were incurred by a former employee who misused her credit card without authorization. We understand that the ACLC responded by cancelling all credit cards and replacing them with a single credit card for use by the ACLC. The ACLC advised that the money with respect to these expenditures was recovered from the employee by way of a set-off against her wages. When the funds were recovered, the employee in question resigned from the ACLC.

As stated above, we were not aware of, or provided with, explanations for the above-noted expenditures at the time of our review. As noted in *Section 5 - Findings*, in general discussions during our interview with Ms. Parsons about ACLC expenditures, we were advised that Clinic staff did, on occasion, use the Clinic Visa for expenses of a personal nature. In these instances, they were required to re-pay the Clinic for the expenditures. With the exception of personal telecommunications expenditures incurred by [REDACTED] described in further detail in *Section 5 - Findings* and below, we were not provided with additional detail during our interview with Ms. Parsons as to what specific expenditures were incurred for personal purposes.

Note 2 –Based on the invoice details, the payment to the LCBO of \$27 related to the purchase of one bottle of Freixenet Cordon Negro Brut and one bottle of Martini & Rossi Asti. Ms. Parsons was unable to explain the purpose of this expenditure. It is our understanding from Ms. Parsons that the purchase may have related to celebrating the results of a case.

Note B - Appliances

Set out below are expenditures related to appliances that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Canadian Tire	[REDACTED] 09	30-Sep-07	274	1
Wal-mart	[REDACTED] 77	16-Jul-09	87	2
Total Appliances Discussed			361	

Note 1 – Based on the invoice details, the payment to Canadian Tire of \$274 related to the purchase of a refrigerator and microwave. It is our understanding from Ms. Parsons that the purpose of this purchase was to equip the Clinic’s North York office with a refrigerator and microwave.

Note 2 – Based on the invoice details, the payment to Wal-Mart of \$87 related to the purchase of a microwave, kettle, and various drinks. The invoice also contains a hand-written notation indicating ‘Jarvis St’. It is our understanding from Ms. Parsons that these purchases were for the Clinic’s office at the courts, located on Jarvis Street.

Note C - Charity/Donation

Set out below are expenditures related to charity/donations that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
A Different Booklist	██████████86	26-Sep-08	505	1
Canadian Arab Federation	██████████86	27-Jul-09	750	2
Total Charity/Donation Discussed			1,255	

Note 1 – Based on the invoice details, the payment to A Different Booklist of \$505 related to the purchase of five tickets to a Charity Dinner Gala to raise funds for the Cyril Ross Nursery in Trinidad and Tobago. It is our understanding from Ms. Parsons that these tickets were purchased in support of a community event. Ms. Parsons indicated that the Clinic determines which events to support through discussions with the Clinic Board.

Note 2 – Based on the invoice details, the payment to the Canadian Arab Federation of \$750 related to the purchase of 10 fundraising tickets for a Canadian Arab Federation event that took place on June 19, 2009. It is our understanding from Ms. Parsons that the Clinic purchased a table of 10 for dinner at this fundraising event.

Note D - Electronics

Set out below are expenditures related to electronics that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Futureshop	██████████77	Dec-01-08	1,837	1
Tigerdirect.ca	██████████86	29-Jul-09	398	2
Best Buy	██████████09	28-Sep-07	2,686	3
Total Electronics Discussed			4,921	

Note 1 – Based on the invoice details, the payment of \$1,837 to Futureshop related to the purchase of a television, DVD player, dishwasher, wall mount and the related delivery charge and product protection plan for the Clinic's office at 18 King Street East. We verified the existence of these items purchased in the Clinic's office at 18 King Street East.

Note 2 – Based on the invoice details, the payment of \$398 to Tigerdirect.ca related to the purchase of an HP colour laserjet printer. A related fax indicates that this item was returned 'due to wrong product ordered by customer'. It is our understanding from Ms. Parsons that this relates to the purchase of a laser printer for the Clinic's office at 18 King Street East for use by the ACYJP staff members.

Note 3 – Based on the invoice details, the payment of \$2,686 to Best Buy related to the purchase of a DVD player, television, wall mount and the related installation, video setup and product protection. It is our understanding from Ms. Parsons that the purpose of this purchase was to equip the Clinic's North York office with electronic equipment.

Note E - Flowers

Set out below are expenditures related to flowers that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Basket Company Inc.	██████████ 86	2-Sep-09	93	1
	██████████ 86	16-Jun-10	371	2
Black Eyed Susan's	██████████ 09	23-Jan-08	57	3
	██████████ 86	24-Feb-10	113	4
	██████████ 86	5-Mar-10	96	5
	██████████ 86	12-Jan-11	192	6
Ciano Florist	██████████ 86	11-Jun-09	94	7
Tidy's Flowers	██████████ 86	18-Jun-10	121	8
Total Flowers Discussed			1,137	

Note 1 – Based on the invoice details, the payment of \$93 to the Basket Company Inc. related to the purchase and delivery of flowers for ██████████. The invoice contains a hand-written notation indicating "ACYJP". It is our understanding from Ms. Parsons that these flowers were sent to ██████████ a Clinic staff member, after he had an operation.

Note 2 – Based on the invoice details, the payment of \$371 to the Basket Company Inc. related to the purchase and delivery of flowers for ██████████ (Project Manager) and ██████████ (re-entry coordinator). It is our understanding from Ms. Parsons that these flowers were sent to the aforementioned individuals to express condolences.

Note 3 – Based on the invoice details, we were unable to identify what the payment of \$57 to Black Eyed Susan's related to. Ms. Parsons was unable to explain the purpose of this expenditure.

Note 4 – Based on the invoice details, the payment of \$113 to Black Eyed Susan's related to the purchase and delivery of flowers for ██████████. Ms. Parsons was unable to explain the purpose of this expenditure.

Note 5 – Based on the invoice details, the payment of \$96 to Black Eyed Susan's related to the purchase and delivery of a green plant for ██████████. It is our understanding from Ms. Parsons that this plant was sent to ██████████ to express condolence upon the death of his mother.

Note 6 – Based on the invoice details, the payment of \$192 to Black Eyed Susan's related to the purchase and delivery of flowers for the Late ██████████. It is our understanding from Ms. Parsons that these flowers were for a Clinic staff member to express condolence upon the death of his/her brother.

Note 7 – Based on the invoice details, the payment of \$94 to Ciano Florist related to the purchase and delivery of a sympathy arrangement for ██████████. It is our understanding from Ms. Parsons that these flowers were sent to ██████████ to express condolence upon the death of a relative.

Note 8 – Based on the invoice details, the payment of \$121 to Tidy's Flowers relates to the purchase and delivery of flowers to [REDACTED]. It is our understanding from Ms. Parsons that these flowers were sent to [REDACTED], an individual affiliated with the Clinic, when she was ill.

Note F - Gifts

Set out below are expenditures related to gifts that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Adrienne Foley Spa	[REDACTED] 77	10-Dec-08	75	1
Aldo	[REDACTED] 77	3-Dec-08	75	1
Bath & Body Works	[REDACTED] 86	3-Dec-10	90	1
Cadillac Fairview	[REDACTED] 09	6-Dec-07	106	1
	[REDACTED] 99	7-Dec-07	181	1
	[REDACTED] 77	3-Dec-08	230	1
	[REDACTED] 77	10-Dec-08	75	1
Carlton Cards	[REDACTED] 77	1-Dec-08	16	1
	[REDACTED] 77	3-Dec-08	30	1
Crate and Barrel	[REDACTED] 77	23-Jul-09	75	2
Godiva Chocolatier	[REDACTED] 77	3-Dec-08	11	1
H&M	[REDACTED] 77	3-Dec-08	150	1
HMV	[REDACTED] 09	6-Dec-07	51	1
	[REDACTED] 77	3-Dec-08	75	1
Homesense	[REDACTED] 86	3-Dec-10	45	1
KeyMan Engravables	[REDACTED] 09	21-Nov-07	246	3
La Senza	[REDACTED] 77	3-Dec-08	79	1
Laura Secord	[REDACTED] 77	7-Dec-08	25	1
LCBO	[REDACTED] 09	6-Dec-07	50	1
Shoppers Drug Mart	[REDACTED] 77	3-Dec-08	150	1
	[REDACTED] 77	3-Dec-08	41	1
	[REDACTED] 77	3-Dec-08	150	1
The Bay	[REDACTED] 99	7-Dec-07	105	1
	[REDACTED] 99	7-Dec-07	18	1
	[REDACTED] 09	28-Jul-08	150	4
Toys 'R' Us	[REDACTED] 09	1-Apr-08	169	5
Yorkdale Mall	[REDACTED] 77	3-Dec-08	150	1
Total Gifts Discussed			2,618	

Note 1 – Based on the invoice details, these purchases from various vendors totalling \$1,978 related primarily to the purchase of gift cards, cards and other items in December 2007, 2008 and 2010. As set out in Appendix I, a number of the invoices included hand-written notations indicating 'xmas party' or 'xmas gift'. It is our understanding from Ms. Parsons that the purpose of these purchases during the December time period was to

purchase gifts for the annual Clinic Christmas party. Ms. Parsons indicated that gifts of up to \$75 or \$80 were provided to individuals connected with the Clinic, including Clinic staff, the Clinic Board, volunteers and committee members as tokens of appreciation for their efforts throughout the year. Ms. Parsons advised that no gifts were purchased for hospitality purposes.

Paragraph 94 of the LAO Directive indicates that the Clinic may permit token gifts of appreciation, valued at up to \$30, be extended to "persons who are not attached to the Clinic in exchange for pro bono services". The LAO Directive indicates that gifts in excess of \$30 must be justified and approved by the Executive Director. While the majority of the expenditures reviewed during the Period of Review were incurred prior to issuance of the LAO Directive, as set out above, we noted two instances of expenditures incurred subsequent to issuance of the LAO Directive that were not compliant with the Directive, as they were gifted to Clinic staff members and exceeded the \$30 threshold (Bath and Body Works and Homesense on December 3, 2010 for \$90 and \$45, respectively). Ms. Parsons indicated that in her view, the policy does not state that gifts cannot be provided to Clinic staff members. She further noted that the LAO Directive only reflects the spending requirements related to LAO's funding but the expenditures incurred on the Clinic Visa are for the General Fund as well as other ACLC Funds. As set out in Appendix C, and based on our understanding as set out in *Section 5 - Findings*, the expenditures at Bath and Body Works and Homesense appear to relate to the General Fund. We noted that there are no Clinic policies, written approvals, Clinic Board meeting minutes or other documentation to support these expenditures.

We noted that there is no formal approval process for the purchase of Christmas (or other holiday) gifts; however, we understand from Ms. Parsons that the purchase of holiday gifts was encouraged by the Clinic Board, provided that the gifts were determined to be reasonable in the circumstances. It appears that the process of purchasing holiday gifts is ad hoc and at the discretion of the Executive Director.

Note 2 – Based on the invoice details, the payment of \$75 to Crate and Barrel related to the purchase of a gift card. The invoice contains a hand-written notation indicating 'MCYS', 'LM', 'staff gift'. Ms. Parsons was unable to explain the purpose of this expenditure. It is our understanding from Ms. Parsons that this purchase may have related to a gift for a co-op student upon finishing his/her term at the Clinic's North York location. As set out in Appendix C, and based on our understanding as set out in *Section 5 - Findings*, this expenditure appears to relate to an ACLC Fund other than the General Fund.

Note 3 – Based on the invoice details, the payment of \$246 to KeyMan Engravables related to the purchase of six silver clocks (equates to \$41 per clock). It is our understanding from Ms. Parsons that the purpose of the purchase was to provide appreciation gifts to a committee of the Clinic. She could not recall the name of the committee. As set out in Appendix C, and based on our understanding as set out in *Section 5 - Findings*, it is unknown to which fund this expenditure relates.

Note 4 – Based on the invoice details, the payment of \$150 to The Bay related to the purchase of a gift card. It is our understanding from Ms. Parsons that the purpose of this purchase was to buy a wedding gift for [REDACTED], a Clinic staff member.

In the Correspondence from Dewart Gleason LLP dated December 18, 2012, provided in response to the Correspondence from Fasken Martineau DuMoulin LLP dated December 14, 2012, the ACLC stated that it is their understanding that LAO funds were not used for this expenditure. The ACLC further stated that, given the amount and timing of this expenditure, they have not taken the time to investigate and verify this information. In the correspondence from Fasken Martineau DuMoulin LLP dated January 7, 2013, LAO requested that the ACLC

further investigate this matter to confirm whether LAO funds were used for the above noted expenditure. In the correspondence from Dewart Gleason LLP dated January 10, 2013, the ACLC indicated that, given the fact that this expenditure was incurred several years ago, and they have agreed to address expenditures on a go forward basis to ensure proper governance, they will not be investigating this expenditure further.

As set out in Appendix C, and based on our understanding as set out in *Section 5 - Findings*, this expenditure appears to relate to the General Fund. We note that this expenditure was incurred prior to issuance of the LAO Directive.

Note 5 – Based on the invoice details, the payment of \$169 to Toys 'R' Us related to the purchase of an item for a newborn to toddler. It is our understanding from Ms. Parsons that the purpose of the purchase was to buy a gift for ██████████ a Clinic staff member who had a baby.

In the Correspondence from Dewart Gleason LLP dated December 18, 2012, provided in response to the Correspondence from Fasken Martineau DuMoulin LLP dated December 14, 2012, the ACLC stated that it is their understanding that LAO funds were not used for this expenditure. The ACLC further stated that, given the amount and timing of this expenditure, they have not taken the time to investigate and verify this information. In the correspondence from Fasken Martineau DuMoulin LLP dated January 7, 2013, LAO requested that the ACLC further investigate this matter to confirm whether LAO funds were used for the above noted expenditure. In the correspondence from Dewart Gleason LLP dated January 10, 2013, the ACLC indicated that, given the fact that this expenditure was incurred several years ago, , and they have agreed to address expenditures on a go forward basis to ensure proper governance, they will not be investigating this expenditure further.

As set out in Appendix C, and based on our understanding as set out in *Section 5 - Findings*, this expenditure appears to relate to an ACLC Fund other than the General Fund.

Note G – Other

Set out below are expenditures related to other items that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Canada Post	██████████	77 3-Jul-09	261	1
		77 26-Aug-09	400	2
	██████████	77 26-Aug-09	480	2
		77 27-Aug-09	122	2
		77 1-Sep-09	148	2
Canadian Tire	██████████	77 18-Aug-08	107	3
Exceptions Fine Writing Instruments	██████████	86 19-Mar-07	155	4
Motophoto	██████████	24 23-Mar-07	150	5
		24 18-Apr-07	192	6
Wal-mart	██████████	77 3-Dec-08	152	7
Total Other Discussed			2,167	

Note 1 – Based on the invoice details, the payment of \$261 to Canada Post related to the purchase of five coils of stamps.

Note 2 – Based on the invoice details, we were unable to identify what the payments totalling \$1,002 to Canada Post related to. The invoices contain hand-written notations indicating 'NACI picture frames'. One receipt for \$148 also indicated the addressee as Alan Bean, Arlington, Texas. It is our understanding from Ms. Parsons that the purpose of these purchases was to ship damaged picture frames back to the manufacturer. Ms. Parsons indicated that the picture frames were purchased for the speakers, volunteers and committee members as a thank you gift for participating in the NACI conference. Ms. Parsons indicated that there were over 50 speakers, volunteers and committee members involved in the conference.

Note 3 – Based on the invoice details, the payment of \$107 to Canadian Tire related to the purchase of three barbecues, two barbecue brushes and related supplies. It is our understanding from Ms. Parsons that the purpose of this purchase was for the Clinic's annual staff picnic.

Note 4 – Based on the invoice details, we were unable to identify what the payment of \$155 to Exceptions Fine Writing Instruments related to. Ms. Parsons was unable to explain the purpose of this expenditure.

Note 5 – Based on the invoice details, we were unable to identify what the payment to Motophoto of \$150 related to. The invoice contains a hand-written notations indicating [REDACTED]. It is our understanding from Ms. Parsons that this payment related to custom framing, as described in note 6 below.

Note 6 – Based on the invoice details, the payment to Motophoto of \$192 related to a deposit for custom framing. It is our understanding from Ms. Parsons that the purpose of the custom framing was to hang heritage posters in the Clinic offices. Ms. Parsons indicated that the posters are still on display at the Clinic's office.

Note 7 – Based on the invoice details, the payment of \$152 to Wal-mart related to the purchase of dishes, cutlery and glasses. It is our understanding from Ms. Parsons that the purpose of the purchase was to buy supplies when the Clinic moved to the 18 King East Clinic location.

Note H - Parking

Set out below are expenditures related to parking that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Toronto Parking Authority	██████████09	9-Aug-07	230	1
	██████████09	9-Aug-07	230	1
	██████████09	5-Sep-07	230	1
	██████████09	14-Sep-07	230	1
	██████████09	1-Oct-07	230	1
	██████████09	4-Oct-07	230	1
	██████████09	5-Dec-07	230	1
	██████████99	2-Jan-08	230	1
	██████████99	5-Feb-08	230	1
	██████████99	5-Mar-08	230	1
	██████████77	5-Aug-08	230	1
Total Parking Discussed			2,530	

Note 1 – Based on the invoice details, the payments to the Toronto Parking Authority totalling \$2,530 related to the purchase of monthly parking passes. The invoice details contain hand-written notations indicating ██████████ (ACYJP) in three instances and ██████████ in two instances. There were no hand-written notations indicating the individual's name on the remaining invoices. Ms. Parsons was unable to explain the purpose of these expenditures. It is our understanding from Ms. Parsons that parking may have been required for ██████████ (Youth Justice Program) ██████████ (NACI) or ██████████ (Youth Justice Program). The staff members for the Youth Justice Program are required to supervise various locations across the GTA.

Note I - Room Bookings/Catering

Set out below are expenditures related to room bookings/catering that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Oakham House	██████████09	23-Jul-07	278	1
	██████████09	9-Aug-07	278	1
Radisson Hotel	██████████09	27-Nov-07	6,111	2
Westin Hotel	██████████86	4-Dec-10	1,544	3
Total Room Bookings/Catering Discussed			8,211	

Note 1 – Based on the invoice details, the payments of \$556 to Oakham House related to deposits for a function on July 27, 2007. It appears that the deposit was charged twice. It is our understanding from Ms. Parsons that workshops and meetings were held at Oakham House, which is the Ryerson University student campus centre. Ms. Parsons indicated that this location is used for meetings where more space is required than is available at the

Clinic. Ms. Parsons was unable to recall who would have attended the meetings related to the July and August 2007 payments.

Note 2 – Based on the invoice details, the payment of \$6,111 to Radisson Hotel related to meeting room rentals, audio visual and catering charges in Etobicoke between November 23 and 27, 2007. It is our understanding from Ms. Parsons that this purchase related to the NACI conference policy forum which was attended by Clinic staff and community members from across Canada.

Note 3 – Based on the invoice details, the payment of \$1,544 to Westin Hotel related to room bookings, dinner, banquet breakfast, banquet public room, banquet meeting and lunch. The invoice contained a hand-written notation indicating 'Strategic planning – FW every fund'. It is our understanding from Ms. Parsons that this purchase relates to the Clinic's annual strategic planning meeting which is held offsite given the lack of space available onsite at the Clinic. The strategic planning meeting is attended by all Clinic staff and the Clinic Board.

Note J - Supplies

Set out below are expenditures related to supplies that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Staples Business Depot	██████████09	1-Oct-07	1,183	1
Total Supplies Discussed			1,183	

Note 1 – Based on the invoice details, the payment of \$1,183 to Staples Business Depot related to a delivery on October 2, 2007. The invoice appears to be missing pages. The invoice indicated that this expenditure related to the Ministry of Attorney General. Invoice details include the purchase of recycle bins, projection screen, cables, desktop shredder, labels, waste basket, cork board, copy paper, folders, easel and other items. Ms. Parsons was unable to explain the purpose of this specific expenditure. It is our understanding from Ms. Parsons that the Clinic orders supplies from Staples Business Depot regularly.

Note K - Telecommunications

Set out below are expenditures related to telecommunications that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Bell	██████████09	21-Feb-08	395	1
	██████████09	22-Feb-08	169	1
	██████████09	20-Mar-08	86	2
Rogers	██████████86	15-Aug-09	164	3
Total Telecommunications Discussed			814	

Note 1 – Based on the invoice details, the payments to Bell totalling \$564 related to the purchase of two cell phones. The invoice for \$169 also contained a hand-written notation indicating 'set up by ██████████ for ██████████'.

██████████ Ms. Parsons was unable to explain the purpose of these expenditures. It is our understanding from Ms. Parsons that the purpose of these purchases may have been to purchase cell phones for Clinic staff working with the Youth Justice program, Clinic lawyers or the Executive Director.

Note 2 – Based on the invoice details, we were unable to identify what the payment to Bell of \$86 related to. Ms. Parsons was unable to explain the purpose of this expenditure.

Note 3 – Based on the invoice details the payment of \$164 to Rogers related to an overdue bill for account ██████████. Ms. Parsons was unable to explain the purpose of this expenditure or who the phone relates to.

Note L - Training

Set out below are expenditures related to training that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
AR Phoenix Resources	██████████ 86	16-Dec-10	3,745	1
Congressional Black Caucus	██████████ 86	4-Sep-09	1,044	2
International Institute for Restorative Practices	██████████ 77	2-Oct-08	331	3
	██████████ 77	2-Oct-08	263	3
	██████████ 77	2-Oct-08	13	3
NAACP Legal Defence	██████████ 86	28-Sep-07	817	4
PayPal	██████████ 86	16-Dec-10	413	5
Total Training Discussed			6,626	

Note 1 – Based on the invoice details, the payment of \$3,745 to AR Phoenix resources related to the purchase of Phoenix high school curriculum (25 hours), What Do YOU Think? (25 lesson version), MAV - Managing Aggression and Violence, DVDs and workbooks. It is our understanding from Ms. Parsons that this purchase related to instructor materials for training associated with anti-gang and/or anti-drug initiatives.

Note 2 – Based on the invoice details, the payment of \$1,044 to the Congressional Black Caucus related to the purchase of one prayer breakfast ticket, one awards dinner ticket and VIP admission to The Black Party on September 24, 2009. It is our understanding from Ms. Parsons that this related to training for Clinic staff members. Ms. Parsons indicated that there is very little training offered in Canada related to the Clinic's mandate. As a result, Clinic staff members travel to the US in order to obtain training in certain areas.

Note 3 – Based on the invoice details, the payments to the International Institute for Restorative Practices totalling \$607 related to Ms. Parsons and ██████████'s participation in training for Clinic staff members. Ms. Parsons indicated that there is very little training offered in Canada related to the Clinic's mandate. As a result, Clinic staff members travel to the US in order to obtain training in certain areas.

Note 4 – Based on the invoice details, the payment of \$817 to NAACP Legal Defence related to the 2007 Airlie Conference in Warrenton, Virginia from November 14 to 16, 2007 for ██████████ and ██████████. It is our understanding from Ms. Parsons that this related to training for Clinic staff members. Ms. Parsons indicated that there is very little training offered in Canada related to the Clinic's mandate. As a result, Clinic staff members travel to the US in order to obtain training in certain areas.

Note 5 – Based on the invoice details, the payment of \$413 to PayPal related to registration for an event in Fort Myers, Florida from January 10 to 14, 2011. It is our understanding from Ms. Parsons that this related to the purchase of instructor materials for training associated with anti-gang and/or anti-drug initiatives. Ms. Parsons noted that these materials are purchased from the US as training materials in this area are limited in Canada.

Unsupported Expenditures

As set out in table 5.4.1, Other Expenditures for which no support was provided totalled \$15,006. As set out in table 5.4.4, of the total unsupported Other Expenditures of \$15,006, \$10,171 (or 67.8%) were selected for further inquiry with Ms. Parsons. Set out in Appendix B is a detailed list of all unsupported expenditures.

Table 5.4.4 – Other Expenditures Supported and Discussed by Category

Category	Unsupported		Discussed		% Discussed	Notes
	#	\$	#	\$		
Alcohol	2	41	2	41	100.0	A
Appliances	-	-	-	-	-	
Books/Periodicals	7	681	-	-	-	
Charity/Donation	4	636	1	551	86.6	B
Computer Services	2	227	-	-	-	
Conference	2	425	-	-	-	
Delivery	-	-	-	-	-	
Electronics	4	205	2	510	248.8*	C
Flowers	6	730	6	730	100.0	D
Grocery	8	778	1	487	62.6	E
Lawyer Fees	-	-	-	-	-	
Other	25	3,247	21	3,127	96.3	F
Parking	21	404	21	404	100.0	G
Registration Fee	1	290	-	-	-	
Room Bookings/Catering	3	1,304	3	1,304	100.0	H
Salary – Bookkeeping	-	-	-	-	-	
Supplies	21	2,633	-	-	-	
Telecommunications	40	3,356	39	3,017	89.9	I
Training	-	-	-	-	-	
Travel Fees	2	49	-	-	-	
Total	148	15,006	96	10,171	67.8	

* This category includes certain credit amounts that were not selected for discussion during the interview with Ms. Parsons.

Note A - Alcohol

Set out below are the unsupported expenditures related to alcohol that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
LCBO	[REDACTED]	24 4-Apr-08	14	1
	[REDACTED]	24 4-Apr-08	27	1
Total Alcohol Discussed			41	

Note 1 - Ms. Parsons was unable to explain the purpose of these expenditures. We understand from a former Office Manager that alcohol was kept on-site at the Clinic and that "Bacardi Friday" events were held by Clinic staff.

In the Correspondence from Dewart Gleason LLP dated December 18, 2012, provided in response to the Correspondence from Fasken Martineau DuMoulin LLP dated December 14, 2012, the ACLC advised that explanations were provided by Ms. Parsons to PwC with respect to the above noted expenditures. The ACLC stated that these expenditures appear to be personal in nature and were incurred by a former employee who misused her credit card without authorization. We understand that the ACLC responded by cancelling all credit cards and replacing them with a single credit card for use by the ACLC. The ACLC advised that the money with respect to these expenditures was recovered from the employee by way of a set-off against her wages. When the funds were recovered, the employee in question resigned from the ACLC.

As stated above, we were not aware of, or provided with, explanations for the above-noted expenditures at the time of our review. As noted in *Section 5 - Findings*, in general discussions during our interview with Ms. Parsons about ACLC expenditures, we were advised that Clinic staff did, on occasion, use the Clinic Visa for expenses of a personal nature. In these instances, they were required to re-pay the Clinic for the expenditures. With the exception of personal telecommunications expenditures incurred by [REDACTED] described in further detail in *Section 5 - Findings* and below, we were not provided with additional detail during our interview with Ms. Parsons as to what specific expenditures were incurred for personal purposes.

Note B - Charity/Donation

Set out below are the unsupported expenditures related to charity/donations that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Ontario Municipal Society	[REDACTED]	09 10-Sept-07	551	1
Total Charity/Donation Discussed			551	

Note 1 - Ms. Parsons was unable to explain the purpose of this expenditure. Ms. Parsons indicated that this expenditure may have related to a conference that took place in Windsor regarding human rights principles.

Note C - Electronics

Set out below are the unsupported expenditures related to electronics that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Best Buy	██████████09	28-Sep-07	120	1
	██████████77	15-Dec-08	390	1
Total Electronics Discussed			510	

Note 1 - Ms. Parsons was unable to explain the purpose of these expenditures.

Note D - Flowers

Set out below are the unsupported expenditures related to flowers that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Black Eyed Susan's	██████████86	19-Oct-07	102	1
	██████████86	6-Mar-08	147	1
	██████████86	10-Oct-08	130	1
Bloom 84 Flowershop	██████████86	29-Jul-08	117	1
Gifts, Flowers and Bridal	██████████86	6-Oct-08	200	1
	██████████86	7-Oct-08	34	1
Total Flowers Discussed			730	

Note 1 - Ms. Parsons was unable to explain the purpose of these expenditures. It is our understanding from Ms. Parsons that flowers were purchased to express condolences to Clinic staff or others affiliated with the Clinic.

Note E - Grocery

Set out below are the unsupported expenditures related to grocery that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Wal-mart	██████████77	29-Jul-08	487	1
Total Grocery Discussed			487	

Note 1 - Ms. Parsons was unable to explain the purpose of this expenditure.

Note F - Other

Set out below are the unsupported expenditures related to other items that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Amorphous Hair Group	██████████	86 6-Jun-09	37	1
Fanak Custom Picture Frame	██████████	86 30-Oct-07	200	2
Final FX	██████████	09 3-Aug-07	398	2
	██████████	09 14-Feb-08	58	2
Just Miss	██████████	99 30-Dec-07	142	2
La Senza	██████████	99 30-Dec-07	112	2
Lavalife	██████████	99 30-Dec-07	32	2
	██████████	99 29-Jan-08	31	2
Liftow Ltd	██████████	09 5-Oct-07	400	3
Mars Blinds	██████████	24 14-Dec-07	150	2
Paypal	██████████	09 31-Dec-07	86	2
STC Gift Certificate	██████████	77 14-Dec-08	150	2
Still Water Spa	██████████	77 4-Dec-08	100	2
The Bay	██████████	99 7-Dec-07	147	2
	██████████	09 21-Feb-08	29	2
	██████████	86 5-Aug-08	33	2
	██████████	77 20-Feb-09	28	2
The Diamond Shop	██████████	86 30-Mar-07	754	4
William Ashley Ltd	██████████	86 4-Mar-08	240	2
	██████████	86 3-Apr-08	62	2
	██████████	86 10-Apr-08	(62)	2
Total Other Discussed			3,127	

Note 1 – It is our understanding from the general ledger details that the payment to Amorphous Hair Group of \$37 was a personal expenditure that was subsequently repaid by Ms. Parsons through petty cash. As set out in Appendix C, and based on our understanding as set out in *Section 5 – Findings*, this expenditure appears to relate to the General Fund. Based on our review of the petty cash ledger a re-payment by Ms. Parsons for \$37 was identified.

Note 2 - Ms. Parsons was unable to explain the purpose of the expenditures incurred at Fanak Custom Picture Frame, Final FX, Lavalife, Mars Blinds, Paypal, Just Miss, La Senza, STC Gift Certificate, Still Water Spa, The Bay or William Ashley Ltd. totalling \$1,936.

In the Correspondence from Dewart Gleason LLP dated December 18, 2012, provided in response to the Correspondence from Fasken Martineau DuMoulin LLP dated December 14, 2012, the ACLC advised that explanations were provided by Ms. Parsons to PwC with respect to the above noted expenditures relating to Still Water Spa, La Senza, William Ashley, STC Gift Certificate, Just Miss and Lavalife. The ACLC stated that these

expenditures appear to be personal in nature and were incurred by a former employee who misused her credit card without authorization. We understand that ACLC responded by cancelling all credit cards and replacing them with a single credit card for use by the ACLC. The ACLC advised that the money with respect to these expenditures was recovered from the employee by way of a set-off against her wages. When the funds had been recovered, the employee in question resigned from the ACLC.

As stated above, we were not aware of, or provided with, explanations for the above-noted expenditures at the time of our review. We note that the above noted expenditures relating to Still Water Spa, La Senza, William Ashley, STC Gift Certificate, Just Miss and Lavalife were incurred on three different Clinic Visa credit cards. As noted in *Section 5 - Findings*, in general discussions during our interview with Ms. Parsons about ACLC expenditures, we were advised that Clinic staff did, on occasion, use the Clinic Visa for expenses of a personal nature. In these instances, they were required to re-pay the Clinic for the expenditures. With the exception of personal telecommunications expenditures incurred by [REDACTED], described in further detail in *Section 5 - Findings* and below, we were not provided with additional detail during our interview with Ms. Parsons as to what specific expenditures were incurred for personal purposes.

Note 3 – Ms. Parsons was unable to explain the purpose of this expenditure. It is our understanding from Ms. Parsons that the payment to Liftow Ltd. of \$400 may have related to the purchase of a youth training program for the Youth Justice Program. Based on our review of the Liftow Ltd. website, corporate and independent forklift training is offered.

Note 4 – Ms. Parsons was unable to explain the purpose of this expenditure. As set out in Appendix C, and based on our understanding as set out in *Section 5 - Findings*, it is unknown to which fund this expenditure relates. It is our understanding from Ms. Parsons that the payment to The Diamond Shop of \$754 may have related to the purchase of a ring by Ms. Parsons for personal purposes. Ms. Parsons indicated that she repaid the amount in cash the subsequent day. The cash payment was provided to [REDACTED] the Office Manager at the time. We further understand from Ms. Parsons that [REDACTED] was only with the Clinic for a period of one month in 2007. Ms. Parsons was unable to recall [REDACTED] full name or exact dates of employment. We were unable to identify a deposit in the General Fund cash account, petty cash or other records indicating repayment to the Clinic in the amount of \$754.

We understand from a former Office Manager that the purchase at the Diamond Shop was identified as part of reconciling the credit card statements. When this transaction was raised by the former Office Manager with Ms. Parsons, we understand that Ms. Parsons indicated that she had forgotten to repay the Clinic for the purchase. We understand from the former Office Manager that Ms. Parsons made no mention to her of the expenditure being repaid to a Clinic staff member. The former Office Manager indicated that she was not aware of subsequent repayment by Ms. Parsons for this expenditure.

In the Correspondence from Dewart Gleason LLP dated December 18, 2012, provided in response to the Correspondence from Fasken Martineau DuMoulin LLP dated December 14, 2012, the ACLC acknowledged use of the Clinic credit card by Ms. Parsons to purchase jewellery. The ACLC stated that Ms. Parsons explained to PwC that on the same day the purchase was made, she withdrew funds from her personal bank account and reimbursed the Clinic for the expenditure. The ACLC further stated that PwC was advised that the Office Manager at the time forgot to provide Ms. Parsons with a receipt indicating repayment to the Clinic and Ms. Parsons forgot to ask for a receipt. The ACLC stated that Ms. Parsons explained this to the Clinic Board and offered to make the payment a second time, however the Clinic Board declined the offer.

As stated above, during our interview with Ms. Parsons, we were advised that she repaid the Clinic for this expenditure in cash the subsequent day. We were not aware of, or provided with, an explanation regarding the fact that the Office Manager forgot to issue a receipt to Ms. Parsons for this purchase or that Ms. Parsons forgot to request a receipt from the Office Manager. In our review of the Clinic Board meeting minutes for the Period of Review, we noted no reference to this purchase at The Diamond Shop. In the correspondence from Fasken Martineau DuMoulin LLP dated January 7, 2013, LAO requested from the ACLIC copies of Ms. Parsons' bank statements for March and April 2007 supporting the withdrawal of funds from Ms. Parsons' personal bank account to reimburse the Clinic for the ring purchase. In the correspondence from Dewart Gleason LLP dated January 10, 2013, the ACLIC has declined to provide this supporting documentation.

Note G - Parking

Set out below are the unsupported expenditures related to parking that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Brookfield Properties	██████████77	12-Mar-09	16	1
Canada Wide Parking	██████████99	28-Nov-07	8	1
	██████████99	19-Mar-08	7	1
CF Tec Dundas Parking	██████████77	27-Jul-09	3	1
Lucliff Company Limited	██████████86	28-Mar-08	15	1
Parkway Festival Hall	██████████77	21-Feb-09	11	1
PPOC - Agent	██████████99	8-Apr-08	4	1
Precise Parklink	██████████77	9-Aug-08	8	1
	██████████77	13-Feb-09	14	1
	██████████77	8-Dec-08	14	1
Toronto Parking Authority	██████████77	9-Aug-08	3	1
	██████████77	10-Aug-08	14	1
	██████████77	26-Sept-08	3	1
	██████████77	28-Sept-08	6	1
	██████████77	7-Oct-08	240	1
	██████████77	16-Oct-08	7	1
	██████████77	10-Feb-09	7	1
	██████████77	1-Aug-09	5	1
	██████████77	12-Dec-08	11	1
	██████████99	16-Mar-08	2	1
	██████████99	11-Apr-08	6	1
Total Parking Discussed			404	

Note 1 – Ms. Parsons was unable to explain the purpose of these expenditures. It is our understanding from Ms. Parsons that parking may have been required for ██████████ (Youth Justice Program), ██████████ (NACI) or ██████████ (Youth Justice Program). The staff members for the Youth Justice Program are required to supervise various locations across the GTA.

Note H - Room Booking/Catering

Set out below are the unsupported expenditures related to room bookings that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Oakham House	██████████09	5-Jul-07	350	1
	██████████86	10-Sept-07	318	1
	██████████86	1-Nov-07	636	1
Total Room Bookings/Catering Discussed			1,304	

Note 1 - It is our understanding from Ms. Parsons that workshops at meetings were held at Oakham House, which is the Ryerson University student campus centre. Ms. Parsons indicated that the Clinic attempts to use free facilities, such as Metro Hall; however, when these options are not available, Ryerson facilities are more cost effective than renting rooms at hotels. The Clinic rented the Ryerson facilities for various initiatives, including crisis prevention and intervention training.

Note I - Telecommunications

Set out below are the unsupported expenditures related to telecommunications that were discussed during the interview with Ms. Parsons.

Company Name	Credit Card No.	Transaction Date	Total \$	Notes
Bell	[REDACTED]	09 20-Feb-08	199	1
		09 27-Jun-07	262	2
		09 14-Apr-08	942	2
		09 15-Apr-08	339	2
Rogers	[REDACTED]	24 31-Mar-07	46	1
		86 14-Apr-07	46	1
		86 23-Apr-07	23	1
		86 23-Jun-07	23	1
		86 26-Jun-07	46	1
		86 23-Jul-07	23	1
		86 10-Aug-07	46	1
		86 23-Aug-07	34	1
		86 21-Sept-07	46	1
		86 24-Sept-07	34	1
		86 7-Oct-07	46	1
		86 23-Oct-07	34	1
		86 23-Oct-07	46	1
		86 23-Nov-07	34	1
		86 14-Dec-07	46	1
		86 23-Dec-07	34	1
		86 23-Jan-08	34	1
		86 23-Feb-08	34	1
		86 21-Mar-08	45	1
		86 23-Mar-08	34	1
		86 23-Apr-08	34	1
		86 24-Jul-08	45	1
		86 24-Nov-08	34	1
		86 23-Dec-08	34	1
86 23-Jan-09	34	1		
86 23-Feb-09	34	1		
86 23-May-09	34	1		
86 23-Jun-09	34	1		
86 23-Jul-09	34	1		
86 24-Aug-09	34	1		
86 23-Sept-09	34	1		
86 23-Mar-10	34	1		
86 23-May-10	34	1		
86 23-Jun-10	34	1		
86 23-Dec-10	34	1		
Total Telecommunications Discussed			3,017	

Note 1 – Ms. Parsons was unable to explain the purpose of the expenditures incurred at Bell and Rogers totalling \$1,474. Based on the transaction details on the Visa statement, certain transactions appear to relate to 416- [REDACTED] [REDACTED]. Ms. Parsons indicated that the Youth Justice Staff and the Directors had cell phones during the time period where these charges were incurred. Based on the timing of when the expenditures were incurred, Ms. Parsons indicated that they may relate to [REDACTED] (Director of ACYJP). She indicated that [REDACTED] was using the Visa for personal expenditures and was required to re-pay the Clinic thousands of dollars. [REDACTED] left the Clinic in 2010. In our review of the October 23, 2009 Clinic Board meeting minutes, we noted that Ms. Parsons informed the Clinic Board of \$3,000 in personal charges incurred on the Clinic Visa by the Director of ACYJP. Ms. Parsons stated that the Director of ACYJP was reprimanded. We note that the Clinic Board expressed serious concern with this matter. In our review of these Clinic Board meeting minutes, we did not note any discussion with respect to how the Director of ACYJP was reprimanded, including whether these personal expenditures were repaid. While the Clinic Board meeting minutes referred to the Director of ACYJP, and did not specify a name for this individual, we understand that the Director of ACYJP at this time was [REDACTED].

Note 2 - Ms. Parsons was unable to explain the purpose of expenditures incurred at Bell totalling \$1,543.

5.5 Cash Advances

As previously noted, cash advances relate to cash advanced from the Clinic's Visa.

Set out in table 5.5.1 is a summary of the Cash Advances by fiscal year and the amount of supporting documentation provided for each fiscal year. The “#” of instances set out below represents the number of Visa transactions. Set out in Appendix J is a summary of the supported Cash Advances.

5.5.1 – Cash Advances by Fiscal Year and Level of Support

Fiscal Year	Supported		Unsupported		Total		% of Total Supported
	#	\$	#	\$	\$	%	
2008	1	300	25	5,134	5,434	78.2	5.5
2009	-	-	6	1,273	1,273	18.3	-
2010	-	-	2	243	243	3.5	-
Total	1	300	33	6,650	6,950	100.0	4.3

As set out in table 5.5.1, of the total cash advances of \$6,950, support was provided for \$300 (or 4.3%). Of the total Cash Advances of \$6,950, \$5,434 (or 78.2%) of the transactions occurred in Fiscal 2008.

Set out in table 5.5.2 is a summary of the cash advances by cardholder and the amount of support provided for each cardholder. The “#” of instances set out below represents the number of transactions.

5.5.2 – Selected Expenditures by Cardholder and Level of Support

Cardholder	Supported		Unsupported		Total		% of Total Supported
	#	\$	#	\$	\$	%	
██████████ 09	1	300	31	6,407	6,707	96.5	4.3
██████████ 77	-	-	2	243	243	3.5	-
Total	1	300	33	6,650	6,950	100	4.3

As set out in table 5.5.2, we noted that \$6,707 (or 96.5%) of the Cash Advances were incurred by cardholder ██████████ 09. Ms. Parsons was unable to confirm to whom this card was assigned. As previously noted, this credit card appears to be the card issued in the name of ██████████.

Ms. Parsons was unable to explain the purpose of the Cash Advances. It is our understanding from Ms. Parsons that Clinic staff are not permitted to advance cash on the Visa. We noted that the Clinic does not have any policies in place to this effect. Ms. Parsons indicated that there were no instances where she advanced cash on the Clinic's Visa. Ms. Parsons indicated that it is her understanding that the Cash Advances may have been incurred by Ms. ██████████ during her time as Office Manager. It is our understanding from Ms. Parsons that the Cash Advances took place without her knowledge and approval and were not authorized.

We understand from a former Office Manager that cash advances were required in instances where money was needed by the Clinic but a Clinic Board member was not available to attend the Clinic and sign a cheque. We further understand that Ms. Parsons authorized all cash advances, regardless of whose Visa card the advances were made on. The former Office Manager advised that approval was obtained verbally from Ms. Parsons and no receipts were provided to support the expenditure incurred with the advanced cash.

In the Correspondence from Dewart Gleason LLP dated December 18, 2012, provided in response to the Correspondence from Fasken Martineau DuMoulin LLP dated December 14, 2012, the ACLC advised that there were no cash advances on the Clinic Visa credit cards prior, or subsequent, to ██████████'s (formerly ██████████) employment with the ACLC. We understand from Ms. Budgell that LAO was provided with a staff change form by the Clinic indicating ██████████'s start date of ██████████. Ms. Budgell advised that LAO was not provided with a staff change form indicating when ██████████ resigned as Office Manager. We understand from Ms. Budgell that in instances where the Clinic staffing complement has changed, by way of a staff new hire, departure or change of position within the Clinic, the Clinic is required to provide LAO with a staff change form. In our review of information received by LAO from a former office manager, we understand that ██████████'s position as Office Manager became vacant in October 2008. As noted in Appendices B and J, all cash advances occurred between October 4, 2007 and August 12, 2008 and were incurred on credit card ██████████ 09, with the exception of one cash advance in the amount of \$240 on June 26, 2009 that was incurred on credit card ██████████ 77.

6. Recommendations

With respect to the Clinic's Visa expenditures, in our final report on the Forensic Review of the ACLC issued on April 8, 2013 we recommended that LAO discuss with the Clinic requirements for the following:

- Implementation of a policy to provide guidelines with respect to the use of the Clinic's Visa, including the review and approval of transactions incurred on the Visa statements;
- Prohibit pre-payments on the Visa, to ensure that the Clinic's spending limit is adhered to;
- Require the preparation of expense reports for expenditures incurred on the Clinic's Visa, including appropriate review and approval processes;
- Require receipts, invoices or other support for all expenses incurred on the Clinic's Visa; and
- Consider having separate Visa accounts for the General Fund and other ACLC Funds.

In addition to the recommendations set out above and previously communicated to LAO, we recommend that LAO discuss with the Clinic requirements for the following:

- Consider implementation of Clinic policies and procedures with respect to travel, accommodations, meals, cash advances and other Clinic expenditures that are reviewed and approved by the Clinic Board. The policies and procedures should address when the expenditures can be incurred, the level of support required for reimbursement, the level of approval required for reimbursement, and how expenditures are to be dealt with in instances where no support is provided;
- Consider performing a quarterly review of the ACLC expenditures to ensure compliance with the Clinic Travel, Meal and Hospitality Expenses Directive issued by LAO in June 2010 and other Clinic policies and procedures implemented, as applicable;
- Consider implementation of Clinic policies and procedures to ensure payment of Visa statements in full at the end of each month; and
- Consider performing additional procedures (including interviews with former and/or current ACLC staff members) to validate information and explanations obtained during the interview with Ms. Parsons.

A

Appendix A - Restrictions & Qualifications

General

We have set out in this addendum the detailed investigative and accounting procedures undertaken by us and our findings thereon. The primary sources of information considered and relied upon are referred to in the body of this addendum. Our review does not constitute an audit, as defined by Canadian Generally Accepted Auditing Standards. We have not attempted to audit or otherwise verify the information presented to us beyond the expressed scope stated in this addendum. We have not sought external verification of the information provided to us by LAO or the Clinic except as expressly stated. Should further information come to our attention, the results and conclusions expressed herein could change.

We understand that LAO will use this addendum to assist them in their review of visa expenditures incurred by the Clinic. Our addendum is not intended for general circulation or publication, nor is it to be reproduced or used for any purpose other than that outlined in our initial contract without our prior written consent in each specific instance. We will not assume any responsibility or liability for losses occasioned to LAO or to other parties as a result of the circulation, publication, reproduction or use of our addendum, contrary to the provisions of this paragraph.

We make no representation regarding questions of legal interpretation.

Specific

We note the following additional restrictions and qualifications:

- We have not gathered, processed or reviewed any electronic information or performed Computer Assisted Auditing Techniques;
- We did not attempt to confirm that actual services were provided or actual purchases were made or in any other way validate or verify receipt of goods or services with respect to the visa expenditures reviewed and analyzed;
- We did not interview or contact the vendors who supplied the services noted throughout this addendum;
- We did not correspond with the Clinic's auditor, Meyers Norris Penny, or review their working paper files and they have not reviewed the contents of this addendum;
- As agreed with you, in some instances we relied on photocopies, faxes and email correspondence as supporting documentation for the visa transactions incurred during the Selected Months;
- As agreed with you, in some instances the information provided to us by the Clinic was redacted and in certain instances not all pages of the legal invoices were provided. It is our understanding from the Clinic that this was due to solicitor-client privilege. In these instances, we were unable to verify details related to the invoices;
- As agreed with you, in instances where we were not provided with support for the visa transactions, we categorized the amounts based on the description on the visa statements and we did not perform procedures to validate the categorization;

- We did not review the petty cash ledgers for all of the Selected Months and our procedures were limited to reviewing the petty cash ledger in relation to repayments by the Executive Director, as identified in the general ledger;
- We relied on Ms. Parsons categorization of individuals named throughout the addendum as Clinic staff, Clinic Board and conference attendees/speakers and we did not perform procedures to validate her categorizations;
- We did not perform procedures to validate the amounts identified as debits in the due to/from accounts;
- In some instances, we could not determine what fund a transaction on the visa statement related to due to commingling and lump sum recording of transactions;
- We did not discuss all transactions with Ms. Parsons and applied judgment in selecting the transactions for discussion due to time limitations imposed by the Clinic in relation to the interview process;
- As directed by LAO, we did not perform procedures, beyond those detailed in this Addendum, to validate the statements of current or former ACLC staff and the ACLC Board of Directors as this was not within the scope of our mandate;
- As agreed with you, the Clinic did not provide us with electronic or hard copies of the records that were subject to our review. We were not able to retain copies of the documents we reviewed for our working paper files;
- We did not perform procedures, beyond those detailed in this Addendum, to determine whether any payments from the General Fund to other ACLC Funds, or expenditures incurred by the General Fund on behalf of other ACLC Funds, were subsequently reimbursed by other ACLC Funds as this was not within the scope of our mandate;
- We requested from the Clinic, but were not provided, information as to whom the Visa credit card accounts listed below were assigned to. We followed up on our request in a letter to Ms. Parsons dated August 20, 2012 and as of the date of this addendum, have not received a response.
 - [REDACTED] 24;
 - [REDACTED] 09;
 - [REDACTED] 99;
 - [REDACTED] 77; and
 - [REDACTED] 86.
- We reviewed correspondence dated November 16, 2012 addressed to Fasken Martineau DuMoulin LLP (LAO's external counsel) from Dewart Gleason LLP (ACLC's external counsel), correspondence dated December 14, 2012 addressed to Dewart Gleason LLP from Fasken Martineau DuMoulin LLP, and correspondence dated December 18, 2012 addressed to Fasken Martineau DuMoulin LLP from Dewart Gleason LLP. As agreed with you, we updated the addendum to incorporate LAO and ACLC's comments as noted in this correspondence, as applicable. We have not performed procedures, beyond those detailed in this Addendum, to validate the

additional information set out in this correspondence, as this was not within the scope of our mandate. We can conduct further inquiries at the request of LAO; and

- We reviewed correspondence dated January 7, 2013 addressed to Dewart Gleason LLP (ACLC's external counsel) from Fasken Martineau DuMoulin LLP (LAO's external counsel) and correspondence dated January 10, 2013 addressed to Fasken Martineau DuMoulin LLP from Dewart Gleason LLP. As agreed with you, we updated the addendum to incorporate LAO and ACLC's comments as noted in this correspondence, as applicable. We have not performed procedures, beyond those detailed in this addendum, to validate the additional information set out in this correspondence, as this was not within the scope of our mandate. We can conduct further inquiries at the request of LAO.

B

Appendix B - Unsupported Expenditures

The following table summarizes the expenditures by category for which no support was provided.

Category	Vendor	Cardholder	Transaction Date	Description	Total \$
Transportation	AAA Best Choice Taxi		99 11/14/2007	AAA BEST CHOICE TAXI TORONTO ON	33
	Aerofleet Limo & Taxi		99 11/23/2007	AEROFLEET LIMO & TAXI MISSISSAUGA ON	28
	Air Canada		09 11/26/2007	AIR CANADA 0142152905830WINNIPEG MB	912
			77 3/3/2009	AIR CANADA 0142168388683WINNIPEG MB	446
			3/5/2009	AIR CANADA 0142168452620WINNIPEG MB	132
			3/10/2009	AIR CANADA 0142168637455WINNIPEG MB	521
			3/11/2009	AIR CANADA 0142168388683WINNIPEG MB	(446)
	Airflight Services		86 9/2/2009	Airflight Services, Concord, On	45
	Airport Link Taxi & Limo		86 3/19/2009	AIRPORT LINK T & L BRAMPTON ON	43
	Airways Transit		24 6/25/2007	AIRWAYS TRANSIT WATERLOO ON	70
			6/29/2007	AIRWAYS TRANSIT WATERLOO ON	70
			7/13/2007	AIRWAYS TRANSIT WATERLOO ON	70
			7/24/2007	AIRWAYS TRANSIT WATERLOO ON	70
	Blue Line Taxi		99 3/10/2008	COVENTRY CONNECTIONS 613-746-8740 ON	95
			86 6/13/2009	Coventry Connections Ottawa ON	20
			6/15/2009	Coventry Connections Ottawa ON	20
			6/15/2009	Coventry Connections Ottawa ON	34
	Casino Taxi Limited		86 8/31/2009	Casino Taxi Limited, Halifax	10
			8/31/2009	Casino Taxi Limited, Halifax	11
	Dallas Equipment		77 3/13/2009	DALLAS EQUIPMENT BRAMPTON ON	4,650
	Georgetown Terminal		86 10/23/2007	GEORGETOWN TERMINAL GEORGETOWN ON	140
	Ottawa Taxi		86 6/12/2009	Ottawa Taxi Nepean ON	31
	Porter Airlines		77 3/9/2009	PORTER AIRL TORONTO ON	190
	Taxi & Limo		86 6/18/2010	TAXI & LIMO PAYMENT MISSISSAUGA ON	42
	Town Limousine		86 9/2/2009	Town Limousine, Beachville, NS	58
	TTC		77 7/2/2009	TTC - Union Station Toronto On	91
	Via Rail		77 3/10/2009	VIA RAIL INTERNET #50000 MONTREAL QC	565
			86 9/28/2007	VIA RAIL 42004 TORONTO ON	314
			3/1/2008	VIA RAIL 42004 TORONTO ON	235
			3/24/2008	VIA Rail 42004 Toronto ON	(78)
			3/24/2008	VIA Rail 42004 Toronto ON	270
			3/24/2008	VIA Rail 42004 Toronto ON	311
			5/30/2009	VIA Rail 42004 Toronto ON	252
	Westjet		77 3/4/2009	WESTJET - AB	227
	Transportation Total				
Accommodations	Ambassador Hotel		24 11/21/2007	AMBASSADOR HOTEL KINGSTON ON	154
	Cambridge Suites Ltd.		86 6/12/2010	CAMBRIDGE SUITES LTD. HALIFAX NS	859
	Courtyard by Marriott		09 8/17/2008	COURTYARD BY MARRIOTT-DWNTORONTO ON	134
	CWT		86 1/25/2008	CWT*01113UNN66688C006 TORONTO ON	776
	Delta Hotel		24 3/25/2007	DELTA HOTEL VANCOUVER VANCOUVER BC	369
			4/12/2007	DELTA HALIFAX HALIFAX NS	428
			7/15/2007	DELTA EDM CTR SUITE EDMONTON AB	331
			10/3/2007	DELTA OTTAWA HOTEL OTTAWA ON	576
	Empire Landmark Hotel		24 3/24/2007	EMPIRE LANDMARK HOTEL VANCOUVER BC	298
	Holiday Inn		86 5/29/2010	HOLIDAY INN TORONTO YORK TORONTO ON	168
	Hotel Mon-Repos		86 8/24/2007	Hotel Mon-Repos Geneve 500.00 CHF @ 0.899200000**	450
			9/3/2007	Hotel Mon-Repos Geneve 1,160.40 CHF @ 0.889727680**	1,032
			2/4/2009	Hotel Mon-Repos Geneve 1,000.00 CHF @ 1.089350000**	1,090
	Howard Johnson		86 8/2/2009	Howard Johnson Chicago Il 823.98 USD @ 1.103582611**	909
	Hyatt Hotels		09 12/3/2007	HYATT HOTELS COLUMBUS COLUMBUS OH 475.18 USD @ 1.03996380	494
	International Vacation		86 12/14/2007	INTL VACATION 8887905264 88-7905264 TX 499.38 USD @ 1.045216068	522
	Les Suites		86 3/16/2008	LES SUITES OTTAWA ON	675

Appendix B - Unsupported Expenditures

The following table summarizes the expenditures by category for which no support was provided.

Category	Vendor	Cardholder	Transaction Date	Description	Total \$
	Nairobi Serona Hotel		86 2/24/2010	Nairobi Serona Hotel, Nairobi 10,293.00 KES @ 0.014223441**	148
	New Stanley Hotel		86 2/24/2010	New Stanley Hotel, Nairobi 18,630.00 KES @ 0.014222759**	265
				New Stanley Hotel, Nairobi 2,400.00 KES @ 0.014220833**	34
	Panafric Hotel		86 2/26/2010	Panafric Hotel, Nairobi 6,179.00 KES @ 0.014143065**	87
	Radisson Hotel		09 11/29/2007	RADISSON SUITE ETOBICOKE ON	6,637
			86 10/1/2007	RADISSON WINDSOR WINDSOR ON	514
				10/1/2007 RADISSON WINDSOR WINDSOR ON	3
				3/26/2008 RADISSON WINDSOR WINDSOR ON	3
				6/3/2010 RADISSON HOTEL AND SUITES LIMA 211.56 USD @ 1.087209302**	230
				6/3/2010 RADISSON HOTEL AND SUITES LIMA 211.56 USD @ 1.087209302**	230
	Renaissance Hotel		86 10/9/2008	RENAISSANCE TO. AIR HOTELTORONTO ON	48
	The Explorer Hotel		24 7/20/2007	THE EXPLORER HOTEL YELLOWKNIFE NT	77
			86 7/24/2007	THE EXPLORER HOTEL YELLOWKNIFE NT	728
	Westin Hotel		86 7/2/2009	Westin Nova Scotia Hotel/halifax NS	482
Accommodations Total					18,751
Meals	AKCO Lounge & Ho Shim		99 2/12/2008	AKCO LOUNGE & HO SHIM TORONTO ON	34
	Amato Pizza		24 3/22/2007	GUISEPPE AMATO TORONTO ON	145
			99 2/2/2008	LG AMATO PIZZA RISTORANTETORONTO ON	42
			86 8/23/2007	AMATO PIZZA TORONTO ON	70
				11/23/2008 AMATO PIZZA TORONTO ON	111
				11/29/2008 LG AMATO PIZZA RISTORANTETORONTO ON	130
	Aqapisce Bar & Grill		86 2/23/2008	AQAPISCE BAR & GRILL CHRIST CHURCH 96.00 BBD @ 0.523229167**	50
	Beer Bistro		86 9/20/2009	Beerbistro, Toronto	36
				6/20/2010 BEER BISTRO TORONTO ON	43
				12/19/2010 Beerbistro Toronto, ON	36
	Bikkuri Japanese Restaurant		86 3/17/2010	Bikkuri Japanese Restaurant, Toronto, ON	25
	Brasserie Lipp		86 10/18/2008	Brasserie Lipp Geneve 151.00 CHF @ 1.067086093**	161
	Caseys		86 9/2/2009	4166 Caseys, Mississauga	35
	Cathay Restaurant		77 3/13/2009	CATHAY RESTAURANT OTTAWA ON	116
	Chef Pierre's Catering		86 7/23/2007	CHEF PIERRES CATERING YELLOW KNIFE NT	92
	Country Club Lima Hotel		86 6/8/2010	COUNTRY CLUB LIMA HOTEL LIMA 167.01 PEN @ 0.378300701**	63
	Cranberries Café Inc		86 3/21/2010	CRANBERRIES CAFÉ INC. TORONTO ON	57
	DCA Venture Cibo Bistro		99 11/14/2007	DCA VENTURE CIBO BISTRO WASHINGTON DC 20.53 USD @ 1.00681028	21
	Decadent Desserts		09 4/17/2008	DECADENT DESSERTS TORONTO ON	20
	Delta Hotel		24 3/24/2007	DELTA HOTEL SUITES - F/B VANCOUVER BC	51
			86 3/1/2008	DELTA OTTAWA HOTEL F/B OTTAWA ON	40
				3/2/2008 DELTA OTTAWA HOTEL F/B OTTAWA ON	22
				6/14/2009 Delta Ottawa Hotel F/B Ottawa ON	34
	Diners Corner		77 7/7/2009	Diners Corner Toronto ON	135
			86 11/8/2007	DINERS CORNER TORONTO ON	280
	Domus Café		86 6/14/2009	Domus Cafe Ottawa ON	39
	Druxy's		24 3/7/2008	DRUXY'S # 050 TORONTO ON	68
			86 2/25/2009	DRUXY'S # 088 TORONTO ON	174
				3/2/2009 DRUXY'S # 088 TORONTO ON	58
	Fairmont Hotel		86 12/13/2008	FAIRMONT ROYAL YORK F&B TORONTO ON	589
	Garden Restaurant		09 11/27/2007	SPADINA GARDEN RESTAUR TORONTO ON	75
				4/5/2008 METRO KENNEDY GARDEN RESTTORONTO ON	225
			77 10/9/2008	Garden Restaurant Toronto On	28
				10/15/2008 Garden Restaurant Toronto On	39
			86 11/30/2008	METRO KENNEDY GARDEN RESTTORONTO ON	94
				3/20/2010 Bangkok Garden Restaurant, Toronto, ON	167
	Harlem 1920		09 3/23/2008	HARLEM 1920 TORONTO ON	88

Appendix B - Unsupported Expenditures

The following table summarizes the expenditures by category for which no support was provided.

Category	Vendor	Cardholder	Transaction Date	Description	Total \$
			3/25/2008	HARLEM 1920 TORONTO ON	(88)
	Harrison Park Inn		8/4/2007	HARRISON PARK INN OWEN SOUND ON	34
	Hilton		3/23/2008	HILTON TORONTO F/B TORONTO ON	54
	Ho-Lee Chow		3/9/2009	HO-LEE CHOW TORONTO ON	75
	Holiday Inn		12/4/2010	Holiday Inn Toronto Toronto, ON	49
	Hot House Café		6/1/2010	HOT HOUSE CAFÉ TORONTO ON	115
	Kobe Japanese Steak House		3/23/2007	KOBE.JAPANESE STEAK HOUSEVANCOUVER BC	176
	Lily Resto-Lounge		7/26/2008	LILY RESTO-LOUNGE TORONTO ON	64
	Little Anthony's		7/16/2007	LITTLE ANTHONY'S AMERICANTORONTO ON	147
			6/1/2010	LITTLE ANTHONY'S AMERICAN TORONTO ON	139
	Manyata Courtyard Café		6/7/2009	Manyata Courtyard Cafe Toronto ON	121
	McKelvie's Restaurant		8/31/2009	McKelvie's Restaurant, Halifax	105
	Mercatto		11/29/2010	Mercatto - Toronto Toronto, ON	38
	Metro Brasserie		3/15/2009	METRO. BRASSERIE OTTAWA ON	999
	Metropolitan Hotel		8/8/2007	METROPOLITAN HOTEL RESTR.TORONTO ON	59
			3/8/2010	Metropolitan Hotel Restr. Toronto, ON	38
	Milestone's		8/9/2008	MILESTONE'S #5240 TORONTO ON	80
			6/22/2010	MILESTONE'S #5226 BURLINGTON ON	145
	Pizza Hut		8/29/2007	PIZZA HUT TORONTO ON	37
	Pizza Pizza		7/25/2007	PIZZA PIZZA #49 072507 FINCH.JANE ON	26
			3/10/2008	PIZZA PIZZA # 43 031008 BRAM MALL ON	48
	Pun De Grill		2/17/2008	PUN DE GRILL CHRIST CHURCH 75.93 BBD @ 0.522718293**	40
	Radisson Hotel		11/25/2007	RADISSON SUITE ETOBICOKE ON	23
			11/25/2007	RADISSON SUITE ETOBICOKE ON	14
			11/25/2007	RADISSON SUITE ETOBICOKE ON	13
	Red Lobster		11/30/2010	Red Lobster CA0081554 Toronto, ON	133
			12/15/2010	Red Lobster CA0081554 Toronto, ON	290
	Restaurant Han Lung		10/15/2008	Restaurant Han Lung Geneva 244.00 CHF @ 1.073196721**	262
	Royal Caribbean Café		10/2/2007	ROYAL CARIBBEAN CAFÉ TORONTO ON	52
	Salty's		6/30/2009	Salty's Halifax NS	68
	Second Cup		12/11/2008	SECOND CUP #9184# QFF ETOBICOKE ON	34
	Sheraton		3/5/2010	Sheraton for Trades, Toronto, ON	82
			12/4/2010	Sheraton City center Baltimore, MD 20.60 @ 1.030932818	21
			12/9/2010	Sheraton City Centre Baltimore MD	(20)
	Springs Rolls		3/8/2009	SPRING ROLLS TORONTO ON	73
	Sushi Queen		10/15/2007	SUSHI QUEEN TORONTO ON	54
			10/29/2007	SUSHI QUEEN TORONTO ON	54
	Swiss Chalet		3/18/2008	SWISS CHALET #1941 TORONTO ON	32
			3/11/2008	SWISS CHALET #1216 WES BRAMPTON ON	116
			2/19/2009	SWISS CHALET #1941 TORONTO ON	110
			2/23/2009	SWISS CHALET EXPRESS TORONTO ON	21
			11/25/2008	SWISS CHALET #1941 TORONTO ON	124
			12/4/2008	SWISS CHALET #1128 TORONTO ON	113
	Szechuan Szechuan		10/29/2007	SZECHUAN SZECHUAN TORONTO ON	52
	Tamambo Ltd.		2/25/2010	Tamambo Ltd, Nairobi 1,830.50 KES @ 0.014099973**	26
	Thai on Danforth		3/29/2008	THAI ON DANFORTH TORONTO ON	88
	The Courtyard Restaurant		3/15/2009	THE COURTYARD REST OTTAWA ON	184
	The Keg Steakhouse		8/24/2007	THE KEG YORK STREET TORONTO ON	40
			11/8/2007	THE KEG YORK STREET TORONTO ON	30
			1/18/2008	THE KEG YORK STREET TORONTO ON	24
	The Kitchen Table		1/24/2008	THE KITCHEN TABLE TORONTO ON	23
	The Old Mill Catering		6/28/2007	THE OLD MILL CATERING TORONTO ON	350

Appendix B - Unsupported Expenditures

The following table summarizes the expenditures by category for which no support was provided.

Category	Vendor	Cardholder	Transaction Date	Description	Total \$	
			86	10/25/2007	THE OLD MILL CATERING TORONTO ON	750
	The Oldtown LA		24	7/21/2007	THE OLDTOWN LA YELLOWKNIFE NT	161
	Trios Bistro Toronto		86	8/27/2009	Marriott Hotels Eaton f/b, Toronto	189
	Yuk Yuk's		77	2/22/2009	YUK YUK'S DOWNTOWN TORONTO ON	56
Meals Total					9,656	
Other	7-Eleven		99	2/20/2008	7-ELEVEN #33414- A TORONTO ON	3
	Absolute Dollar		09	8/14/2007	ABSOLUTE DOLLAR TORONTO ON	70
	Aeroporto Int. Geneve		86	10/13/2008	Aeroporto Int. Geneve Geneve 2.00 CHF @ 1.085000000**	2
	Air Canada		77	3/11/2009	AIR CANADA 0142168662590WINNIPEG MB	47
	Amorphous Hair Group		86	8/3/2007	AMORPHOUS HAIR GROUP TORONTO ON	(59)
				8/3/2007	AMORPHOUS HAIR GROUP TORONTO ON	59
				6/6/2009	Amorphous Hair Group Toronto ON	37
	Bell		09	6/27/2007	BELL WORLD / EXCELL TORONTO ON	262
				1/21/2008	BELL WORLD / EXCELL TORONTO ON	339
				2/20/2008	BELL CREDIT SERVICES O LAVAL QC	199
				4/14/2008	BELL MOBILITY INC MISSISSAUGA ON	942
				4/15/2008	BELL WORLD / EXCELL TORONTO ON	339
	Best Buy		09	9/28/2007	BEST BUY #977 TORONTO ON	120
				12/15/2008	BEST BUY #927 NORTH YORK ON	390
	Black Eyed Susan's		86	10/19/2007	BLACK EYED SUSAN'S #2 TORONTO ON	162
				3/6/2008	BLACK EYED SUSAN'S #2 TORONTO ON	147
				10/10/2008	BLACK EYED SUSAN'S #2 TORONTO ON	130
	Black's		09	2/29/2008	BLACK'S #139 TORONTO ON	34
	Bloom 84 Flowershop		86	7/29/2008	BLOOM 84 FLOWERSHIP OAKVILLE ON	117
	Brookfield Properties		77	3/12/2009	BROOKFIELD PROPERTIES OTTAWA ON	16
	Brown Book Company (BBC)		09	10/16/2007	BROWN BOOK COMPANY (BBC) TORONTO ON	416
				11/8/2007	BROWN BROOK COMPANY (BBC) TORONTO ON	155
	Canada Wide Parking		09	11/28/2007	CANADA WIDE PARKING TORONTO ON	8
				3/19/2008	CANADA WIDE PARKING TORONTO ON	7
	CF Tec Dundas Parking		77	7/27/2009	CF Tec Dundas Parking Toronto On	3
	DRI*EMETRIX.COM		24	3/5/2008	DRI*EMETRIX.COM EM-ORDER.COM MN 48.95 usd @ 1.013483146**	50
	Dundurn Press Ltd.		86	8/3/2007	DUNDURN PRESS LTD TORONTO ON	251
	Fanak Custom Picture Frame		86	10/30/2007	FANAK CUSTOM PICTURE F TORONTO ON	200
	Final FX		09	8/3/2007	FINAL FX TORONTO ON	398
				2/14/2008	FINAL FX TORONTO ON	58
	Food Basics		09	8/13/2007	FOOD BASICS #875 TORONTO ON	10
	Gifts, Flowers and Bridal		86	10/6/2008	GIFTS FLOWERS AND BRIDAL MISSISSAUGA ON	200
				10/7/2008	GIFTS FLOWERS AND BRIDAL MISSISSAUGA ON	34
	Grand & Toy		09	11/16/2007	GRAND AND TOY #1038 TORONTO ON	48
				1/2/2008	GRAND AND TOY #1038 TORONTO ON	106
				2/25/2008	GRAND AND TOY #1038 TORONTO ON	41
				4/7/2008	Grand and Toy Commercial Toronto On	85
				4/17/2008	Grand and Toy Commercial Toronto On	(73)
			09	1/3/2008	GRAND AND TOY #1038 TORONTO ON	5
			77	3/12/2009	GRAND & TOY #3051 OTTAWA ON	245
				3/14/2009	GRAND AND TOY COMMERCIAL TORONTO ON	77
	HLS Publications		09	12/5/2007	HLS PUBLICATIONS CTR 617-4953694 MA 23.00 USD @ 1.040434783**	24
	John Howard Society		09	8/23/2007	JOHN HOWARD SOCIETY OF TORONTO ON	30
				8/23/2007	JOHN HOWARD SOCIETY OF TORONTO ON	30
	Just Miss		09	12/30/2007	JUST MISS TORONTO ON	142
	La Senza		09	12/30/2007	LA SENZA #148 ETOBICOKE ON	112
	Lavalife		09	12/30/2007	LLC* LAVALIFE 856-554-5282	32

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The following table summarizes the expenditures by category for which no support was provided.

Category	Vendor	Cardholder	Transaction Date	Description	Total \$
			9/23/2009	Rogers [REDACTED]	34
			3/23/2010	Rogers [REDACTED]	34
			5/23/2010	ROGERS [REDACTED] ON	34
			6/23/2010	ROGERS [REDACTED] ON	34
			12/23/2010	Rogers [REDACTED]	34
	Sage Publications	[REDACTED]	86 2/28/2008	SAGE PUBLICATIONS 805-499-9774 CA 154.35 USD @ 1.000194363**	154
	Shoppers Drug Mart	[REDACTED]	77 8/25/2009	Shoppersdrugmart 0949, Toronto	24
	Staples Business Depot	[REDACTED]	99 7/18/2007	BUSINESS DEPOT DIRECT MISSISSAUGA ON	161
			7/18/2007	BUSINESS DEPOT DIRECT MISSISSAUGA ON	137
			7/06/2007	BUSINESS DEPOT DIRECT MISSISSAUGA ON	239
			99 2/14/2008	STAPLES STORE #11 ETOBICOKE ON	14
			3/20/2008	STAPLES STORE #12 ETOBICOKE ON	37
			77 3/10/2009	STAPLES STORE #234 TORONTO ON	211
			6/23/2009	Staples Store #234, Toronto, ON	(70)
			6/23/2009	Staples Store #234, Toronto, ON	294
			86 7/8/2009	Business Depot Direct Mississauga On	418
	STC Gift Certificate	[REDACTED]	77 12/14/2008	STC GIFT CERTIFICATE-G SCARBOROUGH ON	150
	Still Water Spa	[REDACTED]	77 12/4/2008	STILL WATER SPA TORONTO ON	100
	TDSB - Permits	[REDACTED]	86 12/3/2010	TDSB - Permits Toronto, ON	67
	The Advocates Society	[REDACTED]	99 8/12/2008	THE ADVOCATES SOCIETY TORONTO ON	189
	The Bay	[REDACTED]	99 2/21/2008	THE BAY #1560 TORONTO ON	29
			99 12/7/2007	THE BAY #1560 TORONTO ON	147
			77 2/00/2009	THE BAY #1560 TORONTO ON	28
			86 8/5/2008	THE BAY #1560 TORONTO ON	33
	The Diamond Shop	[REDACTED]	86 3/30/2007	THE DIAMOND SHOP TORONTO ON	751
	The Globe & Mail	[REDACTED]	77 12/11/2008	THE GLOBE & MAIL - MANUALTORONTO ON	5
			86 12/11/2008	THE GLOBE & MAIL - MANUALTORONTO ON	5
	Tigerdirect.ca	[REDACTED]	86 8/14/2009	Tigerdirect.ca 800-561-5472 On	(339)
	Toronto Parking Authority	[REDACTED]	77 8/9/2008	TPA Detail www.greenp.comToronto On	3
			8/10/2008	TPA Detail www.greenp.comToronto On	14
			9/26/2008	TPA Detail www.greenp.comToronto On	3
			9/28/2008	TPA Detail www.greenp.comToronto On	6
			10/7/2008	TPA/GREEN "P" QPL TORONTO ON	240
			10/16/2008	TPA Detail www.greenp.comToronto On	7
			2/10/2009	TPA Detail www.greenp.comToronto On	7
			8/1/2009	TPA Detail www.greenp.comToronto On	5
			12/12/2008	TPA Detail www.greenp.comToronto On	11
			99 3/16/2008	TPA DETAIL WWW.GREENP.COMTORONTO ON	2
			4/11/2008	TPA Detail www.greenp.comToronto On	6
	United Way	[REDACTED]	86 5/29/2009	United Way of Greater Toronto ON	25
	Wal-mart	[REDACTED]	99 8/13/2007	WAL-MART 3105TORONTO ON	145
			99 11/4/2007	WAL-MART 3031ETOBICOKE ON	35
			77 7/29/2008	WAL-MART 3160TORONTO ON	487
			8/17/2008	WAL-MART 3160TORONTO ON	39
			12/21/2008	WAL-MART 3106TORONTO ON	35
	William Ashley Ltd	[REDACTED]	86 3/4/2008	WILLIAM ASHLEY LTD TORONTO ON	240
			4/3/2008	WILLIAM ASHLEY LTD TORONTO ON	62
			4/10/2008	WILLIAM ASHLEY LTD TORONTO ON	(62)
	www.renus2008.com	[REDACTED]	77 2/1/2009	WWW.RENUS2008.COM Rgs 49.95 USD @ 1.274474474**	64
Other Total					15,006
Cash Advance	ABM Cash Advance	[REDACTED]	99 10/4/2007	ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	500
			10/9/2007	ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	482

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The following table summarizes the expenditures by category for which no support was provided.

Category	Vendor	Cardholder	Transaction Date	Description	Total \$
			10/11/2007	**CASH ADVANCE - AVANCE E FONDS**	300
			10/12/2007	ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	481
			11/9/2007	ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	442
			11/16/2007	ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	482
			11/21/2007	ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	482
			11/22/2007	ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	482
			11/23/2007	**CASH ADVANCE - AVANCE DE FONDS**	500
			11/29/2007	ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	482
			1/31/2008	**CASH ADVANCE - AVANCE DE FONDS**	300
			2/21/2008	**CASH ADVANCE - AVANCE DE FONDS**	162
			4/11/2008	ABM CASH ADVANCE-TD/AVANCE FONDS-GAB TD	482
			8/11/2008	**CASH ADVANCE - AVANCE DE FONDS **	300
			8/12/2008	**CASH ADVANCE - AVANCE DE FONDS **	482
			6/26/2009	**CASH ADVANCE - AVANCE DE FONDS**	240
ABM Cash Advance Fee		77	10/5/2007	CASH ADVANCE FEE	3
		09	10/10/2007	CASH ADVANCE FEE	3
			10/12/2007	CASH ADVANCE FEE	3
			10/15/2007	CASH ADVANCE FEE	3
			11/14/2007	CASH ADVANCE FEE	3
			11/20/2007	CASH ADVANCE FEE	3
			11/22/2007	CASH ADVANCE FEE	3
			11/26/2007	CASH ADVANCE FEE	3
			11/26/2007	CASH ADVANCE FEE	3
			11/30/2007	CASH ADVANCE FEE	3
			2/1/2008	CASH ADVANCE FEE	3
			2/12/2008	CASH ADVANCE FEE	3
			2/22/2008	CASH ADVANCE FEE	3
			4/15/2008	CASH ADVANCE FEE	3
			8/12/2008	CASH ADVANCE FEE	3
			8/13/2008	CASH ADVANCE FEE	3
		77	6/29/2009	CASH ADVANCE FEE	3
Cash Advance Total					6,650
Grand Total					59,545

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Appendix C - Visa Transactions by Fund

The following table summarizes the Selected Expenditures recorded in each fund.

Fiscal Year	Vendor	Cardholder	Transaction Date	Description	General \$	Other \$	Unknown \$	Total \$
2008	241 Pizza		86	3/13/2008 2 4 1 PIZZA TORONTO ON	-	-	44	44
	7-Eleven		99	2/20/2008 7-ELEVEN #33414 - A TORONTO ON	-	-	3	3
	A Difference Booklist		09	9/24/2007 A DIFFERENT BOOKLIST TORONTO ON	-	-	409	409
	AAA Best Choice Taxi		99	11/14/2007 AAA BEST CHOICE TAXI TORONTO ON	-	-	33	33
	Able Lock Service		99	1/14/2008 ABLE LOCK SERVICE LIMI MISSISSAUGA ON	-	-	359	359
			86	3/4/2008 ABLE LOCK SERVICE LIMI MISSISSAUGA ON	-	-	205	205
	ABM Cash Advance		09	10/4/2007 ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	-	-	500	500
				10/9/2007 ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	-	-	482	482
				10/11/2007 **CASH ADVANCE - AVANCE E FONDS**	-	-	300	300
				10/12/2007 ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	-	-	482	482
				11/0/2007 ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	-	-	442	442
				11/16/2007 ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	-	-	482	482
				11/21/2007 ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	-	-	482	482
				11/22/2007 ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	-	-	482	482
				11/23/2007 **CASH ADVANCE - AVANCE DE FONDS**	-	-	500	500
				11/29/2007 ABM CASH ADVANCE-RB/AVANCE FONDS-GAB RB	-	-	482	482
				1/31/2008 **CASH ADVANCE - AVANCE DE FONDS**	-	-	300	300
				2/11/2008 **CASH ADVANCE - AVANCE DE FONDS**	-	-	300	300
				2/21/2008 **CASH ADVANCE - AVANCE DE FONDS**	-	-	162	162
	ABM Cash Advance Fee		99	10/5/2007 CASH ADVANCE FEE	-	-	3	3
				10/10/2007 CASH ADVANCE FEE	-	-	3	3
				10/12/2007 CASH ADVANCE FEE	-	-	3	3
				10/15/2007 CASH ADVANCE FEE	-	-	3	3
				11/14/2007 CASH ADVANCE FEE	-	-	3	3
				11/20/2007 CASH ADVANCE FEE	-	-	3	3
				11/22/2007 CASH ADVANCE FEE	-	-	3	3
				11/26/2007 CASH ADVANCE FEE	-	-	6	6
				11/30/2007 CASH ADVANCE FEE	-	-	3	3
				2/1/2008 CASH ADVANCE FEE	-	-	3	3
				2/12/2008 CASH ADVANCE FEE	-	-	3	3
				2/22/2008 CASH ADVANCE FEE	-	-	3	3
	Absolute Dollar		99	8/14/2007 ABSOLUTE DOLLAR TORONTO ON	-	-	70	70
	Aerofleet Limo & Taxi		99	11/23/2007 AEROFLEET LIMO & TAXI MISSISSAUGA ON	-	-	28	28
	Air Canada		99	11/26/2007 AIR CANADA 0142152305850WINNIPEG MB	-	-	912	912
	Airways Transit		24	6/25/2007 AIRWAYS TRANSIT WATERLOO ON	-	-	70	70
				6/29/2007 AIRWAYS TRANSIT WATERLOO ON	-	-	70	70
				7/13/2007 AIRWAYS TRANSIT WATERLOO ON	-	-	70	70
				7/24/2007 AIRWAYS TRANSIT WATERLOO ON	-	-	70	70
				8/7/2007 AIRWAYS TRANSIT WATERLOO ON	-	-	70	70
	AKCO Lounge & Ho Shim		99	2/12/2008 AKCO LOUNGE & HO SHIM TORONTO ON	-	-	34	34
	Amato Pizza		24	3/22/2007 GUISEPPE AMATO TORONTO ON	-	-	145	145
			99	2/2/2008 LG AMATO PIZZA RISTORANTETORONTO ON	-	-	42	42
			86	8/23/2007 AMATO PIZZA TORONTO ON	-	-	70	70
				11/30/2007 LG AMATO PIZZA RISTORANTETORONTO ON	-	-	130	130
				2/27/2008 LG AMATO PIZZA RISTORANTETORONTO ON	-	-	98	98
	Ambassador Hotel		24	11/21/2007 AMBASSADOR HOTEL KINGSTON ON	-	-	154	154
	Amorphous Hair Group		86	8/3/2007 AMORPHOUS HAIR GROUP TORONTO ON	-	-	-	-
	Agapisce Bar & Grill		86	2/23/2008 AQAPISCE BAR & GRILL CHRIST CHURCH96.00 BBD @ 0.523229167**	-	-	50	50
	Artisano Bakery Cafe		99	2/1/2008 ARTISANO BAKERY CAFE LTD TORONTO ON	-	-	29	29
				2/21/2008 ARTISANO BAKERY CAFE LTD TORONTO ON	-	-	33	33
				2/28/2008 ARTISANO BAKERY CAFE LTD TORONTO ON	-	-	38	38
	Baton Rouge		99	12/6/2007 BATON ROUGE EATON CENTER TORONTO ON	-	-	51	51
	Bell		99	6/27/2007 BELL WORLD / EXCELL TORONTO ON	-	-	262	262
				1/21/2008 BELL WORLD / EXCELL TORONTO ON	-	-	339	339
				2/7/2008 BELL WORLD / EXCELL TORONTO ON	-	-	(339)	(339)
				2/20/2008 BELL CREDIT SERVICES O LAVAL QC	-	-	199	199
				2/21/2008 BELL WORLD / EXCELL TORONTO ON	-	-	395	395
				2/22/2008 BELL WORL / EXCELL TORONTO ON	-	-	169	169

Appendix C - Visa Transactions by Fund

The following table summarizes the Selected Expenditures recorded in each fund.

Fiscal Year	Vendor	Cardholder	Transaction Date	Description	General \$	Other \$	Unknown \$	Total \$
2008	Bell		09 3/20/2008	BELL CREDIT SERVICES O LAVAL QC	-	-	86	86
	Best Buy		09 9/28/2007	BEST BUY #977 TORONTO ON	-	-	2,806	2,806
	Black Eyed Susan's		09 1/23/2008	BLACK EYED SUSAN'S #1 TORONTO ON	-	-	57	57
			86 10/19/2007	BLACK EYED SUSAN'S #2 TORONTO ON	-	-	102	102
				3/6/2008 BLACK EYED SUSAN'S #2 TORONTO ON	-	-	147	147
	Black's		09 2/29/2008	BLACK'S #139 TORONTO ON	-	-	34	34
				3/3/2008 BLACK'S #139 TORONTO ON	-	-	(34)	(34)
	Blue Line Taxi		09 3/10/2008	COVENTRY CONNECTIONS 613-746-8740 ON	-	-	95	95
	Brock Plaza Hotel		86 9/21/2007	BROCK PLAZA HOTEL NIAGARA FALLSON	-	-	1,490	1,490
	Brown Book Company (BBC)		09 10/16/2007	BROWN BOOK COMPANY (BBC) TORONTO ON	-	-	416	416
				11/8/2007 BROWN BROOK COMPANY (BBC) TORONTO ON	-	-	155	155
	Cadillac Fairview		09 12/5/2007	CADILLAC FAIRVIEW CORP LT TORONTO ON	-	-	106	106
			09 12/7/2007	CADILLAC FAIRVIEW CORP LT TORONTO ON	-	-	181	181
	Cambridge Suites Ltd.		24 7/10/2007	CAMBRIDGE SUITES LTD. HALIFAX NS	-	-	2,512	2,512
	Canada Post		09 11/9/2007	CPC/SCP #370363 TORONTO ON	-	-	7	7
	Canada Wide Parking		09 11/28/2007	CANADA WIDE PARKING TORONTO ON	-	-	8	8
				3/19/2008 CANADA WIDE PARKING TORONTO ON	-	-	7	7
	Canadian Arab Federation		86 6/22/2007	CANADIAN ARAB FEDERATION TORONTO ON	-	-	100	100
	Canadian Springs		09 10/12/2007	CANADIAN SPRINGS MISSISSAUGA ON	-	-	66	66
	Canadian Tire		09 9/30/2007	CDN TIRE STORE #0070 TORONTO ON	-	-	331	331
	Carlton Cards		09 2/8/2008	CARLTON CARDS #5376 TORONTO ON	-	-	6	6
	Carswell		09 10/12/2007	CARSWELL TORONTO ON	-	-	192	192
	Chef Pierre's Catering		86 7/23/2007	CHEF PIERRE'S CATERING YELLOW KNIFE NT	-	-	92	92
	Cora's		09 9/25/2007	CORA'S BRAMPTON BRAMPTON ON	-	-	58	58
			09 2/14/2008	CORA'S BREAKFAST AND LUNC BRAMPTON ON	-	-	47	47
	Corpa Group		09 8/9/2007	CORPA GROUP SCARBOROUGH ON	-	-	159	159
	CWT		86 1/25/2008	CWT 01113UNN66688C006 TORONTO ON	-	-	776	776
	Days Inn		86 8/5/2007	DAYS INN OWEN SOUND OWEN SOUND ON	-	-	393	393
	DCA Venture Cibo Bistro		09 11/14/2007	DCA VENTURE CIBO BISTRO WASHINGTON DC 20.53 USD @ 1.006819289	-	-	21	21
	Decadent Desserts		09 2/8/2008	DECADENT DESSERTS TORONTO ON	-	-	19	19
	Delta Hotel		24 3/24/2007	DELTA HOTEL SUITES - F/B VANCOUVER ON	-	-	51	51
				3/25/2007 DELTA HOTEL VANCOUVER VANCOUVER BC	-	-	369	369
				4/12/2007 DELTA HALIFAX HALIFAX NS	-	-	428	428
				7/15/2007 DELTA EDM CTR SUITE EDMONTON AB	-	-	662	662
				9/17/2007 DELTA OTTAWA HOTEL OTTAWA ON	-	-	417	417
				10/3/2007 DELTA OTTAWA HOTEL OTTAWA ON	-	-	576	576
			09 12/8/2007	DELTA TORONTO EAST F/D TORONTO ON	-	-	1,914	1,914
			86 3/25/2007	DELTA HOTEL VANCOUVER VANCOUVER BC	-	-	756	756
				9/17/2007 DELTA OTTAWA HOTEL OTTAWA ON	-	-	512	512
				3/1/2008 DELTA OTTAWA HOTEL F/B OTTAWA ON	-	-	40	40
				3/2/2008 DELTA OTTAWA HOTEL F/B OTTAWA ON	-	-	22	22
	Diners Corner		09 1/4/2008	DINERS CORNER TORONTO ON	-	-	138	138
			86 4/17/2007	DINERS CORNER TORONTO ON	-	-	308	308
				11/8/2007 DINERS CORNER TORONTO ON	-	-	280	280
	Domus Cafe		86 9/15/2007	DOMUS CAFE OTTAWA ON	-	-	250	250
	DRI*EMETRIX.COM		24 3/5/2008	DRI*EMETRIX.COM EM-ORDER.COM MN48.95 usd @ 1.013483146**	-	-	50	50
	Druxy's		24 3/7/2008	DRUXY'S # 050 TORONTO ON	-	-	68	68
			86 2/26/2008	DRUXY'S #96 TORONTO ON	-	-	157	157
				2/29/2008 DRUXY'S #96 TORONTO ON	-	-	137	137
	Duke of Westminster		09 8/16/2007	DUKE OF WESTMINSTER TORONTO ON	-	-	41	41
	Dundurn Press Ltd.		86 8/3/2007	DUNDURN PRESS LTD TORONTO ON	251	-	-	251
	Empire Landmark Hotel		24 3/24/2007	EMPIRE LANDMARK HOTEL VANCOUVER BC	-	-	298	298
	Exceptions Fine Writing Instruments		86 3/19/2007	EXCEPTIONS FINE WRIT INST TORONTO ON	-	-	155	155
	Fanak Custom Picture Frame		86 10/30/2007	FANAK CUSTOM PICTURE F TORONTO ON	-	-	200	200
	Final FX		09 8/3/2007	FINAL FX TORONTO ON	-	-	398	398
				2/14/2008 FINAL FX TORONTO ON	-	-	58	58
	Food Basics		09 8/13/2007	FOOD BASICS #875 TORONTO ON	-	-	10	10

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The following table summarizes the Selected Expenditures recorded in each fund.

Fiscal Year	Vendor	Cardholder	Transaction Date	Description	General \$	Other \$	Unknown \$	Total \$
2008	Four Points Hotel		3/22/2007	FOUR POINTS GATINEAU GATINEAU QC	-	-	139	139
	Garden Restaurant		11/27/2007	SPADINA GARDEN RESTAUR TORONTO ON	-	-	75	75
	Georgetown Terminal		10/23/2007	GEORGETOWN TERMINAL GEORGETOWN ON	-	-	140	140
	Grand & Toy		7/24/2007	GRAND AND TOY #1038 TORONTO ON	-	-	112	112
			8/13/2007	GRAND AND TOY #1038 TORONTO ON	-	-	43	43
			9/4/2007	GRAND AND TOY #1038 TORONTO ON	-	-	44	44
			9/28/2007	GRAND AND TOY #1038 TORONTO ON	-	-	36	36
			10/2/2007	GRAND & TOY #1083 TORONTO ON	-	-	35	35
			10/3/2007	GRAND AND TOY #1038 TORONTO ON	-	-	56	56
			10/11/2007	GRAND AND TOY #1038 TORONTO ON	-	-	8	8
			11/6/2007	GRAND AND TOY #1038 TORONTO ON	-	-	74	74
			11/16/2007	GRAND AND TOY #1038 TORONTO ON	-	-	67	67
			11/22/2007	GRAND AND TOY #1038 TORONTO ON	-	-	231	231
			11/29/2007	GRAND & TOY #1090 TORONTO ON	-	-	22	22
				GRAND AND TOY #1038 TORONTO ON	-	-	13	13
			12/13/2007	GRAND AND TOY #1038 TORONTO ON	-	-	17	17
			1/2/2008	GRAND AND TOY #1038 TORONTO ON	-	-	106	106
			2/25/2008	GRAND AND TOY #1038 TORONTO ON	-	-	41	41
			3/11/2008	GRAND AND TOY #1038 TORONTO ON	-	-	11	11
			1/3/2008	GRAND AND TOY #1038 TORONTO ON	-	-	5	5
	Harrison Park Inn		8/10/2007	HARRISON PARK INN OWEN SOUND ON	-	-	34	34
	HLS Publications		12/5/2007	HLS PUBLICATIONS CTR 617-4933694 MA23.00 USD @ 1.040434783**	-	-	24	24
	HMV		12/6/2007	HMV #882 TORONTO ON	-	-	51	51
	Ho-Lee Chow		3/12/2008	HO-LEE-CHOW TORONTO ON	-	-	118	118
	Hotel Mon-Repos		8/24/2007	Hotel Mon-Repos Geneva500.00 CHF @ 0.89200000**	-	-	450	450
			9/3/2007	Hotel Mon-Repos Geneva1,166.40 CHF @ 0.889727680**	-	-	1,032	1,032
			3/3/2008	Hotel Mon-Repos Geneva500.00 CHF @ 0.986120000**	-	-	493	493
	Hyatt Hotels		12/3/2007	HYATT HOTELS COLUMBUS COLUMBUS OH475.18 USD @ 1.039963803**	-	-	494	494
	Indigo		9/25/2007	INDIGO ONLIN INDIGO.CA ON	-	-	187	187
	International Vacation		12/14/2007	INTL VACATION 8887905264 88-7905264 TX499.38 USD @ 1.045216068	-	-	522	522
	John Howard Society		8/23/2007	JOHN HOWARD SOCIETY OF TORONTO ON	-	-	60	60
	Just Miss		12/30/2007	JUST MISS TORONTO ON	-	-	142	142
	Kelsey's		9/21/2007	KELSEY'S SCARBOROUGH TOWNSCARBOROUGH ON	-	-	50	50
	KeyMan Engravables		11/21/2007	KEYMAN #22# TORONTO ON	-	-	246	246
	Knowledge Book Store		10/5/2007	KNOWLEDGE BOOK STORE BRAMPTON ON	-	-	542	542
	Kobe Japanese Steak House		3/23/2007	KOBE JAPANESE STEAK HOUSEVANCOUVER BC	-	-	176	176
	La Senza		12/30/2007	LA SENZA #148 ETOBICOKE ON	-	-	112	112
	Lavalife		12/30/2007	LLC* LAVALIFE 866-554-5282	-	-	32	32
			1/29/2008	LLC* LAVALIFE 866-554-5282 ON	-	-	31	31
	Law Society of Upper Canada		9/5/2007	LAW SOCIETY OF UPPER TORONTO ON	446	-	-	446
	LCBO		12/5/2007	LCBO/RAO #0333 TORONTO ON	-	-	50	50
			2/8/2008	LCBO/RAO #0333 TORONTO ON	-	-	47	47
	Les Suites		3/16/2008	LES SUITES OTTAWA ON	-	-	675	675
	Liftow Ltd		10/5/2007	LIFTOW LTD BRAMPTON ON	-	-	400	400
	Little Anthony's		7/15/2007	LITTLE ANTHONY'S AMERICANTORONTO ON	-	-	147	147
			11/29/2007	LITTLE ANTHONY'S AMERICANTORONTO ON	-	-	83	83
	Mars Blinds		12/14/2007	MARS BLINDS MISSISSAUGA ON	-	-	150	150
	Metropolitan Hotel		8/8/2007	METROPOLITAN HOTEL RESTR.TORONTO ON	59	-	-	59
			9/13/2007	METROPOLITAN HOTEL RESTR.TORONTO ON	-	-	83	83
	Minto Suite Hotel		6/21/2007	MINTO SUITE HOTEL INC OTTAWA ON	-	-	215	215
	Montana's Cookhouse & Bar		9/19/2007	MONTANA'S COOKHOUSE \$ BARNIAGARA FALLSON	-	-	80	80
	Motophoto		3/23/2007	MOTOPHOTO-THE LANES TORONTO ON	-	-	150	150
			4/18/2007	MOTOPHOTO-THE LANES TORONTO ON	-	-	192	192
	Muse Bistro		7/27/2007	MUSE BISTRO TORONTO ON	630	-	-	630
	NAACP Legal Defence		9/28/2007	NAACP LEGAL DEFENSE & EDU212-9652217 NY800.00 USD @ 1.021300000**	817	-	-	817
	Netfirms.ca		10/30/2007	NETFIRMS.CA 877-399-99099 416-561-2100 ON	-	-	165	165
	Network Solutions, LLC		3/12/2008	NETWORK SOLUTIONS, LLC 88-642-9675 VA74.97 USD @ 1.010004002**	-	-	76	76

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Fiscal Year	Vendor	Cardholder	Transaction Date	Description	General \$	Other \$	Unknown \$	Total \$
2008	Ninki Sushi		09 10/11/2007	NINKI SUSHI TORONTO ON	-	-	62	62
			11/22/2007	NINKI USHI TORONTO ON	-	-	97	97
	Oakhm House		09 7/5/2007	OAKHAM HOUSE TORONOT ON	-	-	350	350
			7/23/2007	OAKHAM HOUSE TORONOT ON	-	-	278	278
			8/9/2007	OAKHAM HOUSE TORONOT ON	-	-	278	278
			9/17/2007	OAKHAM HOUSE TORONTO ON	-	-	33	33
			86 9/10/2007	OAKHAM HOUSE TORONOT ON	-	-	318	318
			11/1/2007	OAKHAM HOUSE TORONOT ON	-	-	636	636
	OCSWSSW		09 2/6/2008	OCSWSSW TORONTO ON	-	-	290	290
	Ontario Municipal Society		09 9/10/2007	ONTARIO MUNICIPAL SOCI MISSISSAUGA ON	-	-	551	551
	Pan Pacific Vancouver Café Pacifica		86 3/25/2007	PAN PACIFIC VANCOUVER VANCOUVER BC	-	-	175	175
	Panago Pizza		09 12/14/2007	PANAGO PIZZA #172 TORONTO ON	-	-	72	72
	Paypal		09 12/31/2007	PAYPAL *DEFENDER 4029357733	-	-	86	86
	Pickle Barrel		86 12/3/2007	PICKLE BARRELSHERWAY ETOBICOKE	-	-	52	52
	Pizza Hut		24 8/29/2007	PIZZA HUT TORONTO ON	-	-	37	37
			3/10/2008	PIZZA HUT BLACK CREEK NORTH YORK ON	-	-	63	63
				PIZZA HUT/WING STREET TORONTO ON	-	-	46	46
			09 7/31/2007	PIZZA HUT/WING STREET TORONTO ON	-	-	38	38
			2/28/2008	PIZZA HUT/WING STREET TORONTO ON	-	-	24	24
	Pizza Pizza		24 7/25/2007	PIZZA PIZZA #49 072507 FINCH JANE ON	-	-	26	26
			3/10/2008	PIZZA PIZZA # 43 031008 BRAM MALL ON	-	-	48	48
	Pun De Grill		86 2/17/2008	PUN DE GRILL CHRIST CHURCH75.93 BBD @ 0.522718293**	-	-	40	40
	Purolator		09 10/12/2007	PURULATOR15220494 MISSISSAUGA ON	-	-	24	24
	Radisson Hotel		09 11/25/2007	RADISSON SUITE ETOBICOKE ON	-	-	50	50
			11/27/2007	RADISSON SUITE ETOBICOKE ON	-	-	6,111	6,111
			11/29/2007	RADISSON SUITE ETOBICOKE ON	-	-	6,637	6,637
			3/19/2008	RADISSON WINDSOR WINDSOR ON	-	-	164	164
			86 10/1/2007	RADISSON WINDSOR WINDSOR ON	-	-	517	517
	Restaurant Tony Deluca		86 9/21/2007	RESTAURANT TONY DELUCA N.O.T.L. ON	-	-	107	107
	Robert Half		09 10/15/2007	ROBERT HALF INTL. NORTH YORK ON	-	-	872	872
	Rogers		24 3/31/2007	ROGERS	-	-	46	46
			86 4/14/2007	ROGERS	-	-	46	46
			4/23/2007	ROGERS	-	-	23	23
			6/23/2007	ROGERS	-	-	23	23
			6/26/2007	ROGERS	-	-	46	46
			7/23/2007	ROGERS	-	-	23	23
			8/10/2007	ROGERS	-	-	46	46
			8/23/2007	ROGERS	-	-	34	34
			9/21/2007	ROGERS	-	-	46	46
			9/21/2007	ROGERS	-	-	34	34
			10/7/2007	ROGERS	-	-	46	46
			10/23/2007	ROGERS	-	-	34	34
				ROGERS	-	-	46	46
			11/23/2007	ROGERS	-	-	34	34
			12/14/2007	ROGERS	-	-	46	46
			12/23/2007	ROGERS	-	-	34	34
			1/23/2008	ROGERS	-	-	34	34
			2/23/2008	ROGERS	-	-	34	34
			3/21/2008	ROGERS	-	-	45	45
			3/23/2008	ROGERS	-	-	34	34
Royal Caribbean Café		86 10/2/2007	ROYAL CARIBBEAN CAFÉ TORONTO ON	-	-	52	52	
Sage Publications		86 2/28/2008	SAGE PUBLICATIONS 805-499-9774 CA154.35 USD @ 1.000104363**	-	-	154	154	
Sandy Ground		86 2/15/2008	SANDY GROUND CHRIST CHURCH362.34 BBD @ 0.518546117**	-	-	188	188	
		2/17/2008	SANDY GROUND CHRIST CHURCH181.17 BBD @ 0.493972805**	-	-	(89)	(89)	
Seneca College		09 10/12/2007	SENECA COLLEGE CONT. EDUC. WILLOWDALE ON	-	-	657	657	
Sheraton		09 10/6/2007	BITHEQUE-SHERATON TORONTO ON	-	-	36	36	
Southern Palms Hotel		86 2/23/2008	SOUTHERN PALMS HOTEL CHRIST CHURCH523.47 BBD @ 0.515120255**	-	-	270	270	

Appendix C - Visa Transactions by Fund

The following table summarizes the Selected Expenditures recorded in each fund.

Fiscal Year	Vendor	Cardholder	Transaction Date	Description	General \$	Other \$	Unknown \$	Total \$		
2008	Springs Rolls		09	8/31/2007	SPRING ROLLS @ ATRIUM ON TORONTO ON	-	-	136	136	
			99	1/21/2008	SPRING ROLLS TORONTO ON	-	-	58	58	
			86	6/22/2007	SPRING ROLLS @ ATRIUM ON TORONTO ON	-	-	34	34	
				8/23/2007	SPRING ROLLS @ ATRIUM ON TORONTO ON	37	-	-	37	
				10/15/2007	SPRING ROLLS TORONTO	95	-	-	95	
				10/22/2007	SPRING ROLLS TORONTO	207	-	-	207	
				11/1/2007	SPRING ROLLS TORONTO	-	-	71	71	
				11/24/2007	SPRING ROLLS TORONTO ON	-	-	98	98	
				12/10/2007	SPRING ROLLS TORONTO ON	-	-	55	55	
				3/7/2008	SPRING ROLLS TORONTO ON	-	-	93	93	
				3/13/2008	SPRING ROLLS TORONTO ON	-	-	66	66	
			Staples Business Depot	09	7/18/2007	BUSINESS DEPOT DIRECT MISSISSAUGA ON	-	-	298	298
					7/26/2007	BUSINESS DEPOT DIRECT MISSISSAUGA ON	-	-	239	239
					10/1/2007	BUSINESS DEPOT DIRECT MISSISSAUGA ON	-	-	1,183	1,183
				99	2/14/2008	STAPLES STORE #11 ETOBICOKE ON	-	-	14	14
					3/7/2008	STAPLES STORE #15 TORONTO ON	-	-	111	111
			Sushi Queen	86	10/15/2007	SUSHI QUEEN TORONTO ON	-	-	54	54
					10/29/2007	SUSHI QUEEN TORONTO ON	-	-	54	54
			Swiss Chalet	09	11/21/2007	SWISS CHALET #1941 TORONTO ON	-	-	77	77
					3/18/2008	SWISS CHALET #1941 TORONTO ON	-	-	32	32
99	3/6/2008	SWISS CHALET #1128* TORONTO ON		-	-	143	143			
	3/11/2008	SWISS CHALET #1128* TORONTO ON		-	-	99	99			
		SWISS CHALET #1216 WES BRAMPTON ON		-	-	116	116			
Szechuan Szechuan	86	9/7/2007	SWISS CHALET #1936 ETOBICOKE ON	-	-	39	39			
	24	8/14/2007	SZECHUAN SZECHUAN TORONTO ON	-	-	186	186			
	09	8/28/2007	SZECHUAN SZECHUAN TORONTO ON	-	-	58	58			
		9/10/2007	SZECHUAN SZECHUAN TORONTO ON	-	-	34	34			
	99	10/29/2007	SZECHUAN SZECHUAN TORONTO ON	-	-	52	52			
	86	8/24/2007	SZECHUAN SZECHUAN TORONTO ON	-	-	173	173			
		9/11/2007	SZECHUAN SZECHUAN TORONTO ON	-	-	176	176			
		2/8/2008	SZECHUAN SZECHUAN TORONTO ON	-	-	105	105			
	The Bay	09	2/21/2008	THE BAY #1560 TORONTO ON	-	-	29	29		
		99	12/7/2007	THE BAY #1560 TORONTO ON	-	-	270	270		
The Diamond Shop	86	3/30/2007	THE DIAMOND SHOP TORONTO ON	-	-	754	754			
The Explorer Hotel	24	7/20/2007	THE EXPLORER HOTEL YELLOWKNIFE NT	-	-	77	77			
		7/23/2007	THE EXPLORER HOTEL YELLOWKNIFE NT	-	-	539	539			
	86	7/24/2007	THE EXPLORER HOTEL YELLOWKNIFE NT	-	-	728	728			
The Hatworth Press	09	9/1/2007	THE HATWORTH PRESS I 607-722-5857 NY38.11 USD @ 1.078194700**	-	-	41	41			
The Keg Steakhouse	09	8/24/2007	THE KEG YORK STREET TORONTO ON	-	-	40	40			
	09	11/8/2007	THE KEG YORK STREET TORONTO ON	-	-	30	30			
		1/18/2008	THE KEG YORK STREET TORONTO ON	-	-	24	24			
The King and I Thai	86	7/14/2007	THE KING AND I THAI CA EDMONTON AB	-	-	110	110			
The Kitchen Table	09	8/23/2007	THE KITCHEN TABLE TORONTO ON	-	-	11	11			
		1/24/2008	THE KITCHEN TABLE TORONTO ON	-	-	23	23			
The Old Mill Catering	09	6/28/2007	THE OLD MILL CATERING TORONTO ON	-	-	350	350			
	86	10/25/2007	THE OLD MILL CATERING TORONTO ON	-	-	750	750			
The Oldtown LA	24	7/21/2007	THE OLDTOWN LA YELLOWKNIFE NT	-	-	161	161			
The Professional Travel Place	09	10/13/2007	THE PROFESSIONAL TRAVEL TORONTO ON	-	-	509	509			
Toronto Coach Terminal	86	8/3/2007	TORONTO COACH TERMINAL INTORONTO ON	-	-	75	75			
Toronto Parking Authority	09	8/9/2007	TORONTO PARKING AUTHORITYTORONTO ON	-	-	460	460			
		9/5/2007	TORONTO PARKING AUTHORITYTORONTO ON	-	-	230	230			
		9/14/2007	TORONTO PARKING AUTHORITYTORONTO ON	-	-	230	230			
		10/1/2007	TORONTO PARKING AUTHORITYTORONTO ON	-	-	230	230			
		10/4/2007	TORONTO PARKING AUTHORITYTORONTO ON	-	-	230	230			
	09	12/5/2007	TORONTO PARKING AUTHORITYTORONTO ON	-	-	230	230			

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The following table summarizes the Selected Expenditures recorded in each fund.

Fiscal Year	Vendor	Cardholder	Transaction Date	Description	General \$	Other \$	Unknown \$	Total \$		
2008	Toronto Parking Authority	[REDACTED]	99	1/2/2008 TORONTO PARKING AUTHORITYTORONTO ON	-	-	230	230		
			2/5/2008 TPA/GREEN "P" QPL TORONTO ON	-	-	230	230			
			3/5/2008 TPA/GREEN "P" QPL TORONTO ON	-	-	230	230			
			3/16/2008 TPA DETAIL WWW.GREENP.COMTORONTO ON	-	-	2	2			
			TTC	09	10/4/2007 TTC - UNION STATION TORONTO ON	-	-	100	100	
			Via Rail	86	4/23/2007 VIA RAIL 42004 TORONTO ON	-	-	212	212	
				9/28/2007 VIA RAIL 42004 TORONTO ON	-	-	314	314		
					3/1/2008 VIA RAIL 42004 TORONTO ON	-	-	235	235	
			Wal-mart	09	8/13/2007 WAL-MART 3106TORONTO ON	-	-	145	145	
				99	11/4/2007 WAL-MART 3031ETOBICOKE ON	-	-	35	35	
			William Ashley Ltd	86	3/4/2008 WILLIAM ASHLEY LTD TORONTO ON	-	-	240	240	
			2008 Total				2,542	-	69,267	71,809
2009	A Difference Booklist	[REDACTED]	86	9/25/2008 A DIFFERENT BOOKLIST TORONTO ON	505	-	-	505		
			09	4/11/2008 ABM CASH ADVANCE-TD/AVANCE FONDS-GAB TD	-	-	482	482		
			8/11/2008 **CASH ADVANCE - AVANCE DE FONDS **	300	-	-	300			
			8/12/2008 **CASH ADVANCE - AVANCE DE FONDS **	482	-	-	482			
			ABM Cash Advance Fee	09	4/15/2008 CASH ADVANCE FEE	-	-	3	3	
				8/12/2008 CASH ADVANCE FEE	3	-	-	3		
				8/13/2008 CASH ADVANCE FEE	3	-	-	3		
			Adrienne Foley Spa	77	12/10/2008 ADRIENNE FOLEY SPA TORONTO ON	75	-	-	75	
			Aéroport Int. Geneve	86	10/13/2008 Aéroport Int. Geneve Geneve2.co CHF @ 1.08500000**	2	-	-	2	
			Air Canada	[REDACTED]	77	3/2/2009 AIR CANADA 0142168352399WINNIPEG MB	-	689	-	689
					3/3/2009	AIR CANADA 0142168367195WINNIPEG MB	-	332	-	332
					AIR CANADA 0142168367692WINNIPEG MB	-	311	-	311	
					AIR CANADA 0142168372097WINNIPEG MB	-	248	-	248	
					AIR CANADA 0142168373173WINNIPEG MB	-	364	-	364	
					AIR CANADA 0142168378550WINNIPEG MB	-	322	-	322	
					AIR CANADA 0142168384763WINNIPEG MB	-	269	-	269	
					AIR CANADA 0142168386118WINNIPEG MB	-	354	-	354	
					AIR CANADA 0142168388682WINNIPEG MB	-	446	-	446	
					AIR CANADA 0142168388683WINNIPEG MB	-	446	-	446	
					AIR CANADA 0142168391380WINNIPEG MB	-	884	-	884	
					3/4/2009	AIR CANADA 0142168414452WINNIPEG MB	-	269	-	269
					AIR CANADA 0142168416126WINNIPEG MB	-	322	-	322	
					AIR CANADA 0142168422209WINNIPEG MB	-	248	-	248	
					AIR CANADA 0142168424102WINNIPEG MB	-	875	-	875	
					AIR CANADA 0142168424103WINNIPEG MB	-	875	-	875	
					AIR CANADA 0142168427201WINNIPEG MB	-	301	-	301	
					AIR CANADA 0142168427202WINNIPEG MB	-	301	-	301	
					AIR CANADA 0142168430037WINNIPEG MB	-	290	-	290	
					AIR CANADA 0142168430801WINNIPEG MB	-	922	-	922	
					AIR CANADA 0142168433518WINNIPEG MB	-	453	-	453	
					AIR CANADA 0142168465141WINNIPEG MB	-	227	-	227	
					AIR CANADA 0142168465358WINNIPEG MB	-	676	-	676	
3/5/2009	AIR CANADA 0142168451225WINNIPEG MB	-			385	-	385			
AIR CANADA 0142168452620WINNIPEG MB	-	132			-	132				
AIR CANADA 0142168452810WINNIPEG MB	-	332			-	332				
AIR CANADA 0142168455844WINNIPEG MB	-	679			-	679				
AIR CANADA 0142168463706WINNIPEG MB	-	624			-	624				
AIR CANADA 0142168463707WINNIPEG MB	-	624			-	624				
AIR CANADA 0142168463708WINNIPEG MB	-	624			-	624				
AIR CANADA 0142168463709WINNIPEG MB	-	624			-	624				
3/6/2009	AIR CANADA 0142168506203WINNIPEG MB	-			248	-	248			
AIR CANADA 0142168507123WINNIPEG MB	-	137	-	137						
3/7/2009	AIR CANADA 0142168535301WINNIPEG MB	-	522	-	522					
AIR CANADA 0142168535302WINNIPEG MB	-	522	-	522						
AIR CANADA 0142168535303WINNIPEG MB	-	522	-	522						

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Fiscal Year	Vendor	Cardholder	Transaction Date	Description	General \$	Other \$	Unknown \$	Total \$	
2009	Air Canada	[REDACTED]	77	3/7/2009	AIR CANADA 0142168535304WINNIPEG MB	-	522	-	522
				AIR CANADA 0142168535512WINNIPEG MB	-	681	-	681	
				AIR CANADA 0142168535513WINNIPEG MB	-	681	-	681	
				AIR CANADA 0142168535514WINNIPEG MB	-	681	-	681	
				AIR CANADA 0142168535515WINNIPEG MB	-	681	-	681	
				AIR CANADA 0142168535516WINNIPEG MB	-	681	-	681	
				AIR CANADA 01421685355850WINNIPEG MB	-	200	-	200	
				AIR CANADA 0142168537184WINNIPEG MB	-	705	-	705	
				AIR CANADA 0142168537658WINNIPEG MB	-	472	-	472	
				AIR CANADA 0142168537659WINNIPEG MB	-	472	-	472	
				AIR CANADA 0142168538078WINNIPEG MB	-	581	-	581	
				AIR CANADA 0142168538725WINNIPEG MB	-	765	-	765	
				AIR CANADA 0142168539328WINNIPEG MB	-	1,043	-	1,043	
				3/8/2009	AIR CANADA 0142168545059WINNIPEG MB	-	729	-	729
				AIR CANADA 0142168546812WINNIPEG MB	-	865	-	865	
				AIR CANADA 0142168547350WINNIPEG MB	-	472	-	472	
				AIR CANADA 0142168547351WINNIPEG MB	-	472	-	472	
				AIR CANADA 0142168549550WINNIPEG MB	-	1,109	-	1,109	
				AIR CANADA 0142168549551WINNIPEG MB	-	1,109	-	1,109	
				AIR CANADA 0142168553716WINNIPEG MB	-	332	-	332	
				AIR CANADA 0142168553717WINNIPEG MB	-	332	-	332	
				AIR CANADA 0142168555250WINNIPEG MB	-	353	-	353	
				AIR CANADA 0142168555251WINNIPEG MB	-	353	-	353	
				AIR CANADA 0142168555252WINNIPEG MB	-	353	-	353	
				AIR CANADA 0142168555253WINNIPEG MB	-	353	-	353	
				3/9/2009	AIR CANADA 0142168555254WINNIPEG MB	-	353	-	353
				AIR CANADA 0142168581279WINNIPEG MB	-	132	-	132	
				AIR CANADA 0142168591436WINNIPEG MB	-	364	-	364	
				AIR CANADA 0142168592131WINNIPEG MB	-	290	-	290	
				AIR CANADA 0142168597248WINNIPEG MB	-	374	-	374	
				AIR CANADA 0142168598409WINNIPEG MB	-	332	-	332	
				AIR CANADA 0142168598994WINNIPEG MB	-	752	-	752	
				AIR CANADA 0142168599409WINNIPEG MB	-	427	-	427	
				AIR CANADA 0142168600540WINNIPEG MB	-	385	-	385	
				AIR CANADA 0142168600722WINNIPEG MB	-	703	-	703	
				AIR CANADA 0142168601455WINNIPEG MB	-	469	-	469	
				AIR CANADA 0142168601456WINNIPEG MB	-	469	-	469	
				3/10/2009	AIR CANADA 0142168620297WINNIPEG MB	-	1,591	-	1,591
				AIR CANADA 0142168628504WINNIPEG MB	-	521	-	521	
				AIR CANADA 0142168629089WINNIPEG MB	-	861	-	861	
				AIR CANADA 0142168630834WINNIPEG MB	-	385	-	385	
				AIR CANADA 0142168633809WINNIPEG MB	-	941	-	941	
				AIR CANADA 0142168636940WINNIPEG MB	-	1,026	-	1,026	
				AIR CANADA 0142168636941WINNIPEG MB	-	1,026	-	1,026	
				AIR CANADA 0142168637435WINNIPEG MB	-	521	-	521	
				AIR CANADA 0142168637748WINNIPEG MB	-	479	-	479	
				AIR CANADA 0142168640363WINNIPEG MB	-	254	-	254	
				AIR CANADA 0142168640533WINNIPEG MB	-	438	-	438	
				3/11/2009	AIR CANADA 0142168388683WINNIPEG MB	-	(446)	-	(446)
				AIR CANADA 0142168642081WINNIPEG MB	-	354	-	354	
				AIR CANADA 0142168642284WINNIPEG MB	-	742	-	742	
				AIR CANADA 0142168652097WINNIPEG MB	-	385	-	385	
				AIR CANADA 0142168652357WINNIPEG MB	-	385	-	385	
				AIR CANADA 0142168653530WINNIPEG MB	-	627	-	627	
				AIR CANADA 0142168655554WINNIPEG MB	-	304	-	304	
				AIR CANADA 0142168656255WINNIPEG MB	-	248	-	248	
				AIR CANADA 0142168657825WINNIPEG MB	-	810	-	810	

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Fiscal Year	Vendor	Cardholder	Transaction Date	Description	General \$	Other \$	Unknown \$	Total \$	
2009	Air Canada		77	3/11/2009	AIR CANADA 0142168558798WINNIPEG MB	-	934	-	934
					AIR CANADA 0142168560790WINNIPEG MB	-	774	-	774
					AIR CANADA 0142168562500WINNIPEG MB	-	47	-	47
					AIR CANADA 0142168572619WINNIPEG MB	-	1,176	-	1,176
					AIR CANADA 0143923759524WINNIPEG MB	-	917	-	917
			3/12/2009	AIR CANADA 0143923759236WINNIPEG MB	-	2,320	-	2,320	
	Airport Link Taxi & Limo		86	3/19/2009	AIRPORT LINK T & L BRAMPTON ON	-	43	-	43
	Aldo		77	12/3/2008	ALDO # 1492 VAUGHAN ON	75	-	-	75
	Amato Pizza		86	11/23/2008	AMATO PIZZA TORONTO ON	111	-	-	111
				11/29/2008	LG AMATO PIZZA RISTORANTETORONTO ON	130	-	-	130
	Bearskin Air		77	3/2/2009	BEARSKIN AIR6323512191NORTH YORK ON	-	270	-	270
	Bell		09	4/14/2008	BELL MOBILITY INC MISSISSAUGA ON	-	942	-	942
				4/15/2008	BELL WORLD / EXCELL TORONTO ON	-	-	339	339
	Best Buy		77	12/15/2008	BEST BUY #927 NORTH YORK ON	390	-	-	390
	Black Eyed Susan's		86	10/10/2008	BLACK EYED SUSAN'S #2 TORONTO ON	130	-	-	130
	Bloom 84 Flowershop		86	7/29/2008	BLOOM 84 FLOWERSHIP OAKVILLE ON	117	-	-	117
	Brasserie Lipp		86	10/18/2008	Brasserie Lipp Geneve151.00 CHF @ 1.067086093**	161	-	-	161
	Brookfield Properties		77	3/12/2009	BROOKFIELD PROPERTIES OTTAWA ON	-	16	-	16
	Cadillac Fairview		77	12/3/2008	CADILLAC FAIRVIEW CORP LTTORONTO ON	230	-	-	230
				12/10/2008	CADILLAC FAIRVIEW CORP LTTORONTO ON	75	-	-	75
	Canadian Tire		77	8/18/2008	CDN TIRE STORE #00600 TORONTO ON	107	-	-	107
	Carlton Cards		09	4/3/2008	CARLTON CARDS #5350 TORONTO ON	-	17	-	17
				12/3/2008	CARLTON CARDS #5442 ETOBICOKE ON	30	-	-	30
				12/1/2008	CARLTON CARD #5753 TORONTO ON	16	-	-	16
	Cathay Restaurant		77	3/13/2009	CATHAY RESTAURANT OTTAWA ON	-	116	-	116
	Courtyard by Marriott		09	8/17/2008	COURTYARD BY MARRIOTT-DWNTORONTO ON	134	-	-	134
	Dallas Equipment		77	3/13/2009	DALLAS EQUIPMENT BRAMPTON ON	-	4,650	-	4,650
	Decadent Desserts		09	3/28/2008	DECADENT DESSERTS TORONTO ON	32	-	-	32
				4/17/2008	DECADENT DESSERTS TORONTO ON	20	-	-	20
	Diners Corner		09	4/22/2008	Diners Corner Toronto ON	-	-	150	150
				7/30/2008	Diners Corner Toronto ON	35	-	-	35
	Druxy's		09	4/1/2008	DRUXY'S # 050 TORONTO ON	116	-	-	116
				10/21/2008	DRUXY'S # 097 BRAMPTON ON	189	-	-	189
				1/26/2009	DRUXY'S #054 NORTH YORK ON	68	-	-	68
				2/25/2009	DRUXY'S # 088 TORONTO ON	174	-	-	174
				3/2/2009	DRUXY'S # 088 TORONTO ON	58	-	-	58
	Dufflet Pastries		09	4/4/2008	DUFFLET PASTRIES TORONTO ON	-	-	45	45
	Fairmont Hotel		86	12/13/2008	FAIRMONT ROYAL YORK F&B TORONTO ON	589	-	-	589
	Futureshop		77	12/1/2008	FUTURESHOP #633 TORONTO ON	-	-	1,837	1,837
	Garden Restaurant		09	4/5/2008	METRO KENNEDY GARDEN RESTTORONTO ON	-	-	225	225
				10/9/2008	Garden Restaurant Toronto On	-	-	28	28
				10/15/2008	Garden Restaurant Toronto On	-	-	39	39
				11/30/2008	METRO KENNEDY GARDEN RESTTORONTO ON	94	-	-	94
				1/28/2009	METRO KENNEDY GARDEN RESTTORONTO ON	146	-	-	146
	George Brown College		84	3/24/2008	GEORGE BROWN COLLEGE TORONTO ON	63	-	-	63
				3/26/2008	GEORGE BROWN COLLEGE TORONTO ON	189	-	-	189
	Gifts, Flowers and Bridal		86	10/6/2008	GIFTS FLOWERS AND BRIDAL MISSISSAUGA ON	200	-	-	200
				10/7/2008	GIFTS FLOWERS AND BRIDAL MISSISSAUGA ON	34	-	-	34
	Godiva Chocolatier		77	12/3/2008	GODIVA CHOCOLATIER INC ETOBICOKE ON	11	-	-	11
	Grand & Toy		09	4/1/2008	GRAND AND TOY #1038 TORONTO ON	129	-	-	129
				4/3/2008	GRAND AND TOY #1038 TORONTO ON	-	-	20	20
				4/7/2008	Grand and Toy Commercial Toronto On	-	-	85	85
				4/17/2008	Grand and Toy Commercial Toronto On	-	-	(73)	(73)
				10/17/2008	GRAND AND TOY #1038 TORONTO ON	-	-	27	27
				3/12/2009	GRAND & TOY #3051 OTTAWA ON	-	245	-	245
				3/14/2009	GRAND AND TOY COMMERCIAL TORONTO ON	-	77	-	77
	Greyhound		77	3/11/2009	GL*GREYHOUNDLINES1508 214-849-8966 TX270.00 USD @ 1.319407407	-	356	-	356

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Fiscal Year	Vendor	Cardholder	Transaction Date	Description	General \$	Other \$	Unknown \$	Total \$
2009	H&M		77	12/3/2008 H & M CA#005 VAUGHAN ON	150	-	-	150
	Harlem 1920		09	4/11/2008 HARLEM 1920 TORONTO ON	-	-	70	70
			99	3/23/2008 HARLEM 1920 TORONTO ON	-	-	88	88
				3/25/2008 HARLEM 1920 TORONTO ON	-	-	(88)	(88)
	Harry's Tap		77	10/1/2008 HARRY'S TAP RM10568475 DULLES VA34.00 USD @ 1.105294118**	-	-	38	38
	Hilton		86	3/23/2008 HILTON TORONTO F/B TORONTO ON	54	-	-	54
	HMV		77	12/3/2008 HMV #899 VAUGHAN ON	75	-	-	75
	Ho-Lee Chow		77	3/9/2009 HO-LEE CHOW TORONTO ON	75	-	-	75
	Hotel Mon-Repos		86	10/18/2008 Hotel Mon-Repos Geneve	-	-	2,299	2,299
				2/4/2009 Hotel Mon-Repos Geneve1,000.00 CHF @ 1.089550000**	-	1,090	-	1,090
				2/23/2009 Hotel Mon-Repos Geneve500.00 CHF @ 1.039920000**	-	(520)	-	(520)
	IATA Canada		77	3/11/2009 IATA CANADA 9549528464 954952846402ON	-	50	-	50
				3/12/2009 IATA CANADA 9549528464 954952846402ON	-	50	-	50
	Indigo		09	3/28/2008 INDIGO SPIRIT #604 TORONTO ON	15	-	-	15
	International Institute for Restorative Practices		77	10/2/2008 INTERNATL INS FOR RESORA 610-807-9221 PA11.96 USD @ 1.105042017**	-	-	13	13
				INTERNATL INS FOR RESORA 610-807-9221 PA237.90 USD @ 1.105254309**	-	-	263	263
				INTERNATL INS FOR RESORA 610-807-9221 PA299.77 USD @ 1.105280715**	-	-	331	331
	La Senza		77	12/3/2008 LA SENZA #281 VAUGHAN ON	79	-	-	79
	Laura Secord		77	12/7/2008 LAURA SECORD #110 BRAMALEA ON	25	-	-	25
	Law Society of Upper Canada		86	12/13/2008 LAW SOCIETY OF UPPER TORONTO ON	53	-	-	53
	LCBO		24	4/4/2008 LCBO/RAO #0333 TORONTO ON	41	-	-	41
			09	3/28/2008 LCBO/RAO #0333 TORONTO ON	27	-	-	27
	Lily Resto-Lounge		77	7/26/2008 LILY RESTO-LOUNGE TORONTO ON	64	-	-	64
	Linens n Things		77	12/2/2008 LINENS N THINGS #712	153	-	-	153
	Lucliff Company Limited		86	3/28/2008 LUCLIFF COMPANY LIMITE TORONTO ON	15	-	-	15
	Metro Brasserie		86	3/15/2009 METRO. BRASSERIE OTTAWA ON	-	999	-	999
	Milestone's		77	8/9/2008 MILESTONE'S #5240 TORONTO ON	80	-	-	80
	Multi-Health Systems		77	9/30/2008 MULTI-HEALTH SYSTEMS TORONTO ON	-	-	186	186
				10/2/2008 MULTI-HEALTH SYSTEMS TORONTO ON	-	-	302	302
	Nerds on Site		77	12/17/2008 NERDS ON SITE INC. LONDON ON	-	-	424	424
	Netfirms.ca		09	10/4/2008 NETFIRMS.CA 877-399-9909 416-661-2100 ON	163	-	-	163
	Ninki Sushi		09	3/27/2008 NINKI SUSHI TORONTO ON	55	-	-	55
	NWA Air		77	3/11/2009 NWA AIR 012392375523TORONTO ON	-	941	-	941
	One of a Kind Pasta & Grill		77	10/6/2008 ONE OF A KING PASTA AND GTORONTO ON	-	-	71	71
				10/16/2008 ONE OF A KING PASTA AND GTORONTO ON	-	-	125	125
	Parkway Festival Hall		77	2/21/2009 PARKWAY FESTIVAL HALL TORONTO ON	-	-	11	11
	Pharma Plus		09	4/4/2008 PHARMA PLUS #0851 TORONTO ON	-	20	-	20
	Pizza Nova		77	8/12/2008 PIZZA NOVA #27 TORONTO ON	-	-	80	80
	Pizzaville		09	4/4/2008 PIZZAVILLE TORONTO ON	-	-	90	90
	Porter Airlines		77	3/4/2009 PORTER AIRL TORONTO ON	-	549	-	549
				3/9/2009 PORTER AIRL TORONTO ON	-	190	-	190
				3/11/2009 PORTER AIRL TORONTO ON	-	1,084	-	1,084
				3/12/2009 PORTER AIRL TORONTO ON	-	500	-	500
	PPOC - Agent		09	4/8/2008 PPOC - AGENT SHEPPARD TORONTO ON	-	4	-	4
	Precise Parklink		77	8/9/2008 PRECISE PARKLINK #197 TORONTO ON	-	-	8	8
				2/13/2009 PRECISE PARKLINK TORONTO ON	-	-	14	14
				12/8/2008 PRECISE PARKLINK # 197 TORONTO ON	14	-	-	14
	Radisson Hotel		86	3/26/2008 RADISSON WINDSOR WINDSOR ON	245	-	-	245
	Renaissance Hotel		86	10/9/2008 RENAISSANCE TO. AIR HOTELTORONTO ON	48	-	-	48
	Restaurant Han Lung		86	10/16/2008 Restaurant Han Lung Geneve244.00 CHF @ 1.073196721**	262	-	-	262
	Rogers		86	4/23/2008 ROGERS	34	-	-	34
				7/24/2008 ROGERS	45	-	-	45
				11/24/2008 ROGERS	34	-	-	34
				12/23/2008 ROGERS	34	-	-	34
				1/23/2009 ROGERS	34	-	-	34
				2/23/2009 ROGERS	34	-	-	34
	Second Cup	4502 2869 3099 7077		12/11/2008 SECOND CUP #9184# QFF ETOBICOKE ON	34	-	-	34

Appendix C - Visa Transactions by Fund

The following table summarizes the Selected Expenditures recorded in each fund.

Fiscal Year	Vendor	Cardholder	Transaction Date	Description	General \$	Other \$	Unknown \$	Total \$
2009	Shoppers Drug Mart		77	12/3/2008 SHOPPERS DRUG MART0693 BRAMPTON ON	191	-	-	191
					SHOPPERSDRUGMART0865 TORONTO ON	150	-	-
	Springs Rolls		77	10/15/2008 SPRING ROLLS TORONTO ON	-	-	150	150
				3/8/2009 SPRING ROLLS TORONTO ON	73	-	-	73
				12/1/2008 SPRING ROLLS TORONTO ON	95	-	-	95
			86	4/14/2008 SPRING ROLLS TORONTO ON	102	-	-	102
				8/17/2008 SPRING ROLLS TORONTO ON	97	-	-	97
	Staples Business Depot			10/15/2008 SPRING ROLLS TORONTO ON	94	-	-	94
			77	3/10/2009 STAPLES STORE #234 TORONTO ON	-	211	-	211
			77	12/14/2008 STC GIFT CERTIFICATE-G SCARBOROUGH ON	150	-	-	150
			77	19/4/2008 STILL WATER SPA TORONTO ON	100	-	-	100
			77	2/19/2009 SWISS CHALET #1941 TORONTO ON	-	-	110	110
				2/23/2009 SWISS CHALET EXPRESS TORONTO ON	-	-	21	21
			86	9/25/2008 SWISS CHALET #1941 TORONTO ON	-	-	76	76
				11/25/2008 SWISS CHALET #1941 TORONTO ON	124	-	-	124
				12/4/2008 SWISS CHALET #1128 TORONTO ON	113	-	-	113
				3/25/2008 SZECHUAN SZECHUAN TORONTO ON	-	-	44	44
	Szechuan Szechuan		09	3/29/2008 THAI ON DANFORTH TORONTO ON	88	-	-	88
	Thai on Danforth		09	8/12/2008 THE ADVOCATES SOCIETY TORONTO ON	189	-	-	189
	The Advocates Society		09	7/28/2008 THE BAY #1560 TORONTO ON	150	-	-	150
	The Bay			8/18/2008 THE BAY #1560 TORONTO ON	-	-	-	-
			77	2/20/2009 THE BAY #1560 TORONTO ON	28	-	-	28
	The Courtyard Restaurant		86	8/5/2008 THE BAY #1560 TORONTO ON	33	-	-	33
			86	3/15/2009 THE COURTYARD REST OTTAWA ON	-	184	-	184
	The Globe & Mail		77	12/11/2008 THE GLOBE & MAIL - MANUALTORONTO ON	5	-	-	5
			86	12/11/2008 THE GLOBE & MAIL - MANUALTORONTO ON	5	-	-	5
	Toronto Parking Authority		09	4/11/2008 TPA Detail www.greenp.comToronto On	-	-	6	6
			77	8/5/2008 TPA/GREEN 'P' QPL TORONTO ON	-	-	230	230
				8/9/2008 TPA Detail www.greenp.comToronto On	-	-	3	3
				8/10/2008 TPA Detail www.greenp.comToronto On	-	-	14	14
				9/26/2008 TPA Detail www.greenp.comToronto On	-	-	3	3
				9/28/2008 TPA Detail www.greenp.comToronto On	-	-	6	6
				10/7/2008 TPA/GREEN 'P' QPL TORONTO ON	-	-	240	240
				10/16/2008 TPA Detail www.greenp.comToronto On	-	-	7	7
				2/10/2009 TPA Detail www.greenp.comToronto On	-	-	7	7
				12/12/2008 TPA Detail www.greenp.comToronto On	11	-	-	11
				4/1/2008 TOYS 'R' US #3560 TORONTO ON	-	169	-	169
			Toys 'R' Us		77	10/1/2008 UNITED AIR 0164513081340TORONTO ON	-	-
		UNITED AIR 0164513570061TORONTO ON			-	-	15	15
		10/5/2008 UNITED AIR 0164513571500WASHINGTON DC15.00 USD @ 1.133333333**			-	-	17	17
	United Air			UNITED AIR 0164513688056WASHINGTON DC15.00 USD @ 1.133333333**	-	-	17	17
			77	3/6/2009 VIA RAILINTERNET #50000 MONTREAL QC	-	100	-	100
				3/10/2009 VIA RAILINTERNET #50000 MONTREAL QC	-	1,553	-	1,553
				3/11/2009 VIA RAILINTERNET #50000 MONTREAL QC	-	279	-	279
			86	3/24/2008 VIA Rail 42004 Toronto ON	503	-	-	503
	Via Rail		77	7/29/2008 WAL-MART 3160TORONTO ON	487	-	-	487
				8/17/2008 WAL-MART 3160TORONTO ON	39	-	-	39
				12/21/2008 WAL-MART 3105TORONTO ON	35	-	-	35
				12/3/2008 WAL-MART SUPERCENTER 3145CONCORD ON	152	-	-	152
	Wal-mart		77	3/4/2009 WESTJET - AB	-	765	-	765
			3/5/2009 WESTJET - AB	-	279	-	279	
			3/9/2009 WESTJET - AB	-	243	-	243	
			3/10/2009 WESTJET - AB	-	2,325	-	2,325	
			3/11/2009 WESTJET - AB	-	2,358	-	2,358	
			3/12/2009 WESTJET - AB	-	2,072	-	2,072	
Westjet		86	4/3/2008 WILLIAM ASHLEY LTD TORONTO ON	62	-	-	62	
			4/10/2008 WILLIAM ASHLEY LTD TORONTO ON	(62)	-	-	(62)	
William Ashley Ltd								

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The following table summarizes the Selected Expenditures recorded in each fund.

Fiscal Year	Vendor	Cardholder	Transaction		General \$	Other \$	Unknown \$	Total \$
			Date	Description				
2009	www.renus2008.com		77	2/1/2009 WWW.RENUS2008.COM Riga.95 USD @ 1.274474474**	64	-	-	64
	Yorkdale Mall		77	12/3/2008 YORKDALE MALL TORONTO ON	150	-	-	150
	Yuk Yuk's		77	2/22/2009 YUK YUK'S DOWNTOWN TORONTO ON	-	-	56	56
2009 Total					10,394	76,383	8,569	95,346
2010	ABM Cash Advance		77	6/26/2009 **CASH ADVANCE - AVANCE DE FONDS**	-	240	-	240
	ABM Cash Advance Fee		77	6/29/2009 CASH ADVANCE FEE	-	-	3	3
	Airflight Services		86	9/2/2009 Airflight Services, Concord, On	-	45	-	45
	Amato Pizza		86	3/1/2010 Amato Pizza	60	-	-	60
				3/10/2010 Amato Pizza	-	165	-	165
	Amorphous Hair Group		86	6/6/2009 Amorphous Hair Group Toronto ON	37	-	-	37
	Basket Company Inc.		86	9/2/2009 Basket Company Inc., Toronto	93	-	-	93
	Beer Bistro		86	9/7/2009 Beerbistro, Toronto	44	-	-	44
				9/13/2009 Beerbistro, Toronto	31	-	-	31
				9/20/2009 Beerbistro, Toronto	36	-	-	36
	Best Western		86	8/15/2009 Best Western Dartmouth Hodar:mouth NS	-	507	-	507
	Bikkuri Japanese Restaurant		86	3/17/2010 Bikkuri Japanese Restaurant, Toronto, ON	-	25	-	25
	Black Eyed Susan's		86	2/24/2010 Black Eyed Susan's #2, Toronto, ON	113	-	-	113
				3/5/2010 Black Eyed Susan's #2, Toronto, ON	96	-	-	96
	Blue Line Taxi		86	6/13/2009 Coventry Connections Ottawa ON	20	-	-	20
				6/15/2009 Coventry Connections Ottawa ON	-	54	-	54
	Boston Pizza		86	9/23/2009 Boston Pizza #401	26	-	-	26
	Canada Post		77	7/3/2009 CPC/SCP #370207 Toronto On	261	-	-	261
				8/26/2009 CPC/SCP #370207, Toronto	-	880	-	880
				8/27/2009 CPC/SCP #370207, Toronto	-	122	-	122
				9/1/2009 CPC/SCP #370207, Toronto	-	148	-	148
	Canadian Arab Federation		86	6/23/2009 Postes Canada Post eCOA/ACA On	126	-	-	126
	Carlton Cards		77	7/27/2009 Canadian Arab Federation Toronto On	-	-	750	750
				7/23/2009 Carlton Cards #5837 Toronto On	-	6	-	6
	Caseys		86	9/2/2009 4166 Caseys, Mississauga	-	35	-	35
	Casino Taxi Limited		86	8/31/2009 Casino Taxi Limited, Halifax	-	21	-	21
	CF Tec Dundas Parking		77	7/27/2009 CF Tec Dundas Parking Toronto On	-	3	-	3
	Ciano Florist		86	6/11/2009 Ciano Florist Ltd York ON	94	-	-	94
	Congressional Black Caucu		86	9/4/2009 Congressional Black Caucu Washington, DC925 USD @ 1.128810811**	1,044	-	-	1,044
	Crate and Barrel		77	7/23/2009 Crate and Barrel 351 Toronto On	-	75	-	75
	Crowne Plaza		86	5/26/2009 Crowne Plaza Ottawa, Ottawa ON	273	-	-	273
	Delta Hotel		86	6/14/2009 Delta Ottawa Hotel F/B Ottawa ON	-	34	-	34
	Diners Corner		77	7/7/2009 Diners Corner Toronto ON	125	-	-	125
				6/9/2009 Diners Corner Toronto ON	136	-	-	136
	Domus Cafe		86	6/11/2009 Domus Cafe Ottawa ON	-	39	-	39
	Druxy's		86	3/9/2010 Druxy's #054, North York, ON	-	70	-	70
	Garden Restaurant		77	7/2/2009 Garden Restaurant Toronto On	-	85	-	85
				7/29/2009 Garden Restaurant Toronto On	109	-	-	109
				3/20/2010 Bangkok Garden Restaurant, Toronto, ON	167	-	-	167
	Grand & Toy		86	8/22/2009 Grand and Toy Commercial Toronto On	340	-	-	340
	Hotel Indigo		86	6/1/2009 Hotel Indigo Ottawa Ottawa ON	147	-	-	147
				6/15/2009 Hotel Indigo Ottawa Ottawa ON	234	234	-	467
	Howard Johnson		86	8/2/2009 Howard Johnson Chicago 1823.98 USD @ 1.103582611**	909	-	-	909
	HP		86	8/20/2009 Buy HP Direct 877-231-4351 On	-	457	-	457
	Hyatt Hotels		86	3/13/2010 Hyatt Hotels On Capitl Sq, Columbus, OH231.16 USD @ 1.048494549**	-	242	-	242
				Hyatt Hotels On Capitl Sq, Columbus, OH241.15 USD @ 1.048517520**	-	253	-	253
	Indigo		77	8/13/2009 Indigo #287# Toronto On	22	-	-	22
Island Foods		86	6/24/2009 Island Foods Toronto On	202	-	-	202	
Law Society of Upper Canada		86	7/14/2009 Law Society of Upper Toronto On	142	-	-	142	
			3/3/2010 Law Society of Upper Canada, Toronto, ON	202	-	-	202	
Mamma's Pizza		86	9/14/2009 Mamma's Pizza, Toronto	111	-	-	111	
Manyata Courtyard Cafe		86	6/7/2009 Manyata Courtyard Cafe Toronto ON	121	-	-	121	
McKelvie's Restaurant		86	8/31/2009 McKelvie's Restaurant, Halifax	-	105	-	105	

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The following table summarizes the Selected Expenditures recorded in each fund.

Fiscal Year	Vendor	Cardholder	Transaction Date	Description	General \$	Other \$	Unknown \$	Total \$	
2010	Metro		77	7/24/2009 Metro #720 Toronto On	-	29	-	29	
	Metropolitan Hotel		86	3/8/2010 Metropolitan Hotel Restr. Toronto, ON	58	-	-	58	
	Nairobi Serona Hotel		86	2/24/2010 Nairobi Serona Hotel, Nairobi10,293.00 KES @ 0.014223411**	-	-	148	148	
	New Stanley Hotel		86	2/24/2010 New Stanley Hotel, Nairobi8,630.00 KES @ 0.01422759**	-	-	265	265	
					New Stanley Hotel, Nairobi2,409.00 KES @ 0.014220833**	-	-	34	34
	Ottawa Taxi		86	6/12/2009 Ottawa Taxi Nepean ON	31	-	-	31	
	Panafrie Hotel		86	2/26/2010 Panafrie Hotel, Nairobi6,179.00 KES @ 0.014143065**	-	-	87	87	
	Pizza Hut		77	7/29/2009 Pizza Hut Black Creek North York On	-	145	-	145	
	Rogers		86	5/23/2009 Rogers	34	-	-	34	
					6/23/2009 Rogers	34	-	-	34
					7/23/2009 Rogers	34	-	-	34
					8/15/2009 Rogers	-	164	-	164
					8/24/2009 Rogers	34	-	-	34
					9/23/2009 Rogers	34	-	-	34
					3/23/2010 Rogers	34	-	-	34
	Salty's		86	6/30/2009 Salty's Halifax NS	-	68	-	68	
	Sheraton		86	3/5/2010 Sheraton for Trades, Toronto, ON	82	-	-	82	
	Shoppers Drug Mart		77	7/2/2009 Shoppersdrugmart0949 Toronto On	-	16	-	16	
					7/7/2009 Shoppersdrugmart0949 Toronto On	-	25	-	25
					7/29/2009 Shoppersdrugmart0949 Toronto On	-	22	-	22
					8/25/2009 Shoppersdrugmart 0949, Toronto	-	24	-	24
	Springs Rolls		86	9/15/2009 Spring Rolls, Toronto	46	-	-	46	
	Staples Business Depot		77	6/23/2009 Staples Store #234, Toronto, ON	224	-	-	224	
					7/2/2009 Staples Store #234 Toronto On	-	57	-	57
			86	6/29/2009 Business Depot Direct Mississauga On	217	178	-	395	
					7/8/2009 Business Depot Direct Mississauga On	418	-	-	418
					7/23/2009 Business Depot Direct Mississauga On	289	119	-	409
					8/21/2009 Business Depot Direct Mississauga On	-	296	-	296
	Sutton Place Hotel		86	6/18/2009 Sutton Place Hotel Toronto ON	-	246	-	246	
	Swiss Chalet		77	7/28/2009 Swiss Chalet #1128# Toronto On	-	190	-	190	
			86	8/26/2009 Swiss Chalet #1941 Toronto	46	-	-	46	
	Tamambo Ltd.		86	2/25/2010 Tamambo Ltd, Nairobi1,830.50 KES @ 0.014099973**	-	-	26	26	
	The Advocates Society		86	7/27/2009 THE ADVOCATES SOCIETY TORONTO ON	378	-	-	378	
	The Courtyard Restaurant		86	6/1/2009 The Courtyard Rest Ottawa ON	39	-	-	39	
	Tigerdirect.ca		86	7/29/2009 Tigerdirect.ca 800-661-6472 On	-	398	-	398	
					8/14/2009 Tigerdirect.ca 800-661-6472 On	-	(339)	-	(339)
	Toronto Parking Authority		77	8/1/2009 TPA Detail www.greenp.comToronto On	5	-	-	5	
	Toronto Star		86	7/27/2009 Toronto Star Circ	66	-	-	66	
	Town Limousine		86	9/2/2009 Town Limousine, Beachville, NS	-	59	-	59	
	Trios Bistro Toronto		86	8/27/2009 Marriott Hotels Eaton I/b, Toronto	189	-	-	189	
	TTC		77	7/2/2009 TTC - Union Station Toronto On	-	91	-	91	
	United Way		86	5/29/2009 United Way of Greater Toronto ON	-	25	-	25	
	Via Rail		86	5/30/2009 VIA Rail 42004 Toronto ON	252	-	-	252	
					3/19/2010 Via Rail Canada Inc, Montreal, QC	-	277	-	277
Vittoria Trattoria		86	6/12/2009 Vittoria Trattoria Ottawa ON	43	-	-	43		
Wal-mart		77	7/16/2009 Wal-Mart Supercenter 3106 Toronto On	-	87	-	87		
Westin Hotel		86	7/2/2009 Westin Nova Scotia HotelHalifax NS	-	482	-	482		
				9/3/2009 Westin Nova Scotia Hotel, Halifax, NS	614	-	-	614	
Williams Coffee Pub		86	6/24/2009 Williams Coffee PubQff Toronto On	-	61	-	61		
2010 Total					8,522	6,565	1,313	16,400	
2011	AR Phoenix Resources		86	12/15/2010 A R Phoenix Resources 21253076 NY3,630.00 USD @ 1.031688705**	-	3,745	-	3,745	
	Basket Company Inc.		86	6/15/2010 BASKET COMPANY INC TORONTO ON	371	-	-	371	
	Bath & Body Works		86	12/3/2010 Bath & Body Works #6009 Toronto, ON	90	-	-	90	
	Beer Bistro		86	6/20/2010 BEER BISTRO TORONTO ON	-	43	-	43	
					12/19/2010 Beerbistro Toronto, ON	36	-	-	36
	Best Foundation		86	12/17/2010 Best Foundation 213-6230580 CA150.00 USD @ 1.037600000**	-	156	-	156	
	Black Eyed Susan's		86	1/12/2011 BLACK-EYED SUSAN'S TORONTO ON	-	192	-	192	

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The following table summarizes the Selected Expenditures recorded in each fund.

Fiscal Year	Vendor	Cardholder	Transaction		General \$	Other \$	Unknown \$	Total \$
			Date	Description				
2011	Cambridge Suites Ltd.		86	6/12/2010 CAMBRIDGE SUITES LTD. HALIFAX NS	-	859	-	859
	Country Club Lima Hotel		86	6/8/2010 COUNTRY CLUB LIMA HOTEL LIMA167.01 PEN @ 0.378300701**	-	63	-	63
	Cranberries Café Inc		86	5/21/2010 CRANBERRIES CAFÉ INC. TORONTO ON	57	-	-	57
				11/29/2010 Cranberries Café Inc. Toronto, ON	-	56	-	56
	Embassy Suites		86	12/8/2010 Embassy Suites Downey Downey CA812.55 USD @ 1.036133161	-	842	-	842
	Holiday Inn		86	5/29/2010 HOLIDAY INN TORONTO YORK TORONTO ON	-	168	-	168
				12/4/2010 Holiday Inn Toronto Toronto, ON	-	49	-	49
				12/7/2010 Holiday Inn Long Isl City Long Island NY1,214.28 USD @ 1.037050763**	-	1,259	-	1,259
				12/8/2010 Holiday Inn Long Isl City Long Island NY323.65 USD @ 1.036150162	-	335	-	335
	Homesense		86	12/3/2010 Homesense 071 Toronto, ON	45	-	-	45
	Hot House Café		86	6/1/2010 HOT HOUSE CAFÉ TORONTO ON	115	-	-	115
	Hotel Indigo		86	1/15/2011 HOTEL INDIGO FORT MYERS FORT MYERS FL859.14 USD @ 1.013932537**	-	871	-	871
	Law Society of Upper Canada		86	11/23/2010 Law Society of Upper Toronto, ON	238	-	-	238
	Little Anthony's		86	6/1/2010 LITTLE ANTHONY'S AMERICAN TORONTO ON	129	-	-	129
	Mercatto		86	11/29/2010 Mercatto - Toronto Toronto, ON	58	-	-	58
	Milestone's		86	6/22/2010 MILESTONE'S #5226 BURLINGTON ON	-	145	-	145
	Paypal		86	12/16/2010 Paypal *Gateameinc 4029357733 I	-	413	-	413
	Pepperwood Bistro		86	6/23/2010 PEPPERWOOD BISTRO BURLINGTON ON	-	100	-	100
	Pumpernickel's		86	12/3/2010 Pumpernickel's Deli&I Toronto, ON	64	217	-	281
				1/17/2011 PUMPERNICKEL'S TORONTO ON	-	246	-	246
	Radisson Hotel		86	6/3/2010 RADISSON HOTEL AND SUITES LIMA211.56 USD @ 1.087209302**	-	460	-	460
				6/8/2010 RADISSON HOTEL AND SUITES LIMA1,474.56 USD @ 1.075581868**	-	1,586	-	1,586
				6/17/2010 RADISSON HOTELS PARLIAMEN OTTAWA ON	-	192	-	192
				1/20/2011 RADISSON HOTEL KINGSTON KINGSTON ON	3,744	-	-	3,744
	Red Lobster		86	11/30/2010 Red Lobster CA0081554 Toronto, ON	-	133	-	133
				12/15/2010 Red Lobster CA0081554 Toronto, ON	-	290	-	290
	Red Rocket		86	6/16/2010 4188- T1 RED ROCKET MISSISSAUGA ON	-	15	-	15
	Rogers		86	5/23/2010 ROGERS *488146192 800-565-6009 ON	34	-	-	34
				6/23/2010 ROGERS *488146192 800-565-6009 ON	34	-	-	34
				12/23/2010 Rogers * 488146192	34	-	-	34
	Sheraton		86	12/3/2010 Sheraton City center Baltimore, MD531.13 USD @ 1.030896391**	-	548	-	548
				12/4/2010 Sheraton City center Baltimore, MD20.69 @ 1.030932818	-	21	-	21
				12/9/2010 Sheraton City Centre Baltimore MD	-	-	(20)	(20)
	Staples Business Depot		86	12/9/2010 Staples Store # 234 Toronto, ON	239	-	-	239
	Swiss Chalet		86	12/10/2010 Swiss Chalet #1941 Toronto, ON	209	-	-	209
	Taxi & Limo		86	6/18/2010 TAXI & LIMO PAYMENT MISSISSAUGA ON	-	42	-	42
	TDSB - Permits		86	12/3/2010 TDSB - Permits Toronto, ON	67	-	-	67
	The Boiler House		86	12/4/2010 The Boiler House Toronto ON	350	670	-	1,020
				1/8/2011 THE BOILER HOUSE TORONTO ON	260	781	-	1,041
	Tidy's Flowers		86	6/18/2010 TIDY'S FLOWERS TORONTO ON	121	-	-	121
	Toronto Public Library		86	12/1/2010 TPL Room Bookings Toronto, ON	271	-	-	271
	Westin Hotel		86	12/4/2010 Westin Prince Toronto North ON	386	1,158	-	1,544
2011 Total					6,952	15,655	(20)	22,587
Grand Total					28,410	98,603	79,129	206,142

D

Appendix D - Supported Transportation Expenditures by Destination / Trip / Origin

The following table summarizes the supported transportation expenditures by destination, trip and origin.

Geographic Location	Destination	Trip	Date Range	Origin	Method	Type	Person	# of one-way trips	Total \$	Rate per one-way trip			
Domestic	Ottawa, ON	Trip 1	10-Mar-09 to 18-Mar-09	Charlottetown, PEI	Air	Conference	[REDACTED]	2	581	290.50			
						Unknown		2	1,026	513.00			
						Unknown		2	1,026	513.00			
						Unknown		2	765	382.50			
						Charlottetown Sub-Total		8	3,398	424.75			
				Edmonton, AB	Air	Conference	[REDACTED]	2	920	460.00			
						Unknown		2	793	396.50			
						Unknown		2	884	442.00			
						Unknown		2	1,214	607.00			
						Unknown		2	729	364.50			
				Edmonton Sub-Total	10	4,476	447.60						
				Fredericton, NB	Air	Conference	[REDACTED]	2	636	318.00			
						Unknown		2	630	315.00			
						Unknown		2	774	387.00			
				Fredericton Sub-Total	6	2,040	340.00						
				Halifax, NS	Air	Conference	[REDACTED]	2	522	261.00			
						Conference		2	1,043	521.50			
						Conference		2	680	340.00			
						Conference		2	1,176	588.00			
						Unknown		2	522	261.00			
						Unknown		2	604	302.00			
						Unknown		2	522	261.00			
						Unknown		2	681	340.50			
						Unknown		2	522	261.00			
						Unknown		2	681	340.50			
						Unknown		2	522	261.00			
						Unknown		2	624	312.00			
						Unknown		2	624	312.00			
						Unknown		2	624	312.00			
						Unknown		2	681	340.50			
						Unknown		2	681	340.50			
						Halifax Sub-Total		32	10,897	340.53			
				Regina, SK	Air	Unknown	[REDACTED]	2	911	455.50			
						Unknown		2	792	396.00			
				Regina Sub-Total	4	1,703	426.25						
				St. John's, NF	Air	Clim Board	[REDACTED]	2	1,278	639.00			
						Unknown		2	1,591	795.50			
				St. John's Sub-Total	4	2,869	717.25						
				Vancouver, BC	Air	Conference	[REDACTED]	2	875	437.50			
						Unknown		2	795	397.50			
						Unknown		2	1,109	554.50			
						Unknown		2	1,109	554.50			
						Unknown		2	875	437.50			
						Unknown		2	732	366.00			
						Unknown		2	865	432.50			
						Unknown		2	922	461.00			
						Unknown		2	792	396.00			
						Vancouver Sub-Total		18	7,894	438.56			
						Winnipeg, MB		Air	Conference	[REDACTED]	2	446	223.00
				Unknown	2		472		236.00				
				Unknown	2		472		236.00				
				Unknown	2		472		236.00				
				Unknown	2		472		236.00				
				Winnipeg Sub-Total	10	2,334	233.40						
				Ottawa Sub-Total	92	35,990	391.30						
Domestic Total				92	35,990	391.30							
International	Ottawa, ON	Trip 1	10-Mar-09 to 18-Mar-09	Washington, DC	Air	Unknown	[REDACTED]	2	2,320	1,160.00			
						Unknown		2	366	183.00			
						Washington Sub-Total		4	2,686	669.00			
						Cleveland, OH		Air	Conference	[REDACTED]	2	1,868	934.00
									Unknown		2	1,858	929.00
Cleveland Sub-Total	4	3,726	931.50										
Ottawa Sub-Total	8	6,412	801.50										
Washington, DC	Trip 1	21-Sep-07 to 24-Sep-07	Toronto, ON	Air	Clim Board	Drathwaite, Oscar	2	509	254.50				
					Unknown		2	309	154.50				
Washington Sub-Total	4	818	204.50										
International Total				8	7,230	903.75							
Grand Total				100	43,220	427.00							

E

Appendix E - Supported Accommodation Expenditures by Destination / Trip

The following table summarizes the supported accommodation expenditures by geographic location and destination.

Geographic Location	Destination	Date Range	Hotel	Type	Person	Rate / Night \$	# of nights	Room \$	Meal \$	Other \$	Total \$		
Ontario	Kingston, ON	17-Jan-11 to 20-Jan-11	Radisson	Clinic Staff		400.00	3	1,200	215	201	1,616		
				Clinic Staff		109.00	3	327	183	57	567		
				Clinic Staff		109.00	3	327	66	43	436		
				Clinic Staff	Parsons, Margaret	109.00	3	327	346	77	750		
				Unknown		109.00	3	327	0	43	370		
	Kingston Sub-Total												
		Niagara Falls, ON	18-Sep-07 to 21-Sep-07	Brock Plaza Hotel	Clinic Staff	Parsons, Margaret	190.00	6	1,140	88	261	1,489	
	Niagara Falls Sub-Total												
		Ottawa, ON	20-Jun-07 to 21-Jun-07	Minto Suites Hotel	Clinic Staff	Parsons, Margaret	179.00	1	179	0	36	215	
			14-Sep-07 to 16-Sep-07	Delta Hotel Ottawa	Clinic Staff	Parsons, Margaret	180.00	2	360	110	72	542	
					Clinic Staff		180.00	2	360	7	50	417	
			24-May-09 to 25-May-09	Crowne Plaza Ottawa Hotel	Clinic Staff	Parsons, Margaret	189.00	1	189	60	24	273	
			31-May-09 to 1-Jun-09	Hotel Indigo	Clinic Staff	Parsons, Margaret	127.00	1	127	4	17	148	
			12-Jun-09 to 15-Jun-09	Hotel Indigo	Clinic Staff	Parsons, Margaret	135.67	3	407	7	53	467	
		15-Jun-10 to 16-Jun-10	Radisson	Clinic Staff	Parsons, Margaret	170.00	1	170	0	22	192		
	Ottawa Sub-Total												
		Owen Sound, ON	3-Aug-07 to 5-Aug-07	Days Inn Owen Sound	Clinic Staff	Parsons, Margaret	159.00	2	318	40	35	393	
	Owen Sound Sub-Total												
		Toronto, ON	17-Jun-09 to 18-Jun-09	The Sutton Place Hotel	Clinic Staff	Parsons, Margaret	175.00	1	175	48	23	246	
	Toronto Sub-Total												
	Windsor, ON	17-Mar-08 to 18-Mar-08	Radisson Riverfront Hotel Windsor	Clinic Staff		149.00	1	149	0	15	164		
				24-Mar-08 to 25-Mar-08	Radisson	Clinic Staff		110.00	1	110	0	11	121
						Clinic Staff	Parsons, Margaret	110.00	1	110	0	11	121
Windsor Sub-Total													
Ontario Total							38	6,302	1,174	1,051	8,527		
Domestic	Dartmouth, NS	11-Aug-09 to 14-Aug-09	Best Western	Clinic Staff		146.67	3	440	0	67	507		
	Dartmouth Sub-Total												
	Edmonton, AB	13-Jul-07 to 15-Jul-07	Delta Edmonton Centre	Clinic Staff	Parsons, Margaret	149.00	2	298	0	33	331		
	Edmonton Sub-Total												
	Gatineau, QC	20-Mar-07 to 21-Mar-07	Four Points by Sheraton	Clinic Staff	Parsons, Margaret	120.00	1	120	0	19	139		
	Gatineau Sub-Total												
	Halifax, NS	25-Jun-07 to 13-Jul-07	Cambridge Suites Hotel Halifax	Clinic Staff		149.00	14	2,086	17	409	2,512		
		30-Aug-09 to 2-Sep-09	Westin Hotels & Resorts	Clinic Staff	Parsons, Margaret	169.00	3	507	10	97	614		
	Halifax Sub-Total												
	Vancouver, BC	23-Mar-07 to 25-Mar-07	Delta Vancouver Suites	Clinic Staff	Parsons, Margaret	159.00	2	318	0	60	378		
			Clinic Staff		159.00	2	318	0	60	378			
Vancouver Sub-Total													
Yellowknife, NT	20-Jul-07 to 23-Jul-07	The Explorer Hotel	Clinic Staff		165.00	3	495	15	30	540			
Yellowknife Sub-Total													
Domestic Total							30	4,582	42	775	5,399		
International	Baltimore, MD	2-Dec-10 to 5-Dec-10	Sheraton Hotels & Resorts	Clinic Staff		158.00	3	474	0	73	547		
	Baltimore Sub-Total												
	Christ Church, Barbados	17-Feb-08 to 18-Feb-08	Sandy Ground Holiday Accomodation	Clinic Staff	Parsons, Margaret	77.00	1	77	0	22	99		
		23-Feb-08 to 24-Feb-08	Southern Palms Hotel	Clinic Staff	Parsons, Margaret	270.00	1	270	0	0	270		
	Christ Church Sub-Total												
Columbus, OH	11-Mar-10 to 13-Mar-10	Hyatt Columbus, OH	Clinic Staff		104.00	2	208	0	45	253			
		Hyatt Columbus, OH	Clinic Staff		104.00	2	208	0	35	243			
Columbus Sub-Total													
							4	416	0	80	496		

Appendix E - Supported Accommodation Expenditures by Destination / Trip

The following table summarizes the supported accommodation expenditures by geographic location and destination.

Geographic Location	Destination	Date Range	Hotel	Type	Person	Rate / Night \$	# of nights	Room \$	Meal \$	Other \$	Total \$	
	Downey, CA	3-Dec-10 to 8-Dec-10	Embassy Suites Los Angeles - Downey	Clinic Staff		154.40	5	772	0	70	842	
	Downey Sub-Total						5	772	0	70	842	
	Fort Myers, FL	9-Jan-11 to 15-Jan-11	Hotel Indigo	Clinic Staff		130.83	6	785	0	86	871	
	Fort Myers Sub-Total						6	785	0	86	871	
	Geneva, Switzerland	20-Apr-08 to 3-May-08	Hotel Mon-Repos Geneve	Clinic Staff	Parsons, Margaret	192.30	13	0*	0	246	246	
Clinic Staff					192.00	13	0*	0	247	247		
		5-Oct-08 to 19-Oct-08	Hotel Mon-Repos Geneve	Clinic Staff		192.86	14	2,700	0	(402)	2,298	
	Geneva Sub-Total						14	2,700	0	(520)	2,271	
	Lima, Peru	4-Jun-10 to 9-Jun-10	Radisson Hotel & Suites San Isidro Lima Peru	Clinic Staff	Parsons, Margaret	138.80	5	694	7	92	793	
				Clinic Staff		138.80	5	694	7	92	793	
	Lima Sub-Total						10	1,388	14	184	1,586	
	Long Island, NY	3-Dec-10 to 8-Dec-10	Holiday Inn	Clinic Staff		274.80	5	1,374	0	221	1,595	
	Long Island Sub-Total						5	1,374	0	221	1,595	
International Total								89	8,256	14	307	8,577
Grand Total								157	19,140	1,230	2,133	22,503

* In certain instances, hotel accommodations required deposits against travel. In the instances noted above, the "Other" amount represents a deposit towards future accommodations.

F

Appendix F - Supported Meal Expenditures by Geographic Location - Lunch

The following table summarizes the supported Meal Expenditures by geographic location for those categorized as "Lunch".

Geographic Location	Company Name	Cardholder	Transaction Date	Description	Weekend (Yes/No)	Alcohol	# of attendees	Total \$	\$ Per attendee		
Ontario	241 Pizza		86	13-Mar-08	2 4 1 PIZZA TORONTO ON	No	-	10	44	4.40	
	Amato Pizza		86	30-Nov-07	LG AMATO PIZZA RISTORANTETORONTO ON	No	Unknown	Unknown	130	Unknown	
			86	27-Feb-08	LG AMATO PIZZA RISTORANTETORONTO ON	No	-	6	98	16.33	
			86	10-Mar-10	Amato Pizza	No	-	10	109	10.90	
			86	10-Mar-10	Amato Pizza	No	-	6	56	9.33	
		Cora's		09	26-Sep-07	CORA'S BRAMPTON BRAMPTON ON	No	-	3	58	19.33
				09	14-Feb-08	CORA'S BREAKFAST AND LUNCBRAMPTON ON	No	-	3	47	15.67
		Diners Corner		86	17-Apr-07	DINERS CORNER TORONTO ON	No	-	18	308	17.11
		Duke of Westminster		09	16-Aug-07	DUKE OF WESTMINSTER TORONTO ON	No	-	2	41	20.50
		Ho-Lee Chow		86	12-Mar-08	HO-LEE-CHOW TORONTO ON	No	-	10	118	11.80
		Island Foods		86	24-Jun-09	Island Foods Toronto On	No	-	26	202	7.77
		Little Anthony's		86	29-Nov-07	LITTLE ANTHONY'S AMERICANTORONTO ON	No	-	2	83	41.50
		Oakham House		09	17-Sep-07	OAKHAM HOUSE TORONTO ON	No	-	3	33	11.00
		Pizza Hut		24	10-Mar-08	PIZZA HUT BLACK CREEK NORTH YORK ON	No	-	12	63	5.25
				24	10-Mar-08	PIZZA HUT/WING STREET TORONTO ON	No	-	6	46	7.67
				77	29-Jul-09	Pizza Hut Black Creek North York On	No	-	7	145	20.71
		Pumpernickel's		86	3-Dec-10	Pumpernickel's Deliqt Toronto, ON	No	-	10	64	6.40
				86	3-Dec-10	Pumpernickel's Deliqt Toronto, ON	No	-	12	217	18.08
		Springs Rolls		86	22-Jun-07	SPRING ROLLS @ ATRIUM ON TORONTO ON	No	-	2	34	17.00
				86	23-Aug-07	SPRING ROLLS @ ATRIUM ON TORONTO ON	No	-	2	37	18.50
				09	31-Aug-07	SPRING ROLLS @ ATRIUM ON TORONTO ON	No	Unknown	Unknown	136	Unknown
				86	15-Oct-07	SPRING ROLLS TORONTO	No	-	5	95	19.00
				09	21-Jan-08	SPRING ROLLS TORONTO ON	No	-	5	58	11.60
				86	7-Mar-08	SPRING ROLLS TORONTO ON	No	-	6	93	15.50
				77	16-Oct-08	SPRING ROLLS TORONTO ON	No	-	5	150	30.00
				86	16-Oct-08	SPRING ROLLS TORONTO ON	No	-	4	94	23.50
		Swiss Chalet		09	21-Nov-07	SWISS CHALET #1941 TORONTO ON	No	-	5	77	15.40
				09	6-Mar-08	SWISS CHALET #1128# TORONTO ON	No	-	11	143	13.00
				09	11-Mar-08	SWISS CHALET #1941 TORONTO ON	No	-	6	77	12.83
				09	11-Mar-08	SWISS CHALET #1128# TORONTO ON	No	-	8	99	12.38
				77	28-Jul-09	Swiss Chalet #1128# Toronto On	No	-	11	190	17.27
				86	10-Dec-10	Swiss Chalet #1941 Toronto, ON	No	-	12	209	17.42
		Szechuan Szechuan		86	24-Aug-07	SZECHUAN SZECHUAN TORONTO ON	No	-	10	173	17.30
				09	25-Mar-08	SZECHUAN SZECHUAN TORONTO ON	No	-	2	44	22.00
	Ontario Total									3,571	
	Domestic	Pan Pacific Vancouver Café Pacifica		86	25-Mar-07	PAN PACIFIC VANCOUVER VANCOUVER BC	Yes	-	3	175	58.33
	Domestic Total									175	
	International	Harry's Tap		77	1-Oct-08	HARRY'S TAP RM10568475 DULLES VA 34.00 USD @ 1.105294118**	No	-	2	38	19.00
	International Total									38	
	Grand Total									3,784	

G

Appendix G - Supported Meal Expenditures by Geographic Location - Dinner

The following table summarizes the supported Meal Expenditures by geographic location for those categorized as "Dinner".

Geographic Location	Company Name	Cardholder	Transaction Date	Description	Weekend (Yes/No)	Alcohol	# of attendees	Total \$	\$ Per attendee
Ontario	Amato Pizza		86 1-Mar-10	Amato Pizza	No	-	6	50	10.00
	Baton Rouge		09 6-Dec-07	BATON ROUGE EATON CENTER TORONTO ON	No	-	2	51	25.50
	Beer Bistro		86 7-Sep-09	Beerbistro, Toronto	No	-	1	44	44.00
			86 13-Sep-09	Beerbistro, Toronto	Yes	-	1	31	31.00
	Boston Pizza		86 23-Sep-09	Boston Pizza #401	No	-	1	26	26.00
	Diners Corner		09 4-Jan-08	DINERS CORNER TORONTO ON	No	-	16	138	8.63
			86 9-Jun-09	DINERS CORNER TORONTO ON	No	-	Unknown	136	Unknown
			09 22-Apr-08	DINERS CORNER TORONTO ON	No	Unknown	Unknown	150	Unknown
			09 30-Jul-08	DINERS CORNER TORONTO ON	No	-	3	36	12.00
	Domus Café		86 15-Sep-07	DOMUS CAFÉ OTTAWA ON	Yes	26	5	250	50.00
	Garden Restaurant		77 2-Jul-09	Garden Restaurant Toronto On	No	-	8	85	10.63
			77 29-Jul-09	Garden Restaurant Toronto On	No	-	8	109	13.63
	Harlem 1920		09 11-Apr-08	HARLEM 1920 TORONTO ON	No	18	2	70	35.00
	Kelcey's		09 21-Sep-07	KELSEY'S SCARBOROUGH TOWNSCARBOROUGH ON				50	
					No	-	2		25.00
	Mamma's Pizza		86 14-Sep-09	Mamma's Pizza, Toronto	No	-	12	111	9.25
	Metropolitan Hotel		86 13-Sep-07	METROPOLITAN HOTEL RESTR.TORONTO ON	No	10	2	83	41.50
	Montana's Cookhouse & Bar		86 19-Sep-07	MONTANA'S COOKHOUSE & BARNIAGARA FALLSON				80	
					No	7	2		40.00
	Muse Bistro		86 27-Jul-07	MUSE BISTRO TORONTO ON	No	-	10	630	63.00
	Ninki Sushi		09 11-Oct-07	NINKI SUSHI TORONTO ON	No	-	4	62	15.50
			09 22-Nov-07	NINKI USHI TORONTO ON	No	-	8	97	12.13
			09 27-Mar-08	NINKI SUSHI TORONTO ON	No	-	3	55	18.33
	One of a Kind Pasta & Grill		77 6-Oct-08	ONE OF A KING PASTA AND G TORONTO ON				71	
					No	-	5		14.20
			77 16-Oct-08	ONE OF A KING PASTA AND G TORONTO ON	No	-	7	125	17.86
	Panago Pizza		09 14-Dec-07	PANAGO PIZZA #172 TORONTO ON	No	-	Unknown	72	Unknown
	Pepperwood Bistro		86 23-Jun-10	PEPPERWOOD BISTRO BURLINGTON ON	No	-	4	100	25.00
	Pickle Barrel		86 3-Dec-07	PICKLE BARRELSHERWAY ETOBICOKE	No	-	2	52	26.00
	Pizza Hut		09 31-Jul-07	PIZZA HUT/WING STREET TORONTO ON	No	-	4	38	9.50
			09 28-Feb-08	PIZZA HUT/WING STREET TORONTO ON	No	-	2	24	12.00
	Pizza Nova		77 12-Aug-08	PIZZA NOVA #27 TORONTO ON	No	-	8	80	10.00
	Pizzaville		09 4-Apr-08	PIZZAVILLE TORONTO ON	No	-	15	90	6.00
	Red Rocket		86 16-Jun-10	4188-T1 RED ROCKET MISSISSAUGA ON	No	-	1	15	15.00
	Restaurant Tony Deluca		86 21-Sep-07	RESTAURANT TONY DELUCA N.O.T.L ON				107	
					No	-	3		35.67
	Sheraton		09 6-Oct-07	BITHEQUE-SHERATON TORONTO ON	Yes	-	1	36	36.00
	Springs Rolls		86 22-Oct-07	SPRING ROLLS TORONTO	No	-	15	207	13.80
			86 1-Nov-07	SPRING ROLLS TORONTO	No	-	5	71	14.20
			86 24-Nov-07	SPRING ROLLS TORONTO ON	Yes	-	5	98	19.60
			86 10-Dec-07	SPRING ROLLS TORONTO ON	No	-	3	55	18.33
			86 13-Mar-08	SPRING ROLLS TORONTO ON	No	-	5	66	13.20
			86 15-Sep-09	Spring Rolls, Toronto	No	-	3	46	15.33
			77 1-Dec-08	SPRING ROLLS TORONTO ON	Yes	-	5	95	19.00
			86 14-Apr-08	SPRING ROLLS TORONTO ON	No	-	5	102	20.40
			86 17-Aug-08	SPRING ROLLS TORONTO ON	Yes	-	6	97	16.17
	Swiss Chalet		86 7-Sep-07	SWISS CHALET #1936 ETOBICOKE ON	No	-	2	39	19.50
			86 26-Aug-09	Swiss Chalet #1941 Toronto	No	-	2	46	23.00

Appendix G - Supported Meal Expenditures by Geographic Location - Dinner

The following table summarizes the supported Meal Expenditures by geographic location for those categorized as "Dinner".

Geographic Location	Company Name	Cardholder	Transaction Date	Description	Weekend (Yes/No)	Alcohol	# of attendees	Total	\$ Per attendee	
			86	25-Sep-08	SWISS CHALET #1041 TORONTO ON	No	-	6	76	12.67
	Szechuan Szechuan		24	14-Aug-07	SZECHUAN SZECHUAN TORONTO ON	No	-	10	186	18.60
			09	28-Aug-07	SZECHUAN SZECHUAN TORONTO ON	No	-	3	58	19.33
			09	10-Sep-07	SZECHUAN SZECHUAN TORONTO ON	No	-	3	34	11.33
			86	11-Sep-07	SZECHUAN SZECHUAN TORONTO ON	No	-	10	176	17.60
			86	8-Feb-08	SZECHUAN SZECHUAN TORONTO ON	No	-	6	105	17.50
	The Courtyard Restaurant		86	1-Jun-09	The Courtyard Rest Ottawa ON	No	-	1	39	39.00
	Vittoria Trattoria		86	12-Jun-09	Vittoria Trattoria Ottawa ON	No	-	1	43	43.00
Ontario Total								4,803		
Domestic	The King and I Thai		86	14-Jul-07	THE KING AND I THAI CA EDMONTON AB	Yes	Unknown	Unknown	110	Unknown
Domestic Total								110		
Grand Total								4,913		

H

Appendix H - Supported Meal Expenditures by Geographic Location - Other

The following table summarizes the supported Meal Expenditures by geographic location for those categorized as "Other".

Geographic Location	Company Name	Cardholder	Transaction Date	Description	Weekend (Yes/No)	Alcohol	Total	\$	
Ontario	Artisano Bakery Café	[REDACTED]	99	1-Feb-08	ARTISANO BAKERY CAFÉ LTD TORONTO ON	No	-	29	
			99	21-Feb-08	ARTISANO BAKERY CAFÉ LTD TORONTO ON	No	-	33	
			99	28-Feb-08	ARTISANO BAKERY CAFÉ LTD TORONTO ON	No	-	38	
	Canadian Arab Federation		86	22-Jun-07	CANADIAN ARAB FEDERATION TORONTO ON	No	Unknown	100	
	Cranberries Café Inc		86	29-Nov-10	Cranberries Café Inc. Toronto, ON	No	-	56	
	Decadent Desserts		09	8-Feb-08	DECADENT DESSERTS TORONTO ON	No	-	19	
			09	28-Mar-08	DECADENT DESSERTS TORONTO ON	No	Unknown	32	
	Delta Hotel		09	8-Dec-07	DELTA TORONTO EAST F/D TORONTO ON	Yes	Unknown	1,914	
	Druxy's		86	26-Feb-08	DRUXY'S #96 TORONTO ON	No	-	157	
			86	29-Feb-08	DRUXY'S #96 TORONTO ON	No	-	137	
			86	9-Mar-10	Druxy's #054, North York, ON	No	-	70	
			09	1-Apr-08	DRUXY'S # 050 TORONTO ON	No	-	116	
			77	21-Oct-08	DRUXY'S # 097 BRAMPTON ON	No	-	189	
			86	26-Jan-09	DRUXY'S-#054 NORTH YORK ON	No	-	68	
	Dufflet Pastries		09	4-Apr-08	DUFFLET PASTRIES TORONTO ON	No	-	45	
	Garden Restaurant		86	28-Jan-09	METRO KENNEDY GARDEN RESTTORONTO ON	No	-	146	
	Pumpnickel's		86	17-Jan-11	PUMPERNICKEL'S TORONTO ON	No	-	246	
	Radisson Hotel		86	20-Jan-11	RADISSON HOTEL KINGSTON KINGSTON ON	No	Unknown	6	
	The Boiler House		86	4-Dec-10	The Boiler House Toronto ON	Yes	344	1,020	
			86	8-Jan-11	THE BOILER HOUSE TORONTO ON	Yes	-	1,042	
Williams Coffee Pub	86	24-Jun-09	Williams Coffee PubOff Toronto On	No	-	56			
Ontario Total							5,519		
Grand Total							5,519		

I

Appendix I - Supported Other Expenditures by Category

The following tables summarize the supported other expenditures for each category.

Category	Company Name	Cardholder	Transaction Date	Description	Invoice Details	Total
Alcohol	1-39		2/18/2008	LEBROUARD PUSSE TORONTO ON	2 x liter of 1500 Rum Bottega (Vale) Moscato 1 x Freixas Cardon Negro Brut 1 x Martini & Rossi Aol	47
Alcohol Total						47
Appliances	Canadian Tire		3/28/2008	LEBROUARD PUSSE TORONTO ON	4 x CD's as in 2817 used microwave Microwaves, kettle and various drinks hand-written "Series 88" bottle microwave and kettle; hand-written "MYS"	74
Appliances Total	Wal-mart		7/16/2009	Wal-Mart September 3066 Toronto, On		87
Books/Periodicals	A Difference Book List		9/24/2007	A DIFFERENT BOOKLIST TORONTO ON	16 books; hand-written "Mail program MAU - start up books" Macaulay; practice & procedure before administrative tribunals, 2007 re issue #5, sep/07; hand-written "Conf #06/07" 4 books; hand-written on receipt "ACYP/ME3 Vis" 28 books	304
	Carswell Inciligo		03/12/2007	CARSWELL TORONTO ON		406
	Inciligo		0/25/2007	BOOKS ONLINE INDOCA ON		102
	Knowledge Book Store		10/15/2007	KNOWLEDGE BOOK STORE BRAMPTON ON		187
	Law Society of Upper Canada		7/14/2009	Law Society of Upper Toronto, On	re Demos/Rising Constructive (handwritten - Publication: 1x (14h annual immigration law summit (day one & day two) - 1x (14h annual immigration law summit - legal) hand-written "postevent - legal"	544
	The Lawworth Press Toronto Star Inciligo		0/4/2007	THIS DAY/NOTH PRESS 609-729-2862 NY \$8.11 USD @ 1.0781947091** Toronto Star, Inc Toronto Star, Inc Inciligo #4874 Toronto, On	Amount on invoice \$18.11; hand-written amount in pencil \$4.00; Order: Handbook of Anger Management: post date; hand-written "paid by Oct Sept, 08" Invoice for \$18.11; hand-written "one year subscription on visa 14.60" Invoice for \$18.11; hand-written "one year subscription on visa 14.60" Annual graphic of Martin Luther; hand-written on invoice "MAYSS"	41
Books/Periodicals Total						1,601
Charity/Donation	A Difference Booklist		0/26/2008	A DIFFERENT BOOKLIST TORONTO ON	Gifted 85k; booklist; Copy of a letter included from the Comptroller General for the Republic of Trinidad and Tobago indicating a "7% Charitable Contribution Credit" for the CY of that country in Trinidad and Tobago. Appears to date to the purchase of 13 tickets at \$105 each. 100 francs for 10 francs for the "Casse Bin Arab" celebration since 19, 2009, hand-written on invoice by vendor (pencil to listing) [redacted] and "table"	202
Charity/Donation Total	Canadian Arab Federation		7/27/2009	Canadian Arab Federation Toronto On		796
Computer Services	Neels on file		02/17/2008	HEPHE ON FILE INC TORONTO ON	11 Network Troubleshooting Replacements - \$275 1 x Home Day fee - 3000	1,485
	Reflexica		01/10/2007	HEPHE ON FILE INC TORONTO ON	11 McGraw Hill Advantage Hosting - Removal (Renewal year) 2006/07, 2006/08, 09 00 Lemala, MS9/3 Term: 360 days	421
	Network Solutions, LLC		0/12/2008	NETWORK SOLUTIONS, LLC 800-942-6655 VA 2407 USD @ 1.0100049204**	No further details noted.	106
Computer/Services Total	George Brown College		0/24/2008	GEORGE BROWN COLLEGE TORONTO ON	9th Annual Mental Health Conference Registration fee - [redacted]	79
Conference	Law Society of Upper Canada		0/26/2008	GEORGE BROWN COLLEGE TORONTO ON	9th Annual Mental Health Conference Registration fee - [redacted]	605
	Law Society of Upper Canada		0/26/2008	GEORGE BROWN COLLEGE TORONTO ON	9th Annual Mental Health Conference Registration fee - [redacted]	153
	Law Society of Upper Canada		0/26/2008	GEORGE BROWN COLLEGE TORONTO ON	9th Annual Mental Health Conference Registration fee - [redacted]	126
	Law Society of Upper Canada		0/19/2007	LAW SOCIETY OF UPPER TORONTO ON	Youth criminal justice update - Toronto registration - program date: October 13, 2007 (remote) Hand-written "Present in full for legal aid", "Legal" on one email and "Verbal" on the other; names of attendees: [redacted]	221
	Law Society of Upper Canada		0/23/2010	Law Society of Upper Toronto, ON	Handwritten "Present in full for legal aid", "Legal" on one email and "Verbal" on the other; names of attendees: [redacted]	110
	The Advocates Society		0/23/2010	Law Society of Upper Toronto, ON	Registration for Brown Bag Series 2009-2010: 4 courses for Sept. 30, Nov. 25, Mar. 30, May 26; registration form indicates \$47.25 per session; one form for [redacted] and one form for Margaret Lawson	110
	The Advocates Society		7/27/2009	THE ADVOCATES SOCIETY TORONTO ON	Registration for Brown Bag Series 2009-2010: 4 courses for Sept. 30, Nov. 25, Mar. 30, May 26; registration form indicates \$47.25 per session; one form for [redacted] and one form for Margaret Lawson	181
Conference Total			7/27/2009	THE ADVOCATES SOCIETY TORONTO ON		1,401
Delivery	Canadian Tire		0/10/2007	CAN TIRE STORE 40079 TORONTO ON	Delivery charge	37
	Parulcor		01/12/2007	PUR LATOR 1624/024 MISSISSAUGA ON	7 items sent total, mainly to Ottawa	24
	Williams Office Pubs		0/24/2009	Williams Office Publ Off Toronto On	Delivery charge	6
Delivery Total	Black's		0/1/2008	BLACKS PUB TORONTO ON	Refund Greenview 4th SW USD reader 1 x 1000 BT2000 (on file) 1049900046220 (CY 04/08) Misad 1 x 112 DR 8048 NITRO (on file) 1049900046220 (CY 04/08) Misad 1 x 112 4422 (on file) 1049900046220 (CY 04/08) Misad 1 x 112 (on file) 1049900046220 (CY 04/08) Misad Delivery charge	86
Electronics	FutureShop		02/1/2008	FUTURESHOP #603 TORONTO ON	Product Protection Plan on TV and DVD player	1,817
	HP		8/20/2009	Buy HP Direct 877-243-4350 On	HP's "at a glance" CD/DVD; hand-written "paid by visa" and "ACYP/P" serial: 8XN8C0914	457
	TheDirect.ca		7/29/2009	TheDirect.ca 800-461-0472 On	HP's "at a glance" CD/DVD; hand-written on packing slip "return ref # 4-103-107"; fax indicates item was returned "TheDirect.ca" label used by customer; visual copy from theDirect.ca website for a form to be filled out in order to process the return.	308

Appendix I - Supported Other Expenditures by Category

The following tables summarize the supported other expenditures for each category.

Category	Company Name	Cardholder	Transaction Date	Description	Invoice Details	Total	#
Travel Fees Total		[REDACTED]	01/07/2008	UNITED AIR 0164KZY8869/WASH-BN-TON DX 15.00 USD P L33333333**	Excess Baggage Ticket For [REDACTED]	164	17
Grand Total						41,008	

J

Appendix J - Supported Cash Advances

The following table summarizes the supported cash advances by for the selected months.

Specific Category	Company Name	Card No.	Transaction		#	\$	%	
			Date	Description				
Cash Withdrawal	ABM Cash Advance	[REDACTED]	09	11-Feb-08	**CASH ADVANCE - AVANCE DE FONDS**	1	300	100.0%
Cash Withdrawal Total						1	300	100.0%
Grand Total						1	300	100.0%

K

Appendix K – Timeline of Correspondence with the Clinic

As requested by LAO, summarized below is a timeline of our correspondence with the Clinic with respect to this engagement.

- April 2012 – PwC's document request list (detailing documents and items required for the engagement) was provided by LAO to ACLC. PwC requested ten days on-site at ACLC premises to review the documentation requested.
- May 10, 2012 to June 14, 2012 – ACLC provided PwC with ten days within this time period for PwC to work on-site at ACLC premises.
- May 23, 2012 – PwC sent an email to Ms. Parsons requesting an interview for the week of June 18, 2012. PwC requested 4 hours for the interview.
- June 4, 2012 – PwC completed fieldwork on-site at ACLC premises. PwC was on-site for a total of eight days.
- June 7, 2012 – PwC followed up with Ms. Parsons regarding PwC's email of May 23, 2012. Ms. Parsons advised that she was unavailable for an interview the week of June 18, 2012 and confirmed June 26, 2012 for an interview from 10 am to 12 pm. PwC advised that 4 hours was required for the interview. Ms. Parson's stated that this was the only time she had available for an interview but would advise if additional time became available.
- June 26, 2012 – PwC conducted an interview with Ms. Parsons from 10:30 am to 12:30 pm.
- July 12, 2012 – PwC conducted a second interview with Ms. Parsons from 11:00 am to 12:30 pm.
- July 18, 2012 – PwC had scheduled a third interview with Ms. Parsons from 10:00 am to 10:30 am that was cancelled by ACLC that morning.
- August 8, 2012 – PwC conducted a third and final interview with Ms. Parsons from 10:00 am to 1:30 pm.