

**Memorandum of Understanding**  
**Between**  
**Minister of Finance**  
**and**  
**Chair of the Ontario Financing Authority**

Execution Version

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The parties to this memorandum of understanding agree to the following:

## 1. Purpose

- a. The purpose of this memorandum of understanding is to:
  - Establish the accountability relationships between the Minister of Finance and the Chair of the Board of the Ontario Financing Authority on behalf of the OFA
  - Clarify the roles and responsibilities of the Minister, the Chair, the Deputy Minister, the CEO and the Board
  - Clarify the operational, administrative, financial, staffing, auditing and reporting arrangements between the OFA and the Ministry of Finance
- b. This MOU should be read together with CIPA. This MOU does not affect, modify or limit the powers of the OFA as set out in CIPA, 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.
- c. This MOU replaces the memorandum of understanding between the parties dated December 19, 2019.

## 2. Definitions

In this MOU:

- a. “AAD” means the Agencies and Appointments Directive;
- b. “Annual Business Plan” means the OFA’s annual business plan as approved by the Minister.
- c. “Annual Report” means the OFA’s annual report as approved by the Minister.
- d. “Applicable Government Directives” means the Government directives, policies, standards and guidelines that apply to the OFA, as may be amended or replaced from time to time. Key Applicable Government Directives as of the date of this MOU are listed in Appendix 2 to this MOU.
- e. “Appointee” means a member appointed to the Board by the LGIC, but does not mean an individual employed or appointed by the OFA as staff;
- f. “Auditor General” means the Auditor General of Ontario
- g. “Board” means the Board of Directors of the OFA;
- h. “CEO” means the Chief Executive Officer of the OFA;
- i. “Chair” means the Chair of the Board;
- j. “CIPA” means the *Capital Investment Plan Act, 1993*;

- k. "Deputy Minister" means the Deputy Minister of Finance;
- l. "FAA" means the *Financial Administration Act*;
- m. "FIPPA" means the *Freedom of Information and Protection of Privacy Act*;
- n. "Fiscal Year" means the period from April 1 to March 31 of the following year;
- o. "Government" means the Government of Ontario;
- p. "LGIC" means the Lieutenant Governor in Council;
- q. "MBC" means the Management Board of Cabinet;
- r. "Minister" means the Minister of Finance or such other person who may be designated from time to time as the responsible Minister in relation to this MOU in accordance with the *Executive Council Act*;
- s. "Ministry" means the Ministry of Finance or any successor to the ministry;
- t. "MOU" means this memorandum of understanding signed by the Minister and the Chair;
- u. "OFA" means Ontario Financing Authority;
- v. "Other Acts" includes the FAA, FIPPA, the *Electricity Act, 1998*, the *Province of Ontario Savings Office Privatization Act, 2002*, and PSOA;
- w. "OPS" means the Ontario Public Service;
- x. "Province" means the Province of Ontario;
- y. "PSC" means the Public Service Commission;
- z. "PSOA" means the *Public Service of Ontario Act, 2006*;
- aa. "TBS" means the Treasury Board Secretariat;
- bb. "TB/MBC" means the Treasury Board/Management Board of Cabinet;
- cc. "Treasury Operations Services" means financial services respecting the management of financial assets and liabilities of the Province or of a Provincial public body including ancillary advisory and information services, whether or not delivered by a financial institution. For greater certainty, Treasury Operations Services includes all services acquired in connection with Provincial borrowing, debt management, risk management, cash management, banking and investment activities in the fulfillment of the mandate of the Minister and OFA under the FAA and CIPA, and similar services acquired by the OFA for any public body in the fulfillment of the OFA's mandate. Treasury Operations Services do not include consulting services.

A reference to an act or regulation in this MOU refers to that act or regulation as may be amended or replaced from time.

### **3. Agency's Legal Authority and Mandate**

- a. The legal authority of the OFA is set out in CIPA.
- b. The OFA also exercises powers and authority under Other Acts
- c. The mandate of the OFA is to:
  - Conduct borrowing, investment and financial risk management for the Province;
  - Manage the Provincial debt;
  - Manage the Province's key financial relationships with investors, financial institutions, rating agencies and public bodies.
  - Provide centralized financial services to the Province including banking and cash management;
  - Advise ministries, Crown agencies and other public bodies on financial policies and projects;
  - Assist Crown agencies and other public bodies to borrow and invest money;
  - Act at the direction of the Province in lending to certain public bodies;
  - Invest on behalf of some public bodies;
  - With Ontario Power Generation Inc., manage the investment activities of OPG's Used Fuel Segregated Fund and Decommissioning Segregated Fund;
  - Carry out the day-to-day operations of Ontario Electricity Financial Corporation and provide a broad range of financial services to Infrastructure Ontario;
  - Provide such other financial services as are considered advantageous to the Province or any public body; and
  - Carry out any additional objects as directed by the LGIC.

### **4. Agency Type and Public Body Status**

- a. The OFA is designated as a board-governed provincial agency under the AAD.
- b. The OFA is prescribed as both a public body and a commission public body under Ontario Regulation 146/10 under PSOA. It is not organizationally part of the Ministry, but it is considered to be within Government.

## 5. Corporate Status and Crown Agency Status

- a. The OFA is a Crown agency within the meaning of the *Crown Agency Act*.
- b. The OFA is a corporation without share capital.
- c. The OFA has the capacity, rights, power and privileges of a natural person, subject to the limitations placed upon it by CIPA or imposed by TB/MBC.
- d. Pursuant to CIPA, sections 132 and 136 of the *Business Corporations Act* apply to the OFA, but neither the *Corporations Act* nor the *Corporations Information Act* apply to the OFA

## 6. Guiding Principles

The parties agree to the following principles:

- a. The Minister recognizes that the OFA exercises powers and performs duties in accordance with its legal mandate under CIPA.
- b. The Minister recognizes that the OFA 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 Board acknowledges that it is accountable, through the Minister, to the Legislative Assembly in exercising its mandate. Accountability is a fundamental principle to be observed in the management, administration and operations of the OFA. The Board acknowledges that it is accountable to the Minister, through the Chair, for governance and oversight of the OFA.
- d. As an agency of the Government, the OFA conducts itself in accordance with sound business practices and according to the management principles of the Government. These principles include ethical behaviour; prudent, effective and lawful use of public resources; fairness; high quality service to the public; and openness and transparency to the extent allowed under the law.
- e. The Minister and the Board, through the Chair, are committed to a strong agency that is empowered to fulfill its statutory mandate efficiently and effectively. They share the goal of establishing and maintaining a co-operative relationship that facilitates the efficient administration of the OFA and fulfillment of its statutory responsibilities.
- f. The OFA and the Ministry agree to avoid duplication of services wherever possible.
- g. The OFA and the Ministry will work together in a mutually respectful manner.

## **7. Accountability Relationships**

### **7.1 MINISTER**

The Minister is accountable:

- a. To Cabinet and the Legislative Assembly for the OFA's fulfilment of its mandate and its compliance with Government policies, and for reporting to the Legislative Assembly on the OFA's affairs.
- b. For reporting and responding to TB/MBC on the OFA's performance and compliance with Applicable Government Directives.
- c. To the Cabinet for the performance of the OFA and its compliance with the Government's operational policies and broad policy directions.

### **7.2 CHAIR**

The Chair, acting on behalf of the Board, is accountable:

- a. To the Minister for the OFA's performance in fulfilling its mandate, and for carrying out the roles and responsibilities assigned to the Chair by CIPA, this MOU, and Applicable Government Directives.
- b. For reporting to the Minister, as requested, on the OFA'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 OFA.
- d. To the Minister to confirm the OFA's compliance with legislation, directives, and accounting and financial policies.

### **7.3 BOARD OF DIRECTORS**

The Board is accountable, through the Chair, to the Minister for the oversight and governance of the OFA; setting goals, objectives and strategic direction for the OFA within its mandate; and for carrying out the roles and responsibilities assigned to it by CIPA, this MOU and Applicable Government Directives.

### **7.4 DEPUTY MINISTER**

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 OFA and for carrying out the roles and responsibilities assigned by the Minister, CIPA, this MOU and Applicable Government Directives.

The Deputy Minister is also accountable for attesting to TB/MBC on the OFA's compliance with Applicable Government Directives.

Pursuant to CIPA, the Deputy Minister is, by virtue of office, the Chair.

## **7.5 CHIEF EXECUTIVE OFFICER**

Under CIPA, the CEO may be a public servant under Part III of PSOA and/or, appointed by the LGIC. Currently the CEO is employed under Part III of PSOA and is not appointed by an Order in Council.

The CEO is accountable to the Board for the management and administration of the OFA, the supervision of OFA staff, and carrying out the roles and responsibilities assigned by the Board, CIPA, this MOU, and Applicable Government Directives. The CEO works under the direction of the Chair and the Board to implement policy and operational decisions. The CEO reports the OFA's performance results to the Board, through the Chair.

## **8. Roles and Responsibilities**

### **8.1 MINISTER**

The Minister is responsible for:

- a. Reporting and responding to the Legislative Assembly on the affairs of the OFA.
- b. Reporting and responding to TB/MBC on the OFA's performance and compliance with applicable TB/MBC directives, the Government's operational policies and policy directions.
- c. Recommending to TB/MBC, where required, the merger, any change to the mandate, or dissolution of the OFA.
- d. Recommending to TB/MBC the powers to be given to, or revoked from, the OFA when a change to the OFA's mandate is being proposed.
- e. Meeting with the Chair to discuss issues relating to the fulfilment of the OFA's mandate.
- f. Working with the Chair to develop appropriate measures and mechanisms related to the performance of the OFA.
- g. Reviewing the advice or recommendation of the Chair on candidates for appointment or re-appointment to the Board.
- h. Making recommendations to Cabinet and the LGIC for appointments and reappointments to the OFA, pursuant to the process for agency appointments established by legislation and/or by MBC through the AAD.
- i. Determining at any time the need for a review or audit of the OFA, directing the Chair to undertake reviews of the OFA on a periodic basis, and recommending to TB/MBC any changes to the governance or administration of the OFA resulting from any such review or audit.

- j. When appropriate or necessary, taking action or directing that the OFA take corrective action with respect to the OFA's administration or operations.
- k. Receiving the OFA's annual report and approving it within 60 calendar days of receiving it.
- l. Tabling the OFA Annual Report in the Legislative Assembly within 30 calendar days of approving it.
- m. Ensuring that the OFA's Annual Report is made available to the public after it is tabled and within 30 calendar days of approving it.
- n. Informing the Chair of the Government's priorities and broad policy directions for the OFA.
- o. Consulting, as appropriate, with the Chair (and others) on significant new directions or when the Government is considering regulatory or legislative changes for the OFA.
- p. Developing the OFA's memorandum of understanding with the Chair, as well as any amendments to it, and signing it into effect after it has been signed by the Chair.
- q. Reviewing and approving the OFA's business plan.
- r. Recommending to TB/MBC any provincial funding to be allocated to the OFA.
- s. Outlining the high-level expectations, key commitments and performance priorities for the OFA at the beginning of the annual business planning cycle through the agency mandate letter.
- t. Approving compensation ranges and any additional benefits for prescribed classes of OFA employees under section 8 of CIPA.

## **8.2 CHAIR**

Pursuant to CIPA, the Deputy Minister is, by virtue of office, the Chair. There may be instances where this individual must provide advice to either the Board or the Minister, where advice to one of these parties might conflict with advice provided to the other party. The Chair will ensure that the possibility of such conflict of interest is understood by both parties.

The Chair is responsible to support the Board for:

- a. Providing leadership to the OFA by working with the Board to set the goals, objectives and strategic directions within its mandate.
- b. Providing leadership to the Board, and ensuring that the Board carries out its responsibilities for decisions regarding the OFA.

- c. Chairing Board meetings, including the management of the Board's agenda.
- d. Reviewing and approving claims for per diems and travel expenses for Appointees.
- e. Seeking strategic policy direction for the OFA from the Minister.
- f. 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 the Minister's responsibilities relating to the OFA.
- g. 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 OFA's mandate, powers or responsibilities as set out in CIPA or Other Acts.
- h. Reporting to the Minister as requested on the OFA's activities within agreed upon timelines, including an annual letter confirming the OFA's compliance with all applicable legislation, directives, and accounting and financial policies.
- i. Ensuring that the OFA operates within its approved operating budget allocation in fulfilling its mandate, and that public funds are used for the purpose intended with integrity and honesty.
- j. Developing the OFA's memorandum of understanding with the Minister, as authorized by the Board, and signing it on behalf of the Board.
- k. Submitting the OFA's business plan, budget, annual report and financial reports, on behalf of the Board, to the Minister for approval in accordance with the timelines specified in the Applicable Government Directives and the Summary of OFA Reporting Requirements in Appendix 1 of this MOU.
- l. Providing the Minister with a copy of any audit report upon request, and advising the Minister on any outstanding audit recommendations per direction of the Board.
- m. Ensuring that Appointees are informed of their responsibilities under PSOA with regard to the rules of ethical conduct, including the political activity rules.
- n. Ensuring appropriate management systems are in place (financial, information technology, human resources) for the effective administration of the OFA.
- o. Carrying out effective public communications and relations for the OFA as its chief spokesperson.
- p. Cooperating with any review or audit of the OFA directed by the Minister or TB/MBC.
- q. Fulfilling the role of ethics executive for Appointees, promoting ethical conduct and ensuring that Appointees are familiar with the ethical requirements of PSOA, and the regulations and the directives made under that Act, including in respect of conflict of interest, political activity and the protected disclosure of wrongdoing.

- r. Keeping the Minister informed of upcoming appointment vacancies and providing recommendations for appointments or re-appointments.
- s. Ensuring compliance with legislative and TB/MBC policy obligations.
- t. Evaluating the performance of the CEO in consultation with the Board pursuant to the performance criteria established by the Board.

### **8.3 BOARD OF DIRECTORS**

The Board supervises the management of the OFA, including the implementation of Government policy by it. The Board also provides advice concerning the OFA to OFA management through the CEO and the Chair, and to the Minister through the Chair. The Board does not select, hire or dismiss the Chair, the CEO or other officers; however, should the Government engage in a recruitment or selection process for the CEO under Part III of PSOA, the Board would expect to be consulted as part of that process.

It is acknowledged that in order to fulfill its capital markets mandate of conducting Provincial borrowing, managing the debt and managing or supervising the investments of the Province and other Crown entities, all within approved risk levels, the OFA must attract and retain highly qualified individuals with unique skills in the OPS (i.e. to plan, price, execute, measure, and monitor values and exposures of financial transactions and positions). To support this, section 8 of CIPA provides that, subject to the approval by the Minister of compensation ranges or any additional benefits, the Board determines compensation and establishes policies relating to compensation, for prescribed classes of OFA employees.

The Board is responsible for:

- a. Establishing the goals, objectives, and strategic directions for the OFA within its mandate as defined by CIPA, Government policies as appropriate and this MOU.
- b. Governing the affairs of the OFA within its mandate as set out in CIPA, its Annual Business Plan, and the policy parameters established and communicated in writing by the Minister.
- c. Directing the development of, and approving the OFA'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 OFA's annual reports for submission to the Minister for approval and tabling in the Legislative Assembly within the timelines established by the AAD.
- e. Making decisions consistent with the Annual Business Plan and ensuring that the OFA operates within its budget allocation.

- f. Ensuring that the OFA uses public funds with integrity and honesty, and only for the business of the OFA based on the principle of value for money, and in compliance with applicable legislation and TB/MBC directives.
- g. Ensuring that the OFA is governed in an effective and efficient manner according to accepted business and financial practices, and in accordance with applicable TB/MBC directives.
- h. Establishing such Board committees or oversight mechanisms as may be required to advise the Board on effective management, governance or accountability procedures for the OFA.
- i. Approving the OFA's memorandum of understanding, and any amendments to it, in a timely manner and authorizing the Chair to sign the memorandum of understanding, or any amendments to it, on behalf of the OFA.
- j. Approving the OFA's reports and reviews that may be requested the Minister from time to time for submissions to the Minister within agreed upon timelines.
- k. Directing the development of an appropriate risk management framework and a risk management plan and arranging for risk-based reviews and audits of the OFA as needed.
- l. Where applicable, ensuring that conflict of interest rules that the OFA is required to follow, as set out in Ontario Regulation 381/07, are in place for Appointees and employees of the OFA.
- m. Establishing performance measures, targets and management systems for monitoring and assessing the OFA's performance.
- n. Directing corrective action on the functioning or operations of the OFA, if needed.
- o. Cooperating with and sharing any relevant information on any risk-based or periodic review directed by the Minister or TB/MBC.
- p. Consulting, as appropriate, with stakeholders on the OFA's goals, objectives and strategic directions.
- q. Providing advice to the Government, through the Minister, on issues within or affecting the OFA's mandate and operations.
- r. Setting and reporting on the strategic direction for the OFA according to the Minister's agency mandate letter, the OFA's proposed business plan, and annual report.
- s. Approving, at least annually, performance criteria and making final determinations of compensation within ranges approved by the Minister, and establishing policies and procedures relating to compensation and/or benefits for prescribed classes of OFA employees under section 8 of CIPA;

- t. Supporting the Chair/Deputy Minister in evaluating the performance of the CEO.

#### **8.4 DEPUTY MINISTER**

Pursuant to CIPA, the Deputy Minister is, by virtue of office, the Chair. There may be instances where this individual must provide advice to either the Board or the Minister, where advice to one of these parties might conflict with advice provided to the other party. The Chair will ensure that the possibility of such conflict of interest is understood by both parties.

The Deputy Minister is responsible for:

- a. Advising and assisting the Minister regarding the Minister's responsibilities for the OFA, including informing the Minister of policy direction, policies and priorities of relevance to the OFA's mandate.
- b. Advising the Minister on the requirements of the AAD and other directives that apply to the OFA.
- c. Recommending to the Minister, as may be necessary, the evaluation or review, including a risk-based review, of the OFA or any of its programs, or changes to the management framework or operations of the OFA.
- d. Facilitating regular briefings and consultations with the Minister in the Deputy Minister's capacity as Chair, and between the Ministry staff and OFA staff as needed.
- e. Attesting to TB/MBC on the OFA's compliance with the mandatory accountability requirements set out in the AAD and other applicable TB/MBC directives, the Government's operational policies and policy directions based on the annual letter of compliance from the Chair to the Minister.
- f. Ensuring that the Ministry and the OFA have the capacity and systems in place for on-going risk-based management, including appropriate oversight of the OFA.
- g. Ensuring that the OFA has an appropriate risk management framework and a risk management plan in place for managing risks that the OFA may encounter in meeting its program or service delivery objectives.
- h. Undertaking timely risk-based reviews of the OFA, its management or operations, as may be directed by the Minister or TB/MBC.
- i. Establishing a framework for reviewing and assessing the OFA's business plans and other reports.
- j. Supporting the Minister in reviewing the performance targets, measures and results of the OFA.

- k. Advising the Minister on documents submitted by the OFA to the Minister for review or approval, or both.
- l. Submitting to the Minister, as part of the business plan, a risk assessment and management plan for each risk category.
- m. Undertaking reviews of the OFA as may be directed by the Minister.
- n. Cooperating with any review of the OFA as directed by the Minister or TB/MBC.
- o. Monitoring the OFA on behalf of the Minister while respecting the OFA'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 memorandum of understanding, as well as any amendments to it, as directed by the Minister.
- q. Consulting with the CEO, as needed, on matters of mutual importance including services provided by the Ministry and compliance with Applicable Government Directives.
- r. Arranging for administrative, financial and other support to the OFA, as specified in this MOU.
- s. Reporting to TBS on the OFA's and Ministry's compliance with the AAD, as required.
- t. Informing the CEO, in writing, of new Government directives and any exceptions to or exemptions, in whole or in part, from TB/MBC directives, Government policies, or Ministry administrative policies.
- u. When required, submitting a report to the Secretary of TB/MB on the wind-up of the OFA, following the disposition of any assets, completion of any outstanding responsibilities by the OFA, and the termination of any appointments.
- v. Evaluating the performance of the CEO in consultation with the Board pursuant to the performance criteria established by the Board.

## **8.5 CHIEF EXECUTIVE OFFICER (CEO)**

The CEO is responsible for:

- a. Managing the day-to-day operational, financial, analytical, and administrative affairs of the OFA in accordance with the mandate of the OFA, Applicable Government Directives, accepted business, financial and capital markets practices and this MOU.
- b. Advising the Chair on the requirements of and compliance with the AAD, as well as other Applicable Government Directives, and OFA by-laws and policies, including annually attesting to the Chair on the OFA's compliance with mandatory requirements.

- c. Applying policies and procedures so that public funds are used with integrity and honesty.
- d. Providing leadership and management to OFA staff, including human and financial resources management, in accordance with the Annual Business Plan, accepted business, financial and capital markets practices and standards, CIPA, and Applicable Government Directives.
- e. Cultivating an OFA culture that champions respect, innovation, teamwork and accountability.
- f. Establishing and applying a financial management framework for the OFA in accordance with Applicable Government Directives.
- g. Translating the goals, objectives and strategic directions of the Board into operational plans and activities in accordance with the OFA's Annual Business Plan.
- h. Ensuring that the OFA has the oversight capacity and an effective oversight framework in place for monitoring its management and operations.
- i. Keeping the Board, directly or through the Chair, informed with respect to implementation of policy and the operations of the OFA.
- j. Establishing and applying systems to ensure that the OFA operates within its Annual Business Plan.
- k. Establishing and applying the OFA's risk management framework and risk management plan, as set out in its Annual Business Plan.
- l. Supporting the Chair and Board in meeting their responsibilities, including compliance with all applicable legislation and Applicable Government Directives.
- m. Carrying out in-year monitoring of the OFA's performance and reporting on results to the Board directly or through the Chair.
- n. 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.
- o. Seeking support and advice from the Ministry, as appropriate, on OFA management issues.
- p. Establishing and applying a system for the retention of OFA documents and for making such documents publicly available when appropriate, for complying with FIPPA and the *Archives and Recordkeeping Act, 2006* where applicable.
- q. Undertaking timely risk-based reviews of the OFA's management and operations.

- r. Consulting with the Deputy Minister as needed, on matters of mutual importance, including services providing by the Ministry, and on Applicable Government Directives.
- s. Cooperating with a periodic review directed by the Minister or TB/MBC.
- t. Fulfilling the role of ethics executive for public servants, other than Appointees, who work in the OFA.
- u. Promoting ethical conduct and ensuring that all members of the OFA are familiar with the ethical requirements of PSOA and the regulations and directives made under that Act, including in respect of conflict of interest, political activity, and the protected disclosure of wrongdoing.
- v. Keeping the Board, directly or through the Chair, informed about operational matters.
- w. Preparing the OFA's annual reports and business plans as directed by the Board.
- x. Preparing financial reports for approval by the Board.
- y. Attesting to the compliance of the OFA to Applicable Government Directives and support the Board to provide the statement of compliance of the OFA.
- z. Carrying out human resources management powers, duties and functions under PSOA pursuant to a delegation by the PSC, and under policies and procedures established under section 8 of CIPA.

## **9. Ethical Framework**

- a. As the OFA has not developed its own conflict of interest rules, it is required to follow the conflict of interest rules set out in Ontario Regulation 381/07 under PSOA.
- b. The CEO, as the ethics executive for public servants who are employees of the OFA, is responsible for ensuring that staff of the OFA are informed of the ethical rules to which they are subject, including the rules on confidentiality, conflict of interest, political activity and protected disclosure of wrongdoing that apply to the OFA.
- c. The Chair, as the ethics executive for Appointees, is responsible for ensuring that Appointees 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 OFA.
- d. Appointees are subject to the conflict of interest provisions of the AAD and the conflict of interest provisions of PSOA and its regulations.
- e. Appointees shall not use any information gained as a result of their appointment to or membership on the Board for personal gain or benefit. Appointees who have

reasonable grounds to believe that they have a conflict of interest in a matter before the Board or a committee of the Board shall disclose the nature of the conflict to the Chair at the first opportunity and shall refrain from further participation in the consideration of the matter. The Chair shall cause to be recorded in the minutes of the meeting of the Board any declared conflicts of interest.

## **10. Reporting Requirements**

### **10.1 BUSINESS PLAN**

- a. The Chair will ensure that the Minister is provided annually with the OFA's business plan covering a minimum of three years from the upcoming Fiscal Year, which includes a financial budget and a risk assessment and management plan, for approval by the Minister. The business plan shall be prepared in accordance with the requirements set out in the AAD.
- b. The business plan is to be submitted to the Ministry's Chief Administrative Officer or designated equivalent within three months prior to the start of the Fiscal Year.
- c. The Chair is responsible for ensuring that the OFA's business plan includes a system of performance measures and reporting on the achievement of the objectives set out in the Annual Business Plan. The system must include performance goals, how they will be achieved, and targeted results and timeframes.
- d. 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 requirements of the AAD to assess risks, develop and maintain necessary records, and report to TB/MBC.
- e. The Minister will review the OFA's business plan and will promptly advise the Chair whether or not the Minister concurs with the directions proposed by the OFA. The Minister may advise the Chair where and in what manner the OFA's plan varies from Government or Ministry policy or priorities as may be required, and the Chair, on behalf of the Board, will revise the OFA's plan accordingly. A business plan is only to be considered valid (an "Annual Business Plan") once the Minister has approved the plan in writing.
- f. In addition, TB/MBC may require the Minister to submit the OFA's Annual Business Plan to TB/MBC for review at any time.

### **10.2 ANNUAL REPORTS**

- a. The Chair is responsible for ensuring that the OFA's annual report is submitted to the Minister for approval no later than 90 calendar days after the OFA receives audited financial statements from the Auditor General. The annual report shall be prepared in accordance with the requirements set out in the AAD.

- b. The Chair, through the CEO, will ensure that the annual report is prepared in the format specified in the AAD.
- c. The Minister will review the annual report to confirm adherence with AAD requirements, and will approve it within 60 calendar days after the day of receipt.
- d. The Minister will, within 30 calendar days of approval, table the Annual Report in the Legislative Assembly.
- e. When distributing Annual Reports, digital formats and channels for distribution must be used unless otherwise required (e.g. by directive, legislation).

### **10.3 OTHER REPORTS**

The Chair is responsible on behalf of the Board for:

- a. Ensuring that the reports and documents set out in Appendix 1 to this MOU are submitted for review and approval by the Minister, as applicable, in accordance with the prescribed timelines.
- b. Supplying specific data and other information, at the request of the Minister or the Deputy Minister, that may be required from time-to-time for the purpose of the Ministry's administration.

### **11. Public Posting Requirements**

- a. The OFA, through the Chair on behalf of the Board, will ensure that the following approved governance documents are posted in an accessible format, in both official languages, on the OFA's website within the specified timelines:
  - Memorandum of understanding and any letter of affirmation – 30 calendar days signing by both parties
  - Agency mandate letter – no later than the posting of the corresponding Annual Business Plan
  - Annual Business Plan – 30 calendar days of Minister's approval
  - Annual Report – 30 calendar days of Minister's approval (the report must first be tabled in the Legislative Assembly).
- b. Posted governance documents should not disclose: personal information, sensitive employment and labour relations information, solicitor-client privileged information, Cabinet confidential information, trade secrets or scientific information, information that would prejudice the financial or commercial interests of the OFA in the marketplace, and information that would otherwise pose a risk to the security of the facilities and/or operations of the OFA.

- c. The OFA, through the Chair on behalf of the Board, will ensure that the expense information for Appointees, the CEO and senior management that report directly to the CEO are posted on the OFA's website in accordance with the requirements of the Travel, Meal and Hospitality Expenses Directive.
- d. The OFA, through the Chair on behalf of the Board, will ensure that any other applicable public posting requirements are met.

## **12. Communications and Issues Management**

The parties to this MOU recognize that the timely exchange of information on the operations and administration of the OFA is essential for the Minister to meet the Minister's responsibilities for reporting and responding to the Legislative Assembly on the affairs of the OFA. The parties also recognize that it is essential for the Chair on behalf of the Board to be kept informed of the Government initiatives and broad policy directions that may affect the OFA's mandate and functions.

The Minister and the Chair on behalf of the Board, therefore, agree that:

- a. The Chair will keep the Minister advised, in a timely manner, of all planned events or issues, including contentious matters, 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 in a timely manner, as appropriate, on broad Government policy initiatives or legislation being considered by the Government that may impact on the OFA's mandate or functions, or which otherwise will have a significant impact on the OFA.
- c. The Minister and the Chair will consult with each other on public communication 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 OFA's mandate, management and operations.
- e. The Deputy Minister and the CEO will meet as required to discuss issues relating to the delivery of the Board's mandate and the efficient operation of the OFA, including any the provision of services by the Ministry to the OFA. The Deputy Minister and the CEO shall provide timely information and advice to each other concerning significant matters affecting the OFA's management or operations.
- f. The OFA and the Ministry will adhere to the Public Communications Protocol set out in Appendix 3 to this MOU for ongoing issues management.

## 13. Administrative Arrangements

### 13.1 APPLICABLE GOVERNMENT DIRECTIVES

- a. The Chair, on behalf of the Board, is responsible for ensuring that the OFA operates in accordance with all Applicable Government Directives. Key Applicable Government Directives as of the date of this MOU are listed in Appendix 2.
- b. The Ministry will inform the OFA of amendments or additions to directives, policies and guidelines that apply to the OFA; however, the OFA is responsible for complying with all directives, policies and guidelines to which it is subject.
- c. In addition to complying with the Realty Directive, the OFA shall comply with the Ministry of Infrastructure Realty Policy and Accommodation Space Policy.
- d. The parties acknowledge that:
  - The OFA operates in domestic and foreign capital markets. The OFA engages in borrowing, debt management, risk management, accounting, reporting, hedging and investing billions of dollars on a continuous basis.
  - In recognition of these unique and unavoidable circumstances, in June 2012 TB/MBC approved an exemption from the Procurement Directive requirements for procurements by the OFA of Treasury Operation Services. In accordance with that exemption, the OFA instead procures Treasury Operation Services in accordance with the Board-approved OFA Procurement Policy.
  - In addition, in June 2012 the OFA was also exempted from complying with the Contractor Security Screening Operating Policy for Treasury Operations Services.
  - The continuity of the Treasury Operation Services exemptions from the Procurement Directive and Contractor Security Screening Operating Policy was confirmed by TBS and the Ministry of Government and Consumer Services in August 2019.
  - In August 2019, it was determined that the OFA would comply with the Procurement Directive's Interim Measures in respect of Treasury Operations Services by way of a one-time report. That report was submitted in January 2020 and accepted by the Ministry of Government and Consumer Services in April 2020.
- e. The Minister, Deputy Minister, Ministry, and OFA undertake to maintain and obtain such further exemptions or approvals as are necessary to support OFA procurement of Treasury Operations Services in a manner which reflects the timing and demands of the capital markets in which it operates.

### **13.2 ADMINISTRATIVE AND ORGANIZATIONAL SUPPORT SERVICES**

- a. The Deputy Minister is responsible for providing the OFA with the administrative and organizational support services listed in Appendix 4 to this MOU, and for negotiating with Ontario Shared Services and other providers concerning these services, as appropriate.
- b. Appendix 4 may be reviewed at any time at the request of either party.
- c. The Deputy Minister will ensure that the support or services provided to the OFA are of the same quality as those provided to the Ministry's own divisions and branches.
- d. Terms and conditions for specialized services provided by the Ministry are to be agreed upon between the OFA and the Ministry.
- e. As a board-governed agency, the OFA may obtain administrative and specialized functions from its own staff, external sources, the Ministry or elsewhere in the OPS.

### **13.3 AGREEMENTS WITH THIRD PARTIES**

- a. The OFA has the capacity, rights, power and privileges of a natural person, subject to the limitations placed upon it by CIPA or imposed by TB/MBC, to contract with third parties.

### **13.4 CREATION, COLLECTION, MAINTENANCE AND DISPOSITION OF RECORDS**

- a. The Chair, on behalf of the Board, 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 OFA complies with all laws and Applicable Government Directives related to information and records management.
- c. The CEO, the Chair and the Board shall protect the legal, fiscal and other interests of the OFA by implementing reasonable measures to ensure the ongoing viability, integrity, preservation and security of all official records created, commissioned or acquired by the OFA. This includes, but is not limited to, all electronic records, such as emails, information posted on the OFA's website, database data sets, and all records stored on personal computers and shared drives.
- d. The Chair, on behalf of the Board, is responsible for ensuring measures are implemented requiring the OFA's employees to create full, accurate and reliable records that document and support significant business transactions, decisions, events, policies and programs.
- e. The Board, through the Chair, is responsible for ensuring that the OFA complies with the *Archives and Recordkeeping Act, 2006*.

### **13.5 INTELLECTUAL PROPERTY**

- a. The CEO, as OFA's Deputy Head where Applicable Government Directives identify this role but do not otherwise assign it, is responsible for ensuring that the legal, financial and other interests of the Government related to intellectual property are protected in any contract that the OFA may enter with a third party that involves the creation of intellectual property.

### **13.6 FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY**

- a. The Chair and the Minister acknowledge that the OFA is bound to follow the requirements set out in FIPPA in relation to the collection, retention, security, use, distribution and disposal of records.
- b. The Minister is designated as the head of the OFA for the purposes of FIPPA.

### **13.7 SERVICE STANDARDS**

- a. The OFA shall establish customer service and quality standards, as applicable, that are consistent with the appropriate standards of the Government, the Ministry, and the OPS.
- b. The OFA has in place a process for responding to complaints or inquiries about the quality of services received by members of the public that reflects the Government's service quality standards.
- c. The OFA shall comply with the *Accessibility for Ontarians with Disabilities Act, 2005*.

### **13.8 INFORMATION TECHNOLOGY**

- a. The Governance and Management of Information Technology Directive does not apply to the OFA.
  - The OFA controls and manages its own information technology infrastructure to support the high volume and high-value transactions it conducts on behalf of the Government.
  - This independent infrastructure allows for agility and expedited resolution of issues in order to be responsive to and reflective of the financial markets in which it operates.
- b. However, with a view towards promoting alignment and security, the OPS and OFA shall coordinate on matters related to cyber security, and shall collaborate to support OFA access to centralized OPS applications and resources. The OPS and OFA shall also seek opportunities to enhance access to communication and collaboration across technology channels.

## **14. Financial Arrangements**

### **14.1 GENERAL**

- a. All financial procedures of the OFA shall be in accordance with Applicable Government Directives.
- b. When ordered to do so pursuant to subsection 16.4(2) of the FAA or subsection 17(1) of CIPA, the OFA will pay into the Consolidated Revenue Fund any money determined to be surplus to its requirements.
- c. Pursuant to section 28 of the FAA, the OFA 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 Province without the written approval of the Minister, unless the transaction is exempted from the application of section 28.
- d. The OFA's approved operating and capital allocations may be adjusted in a given year if in-year fiscal constraints are ordered by Cabinet or the Minister. The OFA will be provided with notice of changes to its allocation as soon as is reasonably possible. Where the OFA must reallocate resources as a result of its operating and/or capital allocations being adjusted, the OFA shall inform and discuss this with the Ministry before making such changes.
- e. The CEO shall be responsible for providing the Ministry with the necessary documentation to support the OFA's expenditures.

### **14.2 FUNDING**

- a. The OFA maintains a bank account in its own name and manages its financial activities in accordance with its own policies.
- b. The OFA is primarily funded by the Government, from the Consolidated Revenue Fund and its costs are allocated to the treasury program.
- c. The CEO will prepare estimates of the OFA's expenditures for its business plan, and for inclusion in the Ministry's Multi-Year Planning Process. The OFA will deliver these estimates to the Minister in sufficient time to be reviewed and approved by the Minister. The estimates provided by the OFA may, after appropriate consultation with the Chair, be altered as required.
- d. Based on the OFA's powers of a natural person under CIPA, the OFA may charge fees, commissions or other amounts for financial services provided by it, and may deposit any revenue received in its own bank account.
- e. The OFA may borrow and invest on its own account pursuant to a by-law approved by the Minister.

### **14.3 FINANCIAL REPORTS**

- a. The Chair, on behalf of the Board, will provide to the Minister audited annual financial statements, and will include them as part of the 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 Division.
- b. The CEO will provide the OFA's financial information for consolidation into the Public Accounts.
- c. The OFA will submit to the Ministry quarterly budget – expenditure variance reports
- d. The OFA will submit to the Minister, or the Ministry will obtain directly, the OFA's salary information as required in accordance with the *Public Sector Salary Disclosure Act, 1996*.

### **14.4 TAXATION STATUS: HARMONIZED SALES TAX (HST)**

- a. The OFA is responsible for complying with its obligations as a supplier under the federal *Excise Tax Act (Canada)* to collect and remit HST in respect of any taxable supplies made by it.
- b. The OFA is responsible for paying HST where applicable, in accordance with the *Excise Tax Act (Canada)*.
- c. Under the Canada-Ontario Reciprocal Taxation Agreement, the OFA is entitled to claim HST government rebates in respect of any HST paid by the OFA to suppliers, subject to any restrictions specified by Finance Canada.
- d. The OFA will not claim an HST government rebate in respect of tax for which it has claimed a refund, input tax credit or other rebate under the *Excise Tax Act (Canada)*.
- e. The OFA is responsible for providing the Ministry or Canada Revenue Agency, upon request, with any information necessary to determine the amount of an HST government rebate.

## **15. Audit and Review Arrangements**

### **15.1 AUDITS**

- a. Pursuant to section 13 of CIPA, the Auditor General is the auditor of the OFA. The Auditor General audits the OFA's annual financial statements and reports the findings to the Board.
- b. The OFA is subject to periodic review and value-for-money audits by the Auditor General under the *Auditor General Act* or by the Ontario Internal Audit Division of TBS.
- c. The Ontario Internal Audit Division may also carry out internal audits of the OFA.

- d. Regardless of any previous or annual external audit, the Minister may direct that the OFA be audited at any time. The OFA will promptly provide a copy of the report from such an audit to both the Minister and the Board. The OFA will also provide a copy of its response to the audit report and any recommendations therein. The OFA will advise the Minister annually on any such audit recommendations that remain outstanding.
- e. The Chair, on behalf of the Board, may request an external audit of the financial transactions or management controls of the OFA, at the OFA's expense.
- f. The Board will authorize and direct internal audits to be conducted in respect of the OFA in accordance with an annual audit plan. The Board may authorize or direct the OFA to retain internal audit services or other auditors as it deems necessary.

## **15.2 OTHER REVIEWS**

- a. The OFA may be subject to periodic review initiated at the discretion and direction of TB/MBC or the Minister. The review may cover such matters relating to the OFA that are determined by TB/MBC or the Minister, and may include the mandate, powers, governance structure and/or operations of the OFA.
- b. In requiring a periodic review, the Minister or TB/MBC shall determine the timing and responsibility for conducting the review, the roles of the Chair, the Board, and the Minister, and how any other parties are involved.
- c. A mandate review of the OFA will be conducted at least once every seven years. The next review is anticipated to be in 2027.
- d. The Minister will consult the Chair, on behalf of the Board, as appropriate during any such review.
- e. The Chair, CEO and Board will cooperate in any review.
- f. In the event of a review initiated at the direction of the Minister, the Minister shall submit any recommendations for change that are developed from the results of the review regarding the OFA to TB/MBC for consideration

## **16. Staffing and Appointments**

### **16.1 DELEGATION OF HUMAN RESOURCES MANAGEMENT AUTHORITY**

Where the PSC has delegated its powers, duties and functions in relation to human resources management to the Deputy Minister, Chair, CEO or other prescribed individual under Ontario Regulation 148/10, that person is accountable for exercising that authority in compliance with any relevant legislation, directives or policies in accordance with the mandate of the OFA, and within the parameters of the delegated authority.

## **16.2 STAFFING REQUIREMENTS**

- a. The OFA is staffed by persons employed under Part III of PSOA.
- b. The OFA, in its dealings with staff employed under Part III of PSOA, is subject to MBC human resource directives and PSC directives under PSOA and to policies and procedures established under section 8 of CIPA in relation to prescribed classes of employees.

## **16.3 APPOINTMENTS**

- a. The Board shall be composed of the Chair and at least four and not more than 12 other members, as set out in CIPA.
- b. Pursuant to subsection 5(3) of CIPA, the Deputy Minister is, by virtue of office, the Chair.
- c. The other members of the Board are appointed by the LGIC on the recommendation of the Premier pursuant to section 5 of CIPA for a term not exceeding three years and may be reappointed for successive terms not exceeding three years each.
- d. The CEO may be a public servant under Part III of PSOA and/or, appointed by the LGIC. The CEO as of the date of this MOU is employed under Part III of PSOA and is not appointed by Order in Council.

## **16.4 REMUNERATION**

- a. Remuneration for Appointees is set by the LGIC. As of the date of this MOU, provided the Appointee is not a deputy minister or employed under Part III of PSOA, a vice-chair of the Board is remunerated at a per diem rate of \$550 and other Appointees are remunerated at a per diem rate of \$500 as set out in Order in Council 819/2008.
- b. Travel expenses of Appointees must comply with the Travel, Meal and Hospitality Expenses Directive. Reasonable expenses shall be reimbursed.

## **17. Risk Management, Liability Protection and Insurance**

### **17.1 RISK MANAGEMENT**

- a. The Chair, on behalf of the Board, is responsible for ensuring that a risk management strategy is developed for the OFA, in accordance with the OPS risk management process.
- b. The OFA shall ensure that the risks it faces are addressed in an appropriate manner.

## **17.2 LIABILITY PROTECTION AND INSURANCE**

- a. Subsection 11(2) of CIPA provides that sections 132 and 136 the *Business Corporations Act* apply to the OFA, its directors and officers.
- b. The OFA is covered under the Government's General & Road Liability Protection Program covering third party liability where bodily or personal injury, death, or property damage including loss of use thereof is caused.
- c. The OFA may purchase third party liability insurance coverage to protect itself against claims that might arise from anything done or omitted to be done by the OFA or its directors, officers, employees and from anything done or omitted to be done where bodily or personal injury, death or property damage, including loss of use thereof, is caused.
- d. Pursuant to a by-law approved by the Minister, the OFA's directors and officers are indemnified by the OFA. Due to this indemnification, and CIPA's prohibition against proceedings against the OFA's directors, officers and employees, as of the date of this MOU the OFA does not maintain directors' and officers' errors and omissions insurance.

## **18. Effective Date, Duration and Periodic Review of the MOU**

- a. This MOU becomes effective on the date it is signed by the Minister as the last party to execute it and continues in effect until it is revoked or replaced by a subsequent MOU signed by the parties.
- b. Upon a change in the Minister or Chair, both parties must affirm by letter that this MOU will continue in force without a review (and attach the signed letter to the MOU); or alternatively, they may agree to revise it and sign a new MOU within six months of the change.
- c. Either the Minister or the Chair, on behalf of the Board, may initiate a review of this MOU by written request to the other.
- d. If either of the parties deems it expedient to amend this MOU, they may do so only in writing. Any amendment shall only be effective after approval by the parties.
- e. A full review and replacement of this MOU will be conducted immediately in the event of a significant change to the OFA's mandate, powers or governance structure as a result of an amendment to CIPA.

- f. At a minimum, this MOU will be reviewed at least once every 5 years, or upon change in Chair or Minister, to ensure it is current and consistent with Government expectations.

## Signatures

Original Signed by Greg Orencsak

May 7, 2021

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Chair

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Date

Ontario Financing Authority

Original Signed by Peter Bethlenfalvy

June 11, 2021

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Minister of Finance and

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Date

President of the Treasury Board

## Appendix 1: Summary of OFA Reporting Requirements

<b>Due Date</b>	<b>Report/Document</b>	<b>Responsible Officials</b>
10 calendar days after approval of Multi-Year Planning and Performance Measurement, for inclusion in the Ministry's business plan	<b>Expenditure estimates</b>	<ul style="list-style-type: none"> <li>• CFRO/CEO</li> </ul>
Annually, a draft no later than three months before the start of the Fiscal Year, and a final no later than one month before the start of the Fiscal Year	<b>Business plan</b> <ul style="list-style-type: none"> <li>• Prepares</li> <li>• Approves</li> </ul>	<ul style="list-style-type: none"> <li>• CEO</li> <li>• Board</li> </ul>
Annually, as part of the business plan, and quarterly updates	<b>Risk assessment and management plan and updates</b>	<ul style="list-style-type: none"> <li>• CFRO/CEO</li> </ul>
Annually, no later than 90 calendar days after receiving audited financial statements from the Auditor General	<b>Annual report</b> <ul style="list-style-type: none"> <li>• Prepares</li> <li>• Approves</li> </ul>	<ul style="list-style-type: none"> <li>• CEO</li> <li>• Board</li> </ul>
Annually, as part of the annual report	<b>Audited year-end financial statements</b> <ul style="list-style-type: none"> <li>• Prepares</li> <li>• Audits</li> <li>• Approve</li> </ul>	<ul style="list-style-type: none"> <li>• CEO/CFRO</li> <li>• Auditor General</li> <li>• Board</li> </ul>
Quarterly	<b>Budget – expenditure variance reports</b>	<ul style="list-style-type: none"> <li>• CFRO</li> </ul>
As requested	<b>Financial reports</b>	<ul style="list-style-type: none"> <li>• Chair/CEO/CFRO</li> </ul>
As requested	<b>Audit reports</b>	<ul style="list-style-type: none"> <li>• CEO/CFRO</li> </ul>
Annually	<b>Compliance attestation</b>	<ul style="list-style-type: none"> <li>• CFRO/CEO/Chair</li> </ul>
Reviewed at least every 5 years or upon change in Chair or Minister	<b>Memorandum of understanding</b>	<ul style="list-style-type: none"> <li>• Chair and Board</li> </ul>

## Appendix 2: Applicable Government Directives

1. The following key government directives and policies (including any policies, standards and guidelines made under them) apply to the OFA as of the date of this MOU:

- *Accountability Directive*
- *Accounting Advice Directive*
- *Advertising Content Directive*
- *Agencies and Appointments Directive*
- *Business Planning and Allocations Directive*
- *Capital Expenditure Evaluation Directive*
- *Cash Management Directive*
- *Classification and Position Administration Directive*
- *Communications in French Directive*
- *Compensation Directive*
- *Confidential Disclosure to Bargaining Agents Directive*
- *Contractor Security Screening Operating Policy*, except for procurements of Treasury Operations Services
- *Continuation of Existing Classes and Salaries Directive*
- *Data Integrity Guideline*
- *Data Integrity Policy*
- *Disclosure of Wrongdoing Directive for Employees and Appointees in Public Bodies*
- *Employee Benefits Directive*
- *Enterprise Risk Management Directive*
- *Expenditure Management Directive*
- *General Expenses Directive*
- *Governance and Management of Information and Data Assets Directive*
- *Government Publications Directive*
- *Hours of Work Directive*
- *Human Resources Management Delegation of Authority Directive*
- *Human Resources Management Directive*
- *Indemnification Directive*
- *Internal Audit Directive*
- *Internal Control Policy*
- *Digital and Data Directive*

- *Managing, Distributing and Pricing Government Information (Intellectual Property) Directive*
  - *Merit Increases Directive*
  - *Minister's Staff Commercial Transactions Directive*
  - *Ministry of Infrastructure Realty Policy and Accommodation Space Policy*
  - *Perquisites Directive*
  - *Procurement Directive* as it applies to "Other Included Entities", except for procurements of Treasury Operations Services
  - *Procurement Directive on Advertising, Public and Media Relations and Creative Communications Services*
  - *Realty Directive*
  - *Relocation Expenses Directive*
  - *Salary Rates/Ranges Directive*
  - *Travel, Meal and Hospitality Expenses Directive*
  - *Visual Identity Directive*
2. The OFA is responsible for complying with all directives, policies, standards and guidelines to which it is subject, irrespective of whether it is included on the list above.
  3. The Ministry will inform the OFA of amendments or additions to directives, policies standards and guidelines that apply to the OFA.

## Appendix 3: Public Communications Protocol for Ontario Financing Authority and Ontario Electricity Financial Corporation

### 1. Definitions

“Agency” means the Ontario Financing Authority (“OFA”).

“Government” means the Government of Ontario.

“Minister” means Minister of Finance.

“Ministry” means the Ministry of Finance.

“Capital Markets Communications” means public communications and media responses that relate, or are relevant, to capital markets activities within the mandate of the OFA.

“Public communications” means any material that is communicated to the public, either directly or through the media in:

- Oral form, such as a speech or public presentation
- Printed form, such as a hardcopy report, brochure, etc.
- Electronic form, such as a posting to a website, or email distribution.

A “contentious issue” is a matter that is, or may reasonably be expected to be, of concern to the Legislative Assembly, the media 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
- Service delivery partners.

2. The Agency will comply with the Treasury Board/Management Board of Cabinet Visual Identity Directive and identify itself in all media responses and news releases as an Agency of the Government.
3. The Ministry and the Agency will appoint persons to serve as public communications “leads.”

The Ministry leads are as follows:

- For the preparation of **public communications materials (excluding media responses)**, the lead is a member of the Strategic Communications unit of the Communications Services Branch (“CSB”).
- For all responses to **media inquiries**, the lead is the Senior Media Relations Advisor within the Issues, Media, Correspondence and Research Services unit, CSB.
- For **contentious issues notes**, the lead is a member of the Issues, Media, Correspondence and Research Services unit, CSB.

The Agency leads are:

- the Executive Assistant to the CEO of the OFA
  - the Executive Assistant to the ADM of the Corporate and Electricity Financing Division of the OFA.
4. For the purposes of this protocol, public communications are divided into three categories:
- a. Proactive communications materials such as news releases, communication plans, speeches, advertising strategies, etc.
    - The Agency lead will notify the Ministry lead for the need of any public communication material as far as possible in advance of the due date.
    - The Agency lead will work jointly with the Ministry lead in providing background information for draft materials.
    - The Ministry lead will administer approvals at all levels (Agency, Minister’s Office, and Cabinet Office and Premier’s Office when required\*).
    - Final approval from applicable offices is required prior to release of all communication material.
    - Cabinet Office and Premier’s Office approval is generally required on news releases, communication plans, advertising strategies and other communication material, as and when requested by CSB or the Minister’s Office.
  - b. Media responses related to the day-to-day business of the agency and its programs.
    - Media responses should be submitted to the Ministry lead, who will circulate as appropriate to other individuals within the ministry for approvals.
    - Direction or approval on media responses is required from the Minister’s Office prior to release.
  - c. Contentious issues that may have direct implications for either the Ministry or Government (including all funding or grant announcements).

- The Agency lead will notify the Ministry lead immediately, who will notify the Minister's Office.
- The Ministry lead will also advise the Agency of contentious issues that require attention. The Agency lead will provide all required background information on the issue to the Ministry lead who will arrange the preparation of a contentious issues note.

## **5. Capital Markets Communications**

- a. With the exception of advertising, the requirements of paragraph 4(a) do not apply to capital markets communications.
- b. The requirements of paragraph 4(b) do not apply to capital markets communications.
- c. The OFA will notify the Ministry lead immediately of any contentious issues relating to capital markets matters and will work with the Ministry regarding such issues in accordance with paragraph 4(c).
- d. Consistent with past practice, and with the exception of advertising and subject to paragraph 5(c), the OFA will continue to manage its capital markets communications.

Dated as of April 2017

## Appendix 4: Administrative or Organizational Support Services

This Appendix sets out the services to be provided to the OFA by the Ministry or by another source, as requested from time to time:

Services		Providers
1.	OPS enterprise-wide services and applications e.g. pay and benefits, WIN, IFIS, central mail, FORTE, LearnON, InsideOPS, etc.	Ministry of Government and Consumer Services and Treasury Board Secretariat
2.	Human Resources: classification, advice and consultation regarding recruitment procedures and staff relations, job description writing, career counselling and staff development	Ministry of Government and Consumer Services
3.	Corporate educational opportunities and career planning	Ministry of Finance
4.	Strategic human resource advice, organizational design, talent and performance management	Ministry of Finance
5.	Legal Services	Ministry of the Attorney General (including Ministry of Finance Legal Services Branch)
6.	FIPPA: Freedom of Information services	Ministry of Finance
7.	Communications	Ministry of Finance
8.	Information and Technology advisory services	Ministry of Government and Consumer Services and Treasury Board Secretariat
9.	Cyber security support services	Ministry of Government and Consumer Services