

Requests for additional funds



Published: October 2021

This policy applies to requests made to LAO by entity service providers that are community legal clinics and student legal services organizations for additional funds for a particular project, short-term initiative or one-time expense.

Purpose and scope of requests for additional funds

Section 86 of the Legal Aid Services Rules (“rules”) states that LAO may at any time provide an entity service provider with additional funds for a particular project, short-term initiative or one-time expense, as LAO determines.

Under this policy, a request may be made by a community legal clinic or student legal services organization entity service provider for a specified amount of additional funding to carry out a particular project, short term initiative, or one-time expense.

Making a request for additional funds

Requests for additional funds shall include the following information:

- The amount of funds requested
- The reason why the funds are requested
- Proposed use of the funds (including a costing breakdown)
- When the requestor would need the funds (including a specific date if the request is time-sensitive)
- Current fiscal year financials and an end of year forecast
- Audited financial statements from the previous fiscal year or years, as applicable
- An explanation of how and why the request is time limited or one time in nature, and a proposed timeframe, with anticipated start and end dates

- If the requestor is requesting to use unspent funds from the previous fiscal year's service agreement, a specified amount should be stated

The requestor must provide LAO with any additional information and documentation requested by LAO to support the request, and to verify any information provided by the requestor in connection with the request.

If the information provided to support a request is incomplete or insufficient to enable LAO to consider it properly, LAO may refuse to consider the request.

Requests to use unspent funds for a particular project, short-term initiative or one-time expense

Section 87 of the rules provides that LAO may deduct from any payment made to an entity service provider any amount up to the amount of the funds that were provided to the entity service provider under a service agreement for the previous fiscal year and remained in the entity service provider's possession or under its control at the end of that fiscal year.

Under this policy, a community legal clinic or student legal services organization that has made a request for additional funds that LAO has approved and has in its possession or under its control unspent funds from a service agreement for the previous fiscal year, may retain unspent funds from the previous fiscal year in the amount of the approved request and use them for the approved purpose.

Decisions on requests for additional funds

LAO will respond in writing to requests for additional funds and will provide reasons for its decision. LAO will respond:

- Within 60 days to requests for up to \$250,000
- Within 90 days for requests for more than \$250,000

All decisions are final.

Considerations may include:

- LAO's financial circumstances and available financial resources (this consideration may include prioritization of requests if there are multiple or competing requests and insufficient funds to allow all to be approved)
- Demonstrated need including the entity's ability to fund itself from LAO funding or other sources
- Any previous requests for funding for the same project

- Completeness of information provided with the request
- That the proposed use of the funds would support some or all of the principles set out at subsection 17(2) of LASA 2020
- Demonstrated cost-effectiveness of the proposed use of the funds
- Demonstrated short-term or one-time nature of the proposed use of the funds

A requestor must provide all relevant information in order for LAO to make a decision.

Requests under this policy must be made for time-limited, and not ongoing, purposes. If an entity service provider requests funding for a project, initiative or expense that LAO determines is ongoing rather than time limited, LAO will not approve the request unless the entity service provider can demonstrate to LAO's satisfaction that the project, initiative or expense can be sustained in the future without requiring further LAO funding.

Approved requests

If a request is approved under this policy, the parties will, as set out in the rules, amend their service agreement to confirm the amount of the additional funds that LAO has approved, the approved use of such funds, payment terms for such funds, and any other terms and conditions for the additional funds which may include without limitation additional reporting requirements.