

A BDO draft financial review was first leaked to the media last March. A few media outlets wrote stories about the review in the spring, and then it came up again in late November, when it was introduced during Question Period by the BC Liberals, for political gain.

I have been asked to comment on the review a couple of times, but because news stories tend to be short and because the information in the review is complex, the resulting stories did not paint a complete picture. It is extremely important the public understand that misinformation is being circulated. Atira wants to set the record straight.

First, the draft review circulating is just that, a draft. Context is missing and if you read through it without context, you are unlikely to understand it; it is hard to explain even with context. You might not notice, for example, that a number of the recommendations for improvements were actually directed at BC Housing. Second, Atira is not the only organization to undergo a review like this, or the only organization to secure a budget adjustment following a review. Atira's review is unique though, in some important ways.

It is true that Atira, like many organizations, has struggled to hire and keep competent accountants. We were (and still are) underfunded and under resourced. When we could find and hire an accountant who was qualified and had the experience we required (and was willing to accept the salary we could afford to pay), they would not stay long because of the workload. This absolutely had a negative impact on our accounting processes and management practices.

In early 2016 we found and hired an accountant whose work changed everything. For more than 20 years she had been working contracts to clean up books for private sector companies, who for one reason or another, found themselves in similar situations to ours. She began to dig into our cash flow issues. She found some budgeting mistakes in our prior years' budgets. For example, we had been underbudgeting for wages by .2 days a year (forgetting to include calculations for leap year). While this seems to a non-accountant like me to be a minor issue, over time and as our staff grew in numbers, it accumulated to a \$302K operating deficit in our wages and benefits line item. She also discovered that BC Housing had been refusing to cover uncollected rents (bad debt), which had also accumulated over a number of years to \$265K. Every landlord, no matter how competent and this includes BC Housing, has uncollected rents. The issues are compounded in supportive housing where the vast majority of tenants are living on between \$510 and \$610/month, and where tenants know pressure is on the operator not to evict. When rent revenue makes up 30% of your budget, non-payment has a significant impact on operations. Finally, and for a number of years, BC Housing had been rolling over our budgets year to year, with inflationary adjustments made in some years only, not coming anywhere close to matching our actual cost increases.

When we felt like we had a really good understanding internally with respect to the cause of our cash flow issues, instead of working with us to resolve the outstanding issues we had already identified, an Executive at BC Housing, dug in. I met with him numerous times in 2016 and 2017, and he either could not or would not understand our financial position or how we got there. Finally, in 2017, we agreed to jointly engage BDO to conduct a review.

We (Atira) agreed in the hopes it would give BC Housing the comfort it needed to rectify our historical accounting issues, and to adjust our budget, so we could focus our time and energy on meeting our mandate – to support women and children affected by violence.

Atira and BC Housing signed a joint engagement letter on September 11th, 2017, and over the next 14 months we worked with BDO, providing them access to absolutely everything. Those 14 months were among the hardest period for me personally, in all of the 30 years I've worked for Atira. We were still understaffed and our accountants, especially our Lead Accountant, were working long hours because they were not only trying to get our day-to-day accounting work done, they were also responding to questions from BDO, most of which required investigative work and digging through paper files. There was a point during the review when I instructed our Lead Accountant to just give BDO the password to our accounting system and the keys to the filing cabinets and let them do the work. I cannot at this time express enough how grateful I am to the small accounting team we had at the time. The BDO work was stressful, for the whole team, and I was constantly afraid our Lead Accountant would leave. I don't know why she didn't.

Any notion the Board of Atira was in the dark about all of this is patently false. The Board knew exactly what was happening and in fact during that time, attended at least two meetings with executives at BC Housing to encourage completion of the review, and a resolution.

There came a point during the review when I started to sense the review was personal. BDO would produce a draft report, we would respond (a typical audit process) and we would think we were nearing completion. The Executive would review and send BDO back. There were points when I met with him when he would let things slip. For example, I learned he was convinced I was receiving multiple salaries from multiple Atira entities (I am not and have never). He told me he believed Atira Women's Resource Society was lending BC Housing funding to Atira Property Management, our wholly-owned, for-profit subsidiary. When an early draft report came back explicitly stating that BDO was able to "conclude that APMI is not contributing to AWRS cash flow pressures" (see the bottom of page 8 of the currently circulating draft review), The Executive was unsatisfied, I assume because he was not getting the negative results he desired, and the review continued.

During this time and without telling us, the Executive placed a moratorium on giving Atira any new projects and any new funding. I found out when we asked for a \$6,000 annual food budget for a 108-unit supportive housing building for women and children, to implement a community kitchen program. I knew other non-profits with similar buildings were getting food budgets significantly higher than the \$6K we requested and when we got a flat no, with no explanation, I started asking questions. Over time I found out that during 2018 the Executive personally quashed two projects Atira had been invited into by third parties, as partners. In one case he told the organization that if they insisted on a partnership with Atira, he would give the building/program to another organization altogether. He attempted to quash a third partnership and failed (in spite of his best efforts, all three partnerships are now going strong).

In the fall of 2018, I finally approached another executive at BC Housing to share my concerns about the on-going review and lack of resolution and shared it was starting to feel personal. My concerns were barely acknowledged during that phone call, and the subject almost immediately changed.

Then, in mid-November 2018, I got a call from a staff member at BC Housing. They awkwardly shared the Executive regularly and publicly referred to me, in the office, as “that f\*\*\*\*ng bitch,” “that f\*\*\*\*ng c\*\*t,” and “that f\*\*\*\*ng wh\*\*e.” This person had already approached other senior leadership staff at BC Housing to share their concerns about the Executive and in particular because of his profound and vocal dislike for me, that he should not be responsible for the review.

For almost two weeks I told no one, but I found out the Executive openly shared his dislike for me, using similar language as described above, to many people working at BC Housing. I learned he had treated at least two other female CEOs/executive directors with the same contempt. I found out he treated some women in the office with contempt and that some had left BC Housing because of his behaviour.

In late November of 2018 I reached out to BC Housing’s Board Chair and shared my story. She acted immediately, assuming at first, I imagine, that this was some sort of conflict between me and the Executive. She contracted Turning Point Resolutions, an external company specializing in conflict resolution, which did a number of interviews, including one with me and one with the Executive. I did not see their recommendations and don’t know if there was a written report, but by late December 2018, the Board Chair had hired Harris & Company to conduct an investigation. I was interviewed again, as I assume were others. I don’t know if there was a written report but by February or March of 2019, the Executive had suddenly left BC Housing. BDO concluded its review and prepared a final report, and the task of negotiating a resolution fell to internal audit staff at BC Housing (by which time and because I was so stressed, I had voluntarily provided BC Housing with three years’ worth of personal tax returns, and offered more). BC Housing’s Board Chair and one other Board member met with me and Atira’s Board Chair and apologized for how Atira and I had been treated.

There is no question Atira had (and has, and always will have) work to do with respect to its accounting and management processes, and those who are familiar with these kinds of reviews know that is their point. They are meant to provide information to assist both public and private sector entities, and non-profit agencies, to identify and work on improving their reporting practices and controls. Best practices and accounting rules evolve. As noted in even the draft report, “Atira have worked openly and productively with BDO to commit to better financial management and reporting.” We have never shied away from external reviews and improvements. That said, it is important to recognize that non-profits are typically under funded and under resourced in a culture that balks at non-profits spending any money on administration. We operate complex organizations, yet there is a belief we should be paid less and work harder; and in a market where qualified, experienced accountants are in high demand, we are expected somehow to perform to a higher standard. We are also expected to develop programs, build housing and solve intractable

systemic problems, without the tools and resources, or the support we need. Like many non-profits, we tread a fine line. We have borrowed against BC Housing funding (and paid it back); and we have pushed bureaucrats and politicians and made them uncomfortable, to advance our mandate.

We have always believed that governance and accountability are about more than being cautious with our fiscal resources. We see our advocacy role as fundamental to achieving our mission and vision. We see our integrity and authenticity rooted in inclusive feminism, anti-oppressive practice, and the women and children we serve. If we focus our governance and accountability exclusively on financial considerations, we will compromise our accountability to the women and children we serve. We welcome transparency and expect accountability, and we are constantly trying to find balance in a world where wealth disparity is only increasing and where the people we support pay the highest price.

For 30 years I have been honoured to lead Atira, which has included advocating for new programs and building new housing. I have taken risks, with my Board's support, and I have embraced innovation. I am grateful for everything I have been able to do, for everyone I have met, including all of the passionate, dedicated people who work at Atira, past and present, and for everyone who has supported me personally, and supported Atira. I especially want to acknowledge all of the skilled and hardworking accounting staff at Atira, and the administration staff, who are the backbone of non-profit organizations and who rarely receive the recognition they deserve.

And I appreciate BDO. The people we worked with during this now four-year-old review were respectful and helpful, and their recommendations for the most part, made sense. Because of their review (and because we now have a reasonably robust accounting department led by an amazing group of women), we have confidence in our financial information.

I am also grateful to BC Housing, an organization that has historically been nimble and innovative and where I have worked with so many incredible, dedicated individuals who are focused on supporting non-profits and on delivering critical services and housing to individuals who need it most. It is unfortunate a former Executive, who used his power and position while at BC Housing to attack women, has managed to create a distraction, yet again, from the important issues facing our communities.

On a final note, a review that was initially meant to last a few months and cost \$40-60K, lasted almost 15 months and cost more than \$200K. While there is no question BDO's initial report was useful in that it offered ways both Atira and BC Housing could improve our financial and reporting processes, and our relationship, the additional \$150K and months of wasted time would have been much better spent on building homes.

We had hoped to publish a copy of the final BDO review here, but were unable to get consent from all three parties to the engagement. If that changes, we will make the final review report public.