Memorandum of Understanding

Between

Minister of Training, Colleges and Universities

And

Chair of the Higher Education Quality Council of Ontario
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1. Purpose

a. The purpose of this Memorandum of Understanding (MOU) is to:

i. Set out the accountability relationships between the Minister of Training, Colleges and Universities and the Chair of the Higher Education Quality Council of Ontario on behalf of the Agency.

ii. Clarify the roles and responsibilities of the Minister, the Chair, the Deputy Minister, the Agency CEO, and the Agency’s Board of Directors.

iii. Set out the expectations for the operational, administrative, financial, staffing, auditing and reporting arrangements between the Higher Education Quality Council of Ontario and the Ministry of Training, Colleges and Universities.

b. This MOU should be read together with the Higher Education Quality Council of Ontario Act and Ontario Regulation 336/06 to determine how the Council should govern itself.

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

2. Definitions

In this MOU:


d. “Appointee” means a member of the Agency’s Board of Directors appointed to the Agency by the Lieutenant Governor in Council.

e. “Board” means the Board of Directors of the Agency appointed by the Lieutenant Governor in Council for a determined period, but does not mean an employee of the Agency.
f. “Chair” means the Board member designated by the Minister of Training, Colleges and Universities to be Chair of the Board in accordance with subsection 2(4) of the Act.

g. “CEO” means the Chief Executive Officer of the Agency.

h. “Deputy Minister” means the Deputy Minister of Training, Colleges and Universities.


j. “MBC” means the Management Board of Cabinet.

k. “Minister” means the Minister of Training, Colleges and Universities.

l. “Ministry” means the Ministry of Training, Colleges and Universities.

m. “Regulation” means the Ontario Regulation 336/06 made under Section 9(1) of the Act.

n. “TB” means the Treasury Board.


3. Agency’s Legal Authority and Mandate

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

b. Section 5 of the Act states: The object of the Agency is to assist the Minister in improving all aspects of the postsecondary education sector, including improving the quality of education provided in the sector, access to post-secondary education and accountability of postsecondary educational institutions.

c. Section 6 of the Act states the functions of the Agency are:

   i. To develop and make recommendations to the Minister,
      • On targets to be achieved in improving the quality of postsecondary education, on the methods of achieving those targets and on the time frame for doing so, and
      • On performance measures to be used to evaluate the postsecondary education sector.
ii. To evaluate the postsecondary education sector, report to the Minister on the results of the evaluation and make the report available to the public.

iii. To conduct research on all aspects of postsecondary education with a view to helping the Agency achieve its object, including research,
   - On the development and design of various models of postsecondary education,
   - On the means of encouraging collaboration between various postsecondary educational institutions in general and in particular in matters relating to the recognition by such institutions of courses and programs of study provided at other such institutions, and
   - On other matters specified by the Minister.

iv. To do such other things as may be prescribed by regulation.

4. Crown Agent Status and Agency Classification

a. Section 4 of the Act provides that the Agency is a Crown agency within the meaning of the Crown Agency Act. As such, the Agency exercises its powers only as an agent of Her Majesty.

b. The Agency is classified as an Operational Service Agency under the AEAD.

c. The Agency is a public body under the PSOA and Ontario Regulation 146/10.

d. The Agency is a corporation without share capital and is not subject to the Corporations Act or the Corporations Information Act. The Agency is subject to Sections 132, 134(1) and 136 of the Business Corporations Act.

e. The Agency has the capacity, rights, powers and privileges of a natural person for carrying out its object and functions, except as limited by the Act or Regulation.

5. Guiding Principles

The parties agree to the following principles:

a. The Minister acknowledges that the Agency exercises powers and performs duties in accordance with its mandate.

b. The affairs of the Agency are under the management and control of its Board of Directors and the Agency operates independently from the Ministry in its day-to-day operations. The Board, as represented by its Chair, is accountable to the Minister and the Government in fulfilling its mandate.
c. As an Agency of the Government, the Agency conducts itself according to the management principles of the Government of Ontario. These principles include ethical behaviour; prudent, efficient, and lawful use of public resources; fairness; high quality service to the public; and openness and transparency to the extent allowed under law.

d. The Agency and the Ministry agree to avoid duplication of services wherever possible.

e. Ongoing consultation and timely exchange of information between the Minister and Agency is essential to ensure that the Government’s strategic priorities for the Agency are conveyed to the Agency and that the Minister is made aware of how the Agency plans to use its mandated function to inform Government policies and priorities.

6. Conflict of Interest

a. The Agency adopted the conflict of interest rules for Ministries set out in Ontario Regulation 381/07, made under the PSOA, as the rules to which all Agency appointees and staff are subject.

b. Pursuant to Section 2 of the Regulation, the Board members are subject to Sections 132, 134(1) and 136 of the Business Corporations Act, which deal with disclosure of conflict of interest, standard of care and indemnification of Board members.

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

7. Accountability Relationships

7.1 Minister

The Minister is accountable:

a. To Cabinet and the Legislative Assembly for reporting and responding to the Legislative Assembly on the affairs of the Agency.

b. To Cabinet for the performance of the Agency in the fulfilment of its mandate and compliance with the Government’s broad policy directions and operational policies.
c. For attesting, reporting and responding to TB/MBC on the Agency’s performance and compliance with the Government’s applicable directives and operational policies.

d. For receiving and ensuring that the Agency’s Annual Report is made available to the public after tabling it in the Legislative Assembly in accordance with the timelines set out in Section 8 (2) of the Act.

7.2 Chair

The Chair is accountable:

a. To the Minister for the performance of the Agency in fulfilling its mandate, and for carrying out the roles and responsibilities assigned to the Chair by the Act, this MOU, and all applicable Government directives.

b. For reporting to the Minister, as requested, on the Agency’s activities.

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

7.3 Board of Directors

a. The Board is accountable to the Minister, through the Chair, for oversight and governance of the Agency; setting goals, objectives and strategic direction for the Agency within its mandate; and for carrying out the roles and responsibilities assigned to it by the Act, this MOU, and all applicable Government directives.

b. Subsection 2(5) of the Act provides that at least one member of the Board will be an employee of the Ministry, but that member may not vote in the deliberations of the Board nor be designated Chair.

7.4 Deputy Minister

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

7.5 Agency Chief Executive Officer (CEO)

a. The CEO is accountable to the Board, through the Chair, for the management of the Agency’s operations and staff and ensuring compliance with the terms of consulting contracts where consultants are engaged.
b. The CEO works under the direction of the Chair to implement the Agency’s policy and operational decisions and must report the Agency’s performance to the Board, through the Chair, at regular intervals set by the Board.

8. Roles and Responsibilities

8.1 Minister

a. The Minister is the Government’s public spokesperson on postsecondary education in Ontario.

The Minister is responsible for:

b. Informing the Chair of the Government’s priorities and policy directions for the Agency including providing guidance to the Agency for the purposes of strategic planning and setting priorities for the Agency’s Research Plan, and requesting research and advice from the Agency consistent with its mandate.

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

d. Attesting, reporting and responding to TB/MBC on the Agency’s performance, compliance with applicable TB/MBC directives, and the Government’s operational policies and broad policy directions.

e. Reviewing and approving the Agency’s annual Business Plan.

f. Receiving the Agency’s Annual Report and ensuring that the Annual Report is made available to the public after tabling it in the Legislative Assembly within 60 days of receipt.

gh. Reviewing the advice or recommendations of the Chair on candidates for appointment or re-appointment to the Board.

h. Consulting, as appropriate, with the Chair (and others) on significant new directions or when the Government is considering regulatory or legislative changes for the Agency.

i. Recommending to TB/MBC any provincial funding to be allocated to the Agency.

j. When appropriate or necessary, taking action or directing that corrective action is taken with respect to the Agency’s administration or operations.

k. Determining at any time the need for a review or audit of the Agency, directing the Chair to undertake reviews of the Agency, and recommending to
TB/MBC any changes to the governance or administration of the Agency resulting from any such review or audit.

I. Recommending to TB/MBC the powers to be given to, or revoked from, the Agency when a change to the mandate of the Agency is being proposed.

m. Where required, recommending to TB/MBC a merger, any change to the Agency’s mandate, or dissolution of the Agency.

n. Make best efforts to ensure that appointments to the Board are approved by the Government in a timely manner.

8.2 Chair

The Chair is responsible for:

a. Providing leadership to the Agency.

b. Seeking strategic policy direction for the Agency from the Minister.

c. Ensuring the implementation of actions that support the goals, objectives, and strategic direction of the Agency, and reporting to the Minister, as requested, on the Agency’s activities within agreed upon timelines.

d. Monitoring the performance of the Agency and ensuring that the Agency operates within its approved budget allocation in fulfilling its mandate.

e. Making sure that appropriate management systems are in place (financial, information technology, human resource) for the effective administration of the Agency.

f. Ensuring timely communications with the Minister regarding any issues or events that may concern, or can reasonably be expected to concern the Minister in the exercise of his/her responsibilities relating to the Agency.

g. Consulting with the Minister in advance regarding any activity which may have an impact on Government and Ministry’s policies, directives or procedures, or on the Agency’s mandate, powers or responsibilities as set out in the Act.

h. Meeting all reporting requirements, as set out in Sections 10 and 13 of this MOU, including: reviewing and approving the Agency’s Business Plan, budget, Annual Report and financial reports, and submitting them to the Minister in accordance with the timelines specified in the Act, this MOU, and all applicable Government Directives.

i. Cooperating with any review or audit of the Agency directed by the Minister or TB/MBC.
j. Providing both the Minister and the Minister of Finance with a copy of every audit report, a copy of the Agency’s response to each report and any recommendations in the report.

k. Advising the Minister annually on any outstanding audit recommendations.

l. Keeping the Minister informed of upcoming appointment vacancies and providing recommendations for appointments or re-appointments.

m. Making sure that an appropriate framework is in place for Agency appointees to the Board to receive adequate orientation and training.

n. Making sure that Agency appointees to the Board are aware of and comply with applicable TB/MBC and Ministry of Finance directives, and applicable legislation.

o. Ensuring that the Board 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).

p. Reviewing and approving claims for per diems and expenses of Board members in accordance with applicable TB/MBC and Ministry of Finance directives, unless otherwise delegated.

q. Evaluating the performance of the CEO in consultation with the Board and pursuant to performance criteria established by the Board and the Chair.

8.3 Board of Directors

The Board is responsible for:

a. Setting the goals, objectives, and strategic directions for the Agency within its mandate as defined by the Act, Government policies as appropriate and this MOU.

b. Directing the affairs of the Agency and setting overall priorities so as to fulfill its mandate.

c. Providing advice to the Government, through the Minister, on issues within or affecting the Agency’s mandate and operations.

d. Directing the development of and approving the Agency’s Business Plan and its Annual Report for submission to the Minister for tabling in the Legislative Assembly within timelines established by the Agency Establishment and Accountability Directive.
e. Approving the MOU for the Agency in a timely manner and authorizing the Chair to sign it on behalf of the Agency.

f. Approving the Agency’s reports and reviews that may be requested by the Minister from time to time for submission to the Minister within agreed upon timelines.

g. Making decisions consistent with the Business Plan approved for the Agency and ensuring that the Agency operates within its allocations.

h. Establishing performance measures, targets and management systems for monitoring and assessing the Agency’s performance.

i. Ensuring that the Agency manages its affairs in compliance with the Act and other relevant legislation, the Regulation, this MOU and applicable Government directives.

j. Establishing such Board committees or oversight mechanisms as may be required to advise the Board on effective management, governance or accountability procedures for the Agency.

k. Ensuring that the Agency uses public funds prudently with integrity, honesty, and effective controllership. Funds must be used only for the mandated business of the Agency based on the principle of value for money, and in compliance with applicable legislation and Government directives.

l. Ensuring that conflict of interest rules that the Agency is required to follow are in place for the members of the Board and employees of the Agency.

m. Directing the development of an appropriate risk management framework and a risk management plan and arranging for risk-based reviews and audits of the Agency as needed.

n. Cooperating with and sharing any relevant information on any risk-based or periodic review directed by the Minister or TB/MBC.

o. Directing corrective action on the functioning or operations of the Agency, if needed.

### 8.4 Deputy Minister

**The Deputy Minister is responsible for:**

a. Advising and assisting the Minister with respect to the Minister’s role and responsibilities to the Agency including supporting the Minister in reviewing performance targets, measures and results of the Agency.
b. Supporting the Minister in providing guidance to the Agency for the purposes of strategic planning and setting priorities for the Agency’s Research Plan, and requesting research and advice from the Agency consistent with its mandate.

c. Advising the Minister on documents submitted by the Agency to the Minister for review or approval, or both.

d. Advising the Minister on the requirements of the AEAD, the Government Appointees Directive and other directives that apply to the Agency, and attesting to TB/MBC as required, to the Agency’s compliance with the AEAD.

e. Monitoring the Agency on behalf of the Minister while respecting the Agency’s authority, identifying needs for corrective action where warranted, and recommending to the Minister ways of resolving any issues that might arise from time to time.

f. Consulting with the Agency’s CEO or Chair, as needed, on matters of mutual importance including services provided by the Ministry and compliance with TB/MBC directives and Ministry policies.

g. Informing the Chair, in writing, of new Government directives and any exceptions to or exemptions in whole or in part from TB/MBC directives or Ministry administrative policies.

h. Ensuring that the Ministry and the Agency have the capacity and systems in place for on-going risk-based management, including appropriate oversight of the Agency.

i. Ensuring that the Agency has an appropriate risk management framework and a risk management plan in place for managing risks that the Agency may encounter in meeting its mandate.

j. Recommending to the Minister, as may be necessary, the evaluation or review, including a risk-based review, of the Agency, or changes to the management framework or operations of the Agency.

k. Cooperating and undertaking timely reviews, including risk-based reviews, of the Agency, its management or operations, as may be directed by the Minister or TB/MBC.

l. Establishing a framework for reviewing and assessing the Agency’s Business Plan including its Research Plan and research reports.

m. Facilitating regular briefings and consultations between the Chair and Minister, and between Ministry staff and Agency staff.
n. Negotiating a draft MOU with the Chair of the Agency, as directed by the Minister.

o. When required, submitting a report to the secretaries of TB/MBC on the wind-down of the Agency, disposition of any assets, completion of any outstanding responsibilities by the Agency, and the termination of any appointments.

8.5 Agency Chief Executive Officer

The CEO is responsible for:

a. Managing the day-to-day operations of the Agency, subject to the supervision and direction of the Board, in accordance with the mandate of the Agency, the Act and other relevant legislation, the Regulation, this MOU, applicable Government directives and accepted business and financial practices.

b. Translating the goals, objectives and strategic directions of the Board into operational plans and activities in accordance with the Agency’s approved Business Plan.

c. Providing leadership and management to the Agency staff, including financial resources management.

d. Supporting the Chair in meeting his/her responsibilities.

e. Advising the Chair on the requirements of and compliance with the AEAD, as well as other applicable Government directives, and agency by-laws and policies.

f. Keeping the Board informed, through the Chair, with respect to implementation of policy and the operations of the Agency.

g. Keeping the Ministry and the Chair advised on issues or events that may concern the Minister, the Deputy Minister or the Chair in the exercise of their responsibilities.

h. Consulting with the Deputy Minister as needed, on matters of mutual importance, including services provided by the Ministry, and on applicable legislation, government directives and Ministry policies.

i. Seeking support and advice from the Ministry, as appropriate, on Agency management issues.

j. Cooperating with any periodic review directed by the Minister or TB/MBC.

k. Ensuring that the Agency has the oversight capacity and an effective oversight framework in place for monitoring its management and operations.
i. Establishing systems to ensure that the Agency operates within its approved Business Plan.

m. Ensuring that the Agency has an appropriate risk management framework and risk management plan in place directed by the Board.

n. Establishing and applying a financial management framework for the Agency in accordance with applicable Ministry of Finance controllership directives, policies and guidelines.

o. Applying policies and procedures so that public funds are used with integrity and honesty.

p. Undertaking timely risk-based reviews of the Agency’s management and operations.

q. Carrying out in-year monitoring of the Agency’s performance and reporting on results to the Board, through the Chair.

r. Preparing the Annual Report and the Business Plan for the Agency as directed by the Board.

s. Preparing financial reports for approval by the Board.

t. Preparing a staff performance review system, for approval by the Board, and implementing the approved system.

u. Establishing a system for the retention of Agency documents and for making such documents publicly available when appropriate, in compliance with the FIPPA and the Archives and Recordkeeping Act where applicable.

v. Making sure that an appropriate framework is in place for Agency staff to receive adequate orientation and training.

w. Fulfilling the role of ethics executive for the Agency (appointees and staff), promoting ethical conduct, and ensuring that all members of the Agency are familiar with the ethical requirements of the PSOA and the regulations and directives made under the PSOA, including in respect of conflict of interest, political activity, and the protected disclosure of wrongdoing.

x. Carrying out effective public communications and relations for the Agency as its chief spokesperson.

y. Consulting, as appropriate, with stakeholders on the Agency’s goals, objectives and strategic directions.
9. Performance Measures

The Agency’s performance will be assessed based on meeting the following expectations:

a. The Agency’s role in fulfilling its object which is to assist the Minister in improving all aspects of the postsecondary education sector, including improving the quality of education provided in the sector, access to postsecondary education and accountability of postsecondary educational institutions.

b. The Agency fulfills its mandated functions:
   • To develop and make recommendations to the Minister:
     o On targets for improving quality of postsecondary education in Ontario, methods for achieving those targets and reasonable timeframes for achieving them.
     o On performance measures to be used to evaluate the sector.
   • To evaluate the postsecondary education sector, report to the Minister on the results and make the report available to the public
   • To conduct research on all aspects of postsecondary education with a view to helping the Council achieve its object including research
     o On the development and design of various models of postsecondary education
     o On the means of encouraging between various postsecondary educational institutions in general and in particular in matters relating to recognition by such institutions of courses and programs or study provided at other institutions
     o On other matters specified by the Minister

c. A share of the Agency’s activities each year directly informs the development of government policy or the implementation of key government initiatives.
   • The nature of these projects is determined during the annual strategic planning process and through in-year discussions between the Minister/Deputy Minister or designates, and the Agency.
   • For specific requests that may arise during the course of the year, and where directed by the Minister/Deputy Minister, the Agency and the Ministry will work collaboratively to develop the approach to, and scope of, these projects.

d. For projects based on individual requests by the Minister/Deputy Minister or designates, specific performance measures, including timelines for report back and delivery, will be developed on a per project basis.
e. The Ministry will not interfere in any way with the findings of the Agency’s research.

10. Reporting Requirements

10.1 Business Plan

a. The Chair is responsible for ensuring that the Agency’s Business Plan, including a financial budget, is provided annually to the Minister for review and approval. The Agency will submit its Board-approved Business Plan to the Minister by December 1. The Minister will review the Business Plan and advise the Chair by March 31 whether or not he/she concurs with the directions proposed by the Agency.

b. The Chair is responsible for ensuring that the Agency’s annual Business Plan, which covers a period of three years, fulfills the requirements of the AEAD, as set out in Schedule H.

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 in accordance with the requirements of the AEAD, to assess risks, develop and maintain necessary records and report to TB/MBC.

d. The Chair is responsible for ensuring that the Agency’s Business Plan includes a system of performance measures, in accordance with the performance measures set out in Section 9 of this MOU and will report 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.

e. The Minister may advise the Chair where and in what manner the Agency’s plans vary from Government or Ministry policy or priorities, and where as may be required, the Agency will revise its plan accordingly.

f. In addition, TB/MBC may require the Minister to submit the Agency’s Business Plan to TB/MBC for review at any time.

g. The annual Business Plan will include the Agency’s Research Plan (see section 10.2 below).

10.2 Annual Research Plan

a. The Minister will specify any matters for research under s. 6(c)(iii) of the Act, to the Agency in writing by March 31 to be incorporated into the Agency’s Research Plan for the coming year. This will not preclude the Minister from making in-year requests.
b. If necessary, the Agency will provide a revised Research Plan to the Ministry by May 30.

10.3 Annual Report

a. The Chair is responsible for ensuring that the Agency’s Annual Report is submitted to the Minister for tabling in the Legislative Assembly. The Chair will submit the Annual Report to the Minister with 120 days of the Agency’s fiscal year end.

b. The Chair is responsible for ensuring that the Agency’s Annual Report fulfills the requirements of the AEAD including containing the elements set out in the AEAD, Schedule I.

c. The Minister will table the Agency’s Annual Report in the Legislative Assembly within 60 days of receiving it from the Agency or, if at the end of the 60-day period the Assembly is not in session, at the beginning of the next session.

10.4 Sector Evaluation

a. The Chair is responsible for ensuring that the Agency conducts an evaluation of the sector or, as may be requested by the Minister, evaluates institution specific performance.

b. The Chair will report the results of the evaluation to the Minister and make the report available to the public.

c. After the report is submitted to the Minister, the Agency will make it public, with timing and communication arrangements determined in cooperation with the Ministry.

11. Communications

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

The parties, therefore, agree as follows:

a. The CEO will keep the Minister advised, in a timely manner, of all planned events and issues that concern or can be reasonably expected to concern the Minister in the exercise of his/her responsibilities.
b. The Minister or Deputy Minister will consult with the Chair, as appropriate, on government policy initiatives or legislation being considered by the Government that may affect the Agency’s mandate or functions.

c. The Minister and the Chair will meet at least annually or as requested by either party, to discuss issues relating to the fulfillment of the Agency’s mandate, management and operations.

d. The Deputy Minister or designate and the CEO will meet at least twice a year to discuss and recalibrate the upcoming research agenda, as well as to discuss any issues relating to the efficient operation of the Agency.

e. The Agency and Ministry will adhere to the Public Communications Protocol set out as Appendix 3 of this MOU.

12. Administrative Arrangements

12.1 Applicable TB/MBC and Ministry of Finance Directives

a. The Chair is responsible for ensuring that the Agency operates in accordance with all applicable TB/MBC and Ministry of Finance directives, as well as applicable Ministry financial and administrative policies and procedures.

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

c. The Agency’s reports are the property of the Crown and the Agency will place a copyright notice on reports it provides to the Ministry in the following form: “© Queen’s Printer for Ontario, 20XX”

12.2 Agreements with Others

a. The Agency, through its Chair, will ensure that any agreements that it enters into with research or other organizations are consistent with the Agency’s mandate and serve the public good.

b. The Agency will not contract for any research or enter any agreement that relies on access to Government of Ontario data without prior consultation with the Ministry and other affected Ministries.

c. The Agency must not release its reports in conjunction with any other organization except with prior approval of the Ministry.
d. On request, the Agency will provide the Minister with copies of any written agreements entered into by the Agency, within the timelines set by the Minister.

12.3 Legal Services

a. The Agency, as represented by the Chair, will secure legal services through the Legal Services Branch of the Ministry and, where necessary, can seek the retention of outside legal counsel in accordance with the Ministry of the Attorney General’s Corporate Operating Policy on Acquiring and Using Legal Services.

12.4 Freedom of Information and Protection of Privacy

a. The Chair is the institution head for the purposes of the FIPPA, under Regulation 460.

b. The Agency, as represented by the Chair, will protect the privacy of personal information in accordance with FIPPA and Government directives.

12.5 Records Management

a. The Chair is responsible for ensuring that a system is in place for the creation, collection, maintenance, and disposal of records.

b. Board of Directors, through the Chair, is responsible for ensuring that the Agency complies with the TB/MBC Management of Recorded Information Directive.

c. Board of Directors, through the Chair is responsible for ensuring that the Agency complies with the Archives and Recordkeeping Act, 2006.

12.6 Client/Customer Service

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

13. Financial Arrangements

13.1 Funding

a. The Agency is funded through transfer payments from the Consolidated Revenue Fund pursuant to an appropriation authorized by the Legislative Assembly.
b. The CEO will prepare estimates of the Agency’s expenditures for inclusion in the Ministry’s Results Based Plan. The Chair will deliver these estimates to the Minister in sufficient time to be analyzed and approved by the Minister.

c. The estimates provided by the Chair may be altered, as required, based on consultation with the Minister.

d. Financial procedures of the Agency must be in accordance with TB/MBC and Ministry of Finance directives and guidelines and other applicable government direction.

e. When ordered to do so by the Minister of Finance, pursuant to Section 16(4) of the Financial Administration Act, the Agency shall pay into the Consolidated Revenue Fund any money that the Minister of Finance determines is surplus to its requirements.

f. The Minister of Finance on behalf of the Government is entitled to recover any unspent monies provided by the Minister to the Agency.

g. Pursuant to Section 28 of the Financial Administration Act, the Agency may not enter into any financial arrangement or commitment, guarantee, indemnity or similar transaction that may increase, directly or indirectly, the indebtedness or contingent liabilities of the Government of Ontario without the written approval of the Minister of Finance. The Minister’s approval is required before seeking statutory approval from the Minister of Finance.

h. Should the Agency cease to exist during the term of this MOU any transfer payment due to the Agency will not be provided and any remaining transfer payments under the control of the Agency must be returned to the Ministry.

13.2 Financial Reports

a. The Chair will provide to the Minister audited annual financial statements, and will include them as part of the Agency’s Annual Report. The statements will be provided in a format that is in accordance with the province’s stated accounting policies issued by the Office of the Provincial Controller.

b. The Agency will also submit to the Ministry in-year financial reports, as required.

c. The Agency will submit to the Ministry of Finance its salary information according to the Public Sector Salary Disclosure Act.

d. The Agency will appoint one or more auditors licensed under the Public Accounting Act, 2004 to audit annually the accounts and financial transactions of the corporation.
e. The Agency will give a copy of every auditor’s report to the Ministry within six months after the end of the fiscal year to which the report relates, and make available to the Provincial Auditor, on his or her request, the auditor’s report and all accounts, records and other documents relating to the audit.

13.3 Taxation Status: Harmonized Sales Tax (HST)

a. Under the Comprehensive Integrated Tax Coordination Agreement, the Agency receives a CVAT (Compensating Value Added Tax) rebate.

14. Audit and Review Arrangements

a. The Agency 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.

b. 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.

c. Regardless of any annual external audit, the Minister may direct that the Agency be audited at any time.

d. The Agency will promptly provide a copy of every report from an audit to the Minister and the Minister of Finance. The Agency will also provide a copy of its response to the audit report and any recommendations therein. The Agency will advise the Minister annually on any outstanding audit recommendations.

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

15. Staffing and Appointments

15.1 Staffing

a. The CEO may hire such employees as are considered necessary for the proper conduct of the affairs for the Agency. The employees are not civil servants, public servants or Crown employees within the meaning of the PSOA.

b. Agency employee compensation, factoring in benefits and pension entitlements, shall be generally equivalent to compensation ranges in the OPS. The Chair and the CEO will consult with the Minister before the Board
consider and approves material changes to the compensation program and annual compensation adjustments.

15.2 Appointments

a. The Board of Directors of the Agency are appointed by the Lieutenant-Governor in Council on the recommendation of the Minister, pursuant to Section 2(3) of the Act.

b. The Minister will designate one member of the Board of Directors to be the Chair of the Board, pursuant to Section 2(4) of the Act.

c. At least one member of the Board must be an employee of the Ministry, but that member will not vote in the deliberations of the Board nor be designated Chair, pursuant to Section 2(5) of the Act.

16. Liability Protection and Insurance

a. No action or other proceeding for damages may be instituted against any member of the Agency or anyone acting on behalf of the Agency for any act done in the execution or intended execution of the person’s duty for any alleged neglect or default in the execution in good faith of the person’s duty. This does not relieve the Crown of any liability to which it would otherwise be subject in respect of a tort committed by any member of the Agency or anyone acting on behalf of the Agency.

b. Section 134(1) (standard of care) and Section 136 (indemnification and liability insurance) of the Business Corporations Act apply to the Agency with necessary modifications.

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

17.1 Effective Date of MOU

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

b. This MOU will continue in effect for 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 Agency’s mandate, governance structure or powers.

c. A full review of this MOU will be conducted prior to its expiry not more than five years following the date it came into effect, or immediately in the event of a significant change to the Agency’s mandate, powers or governance structure as a result of an amendment to the Act.
d. 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, Management Board of Cabinet.

e. If a new Minister or Chair takes office before this MOU expires, the Minister and Chair must affirm by letter that the MOU will continue in force without a review; or alternatively, they may agree to revise it. A copy of the letter of affirmation between the Minister and Chair must be provided to the Secretary, Management Board of Cabinet within six months of the new party or parties’ commencement.

f. Without affecting the effective date of this MOU, either the Minister or Chair may initiate a review of this MOU by written request to the other.

g. Appendix 3 (Communications Protocol) will be reviewed by HEQCO Executive Director of Communications and MTCU Director of Communications and the Assistant Deputy Minister of the Strategic Policy & Programs Division at the request of the CEO or the Deputy Minister. Any amendments or modifications to Appendix 3 will be formally agreed upon in writing by the CEO and the Deputy Minister, and the revised Appendix will replace the current version of Appendix 3 and form part of the MOU.

17.2 Reviews of the Agency

a. The Agency may be subject to a review at the discretion and direction of or the Minister. The review may cover such matters relating to the Agency that are determined by TB/MBC or the Minister, and may include the mandate, powers, governance structure and/or operations of the Agency.

b. The Minister will consult the Chair as appropriate during any such review.

c. The Chair, CEO and Board will cooperate in any review.

18. Signatures

_________________________  _____________________
Elizabeth Dowdeswell     Date
Agency Chair
Higher Education Quality Council of Ontario
The Honourable John Milloy
Minister
Training, Colleges and Universities

Date
### Appendix 1: Summary of Annual Reporting Requirements

<table>
<thead>
<tr>
<th>REPORT/DOCUMENT</th>
<th>DUE DATE</th>
<th>ACTIONS</th>
<th>RESPONSIBLE OFFICIALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Plan (including Research Plan relating to research set out in s. 6(c)(i) and (ii) of the Act)</td>
<td>December 1</td>
<td>Board-approved Business Plan submitted to Minister</td>
<td>HEQCO Chair</td>
</tr>
<tr>
<td>Research Plan relating to matters set out in s. 6(c)(iii) of the Act</td>
<td>March 31</td>
<td>Minister’s decision on Business/Research Plan provided to HEQCO</td>
<td>Minister</td>
</tr>
<tr>
<td>Annual Report</td>
<td>June 29</td>
<td>Annual Report submitted to Minister</td>
<td>HEQCO Chair</td>
</tr>
<tr>
<td>Quarterly Financial Reports</td>
<td>Each quarter to trigger transfer payments</td>
<td>In-year reports, including quarterly financial and operating performance</td>
<td>HEQCO Chair</td>
</tr>
<tr>
<td></td>
<td>August 28</td>
<td>Annual Report tabled in the Legislature</td>
<td>Minister</td>
</tr>
</tbody>
</table>
Appendix 2: Applicable TB/MBC, Ministry of Finance Directives and Legislation

1. The following TB/MBC and Ministry of Finance directives, guidelines, and policies apply to the Agency:
   - Procurement Directive (2011)
   - Travel, Meal and Hospitality Expenses Directive (2010)

2. Other directives that apply to the Agency:
   - Corporate Policy on Information & Information Technology Security (2011)
   - Communications in French (2010)
   - Conflict of Interest
   - Corporate Policy on Recordkeeping (2011)
   - Enhancing Privacy: Computer Matching of Personal Information Guide to Alternate Formats for Print Communications
   - Indemnification Directive (2001)
   - Procurement Directive on Advertising, Public and Media Relations, and Creative Communications Services (2009)

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

4. The Agency is subject to any new directives applicable to an operational service agency that may be approved in the future by MBC, or by any other
body with the authority to make directives that are binding on an agency unless:

- The Agency is specifically exempted by MBC, or the other body, and
- The exemption is communicated in writing to the Agency by the Ministry.

**Legislation Referred to in this MOU**

**Acts**
- *Archives and Recordkeeping Act, 2006, S.O. 2006, Chapter 34, Schedule A.*
- *Business Corporations Act, R.S.O. 1990, Chapter B-16.*
- *Corporations Act, R.S.O 1990, Chapter 38.*
- *Corporations Information Act, R.S.O 1990, Chapter C-39.*
- *Not-For-Profit Corporations Act, 2012(not in effect yet)*

**Regulations**

- Ontario Regulation 336/06
- Ontario Regulation 381/07
- Ontario Regulation 146/10
- Regulation 460
Appendix 3: Public Communications Protocol

1.0 Purpose

This communications protocol is created pursuant to the Memorandum of Understanding (MOU) between the Minister of Training, Colleges and Universities (MTCU) and the Higher Education Quality Council of Ontario (HEQCO).

The purpose of this protocol is to clarify the roles and responsibilities of the two parties, in regards to:

- Communications plans
- Public events and announcements
- Release of HEQCO research publications
- Issues management
- Communications products
- Correspondence
- Dealing with media, stakeholder and MPP inquiries
- Release of HEQCO's Annual Report

This protocol also includes information on HEQCO responsibilities related to advertising, visual identity and French language services.

2.0 Guiding Principles

This protocol will be read in conjunction with the MOU and should there be a conflict, then the MOU will prevail.

As stated in the MOU:

- "The affairs of the Agency are under the management and control of its Board of Directors and the Agency operates independently from the Ministry in its day-to-day operations. The Board, as represented by its Chair, is accountable to the Minister and the Government in fulfilling its mandate." (s.5b)

- "Ongoing consultation and timely exchange of information between the Minister and Agency is essential to ensure that the Government’s strategic priorities for the Agency are conveyed to the Agency and that the Minister is made aware of how the Agency plans to use its mandated function to inform Government policies and priorities.” (s.5e)

This protocol should be read in conjunction with the following Management Board of Cabinet Directives and Guidelines:
- Advertising Content Directive (2006);
- Government Publications Directive (1997);
• *Procurement Directive on Advertising, Public and Media Relations, and Creative Communications Services* (2009);

### 3.0 Roles and Responsibilities

#### 3.1 Sharing information

HEQCO will ensure that the Ministry is kept informed of any emerging issues of relevance to its object and functions, and the Ministry will ensure that HEQCO is kept informed of any emerging issues of relevance to its object and functions.

To ensure effective communications, MTCU’s Director of Communications, HEQCO’s Executive Director of Communications and the Assistant Deputy Minister of the Strategic Policy & Programs Division (or their designates) will communicate regularly to identify and discuss possible issues and opportunities, upcoming communication materials, etc.

#### 3.2 Communications Plan

HEQCO’s Business Plan will include a Communications Plan that HEQCO’s Executive Director of Communications will share with MTCU Director of Communications prior to final approval from the HEQCO board to ensure alignment with the Ministry and identify joint communications opportunities.

The Assistant Deputy Minister of the Strategic Policy & Programs Division shall designate an official within the Division as the ongoing point of liaison with the Agency.

#### 3.3 Public Events and Announcements

Where MTCU and HEQCO determine that joint communications activities and/or products would be desirable, these will be jointly planned (e.g., press conferences, speeches, news releases, backgrounders, media lines, questions and answers, etc.). For the purpose of joint announcements, each party will designate a media spokesperson and the format and content of news releases and other media information will be determined by both parties.

HEQCO’s Executive Director of Communications should inform MTCU’s Communications Director and the Assistant Deputy Minister of the Strategic Policy & Programs Division of public events, announcements and communication activities, and media planned by HEQCO. Where Ministry communications presents an opportunity to inform the public of research currently undertaken by HEQCO and/or includes mention of HEQCO’s business, then MTCU’s Director of Communications will inform HEQCO’s Executive Director of Communications.
3.3.1 An announcement or event organized by the Ministry of Training, Colleges and Universities

Ministry events and announcements related to HEQCO for the most part relate to funding or policy announcements or appointment of Board members. MTCU's Communications Branch will take the lead in organizing these events/announcements, preparing the materials and obtaining approvals.

When the Ministry considers any announcement on matters of importance to HEQCO (e.g., executive and senior management changes), and HEQCO's object and functions, MTCU's Director of Communications will inform HEQCO's Executive Director of Communications of the upcoming event/announcement in a timely fashion and will give a minimum of two business days for HEQCO's Executive Director of Communications to review any news release or communication products.

3.3.2 An announcement or event organized by HEQCO

In order for the Ministry to be aware of upcoming HEQCO events, announcements, research projects, research activities or research reports, HEQCO will provide an overall forecast list to the Ministry on an ongoing basis and will change as needed.

A HEQCO event or announcement would usually be project-driven, e.g., announcement of contract decision, event (e.g., presentation, workshop) or research project. HEQCO's Communications will take the lead in organizing these events and announcements. The Ministry will be informed at least two-weeks in advance of the expected announcement/event, either at one of the regularly scheduled communications meetings or via phone call or e-mail to the Assistant Deputy Minister Strategic Policy & Programs Division and the MTCU Director of Communications (or designates). When an opportunity arises unexpectedly, and this notice is not possible, HEQCO will contact the Ministry immediately and the HEQCO Executive Director of Communications will collaborate with the MTCU Director of Communications to determine the best course of action.

If the Minister, the Premier or an MPP is to be invited, the invitation would go directly to the Minister’s Office from HEQCO, with a copy to MTCU's Communications Branch and to the Assistant Deputy Minister of the Strategic Policy & Programs Division.

In the case of a news release from HEQCO that includes a Minister's quote, the quote will be drafted by the Agency and forwarded to MTCU's Communications Director, for Minister's Office approval. Supporting documents including the entire news release and backgrounder will be included to provide context for the quote. A minimum of three business days will be required.
3.4 Issues Management

Consultation with the Ministry and appropriate advance notice are required when HEQCO's communications has a provincial implication - especially those related to government priorities or funding decisions - or when communications relates to potentially contentious issues, matters of significant public or media interest and/or matters of mutual importance to the Ministry or the Agency.

As per Section 11 of the MOU, both parties will advise one another of emerging issues and provide regular updates on issue management strategies. HEQCO's Executive Director of Communications is responsible for issues management on behalf of HEQCO and will bring any contentious issues arising from HEQCO's business to the attention of MTCU's Director of Communications (or designates). MTCU's Director of Communications, supported by the Strategic Policy & Programs Division, is responsible for issues management and ensuring that the necessary government approvals are obtained.

To manage emerging issues, HEQCO's staff will prepare strategies to mitigate the issue(s) and will share this along with related products and communications plan with MTCU's Director of Communications and the Assistant Deputy Minister, Strategic Policy & Programs Division or designates. MTCU will ensure that HEQCO's staff is provided with the necessary background and any pertinent information to handle these emerging issues most effectively.

3.5 Communications Products

Communications products include issues and communication strategies, news releases and media backgrounders; brochures, and other public information materials; reports authored by HEQCO or its staff; questions and answers; speeches; and advertising.

HEQCO will provide the Ministry with the following material:
1. A draft copy of research reports at least fifteen business days prior to publication.
2. A draft copy of communications/media product at least ten business days prior to publication
3. A final copy of all materials three business days in advance of public release of a report, or of any media outreach using these materials. HEQCO will inform MTCU of any changes made to the draft materials in the final version.

These materials will be sent to the Assistant Deputy Minister of the Strategic Policy & Programs Division and to MTCU's Director of Communications (or designates).

When Agency representatives give public speeches, a description of the presentation will be provided to the Ministry at least one week in advance of the
presentation. Remarks, slide decks or presentation materials will be provided to the Ministry two days (or as soon as possible) in advance of the presentation.

3.6 Correspondence

As a general principle, responses to correspondence sent to the Minister will be prepared by MTCU Communications Branch in consultation with the Strategic Policy & Programs Division. Responses to correspondence sent to the Board, executive and staff of HEQCO will be prepared by the Agency.

Correspondence requesting an opinion or comment on government policies, or other enquiries relating to Ministry’s projects and initiatives that are outside of HEQCO’s mandate will be directed to MTCU’s Communications Branch for response. Correspondents will receive an interim reply indicating their letter was forwarded to the Minister.

Correspondence received by MTCU regarding the progress of HEQCO’s projects will be forwarded to HEQCO’s Executive Director of Communications to prepare a reply from a representative of HEQCO.

3.7 Dealing with Media, Stakeholders and MPP Inquiries

3.7.1 Spokesperson for HEQCO

The CEO will serve as spokesperson for HEQCO, representing and speaking on behalf of HEQCO with the public, the media and with MPPs. This role has been delegated by the Chair.

It is not appropriate for Board members or staff to offer personal opinions on, or speculate about specific government policies outside of the role and mandate of the Agency.

Agency members and staff are not to disclose information which is specifically prohibited from disclosure by law.

3.7.2 Media and Stakeholder Inquiries

The primary responsibility for developing and maintaining relationships with the news media lies with HEQCO.

Calls from the media, the general public and stakeholders that relate to HEQCO’s business will be handled by HEQCO. Such calls received by MTCU will be forwarded to HEQCO Communications. Media contact reports will be shared regularly with MTCU’s Director of Communications.

Calls received by HEQCO from the media inquiring about political or policy direction will be forwarded to MTCU’s Communications Branch. Calls from the general public about political or policy direction will be forwarded to MTCU's
general number. Calls from stakeholders about political or policy direction will be forwarded to the appropriate MTCU divisional staff.

3.7.3 MPP Inquiries

Calls from MPPs asking for general information about HEQCO's business or for statistical information will be handled by HEQCO.

HEQCO will disclose all discussions with or calls from MPPs to the MPP Liaison in the Minister’s Office.

4.0 HEQCO's Annual Report

The Agency is required to submit an Annual Report to the Minister within 120 days after fiscal year end. The Minister is required to table the report in the legislature within 60 days of receiving it. HEQCO shall provide its Annual Reports in both English and French. The publication of HEQCO's Annual Report and public documents on related research should follow the Government Publications Directive, September 1997.

As per Section 12 of the MOU, HEQCO shall not release its reports in conjunction with any other organization except with prior approval of the Ministry. HEQCO’s reports are the property of the Crown and HEQCO shall place a copyright notice on the reports it provides to the Ministry in the following form: "©Queen's Printer for Ontario, 20XX”

HEQCO’s Executive Director of Communications will provide a draft copy of the report to MTCU's Director of Communications and to the Assistant Deputy Minister of the Strategic Policy & Programs Division (or designates) to identify potential issues for the Minister and/or the Ministry and to ensure that government policies and programs are accurately reflected.

The final copy of the report will be provided to MTCU's Director of Communications and to the Assistant Deputy Minister of the Strategic Policy & Programs Division at the same time as the report is delivered to the Minister.

5.0 Visual Identity, Advertising, and French Language Requirements

5.1 Visual Identity

HEQCO will identify itself as an agency of the Government of Ontario in all its communications. The high profile, research orientation of the Agency warrants the development of a unique identifier (logo/word mark) to be used exclusively by the Agency. HEQCO will comply with the Visual Identity Directive (Management Board of Cabinet, February 2002) as it applies to operational service agencies.
5.2 Advertising

HEQCO is bound by the Advertising Review Board's procurement directives as they apply to Crown agencies.

Advertising must be done in accordance with the spirit and the intent of the Government Advertising Act, 2004 (GAA), e.g., be non-partisan and not use the name, voice or image of a member of the Executive Council or a member of the Assembly.

Any proposed paid advertising must be discussed in advance with the Ministry's Communications Branch for consideration of its obligation, if any, under the GAA.

5.3 French Language

The French Language Services Act applies to provincial agencies and HEQCO will follow requirements under the Act as it applies to operational service agencies. Excerpts from the French Language Services Act are included in the Government Publications Directive.

6.0 Reviews

This Communications Protocol will be reviewed by HEQCO Executive Director of Communications and MTCU Director of Communications and the Assistant Deputy Minister of the Strategic Policy & Programs Division at the request of the CEO or the Deputy Minister. Any amendments or modifications to Appendix 3 will be formally agreed upon in writing by the CEO and the Deputy Minister, and the revised Appendix will replace the current version of Appendix 3 and form part of the MOU.