

## Statement of Work for Management Consulting Services

This Statement of Work no. **LAO-2012-10-15** made in duplicate and effective **Tuesday, October 16, 2012**.

**RMI Group (Canada) Inc.** (the "Vendor") and **Legal Aid Ontario** (the "Client") enter into this Statement of Work pursuant to the Master Agreement for Management Consulting Services made as of September 15, 2011 between the Vendor and Her Majesty the Queen in Right of Ontario as represented by the Minister of Government Services (such Master Agreement, as from time to time amended, is referred to as the "Master Agreement").

In consideration of their respective agreements set out below, the parties agree as follows:

1. **Structure** - The terms and conditions of the Master Agreement are hereby incorporated by reference in this Statement of Work to the same effect as if fully set out in this Statement of Work. This document and the Master Agreement together comprise a separate Statement of Work between the Vendor and the Client. All capitalized terms used in this Statement of Work without definition have the meanings ascribed to them in the Master Agreement. In the event of any conflict or inconsistency between any term or provision of this Statement of Work and any term or provision of the Master Agreement, the terms and provisions of the Master Agreement shall govern.
2. **Statement of Work** - The Vendor agrees to provide to the Client, and the Client agrees to acquire from the Vendor, the Services and Deliverables described in this Statement of Work upon and subject to the terms of this Statement of Work.
3. **Maximum Price:** C\$71,681.55
4. **Project Start Date:** Tuesday, October 23, 2012
5. **Project End Date:** Thursday, January 31, 2013
6. **Scope of Services and Deliverables** - The Services and Deliverables to be provided by the Vendor under this Statement of Work include the following:

LAO wishes to know the costs and benefits associated with delivering duty counsel services using a staff model as opposed to private sector per diems. Which model is more cost-effective and under what conditions, such as, by type of service, geographic area, area of law, level of expertise/years of service, for instance. LAO also wishes to know in circumstances where clients could be served by either certificate or non-certificate services, which delivery mechanism is more cost-effective and under what conditions.

LAO wishes to have outcome-based performance measures and key performance indicators for these services.

### General

- Gain familiarity with the business processes associated with duty counsel and related services through review of existing documentation, through interviews with subject matter experts and through limited site visits (where appropriate)
- Analyse LAO data and incorporate variables such as location, type of law, type of service, level of expertise required, availability of that expertise, impacts of permanent staffing, etc. into analyses
- Determine what are ideal conditions for LAO to cost effectively provide its duty counsel and related services

- Include a detailed list of assumptions and risks associated with the conclusion

**Cost Benefit of Staff vs Per Diem Duty Counsel**

- Use staff and per diem duty counsel data from courts, FLICs and staff data from telephone SLA extracted from PeopleSoft from 2010/11 to the present, in order to perform a cost/benefit of staff versus private sector. Include delivery model options, i.e., what % staff, what % per diem and in what circumstances.

**Cost Benefit of Duty Counsel vs Certificates for Minor Criminal Charges**

- Use duty counsel and criminal certificate data, extracted from PeopleSoft from 2010/11 to the present, in order to perform cost/benefit of duty counsel versus certificate services for minor criminal charges

**Cost Benefit of Duty Counsel vs Certificates for Family Matters**

- Use duty counsel data and family certificate data, extracted from PeopleSoft from 2010/11 to the present, in order to perform cost/benefit of duty counsel versus certificate services for family matters

**Cost Benefit of Staff vs Certificate for Family Matters**

- Use data from Legal Files and from PeopleSoft from 2010/11 to the present in order to analyse the cost-benefit of FLSCs and FLOs services versus comparable certificate services.

**Performance Measures**

- Recommend outcome based performance measures, key performance indicators for these services
- Recommend industry best practice for monitoring performance.

7. **Ownership and Licences** – Attachment E (Client Ownership Provisions) of the Master Agreement will apply to the Statement of Work.

8. **Names and Roles of Vendor's Personnel:**

Individual's Legal Name	Individual's Role and Experience Level	Service Category
[REDACTED]	[REDACTED]	#1 - Business Metrics
[REDACTED]	[REDACTED]	#1 - Business Metrics

9. **Invoices** - Invoices for payment of any charges under this Statement of Work shall be sent to:

Legal Aid Ontario  
 40 Dundas Street West, Suite 200  
 Toronto, Ontario M5G 2H1  
 Att: Shelagh Northey  
 Manager, Internal Audit

10. **Pricing Terms** – The terms and conditions set out in Schedule 1 to this Statement of Work shall apply.

**Defence Obligations:** The Vendor shall adhere to the defence obligations as described in section 31.6

of the Master Agreement in respect of indemnities under the Statement of Work.

**Confidentiality:** *The Legal Aid Services Act, 1998 (LASA)* is the Act which provides the legal framework of LAO. All Activities have been described in accordance with the Act. Any interpretation of the Act is the responsibility of LAO.

The Vendor must understand and comply with the confidentiality provisions and solicitor/client privilege, as set out in *LASA* ss. 89, 90 and 93. The Act is available at <http://www.attorneygeneral.ontario.ca/english/legis/>, select e-laws-statutes and regulations, statutes and associated regulations.

The Vendor shall not disclose or publish at any time, any of the information provided to it by LAO or any of the information obtained, conceived of, originated, discovered or developed in the course of the performance of the Vendor's duties and obligations under this Agreement without the prior written consent of LAO Representative. The Vendor acknowledges that LAO may suffer substantial and irreparable harm if this clause is breached. Any breach of this provision shall entitle LAO to immediately terminate the agreement and pursue the Vendor for damages.

Except with respect to information to which ss.89, 90 and 93 of *LASA* apply, it is hereby agreed that the following information is not considered to be confidential under this Agreement:

- a. Information already in the public domain;
- b. Information disclosed to Vendor by a third party who is not under a confidentiality obligation;
- c. Information developed by or in the custody of Vendor before entering into this Agreement;

It is hereby agreed that the following information is not considered to be confidential under this Agreement:

- a. Information developed by Vendor through its work with other clients; and
- b. Information required to be disclosed by law or regulation, including, but not limited to, subpoena, court order or administrative order.

The Vendor agrees not to contact any individual to whom personal information relates, directly or indirectly, without the prior written authority of LAO.

The Vendor shall ensure that no personal information will be used or disclosed in a form in which the individual to whom it relates can be identified without the prior written authority of LAO.

Vendor hereby acknowledges that unauthorised disclosure or use of Information could cause irreparable harm and significant injury to LAO that may be difficult to ascertain. Accordingly, Vendor agrees that LAO will have the right to seek and obtain immediate injunctive relief to enforce obligations under this agreement in addition to any other rights and remedies it may have.

11. **Communications and Reporting** –The Vendor shall provide weekly progress reports to the Project Lead and may be required to communicate more frequently via email and telephone. These updates should address progress to date, challenges, options, and deadlines. The Vendor shall provide approximately three progress briefings to the steering committee through the course of the project. The Vendor shall provide a high quality final report, in paper and electronic format, which will be presented to senior management along with a summary PowerPoint slide presentation. Prior to submitting the final report, the Vendor shall provide LAO with a draft of the final report for review and comment by LAO.
12. **Destruction of Information** - The Vendor shall destroy upon the conclusion of the contract all the information identifying individuals contained on any media which is in their

possession which is not returned to LAO. The Client may choose to witness this destruction. The Vendor shall provide a certificate of destruction to the Client, if requested to do so by the Client.

13. **Client Representative and Receipt of Notices**

Client's address for receipt of notices:  
Manager, Internal Audit  
Legal Aid Ontario  
40 Dundas Street West, Suite 200  
Toronto, Ontario M5G 2H1

Client Representative: **Shelagh Northey**  
Telephone number: **416-979-2352 x5118**  
Fax number for receipt of notices:

Backup Client Representative: **Lee David**  
Telephone number: **416-979-2352 x5386**  
Fax number for receipt of notices:

IN WITNESS WHEREOF the parties hereto have executed this Statement of Work as of the date first above written.

**Legal Aid Ontario**

Per:

Signature



Name: Sue McCaffrey

Title: Vice President and  
General Counsel

Pursuant to delegated authority.

**RMI Group (Canada) Inc.**

Per:

Signature



Name:

Title: Partner

I have authority to bind the Vendor.

## SCHEDULE 1 TO STATEMENT OF WORK

Unless expressly indicated in this Schedule 1 that a particular section or part thereof replaces a provision in the Master Agreement, the terms of the Master Agreement are supplemented by this Schedule 1 for the purposes of the Statement of Work.

### Article A - Definitions

A.1 **Additional Definitions** - In addition to the definitions set out in the Master Agreement, these words and expressions have these meaning in the Statement of Work:

**"Fixed Price"** means, in respect of particular Services performed and/or particular Deliverables provided and subject to Article 13 (Limits on Charges under Statements of Work) of the Master Agreement and Article C (Limits on Charges under Statements of Work (Supplementary)) of this Schedule 1, the amount set out in the Statement of Work which the Vendor may charge for particular Services performed and/or particular Deliverables provided, which amount is fixed and not subject to change unless otherwise agreed to in a Change Order. For certainty, the "Fixed Price", as it relates to the particular Services performed and/or Deliverables provided, includes all labour and material costs, insurance costs, carriage and transportation costs, and other overhead, including any fees or other charges required by law; but excludes: (i) all applicable duties and taxes (including Harmonized Sales Tax (HST)); (ii) all travel and accommodation expenses; and (iii) amounts that are charged on a Per Diem Rate basis.

**"Per Diem Rate"** means, in respect of a Role in a Statement of Work and subject to Article 13 (Limits on Charges under Statements of Work) of the Master Agreement and Article C (Limits on Charges under Statements of Work (Supplementary)) of this Schedule 1, an amount set out in the Statement of Work, which the Vendor may charge for services performed by an individual in a Role on one calendar day, which includes all labour and material costs, insurance costs, carriage and transportation costs, and other overhead, including any fees or other charges required by law; but excludes: (i) all applicable duties and taxes (including Harmonized Sales Tax (HST)); and (ii) all travel and accommodation expenses.

A.2 **Revised Definition** - The definition of "Maximum Price" set out in Section 1.1 of the Master Agreement is replaced by the definition in this Section A.2, which further clarifies the amounts that are included in the calculation of the "Maximum Price":

**"Maximum Price"** means the maximum total amount, in Canadian funds, as set out in the Statement of Work, that the Vendor may charge the Client under that Statement of Work, including:

- (a) all Fixed Price amounts;
- (b) all amounts for Work performed on a Per Diem Rate basis;
- (c) all applicable duties and taxes (including Harmonized Sales Tax (HST)); and
- (d) all travel and accommodation expenses.

### ARTICLE B CHANGE ORDERS

B.1 **Changes to Milestones** - If there is any change to the ability of the Vendor to meet an applicable milestone set out in the Statement of Work, the Vendor shall promptly notify the Client. Any changes to the applicable milestone set out in the Statement of Work and

any terms and conditions of the Statement of Work resulting from the change must be effected by a Change Order.

**B.2 Pricing for Requested Changes –**

- (a) *Changes Impacting Fixed Price* - Where the change request results in an increase or a reduction to a Fixed Price, the Client and the Vendor shall negotiate: (i) the amount of the additional charge or reduction to the Fixed Price resulting from the change request, if applicable; and (ii) the change to the Maximum Price under that Statement of Work resulting from the change request, if applicable. The increase or decrease to the Fixed Price and/or Maximum Price shall be set out in the Change Order.

Where the Client and the Vendor are unable to agree to a fixed amount of the increase to a Fixed Price resulting from a change request, the Vendor agrees that, at the Client's option, the Client may require that the Work be performed by the Vendor under the change request on a Per Diem Rate basis in accordance with subsection B.2(b) (Per Diem Rate for Change Requests) of this Schedule 1.

- (b) *Per Diem Rate for Change Requests* –Where a Per Diem Rate stated in the Statement of Work applies to a Role (at the same experience level) contemplated in the change request, the Per Diem Rate applicable to the change request shall be the Per Diem Rate for that Role as set out in the Statement of Work, or any lesser Per Diem Rate agreed to by the Client and the Vendor. Where Per Diem Rates stated in the Statement of Work do not apply to a Role (at the same experience level) contemplated in the change request, the Per Diem Rate for each individual in such Role may be negotiated between the Client and the Vendor within a reasonable period of time, provided that the Per Diem Rate complies with the provisions of this Master Agreement.
- (c) *Changes Impacting Work Done on a Per Diem Rate Basis* - Where the change request results in a change impacting Work being done on a Per Diem Rate basis, the Client and the Vendor shall negotiate the change to the Maximum Price under the Statement of Work resulting from the change request. Where the change request results in the addition of a Role, the Per Diem Rate for that Role shall be determined in accordance with subsection B.2(b) (Per Diem Rate for Change Requests) of this Schedule 1.

**B.3 Change Orders** – In addition to the information required for each Change Order as set out in Section 11.2 of the Master Agreement, each Change Order must also contain:

- (a) any new Fixed Price, if applicable; and
- (h) the Per Diem Rate for each additional Role, if applicable.

**ARTICLE C. LIMITS ON CHARGES UNDER STATEMENTS OF WORK (SUPPLEMENT)**

- C.1 Charges on a Fixed Price Basis** - If the Statement of Work specifies a charge on a Fixed Price basis, the Vendor shall not charge more than the Fixed Price, even if the Work requires additional time to complete that would otherwise have brought the cost to the Client to an amount in excess of the Fixed Price specified in the Statement of Work. Any amount charged in excess of the Fixed Price shall be deemed to be an overpayment.

The Client shall pay such portion of the Fixed Price in accordance with the payment schedule set out in the Statement of Work.

- C.2 Charges on a Per Diem Rate Basis** – If the Statement of Work specifies a charge on a Per Diem Rate basis, the following shall apply to that portion of the Statement of Work that is charged on a Per Diem Rate basis:

(a) *Charges for Services Performed During One Day* - The Vendor shall not be paid more than the applicable Per Diem Rate for Services performed by an individual in a Role on one calendar day.

The Vendor shall invoice the Client for the actual number of hours worked in one calendar day where the Services performed by the individual under a Statement of Work totals less than 7.25 hours in a Role for a calendar day. The Vendor shall invoice the Client for no more than the applicable Per Diem Rate where an individual in a Role has performed Services totalling 7.25 hours or more in one calendar day. For example, if an individual works 8 hours in a Role on one calendar day, the Vendor shall not be paid overtime for the time worked in excess of 7.25 hours. If an individual works less than 7.25 hours in a Role on a calendar day, the Vendor's charge for the individual's Services in that Role on that calendar day shall be pro-rated against the applicable Per Diem Rate. For example, if an individual works 6 hours in a Role on one calendar day, the applicable Per Diem Rate shall be pro-rated by dividing it by 7.25 and multiplying it by 6. Any amount paid in excess of the pro-rated amount is deemed to be an overpayment.

(b) *Per Diem Rates and Experience Levels* - Under a Statement of Work, the Per Diem Rate for a Role shall not increase as a result of an individual gaining experience in performing that Role under that Statement of Work. In respect of a Statement of Work, the experience level of each individual shall be deemed to be fixed for the Assignment Term upon entering into the Statement of Work.

(c) *Separate Timesheet* - The Vendor shall maintain a timesheet for the Work performed on a Per Diem Rate basis that is separate from the timesheet for Work performed on a Fixed Price basis.

C.3 **Survival** - The provisions of this Article shall survive the termination or expiry of this Master Agreement and of every Statement of Work.

#### **ARTICLE D. PAYMENT FOR PERFORMANCE**

D.1 **Billing and Payment Process** - The following process replaces the billing and payment process set out in Section 14.2 of the Master Agreement:

(a) the Vendor shall provide the Client with a billing statement in accordance with the payment schedule set out in the Statement of Work and that billing statement shall include:

- (i) the reference number assigned to the Statement of Work by the Client;
- (ii) a brief description of the Deliverables and Services provided for the period covered by the billing statement;
- (iii) the amount payable under the Statement of Work, and the amount of applicable taxes (such as HST), if payable by the Client, identified as separate items;
- (iv) a brief description of the event giving rise to the amount payable (such as, for example, identifying the particular milestone that was successfully completed); and
- (v) any travel and accommodation expenses, identified as separate items, that are pre-approved in accordance with Section 13.2 (Travel, Meal and

Accommodation Expenses) of the Master Agreement;

- (b) if the Statement of Work also specifies particular charges on a Per Diem Rate basis, the Vendor shall also provide the Client with a monthly billing statement that applies to charges on a Per Diem Rate basis no later than ten (10) Business Days after the end of each month and that billing statement shall include:
  - (i) the reference number assigned to the Statement of Work by the Client;
  - (ii) a brief description of the Services provided on a Per Diem Rate basis for the relevant month;
  - (iii) the Per Diem Rate applicable to each Role, and the amount of applicable taxes (such as HST), if payable by the Client, identified as separate items;
  - (iv) the total billable time worked by each individual in each Role; and
  - (v) any travel and accommodation expenses, identified as separate items, that are pre-approved in accordance with Section 13.2 (Travel, Meal and Accommodation Expenses) of the Master Agreement;
- (c) the Client shall approve or reject each billing statement within fifteen (15) Business Days of its receipt. If the Client rejects the billing statement, it shall so advise the Vendor promptly in writing and the Vendor shall provide additional information as required by the Client to substantiate the billing statement; and
- (d) each billing statement is subject to approval of the Client before any payment is released. Payment shall be made within thirty (30) Business Days of such approval.

D.2 **Survival** - The provisions of this Article shall survive the termination or expiry of this Master Agreement and of every Statement of Work.