

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MINISTER OF TOURISM, CULTURE AND SPORT
AND
THE ROYAL ONTARIO MUSEUM

1. DEFINITIONS

In this Memorandum of Understanding,

“**Act**” means the *Royal Ontario Museum Act*, R.S.O. 1990, c. R.35, as amended from time to time;

“**Board**” means the board of trustees of The Royal Ontario Museum;

“**Chair**” means the appointed Chair of the board of trustees of The Royal Ontario Museum;

“**Deputy Minister**” means the Deputy Minister of Tourism, Culture and Sport;

“**Directives**” means those Ministry of Finance and Treasury Board/Management Board of Cabinet directives listed in Schedule 1 attached to this MOU;

“**Director**” means the Director and Chief Executive Officer of The Royal Ontario Museum;

“**fiscal year**” means the period of time commencing on April 1 in each year and ending on March 31 in the following year;

“**Government**” means the Government of Ontario;

“**Minister**” and the “**Ministry**” respectively mean the Minister and Ministry of Tourism, Culture, and Sport;

“**MOU**” means this Memorandum of Understanding;

“**Museum**” means the corporation without share capital known as “The Royal Ontario Museum”; and

“**TB/MBC**” means Treasury Board/Management Board of Cabinet.

2. PURPOSE

The purpose of this MOU is to clarify the operational, accountability, financial, administrative, auditing and reporting relationships between the Minister and the Museum.

This MOU sets out the framework for accountability between the Minister and the Chair and meets the requirements of the *Agency Establishment and Accountability Directive*.

The Minister, the Chair, the Board and the Director shall act according to the responsibilities set out for each in this MOU. This MOU shall not affect, modify or interfere with the responsibilities of either the Minister or the Board under law. For greater certainty, this MOU shall not limit in any way the ability, authority and obligation of the Board to manage the Museum in light of the best interests of the Museum and the Government and in accordance with other legal duties and responsibilities of the Board, including, without limitation, any duties of care or fiduciary duties. These legal duties and responsibilities shall prevail over any provision of this MOU in the event of any conflict between the provisions of this MOU and the legal duties and responsibilities of the Board.

3. LEGISLATIVE AUTHORITY, MANDATE and AGENCY CLASSIFICATION

The Museum is a corporation without share capital continued under and governed by the Act. The objects of the Museum as set out in the Act are:

- (a) the collection and exhibition of objects, documents and books of any kind to illustrate and make known to the public the natural history of Ontario, Canada and the world;
- (b) the collection and exhibition of objects, documents and books of any kind to illustrate and make known to the public human history in all the ages;
- (c) the operation of a planetarium;
- (d) the promotion of education, teaching, research and publication in any or all fields related to the objects of the Museum referred to in clauses (a), (b) and (c).

It is acknowledged that the Museum operated a planetarium until 1995, and that the Museum sold the property in 2009 to the University of Toronto. The Board does not plan, now or in the future, to operate a planetarium.

In accordance with section 4 of the Act, the affairs of the Museum are governed and controlled by a Board comprised of 21 trustees of which fifteen are appointed by the Lieutenant Governor in Council; three are elected by the members of the Museum; and the Chair of the Board of Governors of the University of Toronto, the President of the University of Toronto and the Director of the Museum, all of whom are members of the Board by virtue of their offices.

The Museum is designated as an Operational Enterprise agency in accordance with the *Agency Establishment and Accountability Directive* and is subject to and shall comply with all existing

Ministry of Finance and TB/MBC Directives applicable to an Operational Enterprise agency as set out in **Schedule 1** to this MOU.

Where such Directives are amended, or new directives are created by the Ministry of Finance or TB/MBC, the Deputy Minister shall advise the Director in writing of the applicability of these Directives to the Museum, and these Directives shall be deemed to form part of Schedule 1. The Museum shall comply with all Directives in Schedule 1 and any directives deemed to form part of Schedule 1.

4. DURATION OF MOU and PROCESS FOR REVIEW AND AMENDMENT OF MOU

This MOU shall be in effect as of the date of the Minister's signature and shall expire five years from the date of the Minister's signature. This MOU will remain in force for no more than six additional months until a signed MOU is provided to the Secretary, MBC.

This MOU shall not be executed by the parties before it has been approved by TB/MBC.

Upon a change in the Minister or the Chair, this MOU must be affirmed by the new party to the MOU. A letter of affirmation must be provided to the Secretary, MBC within six months of the new party's commencement.

This MOU may be amended from time to time with the agreement of the Minister and the Chair. Either the Minister or the Chair may propose amendments to this MOU. All amendments shall be in writing and shall be approved by both parties and TB/MBC before a revised MOU can be executed.

5. GUIDING PRINCIPLES

The Minister and the Chair agree that they will adhere to the following principles in their relationship:

- (a) The Museum is a statutory entity which exercises powers and performs duties in accordance with its mandate under the Act.
- (b) The Museum functions in operational autonomy from the Government and operates within the policy parameters set out by the Government.
- (c) The Chair is accountable to the Minister and, through the Minister, to the Legislative Assembly in fulfilling its mandate. Accountability is a fundamental principle to be observed in the management, administration and operations of the Museum.
- (d) As an agency of the Government, the Museum shall conduct itself according to the management principles of the Government. These principles include ethical behaviour, accountability, excellence in management, wise use of public funds, value for money,

equitable access to high-quality service to the public, and openness and transparency.

- (e) The Minister and the Chair commit to avoid any duplication of services and agree to ensure that all services are consistent with the Government's policy direction.
- (f) The Minister recognizes the Board has full authority to determine ROM collecting, programming, educational and research policies in accordance with the objects of the Act.

6. CONSULTATION AND COMMUNICATIONS

The Minister and the Chair recognize that the timely exchange of information and consultation is essential to success in discharging their respective responsibilities and agree to act according to the Ministry's **Communications Protocol** for agencies attached to this MOU as **Schedule 2**. They therefore agree that:

- (a) The Chair will keep the Minister advised of issues or events, including contentious matters that concern or can reasonably be expected to concern the Minister in the exercise of the Minister's responsibilities. The Chair will advise the Minister immediately of those contentious issues.
- (b) The Minister will ensure that the Chair is consulted, as appropriate, on initiatives proposed to amend the legislation which governs the Museum's mandate or operations or which otherwise will have a significant impact on the Museum. This commitment includes consultation on any review of the Museum's mandate or assessment of the continuing public need for its services.
- (c) The Minister and the Chair will consult with each other on public communication strategies and publications and will keep each other informed of the results of stakeholder and other public consultations and discussions.
- (d) The Minister and the Chair will meet annually, or more often as needed, to discuss issues relating to the delivery of the Museum's mandate. The Deputy Minister will meet with the Chair or the Director annually, or more often as needed, to discuss issues relating to the efficient operation of the Museum.
- (e) Ministry and Museum will maintain a senior liaison committee which will meet twice a year or as the agenda warrants, to discuss matters of mutual interest. The agenda and minutes will be prepared in consultation with both Ministry and Museum staff.

7. ACCOUNTABILITY RELATIONSHIP

The accountability relationship is as follows:

- (a) The **Minister** is accountable to the Legislative Assembly for the Museum's fulfilment of its mandate, its compliance with Government policies and for reporting to the Legislative Assembly on the Museum's affairs.

The Minister is accountable to Cabinet for the performance of the Museum and its compliance with the Government's operational policies and broad policy directions.

- (b) The **Chair** is accountable to the Minister for the performance of the Museum in fulfilling its mandate and for carrying out the roles and responsibilities assigned to the Chair by the Act, Directives and this MOU.
- (c) The **Board**, through the Chair, is accountable to the Minister for governing the affairs of the Museum within its mandate.
- (d) The **Deputy Minister** is accountable to the Minister for carrying out the roles and responsibilities with respect to the Board which are assigned to him/her by the Minister, the Act, Directives and this MOU.
- (e) The **Director** is accountable to the Board, through the Chair, for the management and administration of the Museum, the supervision of the Museum's staff and for carrying out the roles and responsibilities assigned by the Board, the Act, Directives and this MOU. The Director is also accountable to the Board for the accuracy of financial projections and meeting operational and financial targets. The Director works under the direction of the Chair in implementing policy and operational decisions and must report the Museum's performance results to the Chair.

8. ROLES AND RESPONSIBILITIES

8.1 Minister

The Minister is responsible for:

- (a) ensuring the activities of the Museum are monitored to ensure that its mandate is being fulfilled and that it is in compliance with relevant Government policies;
- (b) reporting and responding to the Legislative Assembly on the affairs of the Museum and reporting and responding to Cabinet on the Museum's performance and compliance with applicable Directives and the Government's operational policies and broad policy directions;
- (c) establishing and communicating to the Museum, in writing, changes in the Government policy parameters within which the Museum is required to operate;
- (d) reviewing, approving, presenting and recommending the annual allocation for the Museum as part of the Government's business planning process;

- (e) reviewing and approving the Museum's multi-year and annual plans, including the business plan and reports, in accordance with section 12 of this MOU;
- (f) reviewing and recommending to TB/MBC the provincial funding to be given to the Museum;
- (g) tabling the Museum's annual report in the Legislative Assembly within 60 days of receiving the annual report from the Museum;
- (h) the administration of the Act;
- (i) recommending appointments and reappointments pursuant to the process for agency appointments by the Lieutenant Governor in Council established by legislation or TB/MBC, after consultation with the Chair as appropriate, to ensure that the requirements of the Act are met;
- (j) meeting with the Chair annually or more often as needed;
- (k) consulting with the Chair as appropriate on significant new directions or when the Government is considering regulatory or legislative changes that could impact the Museum;
- (l) when appropriate or necessary, taking action or directing/recommending that corrective action be taken in respect of the Museum's mandate or operations;
- (m) determining the need for any review and making recommendations to TB/MBC regarding the elimination or consolidation of the Museum or any changes to the Museum's mandate; and
- (n) developing this MOU with the Chair and signing it into effect upon approval by TB/MBC.

8.2. Deputy Minister

The Deputy Minister is responsible for:

- (a) providing support and assistance to the Minister in the execution of the Minister's duties with regard to the Museum;
- (b) providing a framework for assessing whether the Museum is fulfilling its mandate in accordance with Government policies, and undertaking assessments of whether the Museum is fulfilling its legislative mandate in accordance with Government policies and identifying any need for corrective action and/or recommending ways to resolve any issues that are identified;
- (c) advising the Minister on the operation of the Museum, or its consolidation or elimination;

- (d) ensuring that the Museum has an appropriate risk management framework and mitigating strategy in place for managing risks that the Museum may encounter in meeting its program or service delivery objectives;
- (e) consulting with the Chair or the Director as directed by the Minister regarding matters of mutual importance, including matters regarding TB/MBC Directives and Ministry policies;
- (f) establishing a framework for reviewing and assessing the Board's business plans and other reports, and advising the Minister on the Board's documents submitted to the Minister for review and/or approval;
- (g) ensuring that the planning and reporting requirements set out in section 12 of this MOU have been met;
- (h) maintaining an open and cooperative working relationship with the Museum through meetings with the Director as required or directed;
- (i) informing the Board in writing of the Directives and policies of the Ministry and Government that apply to the Museum;
- (j) cooperating with any periodic review of the Museum directed by the Minister or TB/MBC;
- (k) advising the Minister on the requirements of Ministry of Finance and TB/MBC Directives that may affect the Museum;
- (l) meeting with the Chair or the Director annually or more often as needed or directed by the Minister;
- (m) negotiating this MOU with the Museum as directed by the Minister; and
- (n) undertaking such other responsibilities as the Minister or TB/MBC may require.

8.3 Board

The Board is responsible for:

- (a) governing the affairs of the Museum within its mandate as set out in the Act, the Board's by-laws, its approved business plan as described in section 12 of this MOU, and the policy parameters established and communicated in writing by the Minister;
- (b) establishing policy and strategic directions for the Museum, consistent with its objects in the Act and within any policy parameters established and communicated by the Minister;
- (c) through the Chair, providing the Minister with information, materials or advice on policy matters relevant to the Museum's objects when needed or requested;

- (d) passing by-laws governing the administration of the affairs of the Museum;
- (e) appointing a Director who is the Museum's Chief Executive Officer and ensuring that the Director is accountable to the Board, through the Chair, for the management and administration of the Museum;
- (f) developing performance objectives for the Director and reviewing the performance of the Director in relation to those objectives;
- (g) directing the preparation of the Museum's annual business plan, annual report and other reports in keeping with TB/MBC requirements;
- (h) approving the Museum's plans, reports and reviews for submission to the Minister in a timely manner;
- (i) approving the MOU on behalf of the Museum in a timely manner and authorizing the Chair to sign it on behalf of the Museum;
- (j) ensuring the development and implementation of an effective performance measurement and management system for assessing the Museum's performance;
- (k) establishing performance measures and targets for the Museum and directing that the Director establish a performance review system for staff;
- (l) monitoring the use of funds and assets to ensure that they are used with integrity and honesty and that the Museum operates within its approved budget;
- (m) ensuring that the Museum is governed in an efficient and effective manner according to accepted business and financial practices and in accordance with Government requirements for Operational Enterprise agencies;
- (n) arranging for an annual audit of the financial transactions or management, or both, of the Museum to be conducted by an auditor and providing the Minister with a copy of the audit report;
- (o) directing corrective action to be taken in response to audits if needed;
- (p) directing the development of an appropriate risk management framework and mitigating strategy for the Museum for managing risks that the Museum may encounter in meeting its program or service delivery objectives;
- (q) consulting with stakeholders, as appropriate;
- (r) co-operating with any periodic reviews initiated by either TB/MBC or the Minister; and
- (s) ensuring compliance with Directives and Ministry policies and procedures.

8.4 Chair

The Chair is responsible for:

- (a) providing oversight for the Museum and strategic leadership to the Board;
- (b) nominating officers, chairs, vice-chairs and members of committees for the approval of the board; and convening and chairing meetings of the Board so as to facilitate full participation by trustees;
- (c) communicating the Board's policy and strategic direction to the Director;
- (d) leading the Board discussion on the development of performance objectives for the Director for the approval of the Board; communicating the performance objectives to the Director; and reviewing the performance of the Director on behalf of the Board in relation to those performance objectives;
- (e) developing and signing the MOU with the Minister, after Board and TB/MBC approval;
- (f) ensuring that the Minister is provided with such information regarding the Museum as the Minister may require in order to carry out the Minister's responsibilities, including issues or events that may concern the Minister;
- (g) monitoring the Museum's performance and accounting to the Minister for the overall operating and financial performance of the Museum, and ensuring that an evaluation of operating and financial performance is submitted to the Minister on an annual basis or as otherwise required;
- (h) ensuring that the Museum operates within its approved budget allocation in fulfilling its mandate;
- (i) reviewing the Board's plans, budget and reports as described in section 12 of this MOU and submitting these to the Minister once approved by the Board;
- (j) ensuring that the business plans, budget and reports as described in section 12 of this MOU are submitted and approved in accordance with the timelines prescribed by this MOU or as otherwise requested by the Minister;
- (k) ensuring that any significant additions, deletions or amendments to the Museum's plans and reports referred to in clause (j) are communicated appropriately to the Minister and in time for their approval, where appropriate, by the Minister and TB/MBC, before implementation;
- (l) implementing systems for agency performance management and reporting including specific performance indicators and targets to be used for assessing the Museum's performance;

- (m) co-operating with any periodic review initiated by either TB/MBC or the Minister;
- (n) ensuring that the Museum complies with all applicable Ministry of Finance and TB/MBC Directives, guidelines and policies;
- (o) ensuring that all Board trustees and Museum staff are informed of and comply with any Museum conflict of interest policies, the Museum's by-laws, applicable Directives, and any legislative conflict of interest rules such as the *Public Service of Ontario Act, 2006*;
- (p) carrying out the specified responsibilities under the *Public Service of Ontario Act, 2006* and its regulations as the "ethics executive" for Board trustees in the areas of conflict of interest, political activity rights and disclosures of wrongdoing;
- (q) recording any declared or apparent conflicts of interest by Board trustees in the minutes of Board meetings;
- (r) notifying the Minister of Board appointment vacancies and conveying the Board's recommendations to the Minister on appointments or reappointments to the Board;
- (s) consulting with the Minister in advance and receiving the Minister's approval if the Museum plans to embark on any enterprise or activity which impacts on the Government's policies;
- (t) ensuring that Board trustees are informed of their roles, responsibilities and obligations and ensuring that all Board trustees receive any necessary training to carry out their responsibilities;
- (u) reviewing and approving claims for expenses of Board trustees;
- (v) ensuring that appropriate management systems are in place (financial, information technology, human resources) for the effective administration of the Museum;
- (w) within 30 days of receipt, providing both the Minister and the Minister of Finance with a copy of every audit report, a copy of the Museum's response to each audit report, and any recommendations in the report;
- (x) advising the Minister annually on any outstanding audit recommendations;
- (y) meeting with the Minister annually or more often as needed; and
- (z) attending and/or making presentations before Cabinet or committees of Cabinet or the Legislative Assembly on matters concerning the affairs of the Museum when requested to do so.

8.5 Director

The Director is responsible for:

- (a) managing the day-to-day functions and financial affairs of the Museum and the fulfilment of its mandate in accordance with all applicable Ministry of Finance and TB/MBC Directives and accepted business and financial practices;
- (b) applying policies established by the Board so that public funds are used with integrity and honesty;
- (c) establishing systems to ensure the Museum operates within its approved business plan;
- (d) translating the policy and strategic direction of the Board into operational plans and activities in accordance with the approved business plan;
- (e) providing leadership, guidance and management to Museum staff, including human and financial resources management, in accordance with the approved business plan, accepted business and financial practices and standards, the Act and Directives;
- (f) ensuring that the Museum has an appropriate risk management framework and mitigating strategy in place, as directed by the Chair or the Board, to help provide the proper level of assurance that program or service delivery objectives are met;
- (g) keeping the Board, through the Chair, informed of the implementation of their policy directions and the operations of the Museum;
- (h) providing the Chair and the Board with advice and assistance in meeting their responsibilities;
- (i) advising the Chair and the Board on compliance with Directives and Ministry policies and procedures;
- (j) ensuring that the Museum complies with the requirements of applicable Directives and Ministry policies and procedures;
- (k) preparing the annual report, business plan, and financial reports as directed by the Board for its approval;
- (l) developing and implementing an effective performance measurement system for the Museum;
- (m) preparing and implementing a performance review system for the Museum's employees;
- (n) meeting the performance objectives approved by the Board;
- (o) ensuring effective communication with the Deputy Minister and staff of the Ministry, including consulting with the Deputy Minister and Ministry staff as needed on matters of mutual importance and seeking advice and support from the Ministry as appropriate;
- (p) monitoring the Museum's operational performance and reporting on this to the Board through the Chair;

- (q) undertaking reviews, evaluations and reports of the Museum’s activities at the request of the Chair or the Board and advising the Chair and the Board of the results;
- (r) ensuring the Ministry is provided with such information regarding the Museum as the Minister may require or request in order to carry out his or her responsibilities;
- (s) keeping the Deputy Minister and the Chair advised of issues or events, including contentious matters, that concern the Minister, the Deputy Minister and the Chair in the exercise of their respective responsibilities (e.g. issues of wrongdoing or impropriety, litigation, allegations of conflict of interest or workplace harassment, police investigations, legal charges or complaints to the Human Rights Tribunal of Ontario or to the Ombudsman or issues that have provincial implications, especially those related to the government or those that can be reasonably expected to concern the Minister);
- (t) supporting the Chair in orienting the trustees of the Board with respect to their roles and responsibilities;
- (u) ensuring that the Museum’s employees are informed of and comply with all conflict of interest guidelines or policies of the Museum and the conflict of interest provisions of the *Public Service of Ontario Act, 2006* and its regulations;
- (v) carrying out the specified responsibilities under the *Public Service of Ontario Act, 2006* and its regulations as the “ethics executive” for employees of the Museum in the areas of conflict of interest, political activity rights and disclosures of wrongdoing;
- (w) establishing a system for the retention of the Museum’s documents and for appropriately making such documents publicly available;
- (x) cooperating with any periodic review directed by the Minister or by TB/MBC; and
- (y) meeting with the Deputy Minister annually or more often as needed.

9. AGENCY CLASSIFICATION, CROWN AGENT STATUS, ADMINISTRATION AND STAFFING

- (a) The Museum is classified as an Operational Enterprise agency under the *Agency Establishment and Accountability Directive*. Subject to the financial, human resources and administrative Directives, guidelines and policies established by the Ministry of Finance or TB/MBC that impact on Operational Enterprise agencies, the Board has full financial and administrative authority over the operations of the Museum, and may delegate such authority to the Director or other officers and employees of the Museum as it sees fit.
- (b) The Museum is responsible for providing all of the business operations of the Museum, including recruiting, hiring and terminating employees. The Museum will provide its own administrative, financial, legal, internal audit and information technology services.

- (c) Employees of the Museum are appointed by the Museum and are not public servants for the purposes of Part III of the *Public Service of Ontario Act, 2006*. Employees are public servants for the purposes of Parts I, IV, V and VI of the *Public Service of Ontario Act, 2006*.
- (d) The Museum is prescribed as a “public body” in accordance with Ontario Regulation 146/10 made under the *Public Service of Ontario Act, 2006*.
- (e) Employees of the Museum are not members of the Public Service Pension Plan but are members of the Museum’s pension plan.
- (f) The Act is silent as to whether the Museum is a Crown agency.
- (g) The Museum is subject to the requirements of the *French Language Services Act*.

10. FINANCIAL

- (a) The Museum is partially funded through transfer payments from the Ministry derived from the Consolidated Revenue Fund based on the Government’s budget planning process, and are subject to adjustments made by the Minister, TB/MBC or the Legislative Assembly. In each fiscal year, the transfer payments are subject to the approval of TB/MBC and to an appropriation authorized by the Legislative Assembly.
- (b) In accordance with the Act, the Museum may also acquire money, securities or other property, real or personal, by gift, devise, bequest or otherwise, and may expend, administer or dispose of any such money, securities or other property in the promotion of its objects, subject to the terms, if any, upon which the money, securities or other property was acquired.
- (c) The Museum shall provide all information and advice as requested to support the Minister throughout the Government’s business planning process.
- (d) The Board may set the level of funding allocated to programs and services, consistent with its annual business plan as approved by the Minister.
- (e) Financial and accounting procedures of the Museum shall follow generally accepted accounting principles for non share capital institutions, as set out by the Canadian Institute of Chartered Accountants and its Handbook.
- (f) The Museum is required to pay the Harmonized Sales Tax.
- (g) The Museum shall manage its financial activities, including borrowing, leasing, investing, banking and management of cash, financial assets, financial risks and financial liability, under the policy direction of the Ontario Financing Authority.
- (h) In accordance with Ontario’s *Financial Administration Act*, if the Museum proposes to enter into any financial arrangements that could increase the Government’s direct,

indirect or contingent liabilities or affect the Government's financial, cash or debt management policies, the Museum shall obtain the prior written approval, via the Minister, of the Minister of Finance.

- (i) The Museum shall acknowledge the financial support of the Government in all of its financial, educational, grant and promotional materials in accordance with TB/MBC Directives, including the *Visual Identity Directive*, and shall refer to itself by its full name "The Royal Ontario Museum" in all formal documents.
- (j) In accordance with section 13 of the Act, funds not immediately required for the Museum's purposes and the proceeds of all property that come to the Museum, subject to any trust or trusts affecting the same, may be invested and reinvested in such investments as the Board considers appropriate.

11. AUDITING

- (a) As provided in section 14 of the Act, the accounts of the Museum shall be audited annually by an auditor or auditors appointed by the Board. Audited financial statements will be included in the Museum's annual report.
- (b) The Museum will promptly provide a copy of every report from an audit to the Minister and to the Minister of Finance. The Museum will also provide a copy of its response to the audit report and any recommendations therein, in advance of its reply to the auditor. The Museum will advise the Minister, at the Minister's request, on the status of any outstanding audit recommendations.
- (c) The Minister may direct that the Ministry's or other auditors conduct an internal audit of the financial transactions or management, or both, of the Museum.
- (d) The Chair may request an internal audit of the financial transactions or management, or both, of the Museum, and the Museum shall be responsible for the cost of the audit.
- (e) The Ontario Internal Audit Division may also carry out an internal audit, if approved to do so by the Ministry's Audit Committee or by the Corporate Audit Committee. In addition, the Auditor General of Ontario may, at any time, audit any aspect of the operations of the Museum in accordance with the *Auditor General Act*.
- (f) The Minister may request ad-hoc reports.

12. PLANNING AND REPORTING

- (a) **Annual Report** – On behalf of the Board, the Chair will submit an annual report on the affairs of the Museum (including the audited financial statements for the fiscal year) to the Minister for tabling in the Legislative Assembly within 120 days of the Museum's fiscal year end. The annual report shall be in accordance with the requirements as set out in the

Agency Establishment and Accountability Directive.

- (b) **Business Plan** - The Board, through the Chair, will ensure that an annual business plan is prepared and approved by the Board and submitted to the Minister for review and approval as directed by the Ministry in accordance with the timelines of the Ministry's planning cycle. The business plan will cover the next three fiscal years and shall be in accordance with the requirements as set out in the *Agency Establishment and Accountability Directive*.

The Board, through the Chair, shall ensure that the Museum implements a system of performance measurement including annual baseline reporting. The performance measurement system shall include commitments to attaining specific performance indicators and targets. The performance measurement system and reporting shall be included in the annual business plan.

The Board will provide the Ministry with a draft business plan prior to the final business plan submission, in keeping with established deadlines, to provide an opportunity for Ministry review and comments. The Minister will review and approve if satisfactory, the Museum's business plan and will advise the Board as to whether or not he or she approves the overall directions envisaged by the Museum and if not, where and in what ways the overall directions of the business plan are at variance with the Government's or the Ministry's policies and priorities.

The Board shall inform the Minister of any intended activities that may result in significant additions, deletions or amendments to its approved business plan in sufficient time for the Minister to consider the intended activities before the Museum enters into any binding financial or operational commitments with respect thereto.

The Chair of TB/MBC may require the Minister to submit the business plan for review at any time.

- (c) **Other Reports & Documents** - The Chair will submit on behalf of the Board the following reports and documents to the Ministry for review in a timely manner:
- (i) all other Board-initiated reports or changes to reports, including strategic plans and capital funding reports;
 - (ii) copies of agendas and minutes of Board meetings within 30 days following Board approval of its minutes;
 - (iii) monthly attendance data of visitors to the Museum;
 - (iv) any promotional and information materials of the Museum (for information only);

- (v) quarterly financial reports prepared on an accrual basis (as defined by the Public Sector Accounting Board), due within 60 days after the end of each quarter, and that shall include: (1) a balance sheet; (2) segmented/departmental information describing actual revenues and expenditures in comparison with budgeted revenues and expenditure for that period; and (3) a statement of changes in cash position. The quarterly financial reports shall also contain:
 - year-to-date expenditures of the Museum for its operating budget;
 - an explanation to the satisfaction of the Minister regarding any significant variances from the Museum's approved operating budget;
 - a capital funding report; and
 - the fiscal year-end financial forecast of the Museum's revenues and expenditures.
- (d) The Board shall submit its plans and reports in a timely fashion to enable the Minister to meet his or her annual estimates requirements, and the Minister will provide advance notice of deadlines, as far in advance as is possible.
- (e) The Minister may request ad-hoc reports.

13. PERIODIC REVIEW

The Museum is subject to periodic review initiated at the discretion and direction of the Minister or TB/MBC. The Museum agrees to cooperate with any such periodic review.

In requiring a periodic review, the Minister or TB/MBC, as the case may be, shall determine the timing and responsibility for conducting the review, the roles of the Chair and the Minister, and how any other parties shall be involved.

In the event of a periodic 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 Museum to TB/MBC for consideration.

14. CONFLICT OF INTEREST

The trustees of the Board who are appointed by the Lieutenant Governor in Council are subject to the conflict of interest provisions of the *Government Appointees Directive* and the conflict of interest provisions of the *Public Service of Ontario Act, 2006* and its regulations.

Trustees shall not use any information gained as a result of his/her appointment to or membership in the Board for personal gain or benefit. A trustee who has reasonable grounds to believe that he/she has 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.

Employees of the Museum are subject to the conflict of interest provisions of the *Public Service of Ontario Act, 2006* and its regulations, unless the Museum has submitted its own conflict of interest rules to the Conflict of Interest Commissioner and has received approval of those rules by the Commissioner.

The Museum, through the Chair, confirms that, as of June 21, 2001 a formal written corporate policy was in place setting out the Museum's conflict of interest policies as they pertain to the members of the board. In addition, the board confirms that it has a conflict of interest management practice in place that applies to the Museum's staff.

15. CREATION, COLLECTION, MAINTENANCE AND DISPOSAL OF RECORDS

The Museum shall ensure that there is an information management system for the retention of the Museum's records. The Board, through the Chair, is also responsible for ensuring that the Museum complies with the *TB/MBC Management of Recorded Information Directive*.

The Museum is designated as an institution in the regulations to the *Freedom of Information and Protection of Privacy Act* ("FIPPA") and shall handle all of its records in accordance with FIPPA.

The Museum shall maintain and manage all non-financial documents and records relating to funding received from the Ministry or otherwise related to the activities of the Museum, including any records it receives or creates about individuals who have participated in research or focus group studies, in a confidential manner consistent with all applicable laws and in accordance with the *Management of Recorded Information Directive*.

Any information collected by the Museum to inform its decision-making may be obtained only from sources determined by the Museum to be reliable. The Minister has the right to review the types of sources from which the Museum is obtaining such information from and to advise the Museum when he or she believes on reasonable grounds that the quality of information obtained may be compromised or unreliable.

In circumstances where the Museum receives approval to commission the creation of information, including "personal information" as that term is defined in FIPPA, the Museum shall ensure that every contract it enters into for data collection and processing contains specific references to the sources of information; the entities involved; and the transfer of information from the collection phase to the destruction phase. Such contracts shall be subject to a Threat Risk Assessment and a Privacy Impact Assessment before they are signed by the parties.

16. CUSTOMER SERVICE

The Museum shall develop and implement a formal process for responding to complaints and issues raised by the public or by stakeholders regarding quality of service. This process shall be consistent with the quality service initiative of the Government. The Museum's business plan shall include performance measures and targets for customer service and for the Museum's response to complaints.

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17. LIABILITY PROTECTION AND INSURANCE

The Museum is not covered under the Government's protection program. The Museum will purchase third party liability insurance coverage to protect itself against claims that might arise from anything done or omitted to be done by the Museum or its trustees, 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. The amount, type and cost of insurance should be specified and proof of insurance should be provided to the Ministry and the Museum. The Museum maintains commercial general liability insurance.

The Museum maintains directors' and officers' errors and omissions insurance.

Original signed by the Minister of Tourism, Culture and Sport and the Board Chair of Royal Ontario Museum.

SCHEDULE 1

Ministry of Finance and Treasury Board/Management Board of Cabinet Directives applicable to The Royal Ontario Museum*

(*Where a Directive applies, all associated policies, procedures and guidelines also apply. Guidelines or policies are only listed where there is no corresponding Directive.)

- (a) Accountability Directive (Sept. 1997)
- (b) Advertising Content Directive (Sept. 2001)
- (c) Agency Establishment and Accountability Directive (January 2010)
- (d) Government Appointees Directive (May 2011)
- (e) Procurement Directive (April 2011) as it applies to “Other Included Entities”
- (f) Travel, Meal and Hospitality Expenses Directive (revised April 2010)
- (g) Visual Identity Directive (Revised Sept. 2006) with exemption from the Agency/Program Logo requirement
- (h) Internal Audit Directive (November 2002)
- (i) Cash Management Directive
- (j) Disclosure of Wrongdoing Directive – Public Bodies (2007)
- (k) Management of Recorded Information Directive (June 1992)
- (l) Emergency Evacuation Planning Directive (January 1991)
- (m) Managing, Distributing and Pricing Government Information (Intellectual Property) Directive (August 1998)
- (n) Perquisites Directive (June 2011)

The Ministry will inform the Museum of amendments or additions to Directives, policies and guidelines that apply to the Museum. The Museum is responsible for implementing and adhering to applicable Directives, policies and guidelines that apply to the Museum. Please note the list above is not exhaustive and directives are subject to change. Revised and new directives applicable to classified agencies will be communicated as per MOU guidelines.

- END OF SCHEDULE 1 -

SCHEDULE 2

COMMUNICATIONS PROTOCOL FOR AGENCIES

MINISTRY OF TOURISM, CULTURE AND SPORT

1. PURPOSE

The purpose of this communications protocol is to set out a framework for the Ministry and Agency to collaborate on public communications opportunities.

Clear and direct lines of communication between the Ministry and its agencies are essential. This communications protocol will support both the Agency's implementation of its legislated mandate and the promotion of the work it does. It also supports the Minister's accountability to the Legislature and to Cabinet for the same.

2. DEFINITIONS

- a. "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 news release or hardcopy report
 - Electronic form, such as a posting to a website
- b. A "contentious issue" is a matter that is, or may reasonably be expected to be, of concern to the legislative assembly or the public, and is likely to result in inquiries directed to the minister or government. Contentious issues may be raised by:
- Members of the Legislative Assembly
 - The public
 - Media
 - Stakeholders
 - Service delivery partners

3. PRINCIPLES

- a. All communications planning processes between the Ministry and its agencies are to be handled in a confidential manner, respecting each organization's approval deadlines.

- b.** The Ministry and the Agency will appoint persons to serve as public communications “leads”.
- c.** The Agency will identify, and share with the Ministry, appropriate opportunities for the inclusion of messaging on government priorities and to enhance the government’s profile. The Agency will also make the Ministry aware of contentious issues. Similarly, the Ministry will identify appropriate opportunities for Agency involvement (for example, cross-Ministry opportunities), and will make the Agency aware of contentious issues.
- d.** The Agency will comply with the government’s Visual Identity Directive and identify itself in all media responses, news releases and on its Web site as an Agency of the Government of Ontario.
- e.** Agency communications that are related to the day-to-day business of the Agency and do not have direct implications for either the Ministry or the government include, but are not limited to, items such as:
 - brochures and promotional items
 - information kits
 - reports (other than those required to be submitted to the Ministry)
 - routine web site updates
 - communications between the Agency and its stakeholders
 - responses on day-to-day operational matters
 - program communications (e.g., information regarding application guidelines and deadlines)

It is neither feasible nor necessary for Ministry involvement in these items. This category does not include contentious issues, media responses, or news releases that announce new grants or programs.

- f.** Agency communications that are related to the following activities may have direct implications for either the Ministry or the government:
 - grant announcements
 - program announcements (i.e. program launch, promotion of success stories)
 - milestone events (i.e. opening of new program/exhibit, anniversary awards)
 - contentious issues

These activities should be shared with the Ministry in advance. The Ministry’s involvement in public communications products (media releases, backgrounders, web updates, etc.) related to these activities could include Minister participation, inclusion of provincial or ministerial messaging on government priorities, or opportunities for local MPP announcements. The Ministry and Agency will discuss opportunities for Ministry participation in Agency communications in these areas in advance of any planned event or media release.

4. PROCESS

Day-to-day operational matters between the Agency and the Ministry will be detailed in a separate Schedule, to be agreed upon by both parties.

This schedule will include, but may not be limited to, the following items:

- Designating a communications 'lead' for both the Ministry and Agency
- Communications planning and protocols
- Products requiring Minister's approval
- Timelines for the submission and review of public communications products, where appropriate.

- END OF SCHEDULE 2 -

SCHEDULE 3

List of General Legislation applicable to The Royal Ontario Museum

Accessibility for Ontarians with Disabilities Act, 2005

Emergency Management and Civil Protection Act

Financial Administration Act

French Language Services Act

Human Rights Code

Management Board of Cabinet Act

Pay Equity Act

Public Sector Salary Disclosure Act, 1996

Public Service of Ontario Act, 2006

- END OF SCHEDULE 3 -