



Indigenous and
Northern Affairs Canada

Affaires autochtones
et du Nord Canada

Manitoba Keewatinowi Okimakanak (MKO) - Expense Claims



Canada

INAC•AANC



Background

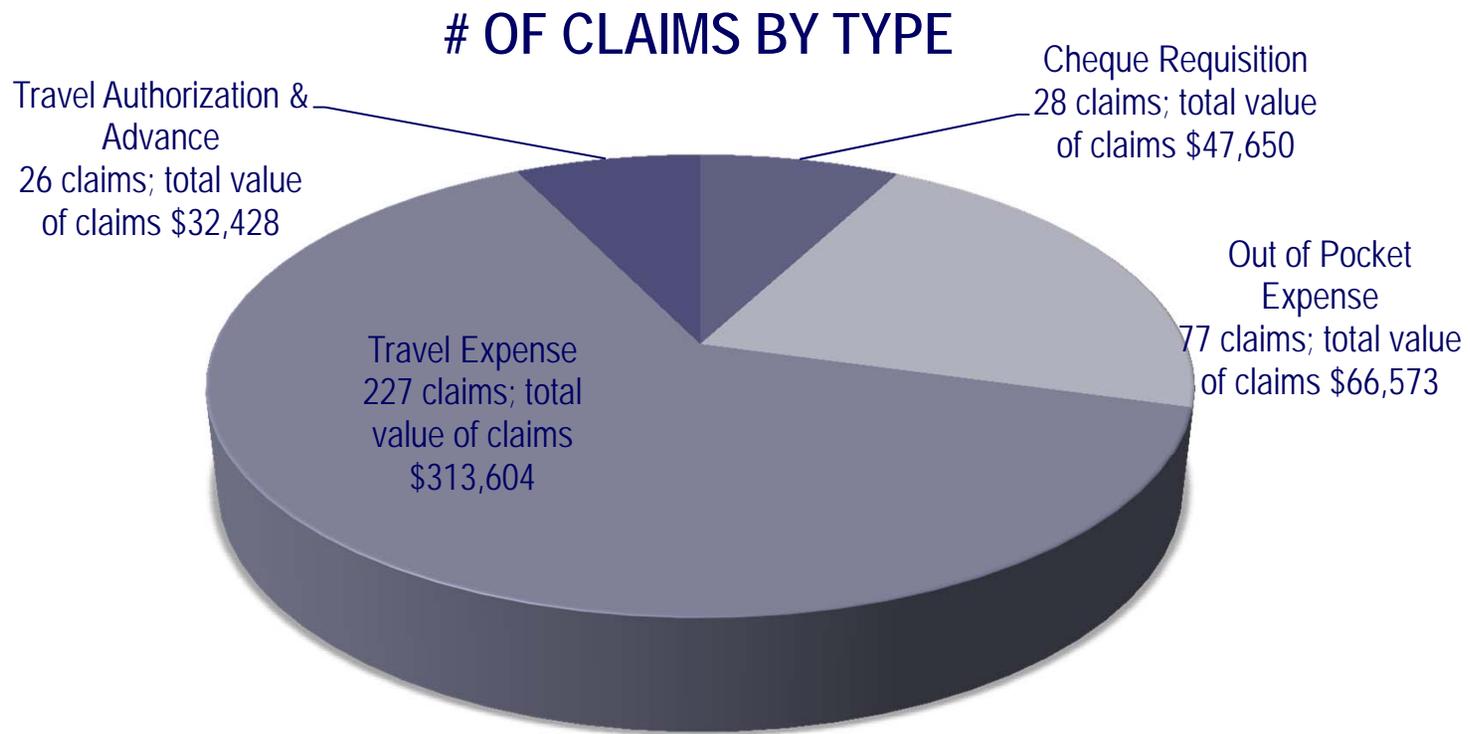
- Indigenous and Northern Affairs Canada contracted KPMG to undertake a review of the former Grand Chief's expense claims following allegations with respect to potential misuse of MKO funds. His term of office ended September 2015.
- The review looked at all expenses incurred from April 1, 2012 to March 31, 2014. There were 358 expense claims, totaling \$460,255.
- A comparison was made of expense claims and cell phone records to assist in the determination of the former Grand Chief's location related to the claims.





Findings: Claims by Type

- During the review, KPMG identified four types of form used to claim expenses.

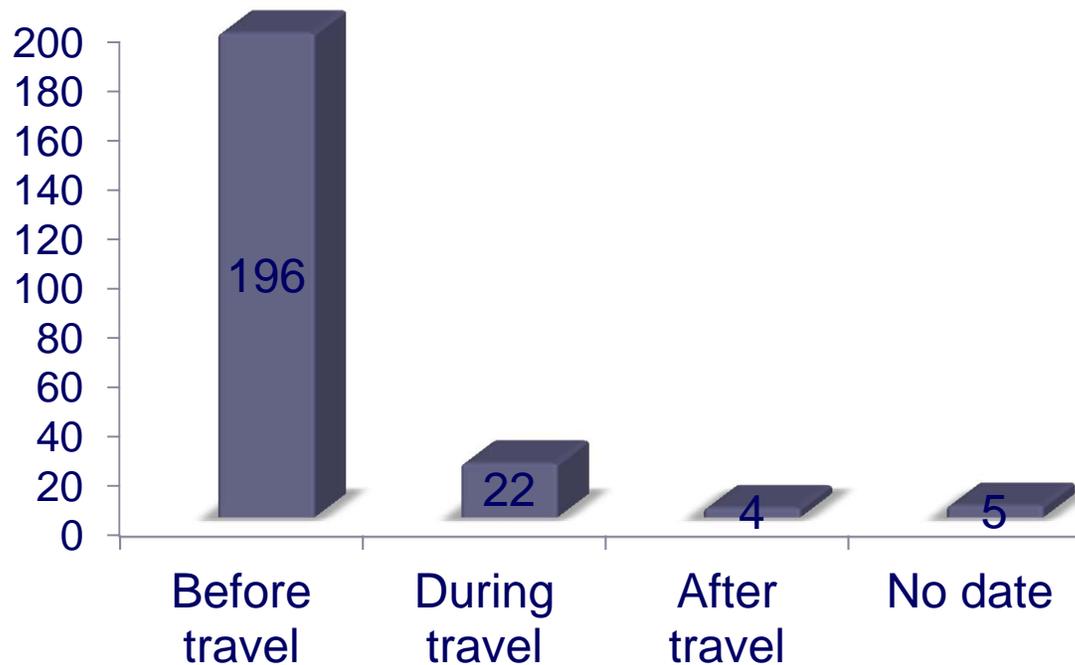




Findings: Timing of Payment of Travel Claims

- Of the 358 claims reviewed, 227 were travel expense claims. KPMG noted that travel expense claims were often submitted before the travel actually occurred. The table below illustrates the timing of the issuance of cheques for travel claims.

Timing of Payment of Travel Claims





Findings: Travel Expense Claim Form

- The Travel Expense Claim Form requires three signatures:
 - 1) The traveler's
 - 2) Finance approval
 - 3) Political approval

The table below details the authorizations documented on the 227 travel claims reviewed.

Travel Expense Claim Form - Authorizations		
	# of Claims	% of Claims
No Signatures	29	13%
All Required Signatures	-	0%
Only Finance	33	15%
Only Political	138	61%
Only Former Grand Chief	9	4%
Former Grand Chief and Finance	6	3%
Former Grand Chief and Political	5	2%
Finance and Political	7	3%
Total	227	100%

9%

INAC-AANC





Findings: Travel Advances

- Travel advances totaling \$24,100 were paid to the former Grand Chief during the period under review. The reasons for these advances were not clearly documented and often lacked approval. Per KPMG's review of expenses, it does not appear that advances were needed for travel because the former Grand Chief claimed per diems, mileage, and other expenses for each trip, often in advance.

Findings: Donations

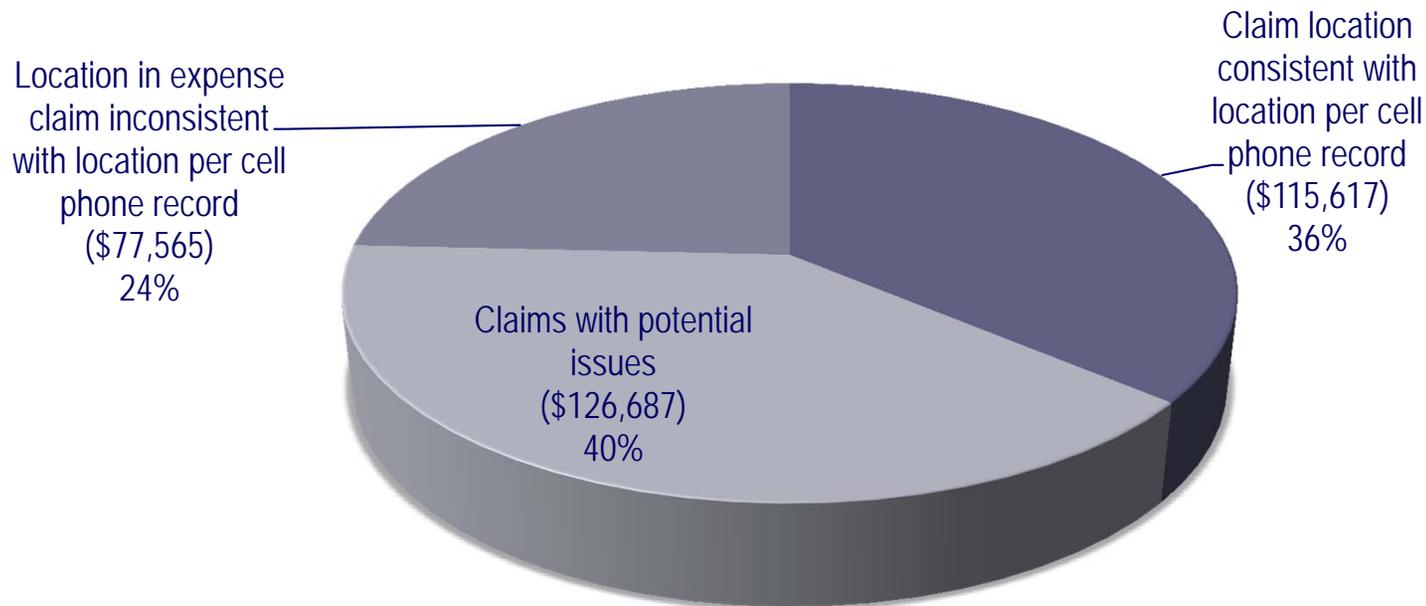
- The former Grand Chief submitted expense claims totaling \$6,529 for certain donations apparently made by him, and paid for by MKO. However, the documentation does not contain any evidence to indicate that these funds were provided to the intended parties. In other cases, the parties have not been named and no confirmation could be obtained.



Claims Reviewed Against Cell Phone Records

- KPMG obtained cell phone records relating to the period in question, for the cell phone provided to the former Grand Chief and paid for by MKO. The total value of mileage and per diem claims for which available cell phone records were analyzed relating to the period of review is \$319,869.

CLAIMS REVIEWED AGAINST CELL PHONE RECORDS FOR THE PERIOD OF APRIL 1, 2010 – March 31, 2014





Conclusion

- The former Grand Chief was asked to verify the facts on a number of occasions in 2015, after providing him with a draft of the report on July 15, 2015.
- A report-out to the Grand Chief and Chiefs in General Assembly took place in April, 2016 in Thompson, Manitoba, involving the Associate Regional Director General Manitoba Region and officials invited by both parties.
- Following a discussion of the findings of the audit, a total of \$85,723 was agreed upon as recoverable from funding provided to MKO.
- The Grand Chief is in regular contact with INAC and a recovery period will be established for repayment with Manitoba Region INAC.

