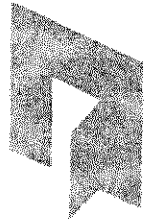


Toronto Community
Housing Corporation
931 Yonge Street
Toronto, ON
M4W 2H2

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Toronto
Community
Housing

March 16, 2011

Frances Pritchard
Manager, Community Councils & Committees
City Clerk's Office
City of Toronto
100 Queen Street West
Toronto ON, M5H 2N2

Dear Ms. Pritchard:

Re: Audit Committee

As requested, we enclose the City of Toronto Auditor General's Reports (together with management's response) presented to the Toronto Community Housing Corporation Board of Directors meeting on March 3, 2011.

At its meeting on March 3, 2011, the Board of Directors of Toronto Community Housing Corporation unanimously resolved to:

- 1) thank the Auditor General for his and staff's clear and concise report;
- 2) receive the reports of the Auditor General dated December 7, 2010;
- 3) record its complete agreement with the management response and all the 41 Recommendations of the Auditor General;
- 4) instruct staff to provide the Auditor General the incomplete and or missing information noted in the reports;
- 5) include a status report on the implementation of these recommendations as part of its quarterly performance;
- 6) instruct staff to prepare reports for presentation to the Audit Committee of Toronto City Council, detailing
 - a. all inappropriate employee expenses, mitigation and recovery efforts and internal control measures instituted to strengthen controls and ensure complete cessation of such activities; and

- b. all significant inappropriate procurement activities, measures instituted to ensure compliance with Procurement Policy and Procedures resulting in not only value for money but also accountability and transparency.

I would be pleased to attend an upcoming meeting of the City's Audit Committee to answer questions on the Auditor General's reports and management's response.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Keiko Nakamura', written in a cursive style.

Keiko Nakamura
Chief Executive Officer
Toronto Community Housing