

MEMORANDUM OF UNDERSTANDING

Between

Minister of Education

– and –

Chair, Ontario Educational Communications Authority

2015

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Purpose

- a. The purpose of this Memorandum of Understanding (MOU) is to:
 - Set out the accountability relationships between the Minister of Education and the Chair of the Ontario Educational Communications Authority (also known as TVO) on behalf of the Agency.
 - Clarify the roles and responsibilities of the Minister, the Chair, the Deputy Minister, the Agency Chief Executive Officer, and the Agency's Board of Directors.
 - Set out the expectations for the operational, administrative, financial, staffing, auditing, and reporting arrangements between the Ontario Educational Communications Authority and the Ministry of Education.
- b. This MOU should be read together with the *Ontario Educational Communications Authority Act, R.S.O. 1990, c. O.12*. This MOU does not affect, modify, or limit the powers of the Agency as set out in the *Ontario Educational Communications Authority Act, R.S.O. 1990, c. O.12* or interfere with the responsibilities of any of its parties as established by law. In case of a conflict between this MOU and any act or regulation, the act or regulation prevails.

1. Definitions

In this MOU:

- a. "AAD" means the Treasury Board/Management Board of Cabinet *Agencies and Appointments Directive*
- b. "Act" means the *Ontario Educational Communications Authority Act, R.S.O. 1990, c. O.12* that governs the Agency
- c. "Agency" means the Ontario Educational Communications Authority (OECA), also known as TVO
- d. "Appointee" means a member appointed to the Agency by the Lieutenant Governor in Council, but does not mean an individual employed/appointed by the Agency as staff
- e. "Board" means the Board of Directors of the Ontario Educational Communications Authority
- f. "Chair" means the Chair of the Ontario Educational Communications Authority

- g. "CEO" means the Chief Executive Officer of the Agency
- h. "Constituting instrument" means the *Ontario Educational Communications Authority Act*, that established the Agency
- i. "Deputy Minister" means the Deputy Minister of Education
- j. "MBC" means Management Board of Cabinet
- k. "Minister" means Minister of Education
- l. "Ministry" means Ministry of Education
- m. "PSOA" means the *Public Service of Ontario Act*, 2006, S.O. 2006, c. 35, Sched. A.
- n. "Significant Donation" means gifts received by TVO in an amount equal to or greater than \$100,000.
- o. "TB" means Treasury Board.

2. Agency's Legal Authority and Mandate

- a. The legal authority of the Ontario Educational Communications Authority is set out in the *Act*, and in O. Reg. 392/02, Distance Education Programs, made pursuant to the *Act*.
- b. The Ontario Educational Communications Authority is a corporation without share capital and has the capacity, rights, powers, and privileges of a natural person for purpose of carrying out its objects, subject to the limitations contained in the *Act*.
- c. In particular, the Agency may enter into agreements or contracts concerning the broadcasting, production, and distribution of educational programs, and any other arrangements that it considers necessary for the purposes of carrying out the objects which are contained in the *Act*.
- d. The Ontario Educational Communications Authority is a licensed television broadcaster under the *Broadcasting Act*, S.C. 1991, c. 11, as amended.
- e. The Ontario Educational Communications Authority also exercises powers and authority under the Direction to the Canadian Radio-television Communications Authority (CRTC) in Order-in-Council P.C. 1985-2108, as amended.
- f. The mandate of the Ontario Educational Communications Authority is set out in the *Act*. The mission of the Agency is to be the province's English language public educational media organization and a trusted source of interactive educational content that informs, inspires, and stimulates curiosity and thought, empowering Ontarians to be engaged citizens of Ontario through educational media.

- g. The Agency operates the Independent Learning Centre to deliver distance education programming to students of all ages to support their lifelong learning in both English and French through a range of flexible, high-quality programs, including credit courses that can be used to obtain the Ontario Secondary School Diploma. Lifelong learning is understood as the continuous development of skills, knowledge, and understanding that are essential for employability and personal development.

3. Crown Agent Status

- a. The Ontario Educational Communications Authority is a Crown Agency within the meaning of the *Crown Agency Act*.

4. Agency Classification

- a. The Agency is classified as an Operational Enterprise agency under the AAD.
- b. The Agency is a public body under the *Public Service of Ontario Act (PSOA)*, 2006, Ontario Regulation 146/10.

5. Guiding Principles

The parties agree to the following principles:

- a. The Minister acknowledges that the Agency exercises powers and performs duties in accordance with its mandate.
- b. The Minister acknowledges that the Agency plays a meaningful role in the development of the policies and programs of the government, as well as in the implementation of those policies and delivery of programs.
- c. The Minister will at all times recognize and respect the regulatory requirement of the CTRC that the Agency be independent to the extent required by the Direction to the CRTC for broadcasting purposes (Order-in-Council P.C. 1985-2108), as amended.
- d. Notwithstanding sections 10.1 a, b, and c, these matters will, at all times, recognize and respect the programming, editorial, and journalistic independence of TVO. No requirement under this MOU will result in the abrogation of that independence.
- e. The Agency will comply with the *Education Act* as it applies to the operation of the Independent Learning Centre.

- f. The Board acknowledges that accountability is a fundamental principle to be observed in the management, administration, and operations of the Agency. The Board acknowledges that they are accountable to the Minister, through the Chair, for governance and oversight of the Agency.
- g. As an agency of the government, the Agency conducts itself according to the management principles of the Government of Ontario. These principles include ethical behaviour; prudent, efficient, and lawful use of public resources; fairness; high quality service to the public; and openness and transparency to the extent allowed under law.
- h. The Agency and the Ministry agree to avoid duplication of services wherever possible.

6. Accountability Relationships

6.1 Minister

The Minister is accountable:

- a. to Cabinet and the Legislative Assembly for reporting and responding to the Legislative Assembly on the affairs of the Agency.
- b. for attesting, reporting, and responding to Treasury Board/Management Board of Cabinet on the Agency's performance and compliance with government's applicable directives and operational policies.
- c. to the Cabinet for the performance of the Agency and its compliance with the government's operational policies and broad policy directions.
- d. for receiving and ensuring that the Agency's annual report is made available to the public after tabling it in the Legislative Assembly.

6.2 Chair

The Chair is accountable:

- a. to the Minister for the performance of the Agency in fulfilling its mandate, and for carrying out the roles and responsibilities assigned to the Chair pursuant to the *Ontario Educational Communications Authority Act*, this MOU, and applicable TB/MBC, Public Service Commission, and Ministry of Finance directives.
- b. for reporting to the Minister, as requested, on the Agency's activities.

- c. for ensuring timely communications with the Minister regarding any issue that affects, or can reasonably be expected to affect, the Minister's responsibilities for the Agency.

6.3 Board of Directors

- a. The Board is accountable to the Minister, through the Chair, for the oversight and governance of the Agency, setting goals, objectives, and strategic direction for the Agency within its mandate, and for carrying out the roles and responsibilities assigned to it by the *Ontario Educational Communications Authority Act, R.S.O. 1990*, applicable TB/MBC, Public Service Commission, and Ministry of Finance directives, and this MOU.

6.4 Deputy Minister

- a. The Deputy Minister is accountable to the Secretary of the Cabinet and the Minister for the performance of the Ministry in providing administrative and organizational support to the Agency and for carrying out the roles and responsibilities assigned by the Minister, the *Act*, applicable TB/MBC and Ministry of Finance directives, and this MOU.

6.5 Agency Chief Executive Officer (CEO)

- a. The CEO is accountable to the Board, through the Chair, for the management of the Agency's operations and staff. The CEO works under the direction of the Chair to implement policy and operational decisions. The CEO reports the Agency's performance results to the Board, through the Chair.
- b. The Agency's staff report to and are accountable to the CEO for their performance.

7. Conflict of Interest

- a. The Chair is responsible for ensuring that appointees and staff of the Agency are informed of the ethical rules to which they are subject, including the rules on conflict of interest, political activity, and protected disclosure of wrongdoing that apply to the Agency.

8. Roles and Responsibilities

8.1 Minister

The Minister is accountable to Cabinet and to the Legislative Assembly for:

- a. Reporting and responding to the Legislative Assembly on the affairs of the Agency

- b. Attesting, reporting, and responding to TB/MBC on the Agency's performance, compliance with applicable TB/MBC directives, the government's operational policies, and policy directions
- c. Where required, recommending to Treasury Board/Management Board of Cabinet the merger, any change to the Agency's mandate, or dissolution of the Agency
- d. Recommending to TB/MBC the powers to be given to, or revoked from, the Agency when a change to the mandate of the Agency is being proposed
- e. Determining at any time the need for a review or audit of the Agency, and recommending to TB/MBC any changes to the governance or administration of the Agency resulting from any such review or audit
- f. When appropriate or necessary, taking action or directing that corrective action be taken with respect to the Agency's administration or operations
- g. Receiving the Agency's annual report and ensuring that the annual report is made available to the public after tabling it in the Legislative Assembly
- h. Informing the Chair of the government's priorities and broad policy directions for the Agency
- i. Consulting, as appropriate, with the Chair (and others) on significant new directions or when the government is considering regulatory or legislative changes for the Agency
- j. Recommending the Agency's MOU to TB/MBC for approval before it is signed by the parties
- k. Developing the Agency's MOU with the Chair and signing it into effect after it has been signed by the Chair
- l. Reviewing the advice or recommendation of the Chair on candidates for appointment or re-appointment to the Board
- m. Reviewing and approving the Agency's annual business plan
- n. Recommending to TB/MBC any provincial funding to be allocated to the Agency
- o. Directing the Chair to undertake reviews of the Agency on a periodic basis, and making recommendations to TB/MBC as may be required after such reviews are completed.

8.2 Chair

The Chair is responsible for:

- a. Providing leadership to the Agency
- b. Providing leadership to the Board and monitoring the Board's performance
- c. Ensuring the implementation of actions that support the goals, objectives, and strategic direction of the Agency
- d. Seeking strategic policy direction for the Agency from the Minister
- e. Ensuring timely communications with the Minister regarding any issues or events that may concern, or can reasonably be expected to concern, the Minister in the exercise of his/her responsibilities relating to the Agency
- f. Consulting with the Minister in advance regarding any activity which may have an impact on the government and ministry's policies, directives or procedures, or on the Agency's mandate, powers or responsibilities as set out in the *Act*
- g. Monitoring the performance of the Agency
- h. Reporting to the Minister as requested on the Agency's activities within agreed upon timelines
- i. Ensuring that the Agency operates within its approved budget allocation in fulfilling its mandate
- j. Developing the Agency's MOU with the Minister and signing it as authorized on behalf of the Board
- k. Reviewing and approving the Agency's business plan, budget, annual report, and financial reports and submitting them to the Minister in accordance with the timelines specified in the applicable TB/MBC and Ministry of Finance directives, and this MOU
- l. Providing both the Minister and the Minister of Finance with a copy of every audit report, a copy of the Agency's response to each report, and any recommendations in the report
- m. Advising the Minister annually on any outstanding audit recommendations

- n. Keeping the Minister informed of upcoming appointment vacancies on the Board and providing recommendations for appointments or re-appointments
- o. Evaluating the performance of the CEO in consultation with the Board and pursuant to performance criteria established by the Board and the Chair.
- p. Reviewing and approving claims for per diems and expenses of board members. This responsibility has been delegated to the Agency Chief Executive Officer.
- q. Ensuring that Board members are informed of their responsibilities under the PSOA with regard to the rules of ethical conduct (Part IV of the PSOA), including the political activity rules (Part V of the PSOA)
- r. Making sure that appropriate management systems are in place (financial, information technology, human resource) for the effective administration of the Agency
- s. Making sure that an appropriate framework is in place for Agency staff and appointees to receive adequate orientation and training
- t. Making sure that Agency staff and appointees are aware of and comply with applicable TB/MBC and Ministry of Finance directives
- u. Making sure a process for responding to and resolving complaints from the public and Agency clients is in place
- v. Carrying out effective public communications and relations for the Agency as its chief spokesperson
- w. Cooperating with any review or audit of the Agency directed by the Minister or TB/MBC
- x. Fulfilling the role of ethics executive for public servants who are government appointees to the Ontario Educational Communications Authority and promoting ethical conduct and ensuring that all members of the Agency are familiar with the ethical requirements of the PSOA, and the regulations and the directives made under the PSOA, including in respect of conflict of interest, political activity, and the protected disclosure of wrongdoing.

8.3 Board of Directors

The Board is responsible for:

- a. Setting the goals, objectives, and strategic directions for the Agency

within its mandate as defined by the *Ontario Educational Communications Authority Act*, government policies (as appropriate), and this MOU

- b. Directing the affairs of the Agency and setting overall priorities so as to fulfill its mandate
- c. Directing the development of, and approving, the Agency's business plans for submission to the Minister within the timelines agreed upon with the Ministry or this MOU
- d. Directing the preparation of, and approving, the Agency's annual report for submission to the Minister for tabling in the Legislative Assembly within the timelines established by the *Act*
- e. Making decisions consistent with the business plan approved for the Agency and ensuring that the Agency operates within its allocations
- f. Ensuring that the Agency manages its affairs in compliance with applicable TB/MBC directives
- g. Ensuring that the Agency uses public funds prudently and only for the business of the Agency based on the principle of value for money, and in compliance with applicable legislation and TB/MBC directives
- h. Ensuring that Agency funds are used with integrity, honesty, fairness, and effective controllership.
- i. Establishing such board committees or oversight mechanisms as may be required to advise the Board on effective management, governance, or accountability procedures for the Agency
- j. Approving the MOU for the Agency in a timely manner and authorizing the Chair to sign it on behalf of the Agency
- k. Approving the Agency's reports and reviews that may be requested by the Minister from time to time for submission to the Minister within agreed upon timelines
- l. Directing the development of an appropriate risk management framework and a risk management plan and arranging for risk-based reviews and audits of the Agency as needed
- m. Ensuring that conflict of interest rules that the Agency is required to follow, as set out in Ontario Regulation 381/07 (or as have been approved and published by the Conflict of Interest Commissioner), are in place for the members of the Board and employees of the Agency

- n. Establishing performance measures, targets, and management systems for monitoring and assessing the Agency's performance
- o. Directing corrective action on the functioning or operations of the Agency, if needed
- p. Cooperating with and sharing any relevant information on any risk-based or periodic review directed by the Minister or TB/MBC
- q. Consulting, as appropriate, with stakeholders on the Agency's goals, objectives, and strategic directions.
- r. Providing advice to the government, through the Minister, on issues within or affecting the Agency's mandate and operations.

8.4 Deputy Minister

The Deputy Minister is responsible for:

- a. Advising and assisting the Minister regarding the Minister's responsibilities for the Agency
- b. Advising the Minister on the requirements of the AAD and other directives that apply to the Agency
- c. Recommending to the Minister, as may be necessary, the evaluation or review, including a risk-based review, of the Ontario Educational Communications Authority or any of its programs, or changes to the management framework or operations of the Agency
- d. Facilitating regular briefings and consultations between the Chair and Minister, and between Ministry staff and Agency staff
- e. Attesting to Treasury Board/Management Board of Cabinet, as required, to the Agency's compliance with the mandatory accountability requirements set out in the AAD
- f. Ensuring that the Ministry and the Agency have the capacity and systems in place for on-going risk-based management, including appropriate oversight of the Agency
- g. Ensuring that the Agency has an appropriate risk management framework and a risk management plan in place for managing risks that the Agency may encounter in meeting its program or service delivery objectives
- h. Undertaking timely risk-based reviews of the Agency, its management or operations, as may be directed by the Minister or TB/MBC

- i. Establishing a framework for reviewing and assessing the Agency's business plans and other reports
- j. Supporting the Minister in reviewing the performance targets, measures, and results of the Agency
- k. Advising the Minister on documents submitted by the Agency to the Minister for review or approval, or both
- l. Submitting to the Minister, as part of the annual planning process, a risk assessment and management plan for each risk category
- m. Undertaking reviews of the Agency as may be directed by the Minister
- n. Cooperating with any review of the Agency as directed by the Minister or TB/MBC
- o. Monitoring the Agency on behalf of the Minister while respecting the Agency's authority, identifying needs for corrective action where warranted, and recommending to the Minister ways of resolving any issues that might arise from time to time
- p. Negotiating a draft MOU with the Chair of the Agency as directed by the Minister
- q. Consulting with the Agency's CEO or Chair, as needed, on matters of mutual importance including services provided by the Ministry and compliance with TB/MBC directives and ministry policies
- r. Working with the CEO, as needed, on matters of Agency operational importance.
- s. Meeting with the Chair as needed or as directed by the Minister
- t. Arranging for administrative, financial, and other support to the Agency as specified in this MOU
- u. Informing the Chair, in writing, of new government directives and any exceptions to or exemptions in whole or in part from TB/MBC directives or Ministry administrative policies
- v. When required, submitting a report to the secretaries of TB/MBC on the wind-down of the Agency, disposition of any assets, completion of any outstanding responsibilities by the Agency, and the termination of any appointments

8.5 Agency Chief Executive Officer

The Chief Executive Officer is responsible for:

- a. Managing the day-to-day operations of the Agency in accordance with the mandate of the Agency, TB/MBC and Ministry of Finance directives, accepted business and financial practices, and this MOU
- b. Advising the Chair on the requirements of, and compliance with, the AAD as well as other TB/MBC and Ministry of Finance directives and policies, and Agency by-laws and policies
- c. Applying policies and procedures so that public funds are used with integrity and honesty
- d. Providing leadership and management to the Agency staff, including financial resources management
- e. Establishing and applying a financial management framework for the Agency in accordance with applicable Minister of Finance controllership directives, policies, and guidelines
- f. Translating the goals, objectives, and strategic directions of the Board into operational plans and activities in accordance with the Agency's approved business plan
- g. Ensuring that the Agency has the oversight capacity and an effective oversight framework in place for monitoring its management and operations
- h. Ensuring that the Agency has the appropriate management systems in place (financial, information technology, human resource) for the effective administration of the Agency.
- i. Keeping the Board, through the Chair, informed about operational matters and with respect to the implementation of policy and the operations of the Agency
- j. Establishing systems to ensure that the Agency operates within its approved business plan
- k. Preparing annual reports and business plans for the Agency as directed by the Board
- l. Preparing financial reports for approval by the Board
- m. Preparing, for approval by the Board, a performance review system for staff and implementing the system

- n. Ensuring that an appropriate framework is in place for Agency staff and appointees to receive adequate orientation and training
- o. Ensuring that an appropriate process is in place for responding to and resolving complaints from the public and Agency clients is in place
- p. Ensuring that the Agency has an appropriate risk management framework and risk management plan in place as directed by the Board
- q. Supporting the Chair and Board in meeting their responsibilities
- r. Ensuring that Agency staff and appointees are aware of and comply with applicable TB/MBC and Ministry of Finance directives
- s. Carrying out in-year monitoring of the Agency's performance and reporting on results to the Board through the Chair
- t. Keeping the Ministry and the Chair advised on issues or events that may concern the Minister, the Deputy Minister, and the Chair in the exercise of their responsibilities
- u. Communicating regularly with the Deputy Minister on operational issues and matters of agency importance
- v. Seeking support and advice from the Ministry, as appropriate, on Agency management issues
- w. Establishing a system for the retention of Agency documents and for complying with the *Archives and Recordkeeping Act*
- x. Undertaking timely risk-based reviews of the Agency's management and operations
- y. Consulting with the Deputy Minister as needed, on matters of mutual importance, including services provided by the Ministry, and on TB/MBC and Ministry of Finance directives and Ministry policies
- z. Cooperating with a periodic review directed by the Minister or TB/MBC
- aa. Fulfilling the role of ethics executive for public servants, other than government appointees, who work in the Agency, and promoting ethical conduct and ensuring that all members of the Agency are familiar with the ethical requirements of the PSOA, and the regulations and directives made under the PSOA, including in respect of conflict of interest, political activity, and the protected disclosure of wrongdoing.

- bb. Supporting the Chair on the administrative requirements relating to the review and approval of claims for per diems and expenses of board members.

9. Reporting Requirements

9.1 Business Plan

The Chair will ensure that, within the timelines established by the Minister, the Minister is provided annually with the Agency's business plan covering the fiscal year and the two following fiscal years, which includes:

- i. The mandate, financial plans, and performance targets of the Agency for the fiscal year and a proposed business plan for the following two fiscal years.
 - ii. The strategic direction of the Agency.
 - iii. The resources needed to meet the Agency's goals and objectives.
 - iv. The Agency's proposed capital expenditures.
 - v. The Agency's proposed operating expenditures, projected revenues by source, and funding requirements.
 - vi. Any other information prescribed by the regulations
- a. The Chair is responsible for ensuring that the Agency's annual business plan meets the requirements of the *Agencies and Appointments Directive*.
 - b. The Chair will ensure that the business plan includes a risk assessment and risk management plan to assist the Ministry in developing its risk assessment and risk management plan information in accordance with the requirement of the *Agencies and Appointments Directive*, to assess risks, develop and maintain necessary records, and report to TB/MBC.
 - c. The Chair will ensure that the business plan includes a section disclosing Significant Donations received to date and a multi-year plan for Significant Donation expenditures in the next two years. The audited financial statements will present the Significant Donation information as referenced in section 12.1(k).
 - d. The Minister will review the Agency's annual business plan and will promptly advise the Chair whether or not he/she concurs with the directions proposed by the Agency. The Minister may advise the Chair where and in what manner the Agency's plans vary from government or ministry policy or priorities.

- e. The Chair is responsible for ensuring that the Agency's business plan includes a system of performance measures and reporting on the achievement of the objectives set out in the business plan. The system must include performance goals, how they will be achieved, and target results and time frames.
- f. In addition, TB/MBC may require the Minister to submit the Agency's business plan to TB/MBC for review at any time. The Business Plan submitted by the Minister will include the Minister's recommendation of approval to MBC.
- g. The Board, through the Chair, will inform the Minister of any changes in direction which may result in significant additions, deletions, or amendments to the approved Business Plan in sufficient time for the Minister to approve the activities before the Agency enters into binding financial or operational commitments.

9.2 Annual Report

- a. The Chair is responsible for ensuring that the Agency's annual report is submitted to the Minister for tabling in the Legislative Assembly. The Chair will submit the annual report to the Minister within 120 days of the Agency's fiscal year end.
- b. The Minister will, within 60 days of receiving the report, table the annual report in the Legislative Assembly if it is in session or, if it is not in session, file the report with the Clerk of the Assembly.

9.3 Other Reports

The Chair is responsible for:

- a. Ensuring that the reports and documents set out in Schedule 1 to this MOU are submitted for review and approval to the Minister in accordance with the prescribed timelines.
- b. At the request of the Minister, supplying specific data, other information, and any further reports that may be required from time to time for the purpose of ministry administration.

10. Communications

The parties to this MOU recognize that the timely exchange of information on the operations and administration of the Agency is essential for the Minister to meet his/her responsibilities for reporting and responding to the Legislative Assembly on the affairs of the Agency. The parties also recognize that it is essential for the Chair to be kept informed of the

government initiatives and broad policy directions that may affect the Agency's mandate and functions.

The parties, therefore, agree as follows:

- a. The Chair will keep the Minister advised, in a timely manner, of all planned events and issues that concern or can be reasonably expected to concern the Minister in the exercise of his/her responsibilities, with the exception of content matters, specifically related to programming or editorial choices or journalistic independence.
- b. The Minister will consult with the Chair, as appropriate, on broad government policy initiatives or legislation being considered by the government that may impact on the Agency's mandate or functions.
- c. The Minister and the Chair will consult with each other on public communications strategies and publications. They will keep each other informed of the results of stakeholder and other public consultations and discussions.
- d. The Minister and the Chair will meet at least annually, or as requested by either party, to discuss issues relating to the fulfillment of the Agency's mandate, management, and operations.
- e. The Deputy Minister and the CEO and/or Chair will stay in regular communication to discuss issues relating to the efficient operation of the Agency.
- f. This protocol will cover all aspects of communications by the Agency.

10.1 Public Communications Protocol on Contentious Issues

- a. For purposes of public communications on contentious issues, the Ministry and the Agency will appoint persons to serve as public communications leads. Notification of changes to personnel designated as leads will be made formally to the parties. For the Ministry, notification will be made by the Deputy Minister (or delegate). For the Agency, notification will be made by the Chief Executive Officer (or delegate).

The Ministry of Education lead is:

>Director, Communications Branch, (416) 325-2742

The Agency lead is:

>Director, Corporate Communications, (416) 484-2735

- b. A "contentious issue" is a matter that is, or may reasonably be expected to be, of concern to the Legislative Assembly or the public, or is likely to result in inquiries being directed to the Minister or Government.
Contentious issues may be raised by:

- Members of the Legislative Assembly
 - The public
 - Media
 - Stakeholders.
- c. For all contentious issues, the Agency lead will notify the Ministry lead immediately upon becoming aware of the issue, and will notify the Minister's Office simultaneously. The Ministry lead will also advise the Agency lead of contentious issues that require immediate attention. The Agency will provide all required background information on the issue to the Ministry lead.

11. Administrative Arrangements

11.1 Applicable Treasury Board/Management Board of Cabinet and Ministry of Finance Directives

- a. The Chair is responsible for ensuring that the Agency operates in accordance with all applicable TB/MBC, Public Service Commission, and Ministry of Finance directives, as well as applicable ministry financial and administrative policies and procedures. Appendix 1 to this MOU provides a list of applicable directives and policies.
- b. The Chair is responsible for ensuring that the legal, financial, and other interests of the government in intellectual property are protected in any contract that the Agency may enter into with a third party that involves the creation of intellectual property.

11.2 Records Management

- a. The Chair is responsible for ensuring that a system is in place for the creation, collection, maintenance, and disposal of records.
- b. The Board, through the Chair, is responsible for ensuring that the Agency complies with the *TB/MBC Management of Recorded Information Directive*.
- c. The Board, through the Chair, is responsible for ensuring that the Agency complies with the *Archives and Recordkeeping Act, 2006*, S.O. 2006, Chapter 34, Schedule A.

11.3 Client/Customer Service

The Chair will ensure that the Agency delivers its services at a quality standard that reflects the principles and requirements of the *OPS Service Directive*.

- a. The Agency has in place a formal process for responding to complaints about the quality of services received by clients of the Agency consistent with the government's service quality standards.
- b. The Agency's annual business plan will include performance measures and targets for client service and the Agency's response to complaints.

12. Financial Arrangements

12.1 Funding

- a. Minister will provide annual base funding and such other grants as determined by the Minister or Treasury Board to meet the Agency's mandate and appropriate to the delivery of programs or services, consistent with the Business Plan.
- b. The Agency is funded in part from the Consolidated Revenue Fund pursuant to an appropriation authorized by the Legislature.
- c. The Agency will not enter into financial obligations, including accommodation leases, which could increase its liability beyond that approved in the Business Plan, without approval of the Minister and subject to the provisions in the *Act*.
- d. The Agency will maintain in its own name one or more accounts in or more of the following:
 - i. a bank or authorized foreign bank within the meaning of section 2 of the *Bank Act (Canada)*
 - ii. a corporation registered under the *Loan and Trust Corporations Act*.
 - iii. a credit union, within the meaning of the *Credit Unions and Caisses Populaires Act, 1994*
 - iv. a retail association as defined under the *Cooperative Credit Associations Act (Canada)*.
- e. Financial and accounting procedures by the Agency will follow Generally Accepted Accounting Principles in a manner consistent with sound business practices.
- f. The Board, together with the CEO, will prepare estimates of the Agency's expenditures for inclusion in the ministry's Results Based Plan. The Chair will deliver these estimates to the Minister in sufficient time to be analyzed and approved by the Minister.
- g. The estimates provided by the Chair may, after appropriate consultation with the Chair, be altered as required.

- h. Financial procedures of the agency must be in accordance with TB/MBC and Ministry of Finance directives and guidelines and other applicable government direction.
- i. The Agency will provide financial information and advice to support the Minister as required.
- j. The Minister may take revenue received by the Agency from sources other than the Consolidated Revenue Fund into account when determining funding for the Agency. Revenues received must be used to support the mandate of the Agency.
- k. When ordered to do so by the Minister of Finance, pursuant to Section 16.4 of the *Financial Administration Act*, the Agency shall pay into the Consolidated Revenue Fund any money that the Minister of Finance determines is surplus to its requirements. However, Significant Donations which may result in surpluses will be excluded from the operation of this clause. These funds will be used for one-time projects which will not require Ministry funding in future years. These amounts will be tracked and accounted for in the audited Financial Statements. In addition, expenditure plans will be included in the business plan. The Ministry will review such one-time expenditures to ensure that they will not involve ongoing costs.
- l. Pursuant to Section 28 of the *Financial Administration Act*, the Agency will not enter into any financial arrangement or commitment, guarantee, indemnity, or similar transaction that may increase, directly or indirectly, the indebtedness or contingent liabilities of the Government of Ontario without the written approval of the Minister of Finance. The Minister's approval is required before seeking statutory approval from the Minister of Finance.

12.2 Financial Reports

- a. The Chair will provide to the Minister audited annual financial statements, and will include them as part of the Agency's annual report. The statements will be provided in a format that is in accordance with the province's stated accounting policies issued by the Office of the Provincial Controller.
- b. The Chair will provide, on instruction from the Minister of Finance, the agency's financial information for consolidation into the Public Accounts.
- c. The Agency will submit to the Ministry of Finance its salary information according to the *Public Sector Salary Disclosure Act*.

12.3 Taxation Status: Harmonized Sales Tax (HST)

The Agency receives a CVAT rebate under the *Comprehensive Integrated Tax Coordination Agreement*.

13. Audit and Review Arrangements

13.1 Audits

- a. The Board will appoint an auditor, licensed under the *Public Accounting Act, 2004*, to audit annually the accounts and financial transactions of the Agency and a report of the audit will be made to the Agency and to the Minister.
- b. In addition to the requirement for an annual audit, the Auditor General may, at any time, audit any aspect of the Agency's operations.
- c. Regardless of any annual external audit, the Minister may direct that the Agency be audited at any time.
- d. The Agency will promptly provide a copy of every report from an audit to the Minister and the Minister of Finance. The Agency will also provide a copy of its response to the audit report and any recommendations therein. The Agency will advise the Minister annually on any outstanding audit recommendations.
- e. The Chair may request an external audit of the financial transactions or management controls of the Agency at the Agency's expense.

14. Staffing and Appointments

14.1 Staffing

The Agency's employees are employed pursuant to subs.7 (4) of the *Act*. In addition, the Agency is permitted to retain such technical and professional consultants as it considers necessary for the conduct of the affairs of the Agency, at such remuneration and upon such terms as the Board approves.

14.2 Appointments

- a. The Board, including the Chair, is appointed by the Lieutenant Governor in Council pursuant to section 2 of the *Ontario Educational Communications Authority Act*.
- b. The CEO is appointed by the Lieutenant Governor in Council pursuant to section 7 of the *Ontario Educational Communications Authority Act*.

15. Liability Protection and Insurance

- a. No proceeding shall be commenced against the Crown as a result of any act or omission of the Agency, or any of its subsidiaries, or any act or omission of a director, officer, or employee of the Agency or any of its subsidiaries. This does not apply to a proceeding to enforce against the Crown its obligations under a written contract to which it is a party.

16. Effective Date and Duration and Periodic Review of the MOU

16.1 Effective Date of MOU

- a. This MOU becomes effective on the latest date that it is signed by one of the parties.
- b. This MOU will continue in effect unless it is replaced by a new MOU as a result of a significant change in the Agency's mandate, governance structure, or powers.
- c. If a new Minister or Chair takes office, the Minister and Chair must affirm by letter that the MOU will continue in force without a review; or alternatively, they may agree to revise it. A copy of the letter of affirmation between the Minister and Chair must be provided to the Secretary, Management Board of Cabinet within six months of the new party or parties' commencement.
- d. Without affecting the effective date of this MOU, either the Minister or Chair may initiate a review of this MOU by written request to the other.
- e. A full review of this MOU will be conducted not more than five years following the date it came into effect, or immediately in the event of a significant change to the Agency's mandate, powers, or governance structure as a result of an amendment to the *Ontario Educational Communications Authority Act*.

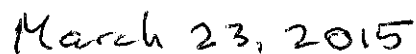
16.2 Reviews

- a. The Ontario Educational Communications Authority may be subject to a review at the discretion and direction of TB/MBC or the Minister. The review may cover such matters relating to the Agency that are determined by TB/MBC or the Minister, and may include the mandate, powers, governance structure, and/or operations of the Agency.
- b. The Minister will consult the Chair as appropriate during any such review.
- c. The Chair, Board, and CEO will cooperate in any review.

17. Signatures



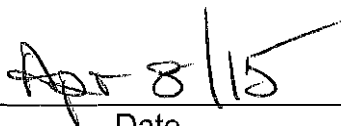
Chair
Ontario Educational Communications Authority



Date



Minister
Ministry of Education



Date

Appendix 1: Applicable TB/MBC and Ministry of Finance Directives

1. The following TB/MBC and Ministry of Finance directives, guidelines, and policies apply to the Agency. This list, while not exhaustive, identifies those directives that apply to the Agency and includes successor and amended directives. Applicability of new directives will be determined on a case-by-case basis.
 - Accountability Directive
 - Agencies and Appointments Directive
 - Cash Management Guideline
 - Government Publications Directive
 - Indemnification Directive
 - Internal Audit Directive
 - Internal Control Management Directive (excepting the reference to complying with other control policies)
 - Management of Recorded Information Directive
 - Managing, Distributing, and Pricing Government Information (Intellectual Property) Directive
 - Procurement Directive for Goods and Services, as applicable
 - Procurement Directive on Advertising, Media, and Public Relations and Creative Communications Services
 - Travel, Meal and Hospitality Expenses Directive
 - Visual Identity Directive
 - All other applicable directives and policies issued by the Ministry of Finance

2. The Ministry will inform the Agency of amendments or additions to directives, policies, and guidelines that apply to the Agency; however, the Agency is responsible for complying with all directives, policies, and guidelines to which it is subject.

Schedule 1: Summary of Agency Reporting Requirements

REPORT/ DOCUMENT	ROLE OF RESPONSIBLE OFFICIAL(S)	TIMING
Annual Audited Financial Statements (MOU 12.2)	CEO: Prepare as directed by the Board (MOU 8.5 k) Chair: Submit to Minister (MOU 8.2 k)	By such date as directed by needs of the Annual Report timelines and as may be required by the Minister of Finance
Annual Report (MOU 9.2)	CEO: Prepare as directed by the Board (MOU 8.5 j) Board: Direct preparation of and approve submission to Minister for tabling in the Legislative Assembly (MOU 8.3 d) Chair: Review, approve and submit to the Minister (MOU 8.2 k) Minister: Approve the annual report and ensure that the report is made available to the public after tabling in the Legislative Assembly (MOU 8.1 g)	Agency to submit Annual Report within 120 days after agency fiscal year end. (<i>Ontario Educational Communications Authority Act, R.S.O. 1990, c. O.12, 13 (1)</i>) Minister to table in Legislative Assembly within 60 days of receiving the Report. (<i>Ontario Educational Communications Authority Act, R.S.O. 1990, c. O.12, 13 (2)</i>)
Business Plan (MOU 9.1)	CEO: Prepare as directed by the Board (MOU 8.5 j) Board: Direct preparation of and approve for submission to Minister (MOU 8.3 c) Chair: Review, approve and submit to the Minister (MOU 8.2 k) Minister: Review and approve (MOU: 8.1 m; 9.1 c)	By such date as directed by Minister (<i>Ontario Educational Communications Authority Act, R.S.O. 1990, c. O.12, 11 (1)</i>), and as has been established as being annually in Q3 of each fiscal year
Risk Assessment Framework and Risk Management Plan (MOU 9.1 b)	CEO: Ensure that an appropriate risk management framework and risk management plan are in place as directed by the Board (MOU 8.5 m) Board: Direct the development of an appropriate risk management framework and risk management plan and arranging for risk-based reviews and audits as needed (MOU 8.3 l)	With Business Plan, by such date as directed by Minister (<i>Ontario Educational Communications Authority Act, R.S.O. 1990, c. O.12, 11 (1)</i>), and as has been established as being annually in Q3 of each fiscal year

REPORT/ DOCUMENT	ROLE OF RESPONSIBLE OFFICIAL(S)	TIMING
Agency Risk Assessment Reporting Tool	Chair: Review, approve, and submit to the Minister	As directed by the Minister and as has been established, annually in Q2
>Results-Based Plan (RBP) >Estimates or equivalent (MOU 12.1 f)	CEO: Prepare as directed by the Board (MOU 8.5 k) Chair: Submit to Minister for inclusion in Ministry's RBP (MOU 8.2. k)	Annually on a date as required by the Ministry
Budget and Financial Reports	CEO: Prepare financial reports for approval by Board (MOU 8.5 k) Chair: Review, approve, and submit budget and financial reports to Minister (MOU, 8.2 k)	In accordance with applicable TB/MBC and Ministry of Finance directives and/or as required by the Ministry
Audit Report (MOU 13)	Chair: Submit a copy of every audit report to the Minister and Minister of Finance, with a copy of agency's response, and any recommendations in the Report (MOU 8.2 l)	At least annually and each time the Agency is audited
Salary Disclosure Information	Agency: Submit to Minister of Finance (MOU 12.2 c)	As required by <i>Public Sector Salary Disclosure Act</i>