

COMMITTEE OF THE WHOLE MAY 12, 2009

ADDENDUM TO COMPLIANCE AUDIT REPORT - BERNIE DI VONA

Recommendation

The City Clerk recommends:

- 1) That the Addendum to the Compliance Audit Report for the 2006 election campaign finances of Bernie Di Vona be received.

Economic Impact

Not applicable.

Communications Plan

Not at this time.

Purpose

The purpose of this report is to present the Addendum to the Compliance Audit Report for Bernie Di Vona to the Committee of the Whole.

Background - Analysis and Options

On November 10, 2008 Council appointed Mr. Ken Froese and Mr. Glen R. Davison to conduct the compliance audit of the campaign finances for the 2006 Municipal Election of Bernie Di Vona.

The Audit Report was received by the City Clerk on April 24, 2009, and was formally received by Council on May 5, 2009. At its meeting of May 5, 2009, Council also directed staff to obtain a legal opinion from external counsel, and to call a Special Council meeting for +/- 6:00 p.m. on May 12, 2009 for the purpose of considering matters related to the compliance audit report.

On May 8, 2009, the City Clerk received an Addendum to the Compliance Audit Report for Bernie Di Vona, which is now placed before Council for formal receipt. This report will also be before Council at its Special Meeting called for +/- 6:00 p.m. on May 12, 2009.

Relationship to Vaughan Vision 2020/Strategic Plan

This report is consistent with the priorities previously set by Council.

Regional Implications

N/A

Conclusion

A decision in this matter must be made within 30 days of the initial receipt of the audit report. Given that the 30th day falls on a weekend, a decision in this matter should be made by Friday, May 22, 2009.

Attachments

Attachment 1 Addendum to Compliance Audit Report for the City of Vaughan
Re: Bernie Di Vona, dated May 8, 2009

Report prepared by:

Jeffrey A. Abrams, City Clerk

Respectfully submitted,

Jeffrey A. Abrams
City Clerk

LECG

May 8, 2009

Mr. Jeffrey Abrams, City Clerk
City of Vaughan
2141 Major Mackenzie Drive
Vaughan, Ontario
L6A 1T1

Dear Mr. Abrams:

ADDENDUM TO COMPLIANCE AUDIT REPORT FOR THE CITY OF VAUGHAN
RE: COUNCILLOR BERNIE DIVONA

This letter is an Addendum to our compliance audit report concerning the campaign finances of Councillor Bernie DiVona dated April 24, 2009.

We issued our compliance audit report for the election campaign of Bernie DiVona on April 24, 2009. Since that date, we obtained requested information from Mr. DiCicco of Westplex Centre Inc. (landlord of the campaign office) and the Trustee in Bankruptcy for the Royalton Banquet & Convention Centre Ltd.

In addition, Mr. DiVona provided further information relevant to certain of the apparent contraventions identified in our Report. We met with Mr. DiVona and his counsel on two occasions between April 25 and May 6, 2009. Mr. DiVona has continued to cooperate fully with the compliance audit process. We also received several calls and queries from the Applicants identifying potential issues with our April 24, 2009 Report. We also considered this information in preparing this Addendum.

This Addendum addresses the following issues for which we have obtained additional information from third parties:

1. The amount of space and the fair market value of the campaign offices (rent expense); and
2. The fair market value of the use of the Royalton facilities on election night.

This Addendum also addresses the following issues where Mr. DiVona provided further information:

1. The treatment of the cost of brochures that Mr. DiVona believes should be accounted for as "not subject to limitation";
2. The amount of legal expenses incurred for the protection of a registered trademark;

3. Expenditures that Mr. DiVona wishes to acknowledge as personal expenses as opposed to campaign election expenses;
4. Office expenditures that Mr. Divona claims should not have been reclassified from “not subject to limitation” to “subject to limitation”; and
5. Mr. DiVona provided further information related to certain expenditures.

This Addendum also includes minor corrections to the April 24, 2009 Report.

1. Rent Expense

Our April 24, 2009 Report estimated that Mr. DiVona’s campaign office comprised approximately 1500 square feet. We concluded that, in our opinion, this represented “*a contribution of \$1,550 or, if the Wycliffe contribution in kind was related to rent, of \$800.*” As a result, we increased expenses subject to limitation by \$800.

Mr. DiVona provided a copy of a floor plan to us that he advised was obtained from Mr. DiCicco, as well as a brief letter from Mr. DiCicco stating that the floor space used in the election campaign was 16 by 30 feet, or 480 square feet. Mr. DiVona highlighted the space used as the campaign office on the copy of the floor plans. Based on the space he highlighted and the measurements on the floor plan, we estimated that the campaign office comprised approximately 1,100 square feet as opposed to the approximately 500 square feet represented to us by the landlord and by Mr. DiVona.

For the purposes of our estimation, we excluded an additional approximately 500 square feet in the same unit but located behind the offices. This space was not accessible without passing through the space used by Mr. DiVona as his campaign offices.

One of the applicants advised that our Report excluded utilities from the calculation of fair market value of the leased space, in error. We agreed, and incorporated the cost of utilities in the Addendum based on an estimate of \$3.00 per square foot.

At 1,100 square feet, using the same rental and TMI rates as set out in our Report, the fair market value of rent, TMI and related utilities is \$2,050. After deducting the \$650 paid as rent, the contribution in kind is approximately \$1,400 for the seven week period (as compared to \$1,550 in our April 24, 2009 Report).

Our Report included \$800 as the contribution in kind related to office rent. This assumed that a \$750 contribution in kind from Wycliffe related to office rent. Mr. DiVona advised that the Wycliffe contribution in kind was unrelated to the rental of the office space but rather related to space for the barbeque event. Accordingly, we included \$1,400 as the contribution in kind related to rent in our calculation of expenses subject to limitation, as

compared to \$800 in our April 24, 2009 Report and reallocated the \$750 contribution in kind from Wycliffe to barbeque event expense (see Addendum Schedule 1).

2. Fair market value of the Royalton – Election Night

We incorporated a contribution in kind of \$750 in our April 24, 2009 Report related to the use of the Royalton facilities on election night. This expense is not subject to limitation.

Mr. DiVona provided information from volunteers to support his assertion that the food and beverages used on election night at the Royalton were provided by volunteers and from leftovers from the barbeque event. We were advised by a volunteer that approximately 100 persons were present for the election night event and that no liquor or food were provided by the Royalton. He also advised that volunteers provided all of the cooking and that service was buffet style. He also advised that 3 Royalton staff oversaw cleanup.

The Trustee in Bankruptcy for the Royalton advised that the Royalton financial records did not contain any documentation for November 13, 2006 for this event. She advised that very few function agreements for the Royalton were for room rental only, with almost all agreements including food and liquor. The information she provided included the following:

1. A sampling of 28 function agreements for functions held at the Royalton in 2006. The Agreements included preprinted "Room Rental Fees". The lowest fee was \$3,000.
2. The related invoices included much lower prices for room rentals, but almost always included food and liquor sales.
3. Only one of the 28 function agreements was for room rental without food or liquor, for \$2,500.

In our opinion the use of the Royalton's facilities had some value. For purposes of this Addendum, we continue to estimate that the fair market value of the space at the Royalton for the election night was \$750.

3. Brochures paid for but not delivered

Mr. DiVona advised that he incurred an expense of \$1,480 for brochures that were printed but not delivered. Based on our previous correspondence, we accept that the

brochures were not delivered in error, and that the campaign bore the cost of these brochures.

Subsection 76(5) of the Municipal Elections Act, 1996 (“**the Act**”) identifies specific expense categories in Section 67(2) that are not subject to limitation. The undelivered brochures do not fall into any of the categories of expense not subject to limitation. Accordingly, we have not adjusted expense categories for the brochures that were paid for by the campaign but not delivered.

4. Legal expenses

Our April 24, 2009 Report allocated a legal invoice for \$535 to “subject to limitation” in error. We had intended to allocate legal costs associated with legal fees incurred by Mr. DiVona to protect the trademark “Working for You” to “subject to limitation”. Mr. DiVona retained Mr. Christopher Ashby for this matter. Mr. DiVona provided us with a letter from Mr. Ashby advising that the work related to this matter “was minor” and that no legal advice was provided.

We accept that the legal fees of \$535 were not subject to limitation and therefore have reallocated these legal fees to “not subject to limitation” in our calculation of campaign expenses.

5. Personal Expenditures

Our April 24, 2009 Report identified a number of expenses that we viewed as primarily personal. Although the expenses appeared to be primarily personal, we accepted Mr. DiVona’s assertion that the expenses were in part related to the election.

Mr. DiVona has now acknowledged that certain of these expenditures were primarily personal in nature and should not have been recorded as campaign expenses. We accept the reasonableness of allocating these expenses to personal. The financial implication is that these additional personal expenses are no longer included in campaign expenses, and thus reduce expenses subject to limitation. However, acceptance of these expenses as personal does not change our original opinion that including these expenses in the financial statements in the first instance is an apparent contravention of Subsection 69(1)(k) and Section 78 of the Act.

The additional personal expenses we accepted are summarized as follows:

	Per LECG / Davison
Suit purchased from Moore's (Addendum Schedule 3)	\$ 818
Insurance deductible related to car repairs (Addendum Schedule 2)	1,000
Personal meals, groceries and other items paid through the "due to / from account" (Addendum Schedule 3)	1,306
Total	\$ 3,124

The April 24, 2009 Report identified net personal expenditures of \$3,052. The addition of the above items totaling \$3,124 results in total acknowledged personal expenditures charged to the campaign of \$6,176.

6. Office Expenses

Office expenses included \$2,423 that we reallocated from "not subject to limitation" to "subject to limitation". The office expenses included payments to:

Best Buy Computers (1/3 of a computer's cost)	\$566.55
Vella Office	200.00
Joe Suppa	1,500.00
Bell Mobility	94.62
Bell Telephone	<u>62.12</u>
TOTAL	<u>\$2,423.29</u>

We considered Mr. DiVona's comments related to our reallocations and have not made any adjustments to our April 24, 2009 Report related to these office expenses.

Mr. DiVona also provided information as to the purpose of meetings at restaurants and proposed reallocating these costs to the fundraising, barbeque, election night, and appreciation events. We have accepted certain of his proposed reallocations, as set out in Schedule 3 to this Addendum.

7. Other Expenditures / Items

Mr. DiVona provided information related to certain additional expenditures. Based on change order documentation from Costa Printing, we accepted that a charge of \$837 was related to the printing of barbeque flyers as opposed to brochures. These costs have thus been reallocated from brochures to barbeque event expenses (Addendum Schedule 2).

Spending Limitation

Based on the above revisions, the adjusted campaign period expenses subject to limitation exceeded the spending limit of \$26,476 by \$4,392 (if barbeque expenses are excluded from limitation) and by \$25,589 (if barbeque expenses are subject to limitation), as detailed in the following table (see also Addendum Schedule 1). In our opinion, this is an apparent contravention of Subsection 76(4) of the Act, which limits campaign expenses to an amount calculated in accordance with a prescribed formula, and Subsection 69(1)(k) and Section 78 of the Act, which require that Financial Statements be filed in the prescribed form.

	Barbeque Expenses Not Subject to Limitation	Barbeque Expenses Subject to Limitation
Reported expenses subject to limitation	\$ 20,962	\$ 20,962
LECG adjustments as per Addendum Schedule 1	9,906	31,103
<i>Adjusted expenses subject to limitation</i>	30,868	52,065
Campaign spending limit	26,476	26,476
<i>Excess over campaign limit, adjusted</i>	\$ 4,392	\$ 25,589

Other Comments

A "not" was inadvertently left out of paragraph 4.77 of page 51 of the Report dated April 24, 2009. The second sentence should read "*If it is concluded that the barbeque event was not a fundraising event, our calculation of expenses subject to limitation would be ...*"

Restrictions and Limitations

This Addendum to our Report dated April 24, 2009 was prepared for the City of Vaughan in relation to the compliance audit regarding the 2006 election campaign finances of Bernie DiVona requested by City Council. It should be read in conjunction with the Report. It is not to be used for any other purpose and we specifically disclaim any responsibility for losses or damages incurred through use of this Addendum to our Report for a purpose other than as described in this paragraph.

Although we reserve the right, we will be under no obligation to further review and/or revise the contents of our Report in light of information which becomes known to us after the date of this Addendum.

LECG

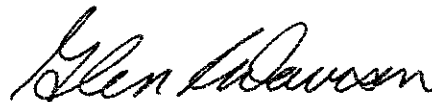
Addendum to Compliance Audit Report for the City of Vaughan
Re: Councillor Bernie DiVona
May 8, 2009

This Addendum to our Report is respectfully submitted by Ken Froese of LECG Canada Ltd and Glen R. Davison. We were assisted in the compliance audit by Grace Lau of LECG.

Yours truly,



Ken Froese, CA-IFA, FCFI
Director
LECG Canada Limited



Glen R. Davison, CA

cc: Bernie DiVona
Carlo DeFrancesco
Richard Lorello
Robert Zuccarini

Bernie DiVona Compliance Audit
 Privileged & Confidential
 Addendum Schedule 1 - Adjusted Campaign Period Expenses

Campaign Expenses	Per Candidate's FIS			Adjustments Per Schedule 2		Adjustments Per Schedule 3		Contributed Goods and Services		Additional Adjustments (Note 1)		LECG Adjusted	
	Subject to Limitation	Excluded	Total	Subject to Limitation	Excluded	Subject to Limitation	Excluded	Subject to Limitation	Excluded	Subject to Limitation	Excluded	Subject to Limitation	Total
Accounting & Audit	N/A	500.00	500.00	N/A	-	-	-	N/A	-	-	-	N/A	500.00
Advertising	3,810.70	6,027.80	9,638.50	1,580.53	(6,027.77)	-	-	-	-	-	-	5,191.23	5,191.26
Bank Charges	-	69.48	69.48	69.48	(69.48)	-	-	-	-	-	-	69.48	69.48
Brochures	8,821.20	N/A	8,821.20	1,961.00	N/A	-	-	N/A	-	-	-	10,782.20	10,782.20
Fund-Raising Expenses	N/A	42,772.01	42,772.01	N/A	(11,959.91)	-	-	N/A	1,100.00	-	-	N/A	18,136.86
Barbecue Event Expenses	-	-	-	-	12,768.87	-	-	-	2,804.80	-	-	-	21,195.94
Interest on Loans	N/A	-	-	N/A	-	-	-	N/A	-	-	-	N/A	-
Inventory Contributed to Candidate's Campaign	-	N/A	-	-	N/A	-	-	N/A	-	-	-	-	N/A
Meetings Hosted	-	N/A	-	-	N/A	-	-	N/A	-	-	-	-	N/A
Nomination Filing Fee	-	N/A	-	-	N/A	-	-	N/A	-	-	-	-	N/A
Office Expenses	2,020.00	2,423.29	4,443.29	2,389.57	(2,423.29)	-	-	N/A	-	-	-	8,700.87	8,700.87
Recount Expenses	N/A	-	-	N/A	-	-	-	N/A	-	-	-	-	-
Salaries & Benefits/ Professional Fees	-	6,150.00	6,150.00	(385.00)	(615.00)	-	-	-	-	-	-	-	5,535.00
Signs	6,510.00	N/A	6,510.00	N/A	N/A	-	-	-	N/A	-	-	6,125.00	6,125.00
Voting Day Party / Appreciation Notices	N/A	5,107.40	5,107.40	N/A	1,710.00	-	-	N/A	750.00	-	-	N/A	8,904.13
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Campaign Expenses	20,961.90	63,049.98	84,011.88	6,215.58	(7,215.58)	2,291.31	(8,310.26)	-	4,654.80	1,400.00	2,083.00	30,868.78	85,140.73
Personal Expenses	-	-	-	1,000.00	-	2,291.31	6,018.95	-	-	-	(843.00)	-	6,175.95
	20,961.90	63,049.98	84,011.88	7,215.58	(7,215.58)	2,291.31	(2,291.31)	-	4,654.80	1,400.00	1,250.00	30,868.78	85,140.73

Note 1:

Additional expenses include:

- Expenses paid for personally by Mr. DiVona but not recorded in the Financial Statements:
 - Multicom Media \$ 318.00 BBQ
 - Wine Purchase \$ 525.00 BBQ
 - \$ 843.00

Note 2: Additional contributed goods and services that LECG determined should be recorded as campaign expenses:

- Additional campaign office rent \$ 1,400.00 Office expense
- Pumpkins for BBQ 500.00 BBQ
- Election night event 750.00 Voting Day
- \$ 2,650.00

Total additional campaign expenses \$ 3,493.00

Bernie DiVona Compliance Audit
Privileged & Confidential
Addendum Schedule 2 - Reallocation of Campaign Cheque Payments

Period	Payee	Details	Accounting & Audit		Advertising		Bank Charges		Brochures		Fund-Raising Expenses		BBQ Expenses		Office Expenses		Office Expenses		Salaries & Benefits / Prof. Fees		Salaried & Benefits / Prof. Fees		Voting Day / Appreciation		Personal				
			Limitation	Excl.	Limitation	Excl.	Limitation	Excl.	Limitation	Excl.	Limitation	Excl.	Limitation	Excl.	Limitation	Excl.	Limitation	Excl.	Limitation	Excl.	Limitation	Excl.	Limitation	Excl.	Limitation	Excl.	Limitation	Excl.	
LECG's Re-allocation Re: Campaign Cheque Payments:																													
Jun-06	P. Blonnie	Cookies for BBQ										(283.40)	283.40																
Jun-06	Computer Media Solutions	Website construction; Allocated 50% to advertising	900.00									(900.00)																	
Sep-06	Sams Club	Chest, table - used for BBQ; Grocery - Not close to BBQ date; Allocated 50% to office and 50% to BBQ										(398.53)	398.53																
Oct-06	Bench Strength	Postage for BBQ flyers									(1,737.28)	1,737.28																	
Oct-06	Farco Entertainment	Clown for BBQ									(375.00)	375.00																	
Oct-06	Bell Mobility	Call phone charges for Matthew DiVona; Allocated 50% to office expense									(178.39)	178.39																	
Oct-06	Vincenzina Meats	Meats for BBQ									(200.00)	200.00																	
Oct-06	Plan It Promotions	T-shirts for BBQ									(883.50)	883.50																	
Oct-06	King Vaughan News	2 Ads on Oct. 25 - one for BBQ; Allocated 50% to BBQ	(318.00)									318.00																	
Oct-06	Costa printing	Printing of candidate cards for BBQ event					(1,752.18)																						
Oct-06	Replilla Show	BBQ event									(200.00)	200.00																	
Oct-06	Costa Printing	Printing of BBQ flyers								(2,462.40)																			
Oct-06	Best Buy	42" TV					(1,150.00)																						
Nov-06	Replilla Show	BBQ event									(250.00)	250.00																	
Nov-06	City of Vaughan	Sign deposit																											
Nov-06	King Vaughan News	Advertising on Nov. 1	318.00				(318.00)																						
Nov-06	Cash to Vella	Porchetta for BBQ																											
Nov-06	Costa Printing	Printing of newsletters																											
Nov-06	Bell Mobility	Phone for campaign office; Allocated 50% to office expense																											
Nov-06	HADC	Event for Hockey Association for the Developmentally Challenged																											
Nov-06	Adedge	Brochure design																											
Nov-06	Lo Specchio	BBQ Advertising on Oct. 20					(303.16)																						
Nov-06	Lo Specchio	BBQ Advertising on Oct. 27					(286.00)																						
Nov-06	K. Fortunato	BBQ disposable plates and camera																											
Nov-06	Vaughan Citizen	Campaign advertising on Nov. 12																											
Nov-06	Immaculate Conception	Tickets to event					(469.07)																						
Nov-06	Costa printing	Printing of newsletters for BBQ					(200.00)																						
Nov-06	Bell Mobility	Modern rental and internet expenses; Allocated 50% to office expense					(637.90)																						
Nov-06	Lo Specchio	Advertising on Nov. 10																											
Nov-06	Julian Porter	Legal fees	1,361.46				(1,361.46)																						
Nov-06	Roy Foss	Car repairs deductible																											
Dec-06	Anthony's Espresso Equip. Inc.	Espresso machine																											
Dec-06	Quick Signs	Mobile signs for BBQ																											
Re-allocation of bank charges																													
Re-allocation of office expenses																													
Total			1,580.83	(8,027.77)	69.48	(69.48)	1,981.00	(11,959.81)	12,168.87	(2,423.29)	2,423.29	(2,423.29)	(150.00)	150.00	(585.00)	(1,000.00)	585.00	(585.00)	(1,000.00)	585.00	(585.00)	1,710.00	(1,710.00)	1,710.00	1,710.00	(1,710.00)	1,710.00	1,000.00	

Note 1: DiVona campaign's Financial Statements classified bank charges as expenses excluded from limitation. We adjusted bank charges to expenses subject to limitation.

Note 2: DiVona campaign's Financial Statements included \$2,020 office expenses as expenses subject to limitation and \$2,423.29 as expenses excluded from limitation. We were not provided with a breakdown of the office expense categorization. We determined that all office expenses incurred by the campaign are expenses subject to limitation.

Bernie DiVona Compliance Audit
 Privileged & Confidential
 Addendum Schedule 3 - Reallocation of "Due To / From Account" Expenses

Period	Reimbursement	Allocation	Invoice Date	Description	Invoice Amount	Adjustments	Adjusted Expenses	Comments (Additional)	BBQ	Office	Fundraising	Appreciation	Personal	Total
Nov. 2006	\$	1,941.45	Fundraising											
6-Oct-06			Fortino's		120.53		120.53	Grocery; Not close to BBQ date. Items appear personal.					120.53	
2-Jul-06			Sunny Choi Outlet		227.40		227.40	Purchase of ladies clothes for fundraising dinner			227.40			
23-Oct-06			Costco		82.78		82.78	Foam cups, fall, cleaners; Close to BBQ date	82.78					
18-Oct-06			Fortino's		7.33		7.33	Snackcakes					7.33	
22-Oct-06			Costco		11.98		11.98	Muffins. DiVona claims is BBQ related. No reallocation.		11.98				
19-Oct-06			The Indian Kitchen		21.66		21.66	Meals. DiVona claims is BBQ related. No reallocation.		21.66				
1-Oct-06			Grazie Restaurant		55.00		55.00	Meals. Is add-on to other Grazie expense on the same day. Reallocated to BBQ.	55.00					
4-Oct-06			Sam's Club		227.86		227.86	Grocery; Not close to BBQ date. Includes cat food, small grocery items. Items appear to be primarily personal. DiVona claims as BBQ.					227.86	
11-May-06			Office Depot		63.24	(63.24)		Return of Quicktax (-63.24)						
15-Oct-06			Fortino's		55.01		55.01	Grocery; Not close to BBQ date. Items appear to be primarily personal. DiVona claims as personal.					55.01	
8-Oct-06			Kozanai Restaurant		46.05		46.05	Meals - Plan BBQ.	46.05					
N/A			The Original Ital Pizza		40.00		40.00	Large and Party size		40.00				
17-Oct-06			241 Pizza		28.44		28.44	2XL		28.44				
14-Oct-06			Meeting - Restaurant		161.67	19.80	181.67	Meals. DiVona claims is BBQ planning meeting. Accepted reallocation.	181.67					
29-Jul-06			Rona		13.54	(13.54)		Red Mulch						
1-Oct-06			Grazie Restaurant		191.67		191.67	Meals - Plan BBQ	191.67					
2-Oct-06			Canadian Tire		60.57		60.57	Sweeper		60.57				
2-Oct-06			Home Depot		38.67		38.67	Bulbs for BBQ event						
30-Sep-06			The Original Ital Pizza		15.06		15.06	Pizzas; Not close to BBQ		15.06				
18-Sep-06			Seafood Depot Inc.		31.91		31.91	Percolator coffee. DiVona claims is personal. Left as office due to timing and amount.		31.91				
25-Sep-06			Canada Post		27.55		27.55	Postage for BBQ letters					27.55	
24-Sep-06			Winners Homensense		54.59		54.59	Glass & dinnerware. DiVona now claims is personal.					54.59	
26-Sep-06			Winners Homensense		76.77	(46.69)	34.18	Cookware & bedding; DiVona now claims all is personal.					34.18	
21-Sep-06			Dollarara		4.56		4.56	No details		4.56				
6-Jul-06			Il Dono Flowers		136.80		136.80	Flower arrangements on July 6			136.80			
7-Oct-06			Office Depot		41.26		41.26	Stationery		41.26				
5-Oct-06			Symposium Café		26.98		26.98	Breakfast - Plan BBQ						
7-Oct-06			Fortino's		69.39		69.39	Grocery; Not close to BBQ date					69.39	
					1,941.45	(102.57)	1,838.88		650.35	324.63	364.20		499.50	1,838.88
26-Oct-06		704.63	Fundraising		185.18		185.18	Foam cups, plates; grocery. Some items appear to be personal.	185.18					
26-Oct-06			Dollarara		26.22		26.22	No details; Close to BBQ date						
26-Oct-06			Party Packages		37.54		37.54	Tablecloth, foil						
26-Oct-06			No Frills		48.78		48.78	Pops						
27-Oct-06			Canadian Tire		91.25		91.25	Charcoal						
28-Oct-06			Fortino's		21.95		21.95	Drinks; Water						
29-Oct-06			Da Luigi Meats		14.51		14.51	Grocery						

Bernie DiVona Compliance Audit
 Privileged & Confidential
 Addendum Schedule 3 - Reallocation of "Dues To / From Account" Expenses

Period	Reimbursement	Allocation	Invoice Date	Description	Invoice Amount	Adjustments	Adjusted Expenses	Comments (Add/Remove)	BBQ	Office	Fundraising	Appreciation	Personal	Total
			28-Oct-06	Pinevelly Pharmacy	84.50		84.50	Stamps	84.50					
			29-Oct-06	Costco	57.91		57.91	Grocery, Close to BBQ date	57.91					
			29-Oct-06	Dollarama	9.12		9.12	No details; Close to BBQ date	9.12					
			25-Oct-06	Canada Post	27.03		27.03	Stamps for BBQ confirmations	27.03					
			26-Oct-06	Fresh Dry Cleaners	25.62		25.62	DiVona claims as personal.					25.62	
			28-Oct-06	Petro-Canada	20.02		20.02	DiVona claims as personal.					20.02	
			5-Oct-06	Shell	45.00		45.00	DiVona claims as personal.					45.00	
				Unsuported - transposition error	10.00	(10.00)	-	Overlaps \$10	503.99				90.64	694.63
					704.53	(10.00)	694.53							
Nov. 2006	\$	1,829.68	Fundraising	Costco	1,157.07		1,157.07	illegible, 12 pc. Set cook for \$477.99; Close to BBQ date	1,157.07					
			22-Sep-06	The Indian Kitchen	41.29		41.29	Meats. DiVona claims as BBQ planning.	41.29					
			5-Nov-06	Grazia Restaurant	52.00		52.00	Meals. DiVona claims as BBQ related but is after BBQ event.	52.00					
			2-Nov-06	Corra's	55.63		55.63	Meals. DiVona claims as BBQ related but is after BBQ event.	55.63					
			8-Nov-06	The Original Ital Pizza	19.95		19.95	DiVona claims is election night planning.	19.95					
			25-Oct-06	Fortino's	87.32		87.32	Grocery; Not close to BBQ date.	87.32					
			8-Nov-06	Fortino's	97.81		97.81	Grocery. Items appear to be personal in nature. DiVona claims relate to election night planning.	97.81				97.81	
			27-Mar-06	Shell	40.00		40.00	DiVona claims as personal.					40.00	
			12-Nov-06	T&T Supermarket	24.79		24.79	Food. DiVona says election night planning. Was the purchase of a whole duck and misc. grocery. Allocated to personal.					24.79	
			8-Oct-06	Tim Hortons	6.83		6.83			6.83				
			14-Nov-06	N/A (Coffee and donuts)	11.35		11.35	DiVona claims as election night expense. Not reallocated.		11.35				
			N/A	The Original Ital Pizza	29.60		29.60	DiVona claims as election night expense. Not reallocated.		29.60				
			7-Nov-06	Office Depot	69.23		69.23	Stationery		69.23				
			27-Oct-06	Party Market	45.59		45.59	HELLUM TANK						
			28-Oct-06	N/A	75.00	(75.00)	-	Land Irrigation	45.59					
			5-Nov-06	Grazia Restaurant	15.68		15.68	Meals. DiVona claims as personal.					15.68	
				Unsuported - transposition error	1,829.14	(0.54)	-							
					1,829.68	(75.54)	1,754.14		1,243.95				178.28	1,754.14
Nov. 2006	\$	1,490.00	Fundraising	GM Globe Wholesale Meats Inc.	1,100.00		1,100.00	Hamburgers and sausages for BBQ	1,100.00					
			29-Oct-06	Nino D' Aversa Bakery Ltd.	650.00		650.00	Buns and pizzas for BBQ	650.00					
				Under-reimbursed	1,750.00	260.00	-							
					1,490.00	260.00	1,750.00		1,750.00					
Nov. 2006	\$	3,000.00	Fundraising	Fortino's	80.79		80.79	Not close to BBQ date. Items appear to be primarily personal. DiVona claims as personal.					80.79	
			4-Nov-06	Longo's	5.49		5.49	After BBQ date. Item appears to be personal. DiVona claims as personal.					5.49	
			24-Sep-06	Canyon Creek Chop House	119.46	(119.46)	-	Claimed twice \$124.48						
			28-Oct-06	Parking Ticket	25.00		25.00	DiVona claims as personal.					25.00	

Bernie DiVona Compliance Audit
 Privileged & Confidential
 Accidentum Schedule 3 - Reallocation of "Due To / From Account" Expenses

Period	Reimbursement	Allocation	Invoice Date	Description	Invoice Amount	Adjustments	Adjusted Expense	Comments (Additional)	BBQ	Office	Fundraising	Appreciation	Personal	Total
18-Oct-06				Koganel Restaurant	6.95		8.95	Total bill \$15.84. Allocated to personal.					8.95	
30-Mar-06				Office Depot	66.24	5.35	71.59	Recorded as \$66.24 - Ink Cartridge. DiVona claims as personal - left as office.	71.59					
13-Oct-06				Petro-Canada	10.00		10.00	DiVona claims as personal.					10.00	
27-Jan-06				Staples	293.19	(293.19)	-	Inkjet printer - already claimed through City and subsequently returned.						
24-Sep-06				Canyon Creek Chop House	109.46	15.02	124.48	Claimed twice \$119.46 - Plan for BBQ fundraising volunteers.	124.48					
10-Jul-06				New Orleans Restaurant	154.60		154.60	DiVona claims as appreciation for fundraising volunteers.	145.00	154.60				
20-Sep-06				Saggio Restaurant	145.00		145.00	Meals - Plan for BBQ.	145.00					
17-Dec-06				Traitoria Piazzetta	122.06		122.06	DiVona claims as appreciation related.				122.06		
24-Sep-06				Home Depot	8.12	(8.12)	-	Claimed twice.						
9-Sep-06				Fresh Cleaners	46.99		46.99	DiVona claims as personal.					46.99	
9-Sep-06				Fresh Cleaners	44.45		44.45	DiVona claims as personal.					44.45	
2-Dec-06				Mistura Restaurant	330.00		330.00	Appreciation; Claimed twice for \$300.81 in reimbursement \$2,524.52.				330.00		
2-Aug-06				Spuntini	400.00		400.00	Meals. DiVona claims as appreciation related but Act requires it to be after close of voting to not be subject to limitation.	400.00					
13-Nov-06				Price Chopper	15.32	(10.64)	4.68	Recorded as \$15.32. DiVona claims as personal.					4.68	
10-May-06				Home Depot	9.26		9.26	DiVona claims as personal.					9.26	
17-Nov-06				Shoppers Drug Mart	4.99	(1.32)	3.67	Recorded as \$4.99. DiVona claims as personal.					3.67	
29-Jul-06				Spuntini	260.00	9.93	269.93	Recorded as \$260. DiVona claims as appreciation. Not reallocated.	269.93					
14-Oct-06				Meatling	161.67	(181.67)	-	Claimed twice for \$181.67 in reimbursement \$1,941.45.						
14-Jul-06				No Frills	57.89		57.89	Not close to BBQ date.	57.89					
24-Sep-06				Home Depot	8.12		8.12	DiVona claims as personal.					8.12	
29-Aug-06				Fontino's	119.94		119.94	Not close to BBQ date. DiVona claims as personal.					119.94	
21-Jul-06				Canada Post	5.41		5.41				5.41			
9-Sep-06				Shoppers Drug Mart	3.79		3.79	DiVona claims as personal.					3.79	
30-Sep-06				Corfice and donuts	47.60		47.60	DiVona claims as personal.	47.60					
13-Nov-06				Sumoco	20.00		20.00	DiVona claims as personal.	205.19	47.60			20.00	
9-Oct-06				Furns Shop	205.19		205.19	Creditless phone.	68.84	205.19				
16-Sep-06				Kinko's	68.84		68.84	Copies for BBQ event.	68.84					
6-Nov-06				Esso	18.17		18.17	Recorded as \$18.17 for BBQ.	17.95				10.17	
20-Sep-06				Dollarama	17.96	(8.00)	9.96							
30-Aug-06				Baton Rouge	92.95		92.95							
6-Sep-06				Dollarama	11.40		11.40	No details.	92.95				11.40	
22-Nov-06				Second Cup	6.56		6.56	DiVona claims as personal.		92.95			6.56	
				Under-reimbursed	3,122.66	122.86	-		358.28					
					(1,022.60)	(469.24)	2,530.76		1,298.75		5.41	452.06	417.26	2,530.76
Mar. 2007	\$	2,877.14	Fundraising		109.14		109.14	Send out fundraising letters			109.14			
				Canada Post	109.14		109.14	Send out fundraising letters					109.14	
				Canada Post	109.14		109.14	Send out fundraising letters					109.14	
				Canada Post	270.30		270.30	Send out fundraising letters					270.30	
				Canada Post	270.30		270.30	Send out fundraising letters					270.30	
				Baton Rouge	95.98		95.98	Fundraiser planning meeting			95.98			

Bernie DeVona Compliance Audit
 Privileged & Confidential
 Addendum Schedule 3 - Reallocation of "Due To / From Account" Expenses

Period	Reimbursement Allocation	Invoice Date	Description	Invoice Amount	Adjustments	Adjusted Expenses	Comments (Additional)	BBQ	Office	Fundraising	Appreciation	Personal	Total
		13-Jul-06	Staples	189.95	(188.97)	40.98	Return of printer previously purchased, DeVona claims as personal.					40.98	
		7-Sep-06	Fortino's	4.54		4.54	Bleach, DeVona claims as personal.					4.54	
		N/A	BBQ photos	2.99		2.99		2.99					
		15-Jul-06	Sam's Club	537.43		537.43	Wine cooler and bar fridge for BBQ; Allocated 50% to BBQ and 50% to office	268.72	268.72				
		16-Oct-06	Dollarama	22.10		22.10	No details		22.10				
		6-Oct-06	Good Health Mart	34.78	(34.78)	-	Health products						
		10-Sep-06	Sam's Club	797.05	(797.05)	-	Duplicate claim of \$797.05; includes chest \$410 and table \$146						
		30-Sep-06	Koganei Restaurant	44.00		44.00	Meals		44.00				
			Unsupported - stamps	2,605.84									
				270.30	(270.30)								
				2,877.14	(1,281.10)	1,616.04		271.71	334.82	984.00		45.52	1,616.04
Jan. 2007	\$ 1,950.00	Fundraising	Computer Media (Appreciation Dinner) Under-reimbursed	2,000.00	-	2,000.00	Deposit for appreciation dinner				2,000.00		
				(50.00)	50.00								
				1,950.00	50.00	2,000.00					2,000.00		2,000.00
Dec. 2006	\$ 1,316.95	Fundraising	Roy Foss (Personal)	1,316.95	(1,316.95)	-	Paid for by insurance company						
				15,109.86	(2,925.41)	12,184.45		4,875.28	2,291.31	1,333.61	2,452.06	1,331.20	12,184.45

Bernie DeVona Compliance Audit
Privileged & Confidential
Addendum Schedule 3 - Reallocation of "Due To / From Account" Expenses

Period	Reimbursement	Allocation	Invoice Date	Description	Invoice Amount	Adjustments	Adjusted Expenses	Comments (Additional)	BBQ	Office	Fundraising	Appreciation	Personal	Total
Nov. 2006	\$	520.34	25-Nov-06 28-Nov-06	Voling Day Bowling	447.47 72.87		447.47 72.87	Gifts for volunteers				447.47 72.87		520.34
Dec. 2006	\$	864.19	22-Sep-06 22-Sep-06	Moore's Clothing Spring Rolls	818.48 44.04		818.48 44.04	Men's clothes; DeVona claims as personal. Meals. DeVona allocated to personal. Is already another meal expense for same day - accept as personal.					818.48 44.04	
				Unsupported - transposition error	1.67	(1.67)								862.52
					864.19	(1.67)	862.52							862.52
Mar. 2007	\$	2,524.52	26-Nov-06 25-Nov-06 2-Dec-06	Voling Day Bowling LCBO	447.47 72.87 450.00	(447.47) (72.87)		\$520.34 duplicate claim \$520.34 duplicate claim 60 bottles at \$7.50. Close to				450.00		
			29-Nov-06	Luv 2 Pak	73.38		73.38	Appreciation dinner				73.38		
			14-Sep-06	Future Shop	29.99		29.99	Gift packaging. Close to appreciation dinner					29.99	
			10-Nov-06 N/A	Photos Appreciation dinner deposit	2.99 1,000.00		2.99 1,000.00	Close to BBQ date	2.99			1,000.00		
			6-Dec-06	Novata Pasticceria Trattoria Caf�	90.00	(90.00)		Cake for appreciation dinner; duplicate claim						
			2-Dec-06	Misura Restaurant	340.82	(340.82)		Duplicate claim; \$300.81						
				Unsupported - Parking lip less parking	2,507.52 17.00	(17.00)		No Invoice						
					2,524.52	(988.16)	1,536.36		2.99			1,523.38	29.99	1,556.36
					3,909.05	(989.83)	2,939.22		2.99			2,043.72	892.51	2,939.22
Total Voling Day Expenses Re-allocations					19,018.91	(3,895.24)	15,123.67		4,879.27	2,291.31	1,333.61	4,495.78	2,123.71	15,123.67
Total LECG Expense Allocations														