

**NOHFC Memorandum of Understanding**

**MEMORANDUM OF UNDERSTANDING**

**BETWEEN:**

**NORTHERN ONTARIO  
HERITAGE FUND CORPORATION**

**AND**

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO  
as represented by the Minister of Northern Development and Mines**

**NOHFC Memorandum of Understanding**

**THIS MEMORANDUM OF UNDERSTANDING** made as of the      day of      , 2013.

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**NORTHERN ONTARIO HERITAGE FUND CORPORATION MOU**  
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## NOHFC Memorandum of Understanding

The Parties agree as follows:

### 1. PURPOSE

- 1.1 The NOHFC has been established under the *Northern Ontario Heritage Fund Act*, R.S.O. 1990, c. N.5 and this MOU should be read together with the *Act*.
- 1.2 The purpose of this Memorandum of Understanding is to:
  - a. clarify the expectations set out in the *Act*;
  - b. set out the expectations for the financial, operational, auditing, staffing, administrative, communications and reporting arrangements between the NOHFC and the Ministry;
  - c. set out the accountability relationships among signatory parties on behalf of the NOHFC; and
  - d. clarify the roles and responsibilities of the Minister, the Chair, the Vice-Chair(s), the Board, the Deputy Minister and the Executive Director.
- 1.3 The MOU does not affect, modify or limit the powers of the NOHFC as set out in the *Act* or interfere with the responsibilities of any of its parties as established by law. In the event of conflict between the MOU and any law, the law prevails.

### 2. DEFINITIONS

- 2.1 In this Memorandum of Understanding, the following terms shall have the following meanings:
  - a. "*Act*" means the *Northern Ontario Heritage Fund Act*, R.S.O. 1990, c. N.5, as amended from time to time, and any statute that may be substituted for it;
  - b. "AEAD" means the Treasury Board/Management Board of Cabinet Agency Establishment and Accountability Directive;
  - c. "Board" means the board of directors of the NOHFC;
  - d. "By-Laws" means any by-laws of the NOHFC;
  - e. "Cabinet" means the Executive Council of the Province of Ontario;
  - f. "Chair" means the Chair of the board of directors of the NOHFC;
  - g. "Chair of the Management Board" means the Chair of the Treasury Board/Management Board of Cabinet of Ontario;
  - h. "Contribution Agreement" means an annual funding and service level agreement between the Ministry and the NOHFC;

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- i. "Deputy Minister" means the Deputy Minister of MNDM;
- j. "Director of the Board" or "Directors of the Board" means a member or members of the board of directors of the NOHFC;
- k. "Executive Director" means the Executive Director of the NOHFC;
- l. "Forgivable Performance Loan" means a repayable loan that may be forgiven in whole or in part if certain specified conditions are satisfied by the borrower;
- m. "Fund" means the Northern Ontario Heritage Fund established and maintained by the NOHFC under the *Act*;
- n. "Incentive Term Loan" means a repayable loan that may be interest-free for a specified period of time;
- o. "Legislative Assembly" means the Legislative Assembly of Ontario;
- p. "Management Board" or "MBC" means the Treasury Board/Management Board of Cabinet of Ontario;
- q. "Minister" means the Minister of MNDM or such other Minister as may from time to time be responsible for the administration of the *Act*;
- r. "Minister of Finance" means the Minister of Finance for Ontario;
- s. "Ministry" and "MNDM" mean the Ministry of Northern Development and Mines;
- t. "MOU" means this Memorandum of Understanding;
- u. "NOHFC" means the Northern Ontario Heritage Fund Corporation;
- v. "OFA" means the Ontario Financing Authority, a corporation without share capital established under the *Capital Investment Plan Act, 1993*, S.O. 1993, c. 23;
- w. "Operational Service Agency" means an agency that delivers goods or services to the public usually with no, or only minimal, fees;
- x. "Party" or "Parties" means a signatory or signatories to this MOU;
- y. "Public Accounts of Ontario" means the accountability document that presents the financial statements of the province of Ontario, provides financial highlights of the past fiscal year, and reports on performance against the goals set out in the budget of Ontario;
- z. "Repayable Term Loan" means a loan that must be repaid over a specific term according to a fixed repayment schedule;

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- aa. “Transfer Payment” means a transfer of money from a government to an individual, an organisation or another government for which the government making the transfer does not:
  - i. receive goods or services directly in return, as would occur in a purchase or sales transaction;
  - ii. expect to be repaid in the future, as would be expected in a loan; or
  - iii. expect a financial return, as would be expected in an investment;
- bb. “Vice-Chair” means a Vice-Chair of the board of directors of the NOHFC.

### **3. LEGAL AUTHORITY AND MANDATE**

3.1 The legal authority of the NOHFC is set out in the *Act*.

3.2 The objects of the NOHFC as set out in the *Act* are:

- a. to advise and make recommendations to the Lieutenant Governor in Council on any matter relating to the growth and diversification of the economy of Northern Ontario;
- b. to promote and stimulate economic initiatives in Northern Ontario; and
- c. to commission studies and enter into contracts in connection with the objects set out in clauses (a) and (b) above.

3.3 Under the *Act*, the affairs of the NOHFC are administered by a board of directors consisting of not fewer than twelve persons from northern communities, who are appointed by the Lieutenant Governor in Council. As provided in the *Act*, the Minister is a Director of the Board and is the Chair of the Board.

3.4 Subject to the financial limitations set out in Section 10.4, in pursuing its objects and the priorities of government, the NOHFC may provide financial assistance by way of Transfer Payments, Forgivable Performance Loans, Incentive Term Loans, Repayable Term Loans, as well as loan guarantees covered by assets of the Fund.

### **4. AGENCY CLASSIFICATION AND CORPORATE STATUS**

4.1 The NOHFC is classified as an Operational Service Agency as defined in the AEAD.

4.2 The NOHFC is a corporation without share capital and, as provided in the *Act*, the *Corporations Act*, R.S.O. c. C.38 does not apply.

4.3 The NOHFC is a public body and a Commission public body under the *Public Service of Ontario Act, 2006* (the “**PSOA**”), pursuant to Ontario Regulation 146/10.

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### 5. APPLICABLE LEGISLATION AND GOVERNMENT DIRECTIVES AND POLICIES

- 5.1 The NOHFC is subject to the requirements of the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. F.31 (“FIPPA”), the *French Language Services Act*, R.S.O. 1990, c. F.32 and all other applicable legislation including but not limited to the statutes listed in Schedule “C”.
- 5.2 The NOHFC is subject to, and shall comply with, all existing Ontario government directives, policies and guidelines applicable to an Operational Service Agency as amended from time to time, including but not limited to the directives, policies and guidelines set out in Schedule “D”, which may be reviewed at any time at the request of either party.
- 5.3 The NOHFC will be advised by the Ministry of, be subject to, and shall comply with, any new directives, policies and guidelines applicable to an Operational Service Agency that may be approved in the future by MBC or the Ministry of Finance or by any other body with the authority to make directives, policies and guidelines that are binding on an Operational Service Agency, unless:
- a. the NOHFC is specifically exempted by MBC, and
  - b. the exemption is communicated in writing to the NOHFC by the Ministry.
- 5.4 In the event of an inconsistency between Ontario government directives, policies and guidelines and the *Act*, the *Act* will prevail.

### 6. DURATION OF MOU AND PROCESS FOR REVIEW AND AMENDMENT

- 6.1 This MOU becomes effective on the date it is signed by the parties.
- 6.2 This MOU will continue in effect for a period of not more than five years from the effective date unless it is replaced by a new MOU as a result of a significant change in the NOHFC’s mandate, governance structure or powers.
- 6.3 This MOU will remain in force for no more than six months after its expiry date until a signed MOU is provided to the Secretary of MBC.
- 6.4 In the event of a change in the Minister or by default the Chair, this MOU must be affirmed for continuance within six months of the change in the Minister or by default the Chair or revised. This MOU shall not be signed before it has been approved by Management Board of Cabinet.
- 6.5 This MOU or any portion of it may be amended or modified in writing from time to time as mutually agreed upon by the parties. All parties to the MOU may propose amendments to this MOU. All amendments must be in writing and approved by the parties and MBC before the amendments can be executed.

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### **7. PERIODIC REVIEW OF THE NOHFC**

- 7.1 The NOHFC may be subject to a periodic review initiated at the discretion and direction of Management Board or the Minister. The review may include but is not limited to matters including the mandate, powers, governance and organizational structure, operations, budgeting and financial systems, financial management/stewardship and human resources of the NOHFC.
- 7.2 The Minister or Management Board will determine timing and responsibility for conducting the review, the roles of the Chair and the Deputy Minister in the review, and how other parties (e.g. external reviewers) should be involved. The Chair, the Executive Director and the Board will cooperate in any review.
- 7.3 In the case of a Minister-initiated review, the Minister will submit any recommendations in respect of the NOHFC to Management Board for approval.

### **8. GUIDING PRINCIPLES**

- 8.1 The Ministry and the NOHFC agree to the following principles:
- a. The Minister acknowledges that NOHFC exercises powers and performs duties in accordance with its mandate.
  - b. The Minister acknowledges that NOHFC 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 accountability is a fundamental principle to be observed in the management, administration and operations of NOHFC. The Board acknowledges that they are accountable to the Minister, through the Chair, for governance and oversight of NOHFC.
  - d. As an agency of the government, NOHFC conducts itself according to the management principles of the Government of Ontario. These principles include ethical behaviour; prudent; efficient, and lawful use of public resources; fairness; high quality service to the public; and openness and transparency to the extent allowed under law.
  - e. The NOHFC and the Ministry will endeavour to avoid duplication of services provided to the public.

### **9. ACCOUNTABILITY FRAMEWORK**

#### **9.1 Minister**

The Minister is accountable:

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

### **9.2 Chair**

The Chair is accountable:

- a. to the Minister for the performance of the NOHFC in fulfilling its mandate, and for carrying out the roles and responsibilities assigned to the Chair by the *Act*, this MOU, and applicable MBC, Public Service Commission, and Ministry of Finance directives.
- b. for reporting to the Minister, as requested, on the NOHFC'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 NOHFC.

### **9.3 Board of Directors**

- a. The Board is accountable, through the Chair, to the Minister, for administering the affairs, and the performance, of the NOHFC in fulfilling its mandate, and for carrying out the roles and responsibilities assigned to it by the *Act*, applicable MBC, Public Service Commission, and Ministry of Finance directives, and this MOU.

### **9.4 The Deputy Minister**

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

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### 9.5 The Executive Director

- a. The Executive Director works under the direction of the Chair to implement policies and operational decisions, and reports the NOHFC's performance to the Board, through the Chair.
- b. The Executive Director is accountable to the Chair, the Board and the Deputy Minister for the day-to-day management of the operations of the NOHFC and for carrying out the roles and responsibilities assigned by the Board, Ontario government directives, guidelines and policies; the *Act*, the MOU and relevant legislation.
- c. Ministry staff providing services and support to the NOHFC are either accountable to the Executive Director for their performance or are accountable in accordance with the services agreements in which the services and support provided by such Ministry staff are made available to NOHFC.

9.6 The Ministry and the NOHFC will cooperate with each other in developing strategic directions aligned with government priorities for the NOHFC. The Ministry, in consultation with the Board, monitors, evaluates and reports on the performance of the NOHFC in meeting its objectives under the *Act*.

9.7 The Ministry may institute additional accountability requirements in relation to NOHFC based on a risk assessment of NOHFC.

9.8 The Ministry shall have in place accountability tools for NOHFC.

9.9 The Ministry and NOHFC shall assess risk in relation to NOHFC in each of the risk categories referred to in the AEAD (and described in the Guide to the Risk-Based Approach for the Agency Establishment and Accountability Directive, 2010) and the Ministry shall develop risk management plans for each applicable risk and report to MBC on NOHFC's high risk categories.

## 10. ROLES AND RESPONSIBILITIES

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

- a. reporting and responding to questions in the Legislative Assembly and Cabinet on the affairs of the NOHFC and on the NOHFC's performance in fulfilling its mandate and its compliance with government priorities, directives and policy directions;
- b. where required, recommending to Management Board and Cabinet the merger, any change to the NOHFC's mandate or dissolution of the NOHFC;
- c. recommending to MBC the powers to be given to, or revoked from, the NOHFC when a change in the mandate is being proposed;

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- d. receiving the NOHFC's annual report and ensuring that the annual report is made available to the public after tabling the NOHFC's annual report in the Legislative Assembly;
- e. with the Deputy Minister, signing and submitting to the Secretary of MBC, an annual attestation indicating that NOHFC is in compliance with the mandatory requirements of the AEAD and providing documentation demonstrating compliance with the AEAD by indicating the NOHFC's compliance with each mandatory requirement in a report to the Secretary of MBC;
- f. reporting and responding to MBC on the NOHFC's performance, compliance with applicable MBC directives, the government's operational policies and policy directions;
- g. recommending to the Lieutenant Governor in Council the appointment and reappointment of individuals to the Board pursuant to the process for public appointments established by Management Board;
- h. determining at any time the need for a review or audit of the NOHFC, and recommending to MBC any changes to the governance or administration of the NOHFC resulting from such review or audit;
- i. proposing the annual allocation for the NOHFC to MBC;
- j. directing the Chair to undertake reviews on a periodic basis and making recommendations to MBC after the conclusion of such reviews;
- k. reviewing and approving the NOHFC's annual business plan;
- l. developing the NOHFC's MOU with the Chair and signing it into effect after it has been signed by the Chair;
- m. receiving and approving the NOHFC's strategic direction including a strategic plan, a business plan, performance measurement plan and targets, annual report and financial reports, and the financial plans of the NOHFC;
- n. directly or through the Deputy Minister, informing the NOHFC Executive Director of government priorities and broad policy directions for the NOHFC;
- o. monitoring the activities of the NOHFC to ensure that its mandate is being fulfilled and that it is in compliance with government policies;
- p. defining and communicating to the Board overall priorities and policy directions of the government of Ontario;
- q. forwarding to Management Board the business plan and the financial plans of the NOHFC and recommending approval of the business plan to Management Board;

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- r. ensuring the NOHFC works through the Ministry with the Premier's Office, Cabinet Office, the Ministry of Infrastructure and the Ministry of Finance on public communication of major NOHFC capital announcements;
- s. consulting with the Board with respect to the policies, planning and program delivery of the government of Ontario in Northern Ontario;
- t. consulting, as appropriate, on significant new directions or when the government is considering regulatory or legislative changes for the NOHFC;
- u. when appropriate or necessary, taking action or directing that corrective action be taken in respect of the NOHFC's administration or operations;
- v. informing the Office of the Provincial Controller of any external audit of the NOHFC requested by the Minister or Management Board; and
- w. recommending that Management Board approve funds for a project where the recommended amount of the NOHFC contribution (by way of Transfer Payment or loan) exceeds \$5 million per project, in such cases as the Minister considers appropriate and after receiving the advice of the Board;

### 10.2 The responsibilities of the Chair are to:

- a. advise the Directors on the requirements of the AEAD;
- b. seek strategic policy direction for the NOHFC from the Minister where appropriate;
- c. ensure the implementation of actions that support the goals, objectives, and strategic direction of the NOHFC;
- d. report to the Minister as requested on the NOHFC's activities within agreed upon timelines;
- e. ensure timely communications with the Minister regarding any issues or events that may concern, or can reasonably be expected to concern the Minister in the exercise of his/her responsibilities relating to the NOHFC;
- f. consult 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 NOHFC's mandate, powers or responsibilities as set out in the *Act*;
- g. cooperate on and share any relevant information for any risk-based or other periodic review or audit of the NOHFC directed by the Minister or MBC;
- h. make sure that all Directors are aware of and comply with applicable MBC, Ministry of Finance and Public Service Commission directives;

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- i. ensure that Directors are informed of their responsibilities under the PSOA with regard to the rules of ethical conduct (Part IV of the PSOA), including the political activity rules (Part V of the PSOA);
- j. undertake to ensure that public funds are used for the purpose intended and according to applicable legislation, regulations, directives, and the principles of integrity, honesty and ensuring value for money;
- k. review and approve the NOHFC's business plan, budget, annual report and financial reports, and submit them to the Minister in accordance with the time lines specified in the applicable MBC and Ministry of Finance directives, and this MOU;
- l. ensure that the Deputy Minister is given notice of Board meetings and, upon request, receives all Board meeting materials;
- m. recommend to the Minister proposals affecting the NOHFC's mandate, management, operations and funding;
- n. ensure that the NOHFC operates in accordance with all applicable MBC, Public Service Commission and Ministry of Finance directives, as well as applicable Ministry financial and administrative directives and policies;
- o. provide final approval of the agenda of meetings of the Board;
- p. review the MOU with the Board, identify any required revisions, recommend the MOU to the Minister and subsequently sign the MOU on behalf of the NOHFC after it has been approved by Management Board;
- q. work with the Deputy Minister to establish performance criteria to be included in the performance management agreement between the Executive Director and the Ministry and evaluate the performance of the Executive Director;
- r. provide leadership to the Board and monitor the Board's performance;
- s. keep the Minister informed of upcoming appointment vacancies and provide recommendations for appointments or re-appointments;
- t. provide advice to the Deputy Minister on matters that could affect the ongoing, continuous services to the NOHFC;
- u. provide leadership to the NOHFC;
- v. ensure that the NOHFC operates within its approved budget allocation in fulfilling its mandate;
- w. develop the NOHFC's MOU with the Minister and sign it on behalf of the Board;

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- x. provide both the Minister and the Minister of Finance with a copy of every audit report, a copy of the NOHFC's response to each report, and any recommendations in the report;
- y. advise the Minister annually on any outstanding audit recommendations;
- z. make sure that appropriate management systems are in place (financial, information technology, human resource) for the effective administration of the NOHFC;
- aa. make sure that an appropriate framework is in place for Directors to receive adequate orientation and training;
- bb. make sure a process for responding to and resolving complaints from the public and NOHFC clients is in place;
- cc. carry out effective public communications and relations for the NOHFC as its chief spokesperson;
- dd. ensure that clear expectations are established for transfer payment recipients, and to ensure effective diligence when setting up and monitoring transfer payment contracts to ensure public services are delivered, commitments are fulfilled and the right controls are in place to ensure the prudent use of taxpayer's money;
- ee. fulfil the role of ethics executive for public servants, including the Directors, promote ethical conduct and ensure that Ministry staff providing services and support to the NOHFC and the Directors are familiar with the ethical requirements of the PSOA and the regulations and the directives made under the PSOA, including in respect of conflict of interest, political activity and the protected disclosure of wrongdoing.

### 10.3 The responsibilities of the Vice-Chair(s) are to:

- a. collaborate with the Chair to develop and implement processes and practices that support the deliberations of the Board so that it may diligently fulfill its duties and conduct its work effectively and efficiently;
- b. chair the Audit Committee of the Board and report back to the Board as a whole;
- c. in the absence of the Chair or inability of the Chair to act, the Vice-Chair or, if more than one, the Vice-Chairs in order of seniority, shall have all the powers and shall perform all the duties of the Chair, except those powers and duties that must, respectively, be vested in or performed by the Chair under law, and shall act as an additional key point of contact with the Executive Director;

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- d. direct the Executive Director to prepare for the Board's consideration the required documentation for the annual budget and the annual business plan, and as required, to update the strategic direction;
- e. lead special projects and initiatives as assigned by the Chair or the Board, such as policy development or implementation;
- f. mentor new appointees to the Board and provide oversight and advice to ensure quality and consistency;
- g. provide advice to the Deputy Minister on matters which could affect the ongoing, continuous services to the NOHFC;
- h. review the draft agenda of meetings of the Board with the Executive Director prior to their final approval by the Chair;
- i. provide feedback to the Deputy Minister on the performance of the Executive Director; and
- j. perform other responsibilities as agreed to by the Chair and the Board.

### 10.4 The responsibilities of the Board are to:

- a. set the goals, objectives and strategic directions for the NOHFC within its mandate as defined by the *Act* and this MOU and government policies, including the Minister's directions where appropriate;
- b. set overall priorities for the NOHFC;
- c. administer the affairs of the NOHFC so as to fulfill the its mandate and responsibilities as set out in the Act, the By-Laws, Minister-approved business plans, risk assessment and management plans, as well as relevant government and ministry directives, guidelines, policies and procedures;
- d. pass by-laws or resolutions regulation the NOHFC's procedures;
- e. establish guidelines, policies and practices under which the NOHFC operates;
- f. consider, and if appropriate, approve ideas for new programs to be developed by the NOHFC in consultation with the Ministry for consideration by Cabinet;
- g. advise and make recommendations to the Lieutenant Governor in Council on any matter relating to the growth and diversification of the economy of Northern Ontario, and, as appropriate, on new directions or regulatory or legislative changes which may affect fulfilment of the NOHFC's mandate;
- h. direct the preparation of, and approve the NOHFC's business plan for

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submission to the Minister within the timelines established by the AEAD;

- i. direct the preparation of, and approve the NOHFC's annual reports for submission to the Minister for tabling in the Legislative Assembly within the timelines established by the AEAD;
- j. request a periodic review of the strategic plan by the Executive Director;
- k. ensure its decisions are consistent with the NOHFC's strategic direction including the business plan and ensure that the NOHFC operates within its allocations;
- l. establish goals, objectives and strategic direction for the NOHFC consistent with its mandate and government policies, including the Minister's directions, where appropriate;
- m. review project applications and make decisions on funding for individual projects that meet the program and selection criteria approved by the Board, up to a maximum NOHFC contribution (by way of Transfer Payment or loan) of \$5 million per project;
- n. recommend to the Minister those projects that the Board wishes to support for NOHFC financial assistance that meet program and selection criteria approved by the Board, where the recommended amount of the NOHFC contribution (by way of Transfer Payment or loan) exceeds \$5 million per project;
- o. pass by-laws regulating internal governance procedures and the general conduct of the NOHFC's affairs;
- p. ensure that the NOHFC uses public funds prudently and only for the business of the NOHFC with integrity and honesty and according to applicable legislation; regulations; directives and the principles of value for money, fairness, transparency and effective controllership;
- q. ensure the NOHFC operates within its MBC-approved allocations and minister-approved business plan;
- r. prepare and submit to the Minister an annual report within the time lines established by the AEAD;
- s. propose changes to the NOHFC's mandate to the Minister as required;
- t. ensure the development of consultation mechanisms and linkages with stakeholders, such as communities and economic development agencies in northern Ontario, and consult, as appropriate, with stakeholders on the NOHFC's goals, objectives, strategic direction, and procedures;
- u. conduct an assessment of the NOHFC's compliance with this MOU and other

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obligations of the NOHFC and the Board every two years on the anniversary of the signing of the MOU;

- v. approve the Auditor General's annual audit report respecting the NOHFC's accounts and financial transactions and direct the Executive Director to provide the approved report to the Ministry of Finance;
- w. arrange for audits as needed and cause corrective action to be taken, as necessary, in response to recommendations of auditors;
- x. keep the Minister informed of issues or events that may concern the Minister in the exercise of the Minister's responsibilities;
- y. approve the MOU for the NOHFC in a timely manner and authorize the Chair to sign for the NOHFC;
- z. receive from the Executive Director quarterly reports (or as required) on the NOHFC's administrative budget, achievement of the NOHFC's program finance targets and achievement of the NOHFC's program performance targets;
- aa. participate in the appointment process of the Executive Director of the NOHFC through the development of selection criteria and participation in the interview panel and selection process;
- bb. ensure that the NOHFC manages its affairs in compliance with the AEAD applicable directives and policies (including financial and accounting policies);
- cc. establish such Board committees or oversight mechanisms as may be required to advise the Board on effective management, governance or accountability procedures for the NOHFC;
- dd. approve the NOHFC's reports and reviews that may be requested by the Minister from time to time for submission to the Minister within agreed upon timelines;
- ee. direct the development of an appropriate risk management framework and a risk management plan and arrange for risk-based reviews and audits of the NOHFC as needed;
- ff. establish performance measures, targets and management systems for monitoring and assessing the NOHFC's performance;
- gg. arrange for risk-based reviews and audits of the NOHFC as needed;
- hh. direct corrective action be taken, when needed, and undertaking any corrective actions as required by the Minister;

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- ii. cooperate with and share any relevant information on any risk-based or periodic review directed by the Minister or MBC; and
  - jj. provide advice to the government, through the Minister, on issues within or affecting the NOHFC's mandate and operations.
- 10.5 The Deputy Minister may, in accordance with PSOA and applicable government directives, delegate any of the powers and duties assigned to him or her by law or under this MOU. The responsibilities of the Deputy Minister are to:
- a. provide the Minister with advice and assistance to meet his or her assigned responsibilities regarding the NOHFC;
  - b. advise the Minister on the requirements of the AEAD, the Government Appointees Directive and other Ontario government directives, guidelines and policies that may affect the NOHFC;
  - c. recommend to the Minister the merger or termination of the NOHFC;
  - d. recommend to the Minister, as may be necessary, the evaluation or review, including a risk-based review, of the NOHFC or any of its programs, or changes to the NOHFC's management framework or operations;
  - e. facilitate regular briefings and consultations between the Chair and Minister;
  - f. with the Minister, sign and submit to the Secretary of MBC, an annual attestation indicating that NOHFC is in compliance with the mandatory requirements of the AEAD and providing documentation demonstrating compliance with the AEAD by indicating the NOHFC's compliance with each mandatory requirement in a report to the Secretary of MBC;
  - g. ensure that the Ministry and the NOHFC have the capacity and systems in place for on-going risk-based management, including appropriate oversight of the NOHFC;
  - h. submit to the Minister, as part of the annual planning process, a risk assessment and management plan for each risk category in relation to each objective for the NOHFC;
  - i. provide a process and framework for reviewing and assessing whether the NOHFC's mandate, business planning and reports comply with government and ministry directives, guidelines, policies and procedures and the *Act*;
  - j. analyse reports and other sources to identify performance issues of concern to the Ministry;
  - k. undertake and/or cooperate with any reviews, including timely risk-based reviews, of the NOHFC, its management or operations as directed by MBC or the Minister;

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- l. consult with the Executive Director or Chair as needed, on matters of mutual importance, including any services provided to the NOHFC by the Ministry and on compliance with applicable Ontario government directives, guidelines and policies and Ministry policies;
- m. support the Minister in informing the NOHFC in writing of new government directives and the policies and activities of the Ministry and government that apply to the NOHFC, including but not limited to financial, administrative, human resources and corporate policies;
- n. provide NOHFC with the administrative and organizational support services listed in Schedule "A", and for negotiating with Ontario Shared Services concerning these services, as appropriate;
- o. ensure that the support and services provided to the NOHFC are of the same quality as those provided to the Ministry's own divisions and branches;
- p. keep the Minister informed of issues or events that may concern the Minister in the exercise of the Minister's responsibilities under the MOU;
- q. advise the Minister on the operation of the NOHFC and on documents submitted by the NOHFC to the Minister for review and/or approval;
- r. advise the Minister on meeting ministerial responsibilities with respect to the NOHFC, in compliance with Ontario government directives, guidelines and policies on administration of agencies;
- s. advise the Executive Director of the prescribed timelines for the NOHFC to submit plans and operating budgets to the Ministry;
- t. on behalf of the Minister, monitor the activities of the NOHFC while respecting NOHFC's authority, to identify the need for any corrective action where warranted and recommend to the Minister strategies for resolving issues that may arise from time to time;
- u. recruit candidates, and select the successful candidate, for the position of Executive Director;
- v. work with the Board to establish performance criteria to be included in the performance management agreement between the Executive Director and the Ministry and evaluate the performance of the Executive Director;
- w. seek feedback from the Chair on the performance evaluation of the Executive Director;
- x. approve, on behalf of the Ministry, an annual Contribution Agreement between the Ministry and the NOHFC setting out:
  - i. any Cabinet direction received with respect to the NOHFC;

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- ii. the approved allocation, capital funding, and performance measures; and
  - iii. any changes that may be required in the NOHFC business plan and capital plan to reflect government direction;
  - y. assist with the implementation of the decisions of the Board or the government of Ontario in appropriate cases;
  - z. work with the Board to prepare a draft MOU for the NOHFC as directed by the Minister;
  - aa. consult with the Chair and Vice-Chair(s) on matters that could affect the Ministry's provision of ongoing, continuous services to the NOHFC;
  - bb. provide information to the Board regarding the Ministry and other Ontario government programs;
  - cc. keep the Board informed of Ministry and Ontario government controllership guidelines and advise of any inconsistencies with the NOHFC's operations;
  - dd. meet with the Chair as needed or as directed by the Minister;
  - ee. ensure that the NOHFC has an appropriate risk management framework and a risk management plan in place for managing risks that the NOHFC may encounter in meeting its program or service delivery objectives;
  - ff. support the Minister in reviewing the performance targets, measures and results of the NOHFC;
  - gg. advise the Minister on documents submitted by the NOHFC to the Minister for review or approval, or both; and
  - hh. when required, submit a report to the secretaries of MBC on the wind-down of the NOHFC, disposition of any assets, completion of any outstanding responsibilities by the NOHFC, and the termination of any appointments.
- 10.6 The responsibilities of the Executive Director are to:
- a. review the draft agenda of meetings of the Board with the Vice-Chair(s) prior to their final approval by the Chair;
  - b. manage the day-to-day operations and financial affairs of the NOHFC in accordance with Ontario government directives, guidelines and policies, the NOHFC's mandate, approved business plan, accepted business and financial practices and this MOU and to ensure the activities of the NOHFC reflect the direction that is received;
  - c. advise the Chair on the requirements of, and compliance with, the AEAD as

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well as other MBC and Ministry of Finance directives and policies and NOHFC by-laws and policies;

- d. ensure the NOHFC meets the requirements of the AEAD;
- e. apply policies and procedures so that public funds are used with integrity and honesty;
- f. establish and apply a financial management framework in accordance with applicable Minister of Finance controllership directives, policies and guidelines;
- g. keep the Chair and Board informed of the implementation of policy and operations of the NOHFC;
- h. ensure proper conduct of the financial business of the NOHFC in accordance with applicable Ministry of Finance controllership directives, policies and guidelines;
- i. implement a system of performance measures for the NOHFC and report on them to the Chair and the Board;
- j. maintain effective communications with the Deputy Minister, pertinent Ministry staff and key stakeholders;
- k. ensure the development of an effective performance measurement and management system for assessing the NOHFC's performance and provide quarterly reports (or as required) on the NOHFC's administrative budget and achievement of the NOHFC's program finance targets and program performance targets to the Chair, the Vice-Chair(s) and the Board;
- l. support the Chair, Vice-Chair(s), Board and Deputy Minister in meeting their responsibilities;
- m. conduct a periodic review of the strategic plan at the request of the Board;
- n. keep the Board, through the Chair, informed with respect to the implementation of policy and the operations of the NOHFC
- o. keep the Ministry and the Chair advised on issues and events, including contentious matters, that may be reasonably expected to concern them or the Deputy Minister in the exercise of their responsibilities;
- p. provide advice for setting the goals, objectives and strategic directions of the NOHFC; within its mandate as defined by the *Act*;
- q. prepare documents relating to the fulfillment of the NOHFC's mandate including corporate plans, annual business planning, annual reports and other documentation as directed by the Board and/or the Ministry;

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- r. prepare financial reports for approval by the Board;
- s. recruit, train and supervise staff assigned to the NOHFC and prepare, for approval by the Board, a performance review system for Ministry staff providing services and support to the NOHFC and implement the system;
- t. provide leadership, guidance and management to the staff providing services and support to NOHFC, including financial resources and management;
- u. consult with the Deputy Minister on matters of mutual importance, including services provided by the Ministry and on Ontario government directives, guidelines and policies;
- v. cooperate with any review directed by Management Board or the Minister;
- w. establish a system for the retention of NOHFC documents and for making such documents publicly available as appropriate in accordance with FIPPA and the *Archives and Recordkeeping Act, 2006*, S.O. 2006, c. 34 Sched. A where applicable;
- x. carry out such responsibilities as may be assigned to him or her by the Deputy Minister in accordance with the MOU, under the terms of the Executive Director's performance management agreement with the Ministry and delegated authorities including but not limited to financial responsibilities and supervision of staff;
- y. develop and implement a formal process for responding to complaints and issues raised by the public or stakeholders about quality of service. This process will be consistent with any service quality initiative of the Ministry and the Ontario government;
- z. translate the goals, objectives and strategic directions of the Board into operation plans and activities in accordance with the NOHFC's approved business plan;
- aa. ensure that the NOHFC has the oversight capacity and an effective oversight framework in place for monitoring its management and operations
- bb. establish systems to ensure that the NOHFC operates within its approved business plan;
- cc. ensure that the NOHFC has an appropriate risk management framework and risk management plan in place as directed by the Chair;
- dd. carry out in-year monitoring of the NOHFC's performance and report on results to the Board through the Chair;
- ee. seek support and advice from the Ministry, as appropriate, on NOHFC management issues; and

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- ff. Undertake timely risk-based reviews of the NOHFC's management and operations.

### **11. REPORTING REQUIREMENTS, INCLUDING PERFORMANCE MEASUREMENTS, ANNUAL BUSINESS PLAN, ANNUAL REPORTS, FINANCIAL REPORT**

#### **11.1 General**

- a. Reports on the operations of the NOHFC will be provided to Management Board and the Ministry of Finance as deemed necessary.
- b. The NOHFC's business plan, annual report, financial reports, performance measurement system, and any other reports shall comply with the requirements of the *Act*, applicable Ontario government directives, guidelines and policies and Ministry financial processes.
- c. The Executive Director will ensure that the NOHFC complies with the Ministry's business planning process, financial reporting process and performance measurement requirements and that the Ministry is provided the opportunity to comment on any relevant reports before they are submitted to the Minister and/or Board.

#### **11.2 Business Plan**

- a. The Board, through the Chair, will ensure that the Minister is provided annually with the NOHFC's business plan for approval within the timelines established by the Minister for this purpose covering a minimum of three years from the current fiscal year, which includes the following:
  - i. a financial budget;
  - ii. a risk management plan;
  - iii. an operating plan, describing the objectives and results that the NOHFC expects to achieve for the upcoming fiscal year, as well as a fiscal outlook as directed by the Ministry, based on its mandate, objects and responsibilities, and advancing the government of Ontario's, Ministry's and the NOHFC's priorities and policies;
  - iv. the NOHFC's strategic directions;
  - x. the NOHFC's proposed capital expenditures, operating expenditures and funding requirements;
  - vi. a description of the NOHFC's performance measurement system;
  - vii. risk assessment and management; and

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- viii. other requirements imposed by any future applicable MBC directives.
- b. The Chair is responsible for ensuring that the NOHFC's annual business plan meets the requirements of the AEAD.
- c. The Chair will ensure that the business plan includes a risk assessment and risk management plan to assist the Ministry in developing its risk assessment and risk management plan information in accordance with the requirement of the AEAD, to assess risks, develop and maintain necessary records and report to MBC.
- d. The Minister will review the NOHFC's annual business plan and will promptly advise the Board through the Chair whether or not he or she concurs with the directions proposed by the NOHFC. The Minister may advise the Board through the Chair where and in what manner the NOHFC's plans vary from government or ministry policy or priorities as may be required, and the NOHFC will revise its plan accordingly
- e. The Chair is responsible for ensuring that the NOHFC's business plan includes a system of performance measures and reporting on the achievement of the objectives set out in the business plan. The system must include performance goals, how they will be achieved, and target results and time frames
- f. In addition, MBC may require the Minister to submit the NOHFC's business plan to MBC for review at any time.

### **11.3 Annual Reports**

- a. The Board through the Chair is responsible for ensuring that the NOHFC's annual report is submitted to the Minister for tabling in the Legislative Assembly. The Chair will submit the annual report to the Minister within 120 days of the NOHFC's fiscal year end.
- b. The annual report's contents will be in keeping with those set out in the AEAD and will include but not be limited to the following:
  - i. the NOHFC's audited financial statements, or where an audit is not practical, financial statements subject to another appropriate level of external assurance with actual results, variances and explanations of the variances against estimates;
  - ii. a description of the NOHFC's activities over the year, an analysis of operational performance, an analysis of financial performance, a discussion of performance targets achieved and action to be taken when not achieved;
  - iii. the names of appointees to the Board including when each was first

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appointed, when the current term of the appointment expires; and

- iv. other additional information which may be imposed in the future by law or applicable MBC requirements.
- c. The Minister will table the NOHFC's annual report in the Legislative Assembly within 60 days of receiving it. When the Legislative Assembly is not in session, the Minister will file the report with the Clerk's Office within 60 days, at which time the annual report becomes a public document.
- d. After review by the Ministry, the following must be submitted to the Office of the Provincial Controller for the preparation of the Province's Public Accounts, within the timelines established each year to meet Public Accounts deadlines:
  - i. Draft or audited financial statements; and
  - ii. All relevant consolidation adjustments.

### 11.4 Financial reports

- a. The Chair will provide to the Minister audited annual financial statements, and will include them as part of the NOHFC's annual report. The statements will be provided in a format that is in accordance with the requirements of the Office of the Auditor General of Ontario.
- b. The Ministry will submit to the Ministry of Finance the salary information of staff providing services and support to the NOHFC according to the *Public Sector Salary Disclosure Act*.
- c. NOHFC's financial reports will be prepared in accordance with the accounting policies issued by the Office of the Provincial Controller. Quarterly expenditure budget variance reports will be submitted to the Minister.
- d. NOHFC's audited financial statements will be posted on NOHFC's or the Ministry's website.

### 11.5 Other Reports

- a. The Chair is responsible for, at the request of the Minister or Deputy Minister, supplying specific data and other information that may be required from time to time for the purpose of Ministry administration.
- b. Capital and infrastructure reports on NOHFC-funded projects may be requested from time to time by the government of Ontario and its agents. NOHFC shall comply with any such requests for information. Capital or public infrastructure assets are defined as non-financial assets having physical

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substance that are purchased, constructed, developed or otherwise acquired and:

- i. are held for use in the production or supply of goods and services;
  - ii. have useful lives extending beyond one year and are intended to be used on a continuing basis;
  - iii. are not intended for sale in the ordinary course of operations; and
  - iv. are owned and controlled by the Ontario government or the broader public sector.
- c. As requested, the Ministry will provide the Ministry of Energy and Infrastructure a detailed listing of current NOHFC-funded capital projects.
  - d. Project reports may be requested from time to time by the government of Ontario and its agents. The NOHFC shall comply with any such requests for information.
  - e. It is intended and understood that contributions to the NOHFC provided through the government of Ontario's capital plan will be used to support investments in public infrastructure assets only.

## **12. ADMINISTRATIVE ARRANGEMENTS**

### **12.1 Freedom of information and Protection of Privacy**

- a. The Minister is the institution head for the purposes of FIPPA.
- b. The NOHFC and Board will comply with FIPPA.

### **12.2 Creation, Collection, Maintenance and Disposition of Records**

- a. The Chair is responsible for ensuring that a system is in place for the creation, collection, maintenance and disposal of records.
- b. The Executive Director will have corporate responsibility for the efficient and effective management of recorded information and to ensure the integrity, security and retention of recorded information in accordance with Management Board's Management of Recorded Information Directive, the *Archives and Recordkeeping Act, 2006*, S.O. 2006, c. 34 Sched. A and other relevant legislation.

### **12.3 Service standards**

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

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- b. The NOHFC has in place a formal process for responding to complaints about the quality of services received by NOHFC clients and appeals of NOHFC decisions consistent with the government's service quality standards.
- c. The NOHFC has published service standards, which shall be amended from time to time, and its annual business plan will include performance measures and targets for client service and the NOHFC's response to complaints and appeals.

### **12.4 Intellectual property**

- a. The Chair is responsible for ensuring that the legal, financial and other interests of the government in intellectual property are protected in any contract that the NOHFC may enter into with a third party that involves the creation of intellectual property.

### **12.5 Procurement arrangements**

- a. The NOHFC is subject to, and shall comply with, all applicable sections of the Procurement Directive.

### **12.6 Agreements with Third Parties**

- a. The NOHFC may enter into memoranda of understanding with ministries and agencies of the government of Ontario and into agreements and contracts with other governments and private sector persons and agencies for the purposes of:
  - i. evaluating, implementing or monitoring projects on behalf of the NOHFC;
  - ii. providing for loan administration and due diligence/evaluation, the collection of loans and the financial administration of loans funded by the NOHFC;
  - iii. providing professional and/or technical advice and services to or on behalf of the NOHFC; and
  - iv. supporting or carrying out other activities and operations on behalf of the NOHFC.
- b. The NOHFC may pay for services mentioned in Sections 12.6(a) above out of the Fund.

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### **13. STAFFING, REMUNERATION AND APPOINTMENTS**

- 13.1 The Minister shall serve as the Chair of the Board.
- 13.2 The Directors of the Board, with the exception of the Minister, shall be appointed by the Lieutenant Governor in Council in accordance with the *Act*.
- 13.3 The Chair may appoint a first and second Vice-Chair from among the Directors of the Board.
- 13.4 The Executive Director is a public servant within the meaning of the PSOA with all the rights and benefits associated therewith.
- 13.5 Financial, legal and administrative support services, including internal audit services, will be provided to the NOHFC by the Ministry as set out in Schedule "A" of this MOU.
- 13.6 The NOHFC is staffed by persons employed under Part III of the PSOA who are eligible for all those rights and benefits accorded under the PSOA and relevant collective agreements.
- 13.7 The NOHFC, in its dealings with staff employed under Part III of the PSOA, is subject to MBC human resource directives and Public Service Commission directives under the PSOA.

### **14. BOARD PROCEDURES**

- 14.1 A quorum for a meeting of the Board shall be such number of Directors of the Board as the Board may determine by By-Law.
- 14.2 The Board may delegate any of its duties or powers to the subcommittees of the Board or to the Executive Director, except those duties and powers that are required by statute to be exercised by the Board.
- 14.3 The NOHFC will establish an Audit Committee. The Audit Committee will be composed of no less than three Directors of the Board. The Audit Committee will review and advise the Board with respect to the annual financial statements of the NOHFC, the Auditor General's annual report and any special examination undertaken by the Auditor General.

### **15. FINANCIAL ARRANGEMENTS, INCLUDING NOHFC FUNDING, RECOVERY OF UNSPENT FUNDS, ASSETS AND HST LIABILITY**

#### **15.1 Funding**

- a. The NOHFC Fund shall only be applied to the fulfillment of the NOHFC's mandate, including the payment of administrative costs and operating expenses to run the NOHFC's activities.

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- b. Allocations to the NOHFC will be deposited in the Fund through a transfer payment from the Ministry in accordance with the annual Contribution Agreement. Allocations will be separate from the Consolidated Revenue Fund and will be under the control and direction of the NOHFC in accordance with the provisions of the *Act*.
- c. NOHFC has the authority to maintain a bank account.
- d. Any unspent monies, recovered costs and other revenues, if any, will remain in the Fund for future use by the NOHFC.
- e. When ordered to do so by the Minister of Finance, pursuant to Section 16.4 of the *Financial Administration Act* R.S.O. 1990, c. F.12, (the “**FAA**”) the NOHFC shall pay into the Consolidated Revenue Fund any money that the Minister of Finance determines is surplus to its requirements.
- f. The NOHFC will continue to have an Investment Management Agreement with the OFA for the provision of investment management services with respect to the money deposited in the Fund, to eliminate duplication, achieve economies of scale and enhance returns to the Fund. Financial activities including investment and management of cash will be in accordance with the policy directions of the OFA.
- g. The Deputy Minister will ensure that the annual government- approved estimates of the Ministry reflect the NOHFC’s annual allocation.
- h. The Executive Director will prepare estimates of the NOHFC’s expenditures for inclusion in the Ministry’s Results Based Plan. The Chair will deliver these estimates to the Minister in sufficient time to be analyzed and approved by the Minister
- i. The estimates provided by the Chair may, after appropriate consultation with the Chair, be altered as required
- j. Financial procedures of the NOHFC must be in accordance with MBC and Ministry of Finance directives and guidelines and other applicable government direction.
- k. The NOHFC shall not enter into financial obligations that could increase its liability beyond that approved through the annual business planning process. Pursuant to Section 28 of the FAA, the NOHFC shall not enter into any financial arrangement or commitment, guarantee, indemnity or similar transaction that may increase, directly or indirectly the indebtedness or contingent liabilities of the Government of Ontario or affect the financial, cash and similar debt management policies of the Government of Ontario without the prior approval of the Minister and the Minister of Finance.
- l. Monies required for loan and Transfer Payment disbursements will be provided out of the Fund.

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- m. All interest and principal from the NOHFC loans that are repaid and returns earned on the NOHFC's investment portfolio will be deposited in the Fund.
- n. To the extent that a loan made by the NOHFC becomes unrecoverable in the view of the Board, acting reasonably, that amount will be written off against the assets of the Fund.
- o. The Ministry will assist the Board with the development of its strategic direction including annual operating budget, financial and business plans and other formal documents.
- p. The fiscal year of the NOHFC will commence on the 1<sup>st</sup> day of April in each year and will end on the 31<sup>st</sup> day of March in the following year.
- q. The NOHFC will cause its:
  - i. books of account and records in relation thereto to be kept in accordance with generally accepted accounting principles; and
  - ii. financial management control and information system and management practices to be maintained in accordance with directions from the Office of the Provincial Controller and Ministry controllership.
- r. The NOHFC's books and records system and management practices will be kept and maintained in such a manner as will provide reasonable assurance that:
  - i. assets of the NOHFC are safeguarded and controlled in a prudent manner;
  - ii. the resources of the NOHFC are managed economically and efficiently and its operations are carried out effectively; and
  - iii. transactions of the NOHFC are in accordance with the *Act*, the *Financial Administration Act*, R.S.O. 1990, c. F.12; other relevant legislation; the MOU and the By-Laws of the NOHFC.

### **15.2 Taxation status: Harmonized Sales Tax**

- a. The NOHFC is responsible for paying the Harmonized Sales Tax ("HST") on its purchases of taxable property and services as of July 1, 2010, pursuant to the Canada-Ontario Comprehensive Integrated Tax Coordination Agreement and receives a rebate for HST paid.

## **16. AUDIT REQUIREMENTS AND ARRANGEMENTS**

- 16.1 The accounts and financial transactions of the NOHFC will be audited annually by the Auditor General in accordance with the *Act*.

## **NOHFC Memorandum of Understanding**

- 16.2 The results of this audit will be shared with the Board, the Ministry and the Office of the Provincial Controller and they will be accorded the opportunity to enter comments into the audit record.
- 16.3 The NOHFC will provide the Auditor General with required information regarding its powers, duties, activities, organization, financial transactions and methods of business.
- 16.4 The Auditor General will have free access to all books, accounts, financial records, electronic data processing records, reports, files and all other papers, things or property belonging to the NOHFC that the Auditor General requires to perform his or her duties.
- 16.5 The Minister may request an external audit of the financial transactions or management controls of the NOHFC at the expense of the NOHFC. The Minister shall provide the report of any such external audit to the Board to review and consider further action.
- 16.6 The Minister will apprise the Office of the Provincial Controller of any external audit requested of the NOHFC.
- 16.8 The Board will advise the Minister annually on any recommendations by the Auditor General that have not yet been implemented.
- 16.9 The NOHFC is subject to periodic review and value-for-money audit by the Auditor General of Ontario under the *Auditor General Act* or by the Ontario Internal Audit Division.
- 16.10 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.
- 16.11 Regardless of any annual external audit, the Minister may direct that the NOHFC be audited at any time.
- 16.12 The NOHFC will promptly provide a copy of every report from an audit to the Minister and the Minister of Finance. The NOHFC will also provide a copy of its response to the audit report and any recommendations therein. The NOHFC will advise the Minister annually on any outstanding audit recommendations.

## **17. CONFLICT OF INTEREST**

- 17.1 The Directors of the Board will comply with all relevant conflict of interest rules set out in the PSOA and its regulations, as amended from time to time (the "Conflict of Interest Rules"). The Minister will also comply with the requirements of the *Members' Integrity Act, 1994*, as amended from time to time.
- 17.2 The Chair is responsible for ensuring that Directors 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 NOHFC.

## NOHFC Memorandum of Understanding

### 18. CONSULTATION AND COMMUNICATIONS, INCLUDING MEDIA RELATIONS, REPORTS AND PUBLICATIONS

- 18.1 The Ministry and the NOHFC recognize that the timely exchange of information and consultation is essential to the success of accomplishing their respective responsibilities. They therefore agree that:
- a. the Board and the Minister will consult and exchange information with each other in a timely manner to efficiently and effectively perform their responsibilities;
  - b. the Board will keep the Minister advised, in a timely manner, of all issues and planned events that concern or can be reasonably expected to concern the Minister in the exercise of the Minister's responsibilities and vice versa;
  - c. the Minister will, subject to Cabinet confidentiality, consult the Board on broad government policy initiatives or legislation being considered by the government that may impact on the NOHFC's mandate, programs, or operations;
  - d. The Minister and the Board will consult with each other on public communications strategies and publications, including those that deal with providing recognition to NOHFC. They will keep each other informed of the results of stakeholder and other public consultations and discussions;
  - e. The Minister and the Board will meet at least annually, or as requested by either party to discuss issues relating to the fulfillment of the NOHFC's mandate, management and operations;
  - f. The Deputy Minister and/or his or her delegates and the Executive Director will meet at least annually to discuss issues relating to the efficient operation of the NOHFC and the provision of services by the Ministry to the NOHFC;
  - g. clear lines of communication will be developed through periodic meetings as needed between the Minister, the Board, the Deputy Minister or designate and the Executive Director; and
  - h. senior Ministry and NOHFC staff will maintain regular communications to discuss matters of mutual interest.

### 19. INSURANCE LIABILITY

- 19.1 The government of Ontario will indemnify the Directors of the Board from any legal liability arising from their activity as Directors of the Board in accordance with the indemnity provided by the government of Ontario to the Directors of the Board, which was signed by The Honourable Michael Gravelle on March 19, 2013.

## NOHFC Memorandum of Understanding

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO**  
as represented by the **Minister of Northern Development and Mines**

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The Honourable Michael Gravelle  
Minister of Northern Development and Mines

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Date

### **NORTHERN ONTARIO HERITAGE FUND CORPORATION**

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The Honourable Michael Gravelle  
Chair, Northern Ontario Heritage Fund Corporation

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Date

## **NOHFC Memorandum of Understanding**

### **SCHEDULE “A” PROVISION OF ADMINISTRATIVE AND CORPORATE SERVICES**

The Deputy Minister will arrange for the provision of services and support from the Ministry to the NOHFC in consultation with the Board, Chair and the Executive Director to ensure fulfillment of the NOHFC’s mandate and to support the day-to-day activities of the NOHFC.

These services will include but not be limited to:

- Appointment of the Executive Director
- Staff resources
- Administrative services
- Financial services (including preparation of the NOHFC’s annual allocation for inclusion in the Ministry’s Capital Plan and Business Planning Allocation submission)
- Internal audit services
- Legal services (to be provided in accordance with the Ministry of the Attorney General’s Corporate Operating Policy on Acquiring and Using Legal Services)
- Analytical support
- Communications and marketing strategies
- Information technology support and systems development
- Strategic planning and business plan development
- Other or supplementary services as required and agreed to between the NOHFC and the Ministry

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### **SCHEDULE "B" THE NOHFC BUSINESS PLAN**

The NOHFC will prepare a three-year rolling business plan on an annual basis. This business plan will contain all of the elements as set out in Schedule H "Annual Business Plan" of the AEAD:

1. The NOHFC's mandate
2. Strategic directions
3. Overview of the NOHFC's current and future programs and activities
4. Resources required to meet objectives of mandate and strategic directions
5. Risk identification, assessment and mitigation strategies
6. Assessment of issues facing the NOHFC (environmental scan)
7. Summary of staff numbers, impact of business plan on human resources and compensation strategy including employee benefits and benchmarking against other public sector bodies
8. Performance measures and targets over three-year life of business plan
9. Financial budget over three-year life of business plan (including proposed operating expenditures and projected revenues)
10. Initiatives involving third parties, such as other levels of government or not-for profit foundations
11. Implementation plan
12. Communication plan

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### **SCHEDULE "C" STATUTES OF PARTICULAR APPLICATION**

The NOHFC is subject to the requirements of applicable legislation including but not limited to the statutes listed below.

1. Employment Standards Act
2. Human Rights Code
3. Labour Relations Act
4. Occupational Health and Safety Act
5. Accessibility for Ontarians with Disabilities Act
6. Workplace Safety and Insurance Act
7. Public Service of Ontario Act, 2006
8. French Language Services Act
9. Environmental Protection Act
10. Broader Public Sector Accountability Act
11. Freedom of Information and Protection of Privacy Act
12. Public Sector Compensation Restraint to Protect Public Services Act
13. Public Sector Salary Disclosure Act
14. Public Sector Labour Relations Transition Act
15. Archives and Recordkeeping Act, 2006
16. Auditor General Act
17. Emergency Management and Civil Protection Act
18. Financial Administration Act
19. Northern Ontario Heritage Fund Act

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### SCHEDULE "D" APPLICABLE GOVERNMENT DIRECTIVES, POLICIES, GUIDELINES

The NOHFC is subject to, and shall comply with, all existing Ontario government directives, policies and guidelines applicable to an Operational Service Agency as amended from time to time, including but not limited to the directives, policies and guidelines set out in below.

1. Acceptable Use of I&IT Resources Policy document
2. Accessible Customer Service Policy
3. Accountability Directive
4. Accounting Advice Directive
5. Accounting and Financial Reporting Policy
6. Accounting for Order-in-Council Appointees Policy
7. Accounting Policy for Recoveries
8. Advertising Content Directive
9. Agency Establishment and Accountability Directive
10. Agency Reporting Requirements
11. Attendance Management
12. Billing Management and Recording Policy
13. Budgetary and Appropriation Control Policy
14. Business Planning and Allocations Directive
15. Capital Expenditure Evaluation
16. Cash Management Directive
17. Centralized Archiving of Financial Information in IFIS Guideline
18. Centralized Archiving of Financial Information Policy
19. Cheque Printing from Ministry Accountable Advance Accounts
20. Child Care Services
21. Classification and Position Administration Directive
22. Collections Policy
23. Communications in French Directive
24. Communications in French Guidelines
25. Confidential Disclosure to Bargaining Agents
26. Continuation of Existing Classes and Salaries Directive
27. Contractor Security Screening Operating Policy
28. Contractor Security Screening Operational Guidelines
29. Corporate Policy on Electronic Identification, Authentication and Authorization (IAA)
30. Corporate Policy on Information and Information Technology (I&IT) Security
31. Corporate Policy on Protection of Personal Information, 2011
32. Corporate Policy on Recordkeeping, 2011
33. Costing and Pricing
34. Costing and Pricing Guide
35. Credit Management Policy
36. Customer Master Files -- Control and Maintenance
37. Data Integrity
38. Data Integrity Guideline

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39. Delegation of Authority Directive
40. Delegation of Authority Key Directive
41. Disclosure of Wrongdoing Directive Employees/ appointees of public bodies - i.e. agencies
42. Emergency Evacuation Planning
43. Emergency Evacuation Planning Guideline
44. Employee Benefits Directive
45. Employee Recognition Guidelines
46. Employee Recognition Policy
47. Employment Accommodation and Return to Work Guidelines
48. Employment Accommodation and Return to Work Operating Policy
49. Employment Policy
50. Encumbrance Guideline
51. Encumbrance Policy
52. Establishment and Use of Central Common Services Directive
53. Establishment and Use of Central Common Services Directive
54. Expenditure Management Directive
55. Expenditure Recoveries Guideline
56. Eye Examination Plan for Visual Display Terminal Operators Policy
57. Financial Record Retention
58. Financial Signing Authorities
59. Freedom of Information and Privacy Directive
60. General Expenses
61. Government Appointees Directive
62. Government of Ontario Information Technology Standards (GO-ITS)
63. Government of Ontario Policy for Public Facing Electronic Identification, Authentication and Authorization
64. Government Publications Directive
65. Guide to Managing Attendance for Employees and Managers
66. Health Information Program
67. HIV Infection & AIDS in the OPS Workplaces Directive - Guideline
68. HIV Infection and AIDS in the OPS Directive
69. Hours of Work Directive
70. Hours of Work Guideline
71. Human Resources Administration (key directive)
72. Human Resources Management Delegation of Authority Directive
73. Human Resources Management Directive
74. iExpenses Guideline
75. iExpenses Policy
76. IFIS Corrections Guideline
77. IFIS Corrections Policy
78. IFIS Foreign Exchange Policy
79. IFIS Interface Policy
80. IFIS Payment Override
81. IFIS T4A Policy
82. IFIS Transaction Processing Requirements
83. IFIS User Identification and Responsibilities Policy

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84. Indemnification Directive
85. Information Access Protocol
86. Information Security and Privacy Classification Policy
87. Inter/Intra Ministry Journal Guideline
88. Inter/Intra Ministry Journals
89. Internal Audit Directive
90. Internal Controls Management Directive
91. IT Equipment Policy
92. Learning & Development Policy
93. Management and Use of Information and Information Technology (I & IT) Directive
94. Management Board of Cabinet (MBC) Compensation Directive
95. Management Compensation Plan – Pay for Performance Operating Policy
96. Managing, Distributing & Pricing Government Information (Intellectual Property)
97. MBC Realty Directive
98. Merit Increases Directive
99. Merit Increases Guideline
100. MOI Realty Policy & Accommodation Space Policy
101. Non-tax Revenue
102. Occupational Health and Safety Policy
103. Operating Policy on Forms Management
104. Operating Policy on Forms Management
105. Operating Procedure for Internet, Intranets and Extranets
106. Operating Procedure on Usage of I.T. Resources
107. Operating Procedures for the Disposal, Loss and Incident Reporting of Computerized Assets
108. OPS Physical Security Operating Policy
109. Pay on Assignment Operating Policy
110. Payroll Accounting for Agencies Policy
111. Performance Management Policy
112. Perquisites Directive
113. Personnel Screening Checks Policy
114. Personnel Screening Checks Policy Operational Guidelines
115. Prepayment Guideline
116. Prepayment Policy
117. Preventing Barriers in Employment
118. Procurement Directive
119. Procurement Directive on Advertising, Public and Media Relations and Creative Communications Services
120. Program Design Operating Policy
121. Real Property and Accommodation Directive
122. Receipt Handling & Allocation
123. Records Management Guidelines
124. Recurring Suppliers Invoices
125. Relocation Expenses Directive
126. Reorganization in IFIS Guideline
127. Reorganization in IFIS Policy
128. Revenue and Accounts Receivable Reporting and Analysis Policy

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129. Revenue and Receivables Guideline
130. Revenue Management Directive
131. Risk Management Policy
132. Salary Rates/ Ranges Directive
133. Salary Rates/Ranges Guideline
134. Secondment to Minister's Office
135. Senior Management Group Compensation Program Including Incentive Award Program
136. Single Bank Account for TP Recipients Guideline
137. Single Bank Account for Transfer Payment Recipients Policy
138. Small Value Financial Transactions
139. Smokefree Workplace Operating Policy
140. Staffing Management & Control
141. Stale-dated, Lost or Stolen Cheques Policy
142. Supplier Master files -- Control and Maintenance
143. Tangible Capital Assets
144. Transfer Payment Accountability Best Practices Guide
145. Transfer Payment Accountability Directive
146. Transfer Payment Accounting and Reporting
147. Transfer Payment Recovery Operating Policy
148. Travel, Meal and Hospitality Expenses Directive
149. Use of Personal and Confidential Information in OPS Financial Systems Policy
150. Visual Identity Directive
151. Workplace Discrimination and Harassment Prevention Policy
152. Workplace Violence Prevention Policy