

# 1.0 Purpose of the Memorandum of Understanding

The purpose of this Memorandum of Understanding is to:

- a. Establish the accountability relationships between the Minister and the Agency through its Chair.
- b. Clarify the roles and responsibilities of the Minister, the Chair and the Deputy Minister.
- c. Set out the expectations for the operational, administrative, financial, auditing and reporting arrangements between the Ministry and the Agency.

This MOU should be read in conjunction with the *Ontario College of Trades and Apprenticeship Act 2009*, SO. 2009, c.22, as amended, and the *Agency Establishment and Accountability Directive*, January 2010, to determine how the Agency should govern itself.

This MOU does not affect, modify or limit the powers of the Agency as set out in the Act or interfere with the responsibilities of its parties as established by law. In case of a conflict of interest between this MOU and any act or regulation, the act or regulation prevails.

### 2.0 Definitions

In this MOU:

- "Act" means the *Ontario College of Trades and Apprenticeship Act, 2009*, SO. 2009, c.22, as amended
- "AEAD" means the Treasury Board/Management Board of Cabinet Agency Establishment and Accountability Directive
- "Agency" means the College of Trades Appointments Council
- "Annual Business Plan" means the Annual Business Plan of the Agency developed by the Agency, under the Treasury Board/Management Board of Cabinet Agency Establishment and Accountability Directive. The Annual Business Plan is more particularly described in section 9.0 of this MOU
- "Annual Report" means the Annual Report of the affairs of the Agency prepared by the Agency under the Treasury Board/Management Board of Cabinet Agency Establishment and Accountability Directive. The Annual Report is more particularly described in section 9.0 of this MOU

- "Appointee" means a member of the Agency appointed by the Lieutenant Governor in Council
- "Chair" means the chair of the Agency
- "College" means the College of Trades
- "Deputy Minister" means the Deputy Minister of Training, Colleges and Universities
- "MBC" means Management Board of Cabinet
- "Minister" means the Minister of Training, Colleges and Universities
- "Ministry" means the Ministry of Training, Colleges and Universities
- "MOU" means this Memorandum of Understanding
- "PSOA" means the *Public Service of Ontario Act, 2006*, S.O. 2006, c. 35, as amended
- "TB" means Treasury Board

## 3.0 Legal Authority and Mandate

The legal authority of the Agency is set out in the Act.

The mandate of the Agency is to:

- a. Appoint individuals to the College's board of governors, divisional committees, trade boards and a roster of adjudicators for review panels.
- b. Perform such other duties as may be assigned to it from time to time by the Lieutenant Governor in Council.

# 4.0 Agency Classification

The Agency is classified as an operational service agency under the AEAD, and is subject to and shall comply with applicable MBC directives as set out in Appendix 1 to this MOU.

## 5.0 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 legal mandate.
- b. The Minister acknowledges that the Agency plays a meaningful role in the delivery of the relevant policies and programs of government.
- c. The Chair acknowledges that accountability is a fundamental principle to be observed in the management, administration and operations of the Agency.
- d. As an agency of the government, the Agency will conduct 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.
- e. The Agency and the Ministry agree to avoid duplication of services wherever possible.
- f. The Agency shall comply with any government or Ministry policies where the Minister or Deputy Minister determines that the policy appropriately applies to the Agency and so advises the Agency in writing, appending a copy of the policy.

# 6.0 Accountability Relationships

#### 6.1 The Minister

The Minister is accountable to the Legislature for the performance of the Agency in the fulfillment of its mandate and compliance with applicable government administrative policies. For these purposes the Minister reports and responds to the Legislative Assembly on the affairs of the Agency.

The Minister is accountable to the Cabinet for the performance of the Agency and its compliance with government operational policies, directives and broad policy directions.

# 6.2 The Deputy Minister

The Deputy Minister is accountable to the Minister for the performance of the Ministry in respect of this MOU and for carrying out the roles and responsibilities assigned to him or her by the Minister and by applicable TB, MBC and Ministry of Finance directives.

#### 6.3 The Chair

The Chair, on behalf of the Agency, is accountable to the Minister for the performance of the Agency in fulfilling its mandate and in carrying out the roles and responsibilities assigned to it by the Act, this MOU, and applicable TB/MBC and Ministry of Finance Directives.

#### 7.0 Conflict of Interest

The Agency may choose to follow the conflict of interest rules for ministries which are contained in Ontario Regulation 381/07 under the PSOA, or the Agency may develop its own conflict of interest rules that are at least equivalent to those of the ministries, and have them approved by the Conflict of Interest Commissioner. In the event that the Agency does not develop its own conflict of interest rules that are approved by the Commissioner, the conflict of interest rules for ministries which are contained in Ontario Regulation 381/07 under the PSOA will apply to the Agency's Appointees. In either event, the Chair is responsible for ensuring that the Appointees of the Agency are informed of the conflict of interest rules, including the rules on political activities that govern the organization.

At a minimum, an Appointee shall not attempt to use his or her appointment to the Agency to directly or indirectly benefit himself or herself. When performing his or her duties to the Agency, an Appointee shall not give preferential treatment to any family member or friend, and shall avoid creating any appearance of preferential treatment. A former Appointee shall not seek preferential treatment by, or privileged access to, the Appointees of the Agency.

### 8.0 Roles and Responsibilities

# 8.1 The Minister is responsible for:

- Reporting and responding to the Legislature on the affairs of the Agency.
- Reporting and responding to Cabinet on the Agency's performance and compliance with the government's operational policies and policy directions.
- c. Receiving the Agency's Annual Report and tabling it with the Legislative Assembly within 60 days of receiving the final draft.
- d. Developing the Agency's MOU with the Chair and signing it into effect.
- e. Reviewing, approving and signing the Agency's Annual Business Plan.
- f. Informing the Agency's Chair of the government's priorities and broad policy directions of the Agency.
- g. Determining the need for any review and recommending to TB/MBC on any change to the Agency's mandate or on the elimination or consolidation of the Agency.

- h. Consulting with the Chair when the government is considering regulatory or legislative changes for the Agency.
- i. When a change in the existing mandate of the Agency is being proposed, reviewing the proposal and making recommendations to TB/MBC as to the powers to be given to the Agency.
- j. When appropriate or necessary, taking action or directing that corrective action be taken with respect to the Agency's mandate or operations.
- k. Reviewing and recommending to TB/MBC any change to the Agency's mandate that requires a corresponding change to the Act.
- I. Reviewing and recommending to TB/MBC the funding required to be given to the Agency.
- m. Submitting the Agency's initial business plan to MBC, and thereafter, submitting the Agency's business plan to MBC once every three years.
- n. Arranging for administrative and other support to the Agency as specified in this MOU.

# 8.2 The Deputy Minister is responsible for:

- a. Advising the Minister on the operations of the Agency or its consolidation or elimination.
- b. Advising and assisting the Minister in meeting assigned ministerial responsibility with respect to the Agency, including ensuring that the Minister is advised of the requirements of the AEAD and other TB/MBC directives on the operation of the Agency.
- c. Monitoring the Agency on behalf of the Minister, while respecting its authority, and where warranted identifying any need for corrective action and recommending to the Minister ways to resolve any contentious issues that may arise.
- d. Establishing a framework for reviewing the Agency's Annual Business Plan and any other documents submitted by the Agency and for making recommendations to the Minister regarding the review or approval of submitted documents.
- e. Maintaining an open and cooperative working relationship with the Agency through meetings with the Chair as needed or directed by the Minister.
- f. Consulting with the Agency's Chair, as needed, on matters of mutual importance including on any services provided by the Ministry and on TB/MBC Directives and Ministry policies.
- g. Undertaking a review of the Agency and its operations as directed by the Minister.

- h. Developing a mutually-agreed-to issues management protocol with the Agency for responding to media issues or other issues or events relating to the Agency that may reasonably be expected to concern the Minister in the exercise of his or her responsibilities.
- i. Co-operating with any periodic review of the Agency directed by the Minister or TB/MBC.
- Informing the Chair, in writing and as directed by the Minister, of any exemptions from MBC directives or Ministry administrative policies, pursuant to this MOU.
- k. Negotiating a draft MOU with the Chair as directed by the Minister.
- I. Submitting a report to the secretaries of TB/MBC on the wind-down of the Agency, the completion of any outstanding responsibilities by the Agency, and the end of any appointments.
- m. Undertaking such other responsibilities as the Minister or MBC may require.

## 8.3 The Chair is responsible for:

- Setting the goals, objectives, and strategic directions on behalf of the Agency in accordance with its mandate as defined by the Act and this MOU.
- b. Directing the affairs of the Agency so as to fulfil its mandate as defined by the Act.
- c. Ensuring the implementation of the goals and long-term vision of the Agency.
- d. Developing performance measures and targets for the Agency.
- e. Ensuring that the Agency operates within its approved budget allocation in fulfilling its mandate, and that public funds are used with integrity and honesty.
- f. Approving the Agency's Annual Business Plan for submission to the Minister, and making decisions consistent with the Agency's approved Annual Business Plan.
- g. Providing strategic leadership and overall direction to the Agency.
- h. Keeping the Minister advised, in a timely way, of issues or events that concern or can reasonably be expected to concern him or her in the exercise of ministerial responsibilities, and keeping the Deputy Minister informed about operational matters.
- i. Keeping the other Appointees advised, in a timely way, of the outcomes of meetings with the Minister or Deputy Minister, as appropriate.

- j. Ensuring compliance by the Agency with MBC directives listed in Appendix 1 and any other directives that the Agency may be subject to in the future.
- k. Developing with the Minister a MOU for the Agency and signing it on behalf of the Agency.
- 1. Reviewing and approving the Agency's Annual Business Plan, Annual Report and financial reports and submitting them to the Minister in accordance with the time lines specified in the applicable TB/MBC and Ministry of Finance Directives, and this MOU.
- m. Preparing the Agency's Annual Report for submission to the Minister in a manner timely enough to allow the Minister to meet the requirements for tabling the report in the Legislative Assembly.
- n. Ensuring that annual financial statements are prepared for public release and posting on the Agency's website after submission to the Minister and tabling in the Legislature.
- o. Monitoring the performance of the Agency.
- p. Directing that corrective action relating to the operations of the Agency be taken, if needed.
- q. Communicating and requiring the Agency to adhere to the mutually agreed to issues management protocol for responding to media issues or other issues or events relating to the Agency that may reasonably be expected to concern the Minister in the exercise of his or her responsibilities.
- r. Carrying out effective public communications and relations for the Agency as its chief spokesperson.
- s. Consulting, as appropriate, with stakeholders regarding objectives and strategic directions
- t. Notifying the Deputy Minister of appointment vacancies on the Agency.
- u. Co-operating with any periodic review of the Agency directed by the Minister or TB/MBC.
- v. 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.
- w. Advising the Minister annually on any outstanding audit recommendations.
- x. Ensuring that 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)
- y. Recording any declared or apparent conflicts of interest and advising the Minister of these conflicts promptly.

- z. Making sure that an appropriate framework is in place for Appointees to receive adequate orientation and training.
- aa. Making sure that Appointees are aware of and comply with applicable TB/MBC and Ministry of Finance directives.
- bb. Making sure a process for responding to and resolving complaints from the public is in place.

### 9.0 Reporting Requirements

#### 9.1 Annual Business Plan

The Chair will ensure that an Annual Business Plan, covering at least a threeyear period, is submitted to the Minister within three months from the fiscal yearend.

The Chair will ensure that the Annual Business Plan is prepared in accordance with the AEAD and that it includes the mandate of the Agency, an overview of its current and forthcoming activities, and an assessment of any issues facing it. The Annual Business Plan will also include a system of performance measures and reporting on the achievements of the objectives and planned results set out in the Agency's Business Plan for the three-year period. The system must include performance goals, how they will be achieved, and target time frames.

The Minister will review the Agency's Annual Business Plan and will promptly advise the Chair where and in what manner the Agency's plans vary from government or Ministry policy or priorities, and the Agency will revise its plan accordingly.

In addition, the Chair of TB/MBC may require the Minister to submit the Agency's business plan to TB/MBC for review at any time.

#### 9.2 Annual Reports

The Agency, through the Chair, shall ensure that an Annual Report fulfilling the requirements of the AEAD is prepared and submitted to the Minister for tabling in the Legislature within 90 days of the fiscal year end.

The Annual Report shall be a summary of the Agency's activities for the year, including an analysis of the Agency's operational performance; discussion of performance targets achieved/not achieved and of action to be taken; names of Appointees including when each was first appointed and when the current term of appointment expires; and financial statements.

The Agency shall provide the Annual Report in both English and French.

The Minister shall table the Agency's Annual Report in the Legislative Assembly within 60 days of receiving the Annual Report. If the Legislative Assembly is not in session, the Minister will file the report with the Clerk's office within 60 days, at which time the Annual Report will become a public document.

## 9.3 Other Reports

The Agency shall submit to the Minister an annual financial report on or before the thirtieth day of July of every year during this MOU's effectiveness.

The Agency shall also submit to the Minister in-year reports including quarterly financial and operating performance of the Agency, as required.

The annual financial report shall clearly describe the Agency's expenditures and revenues and shall categorize them in accordance with accounting principles generally accepted in Canada as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

The Chair is responsible for supplying specific data and other information that may be requested from time to time by the Minister or Deputy Minister for the purpose of Ministry administration.

#### 10.0 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 or 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 the Minister's responsibilities.
- 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.
- d. They will keep each other informed of the results of stakeholder and other public consultations and discussions.

- e. The Minister and the Chair will meet as requested by either party, to discuss issues relating to the fulfillment of the Agency's mandate.
- f. The Deputy Minister and the Chair will meet at least annually or as requested by either party, to discuss issues relating to the efficient operation of the Agency.
- g. The Chair and the Minister will follow a mutually-agreed-to issues management protocol provided to the Agency by the Deputy Minister for responding to media issues or other issues or events relating to the Agency that may be reasonably expected to concern the Minister in the exercise of his or her responsibilities.
- h. The Agency, through its Chair, may recommend appropriate amendments to the Act to the Minister for his or her consideration.

The Agency shall work collaboratively with the Ministry to develop and implement a comprehensive, multifaceted communications strategy including a protocol on issues management and media relations that is consistent with accepted government communications protocols.

The Agency shall respond in a timely manner to public and media inquiries, complaints and concerns with respect to the activities and operations of the Agency.

## 11.0 Administrative and Financial Arrangements

### 11.1 Financial Arrangements

The Chair is responsible for ensuring that the Agency operates in accordance with all applicable TB/MBC 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.

The Agency is funded from the Consolidated Revenue Fund pursuant to an appropriation authorized by the Legislative Assembly. The Agency shall not receive funds from sources other than the government.

The Agency shall not:

- a. hold capital assets;
- incur financial liabilities or other commitments, such as borrowing or lending; or
- c. enter into commitments with third parties.

The Agency shall provide all information and advice as requested to support the Minister through the Results-Based Planning process. The Chair will prepare estimates of the Agency's expenditures for inclusion in the Ministry's Report Based Plan. The Chair will deliver these estimates to the Minister in sufficient time to be analyzed and approved by the Minister. The estimates provided by the Chair may, after appropriate consultation with the Chair, be altered as required.

## 11.2 Financial Statements and Audit Arrangements

The Agency shall prepare annual financial statements containing actual results, variances, and explanations of the variances against previous estimates.

The Auditor General of Ontario may, at any time, audit any aspect of the operations of the Agency under the Auditor General Act. The Minister may direct that the Agency be audited. The Ontario Internal Audit Division may carry out an internal audit, if approved to do so by the Ministry's Audit Committee or by the Corporate Audit Committee.

The Chair and other Appointees of the Agency shall co-operate in any audit of the Agency. 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.

The Chair may request an external audit of the financial transactions or management controls of the Agency at the Agency's expense.

# 11.3 Acquisition of Goods and Services

The Agency acknowledges that it does not receive funding from the Province of Ontario except funding for the remuneration and expenses of the Appointees. The Agency has no authority to purchase any goods or services or otherwise expend any funds except for the expenses of the Appointees made in accordance with the relevant directives, guidelines and policies of the TB/MBC.

# 11.4 Administrative and Organizational Support Services

The Minister, or his or her authorized delegate, is responsible for providing the Agency with the administrative and organizational support services listed in Appendix 2 to this MOU, and for negotiating with Ontario Shared Services concerning these services.

Appendix 2 may be reviewed at any time at the request of either party.

The Minister, or his or her authorized delegate, will ensure that the support or services provided to the Agency are of the same quality as those provided to the Ministry's own divisions and branches.

### 11.5 Legal Services

The provision of legal advice and services to ministries and specified agencies is the responsibility of the Ministry of the Attorney General ("MAG"). The Agency, as represented by the Chair, shall obtain legal services from MAG – more particularly - the Legal Services Branch of the Ministry of Training, Colleges and Universities. Where necessary, the Director of the Ministry's Legal Services Branch can seek the retention of outside legal counsel in accordance with MAG's Corporate Operating Policy on Acquiring and Using Legal Services.

## 11.6 Freedom of Information and Protection of Privacy

Until such time as the Agency is designated as an institution in the regulations to the *Freedom of Information and Protection of Privacy Act* ("FIPPA"), the Agency shall handle all of its records in a manner that is consistent with FIPPA.

The Agency, as represented by the Chair, warrants and agrees that any personal information, as defined under the *Freedom of Information and Protection of Privacy Act*, collected by the Agency shall be used and disclosed only for pursuance of the objects of the Agency, and for no other purposes. The Agency further warrants that it will have reasonable measures in place to ensure the security, confidentiality and protection of personal information it holds.

## 11.7 Records Management

The Chair is responsible for ensuring that the Agency complies with the *Archives* and *Recordkeeping Act, 2006*, and also with the TB/MBC Management of Recorded Information Directive.

The Chair is responsible for ensuring that a system is in place for the creation, collection, maintenance and disposal of records. The Agency shall keep and maintain all financial records, invoices and other financially related documents in a manner consistent with generally accepted accounting principles and clerical practices. The Agency shall maintain such records and keep them available for review by the Ministry for a period of seven (7) years from the date of the creation of the records.

The Ministry and the Agency will encourage a cooperative professional relationship. The sharing of data and factual information in a way that minimizes duplication and promotes understanding is expected of both parties.

### 11.8 Client/Customer Service

The Agency will develop a formal process for responding to complaints about the quality of services provided by the Agency, consistent with the government's service quality standards.

The Agency's Annual Business Plan will include performance measures and targets for client/customer service and the Agency's response to complaints.

# 12.0 Appointments and Remuneration

The Chair is appointed by the Lieutenant-Governor-in-Council pursuant to subsection 63(2) of the Act.

The members of the Agency are appointed by Lieutenant-Governor-in-Council pursuant to subsection 63(2) of the Act.

The Chair and members of the Agency are appointed at the pleasure of the Lieutenant-Governor-in-Council. The appointments may be revoked by the Lieutenant-Governor-in-Council at any time.

Remuneration to the Chair and Appointees will be within Level III as set out in the MBC Directive on Government Appointees. The Chair will be paid \$450 per day and the other Appointees will be paid \$250 per day.

The Chair and other Appointees of the Agency will be entitled to reimbursement for their reasonable and necessary expenses incurred in attending meetings, including teleconference meetings, and in transacting the business of the Agency, in accordance with TB/MBC directives.

# 13.0 Liability Protection

Pursuant to subsection 78(2) of the Act, no action or other proceeding shall be commenced against the Chair or an other Appointee of the Agency for any act done in good faith in the performance or intended performance of his or her duties, or for any neglect or default in the performance in good faith of his or her duties.

### 14.0 Duration of MOU

This MOU becomes effective on the date it is last signed by the parties.

The Minister shall provide this MOU to TB/MBC for approval. The Parties shall not execute this MOU until it has received the approval of TB/MBC.

This MOU shall be in effect for not more than five years from the effective date, or until replaced by a new MOU for the Agency. After the expiry date, the existing MOU will apply temporarily, for a period of up to six months or until a new MOU has been approved and signed, whichever occurs first.

#### 14.1 Process for Review and Amendment

This MOU shall be reviewed upon appointment of a new Minister or a new Chair. The purpose of the review is to ensure that the Minister or the Chair, as the case may be, is aware of this MOU and to give the Minister or the Chair the opportunity to initiate discussions on amending this MOU. Where the Minister and the Chair agree to continue this MOU without requiring any amendment, both parties must affirm the continuance in writing.

Without affecting the effective date of this MOU, either the Minister or the Chair may initiate a review of this MOU by written request to the other. Either the Minister or the Chair may propose amendments to this MOU. All amendments must be in writing and approved by the Agency and TB/MBC before a revised MOU can be executed.

#### 14.2 Periodic Review

The Agency may be subject to periodic review initiated at the discretion and direction of the Minister or TB/MBC. 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.

The Chair and other Appointees shall co-operate with a periodic review directed by the Minister or TB/MBC, if any.

In requiring a review, the Minister or TB/MBC, as the case may be, shall determine the timing and scope of the review, as well as who will be responsible for conducting the review. The Minister will consult the Chair as appropriate during any such review.

#### **SIGNATURES**

IN WITNESS WHEREOF, the undersigned have executed this MOU as of the dates indicated:

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The Honourable	Glen	Murray

Minister of Training, Colleges and/Universities

100 2 2012

Date

Tim Armstrong

Chair, College of Trades Appointments Council

Date

### Appendices

Appendix 1 – List of MBC and other Directives applicable to the Agency

Appendix 2 – List of Administrative and organizational support services

Appendix 3 - List of Statutes of Particular Application to Government

# Appendix 1

# **APPLICABLE DIRECTIVES**

- Accountability Directive
- Agency Establishment and Accountability Directive
- Government Appointees Directive
- Travel, Meal and Hospitality Expenses Directive
- Procurement Directive
- Management of Recorded Information Directive
- All Ministry of Finance policies, directives and guidelines
- All IT directives

## Appendix 2

### ADMINISTRATIVE SERVICES

The Ministry will provide the Agency, through its Secretariat, with all necessary administrative services, including but not limited to:

- Mail:
- Access to computer files and data necessary to meet the Agency's operational requirements where permitted by law;
- Assistance with maintenance of documentation and information to support expenditures;
- Communications, including IT support;
- Access to library services and circulation of publications; and
- Advice and support related to Freedom of Information/Protection of Privacy legislation, and records management.

The Minister will ensure that the support or services provided to the Agency are of the same quality and standard as provided to the Ministry's own divisions and branches.

If appropriate, the Deputy Minister will negotiate for administrative services to be provided to the Agency through the government's Shared Services Bureau.

# Appendix 3

### STATUTES OF PARTICULAR APPLICATION TO GOVERNMENT

The following statutes apply to the Agency:

- Freedom of Information and Protection of Privacy Act (upon such time as the Agency is designated as an institution in a regulation made pursuant to the Freedom of Information and Protection of Privacy Act)
- Public Service of Ontario Act, 2006 (upon such time as the Agency is designated as a public body in a regulation made pursuant to the Public Service of Ontario Act, 2006)