

<p style="text-align: center;">ONTARIO TRANSFER PAYMENT AGREEMENT Local Employment Planning Council Project</p>

THE AGREEMENT, effective as of the 01 day of June, 2017 (the “**Effective Date**”)

B E T W E E N :

Her Majesty the Queen in right of Ontario

as represented by the Minister of Advanced Education and Skills
Development

(the “**Province**”)

- and -

DURHAM REGION LOCAL TRAINING BOARD

(the “**Recipient**”)

BACKGROUND

The Recipient intends to carry out the Project.

The Province wishes to provide Funds to the Recipient for the Project.

CONSIDERATION

In consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is expressly acknowledged, the Province and the Recipient (the “**Parties**”) agree as follows:

ENTIRE AGREEMENT

This agreement (the “**Agreement**”), including:

Schedule "A" - General Terms and Conditions
Schedule "B" - Project Specific Information and Additional Provisions
Schedule "C" - Project Description and Timelines
Schedule "D" - Budget
Schedule "E" - Payment Plan
Schedule "F" - Reporting
Schedule "G" - Performance Commitments
Schedule "H" - Audit and Accountability Requirements; and
any amending agreement entered into as provided for below,

constitutes the entire agreement between the Parties with respect to the subject matter contained in this Agreement and supersedes all prior oral or written representations and agreements.

COUNTERPARTS

The Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

AMENDING THE AGREEMENT

The Agreement may only be amended by a written agreement duly executed by the Parties.

ACKNOWLEDGEMENT

The Recipient:

- a. acknowledges that it has read and understands the provisions contained in the entire Agreement; and
- b. agrees to be bound by the terms and conditions contained in the entire Agreement.

IN WITNESS WHEREOF, the Parties have executed the Agreement on the dates set out below.

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO
as represented by the Minister of Advanced Education
and Skills Development

by:

Date

Name:

Title: Regional Director

Authorized Signing Officer

DURHAM REGION LOCAL TRAINING BOARD

by:

25/05/2017

Date

Electronically signed by

Name: Heather McMillan

Title: Executive Director

by:

Date

Name:

Title:

I/We have authority to bind the Recipient.

This agreement has been electronically signed

SCHEDULE “A”

GENERAL TERMS AND CONDITIONS

1.0 INTERPRETATION AND DEFINITIONS

1.1 **Interpretation.** For the purposes of interpretation:

- a. words in the singular include the plural and vice-versa;
- b. words in one gender include all genders;
- c. the headings do not form part of the Agreement; they are for reference only and will not affect the interpretation of the Agreement;
- d. any reference to dollars or currency will be in Canadian dollars and currency; and
- e. “include”, “includes” and “including” denote that the subsequent list is not exhaustive.

1.2 **Definitions.** In the Agreement, the following terms will have the following meanings:

“Additional Provisions” means the terms and conditions referred to in section 9.1 and as specified in Schedule “B”.

“BPSAA” means the *Broader Public Sector Accountability Act, 2010* (Ontario).

“Budget” means the budget attached to the Agreement as Schedule “D”.

“Business Day” means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year’s Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Province has elected to be closed for business.

“Event of Default” has the meaning ascribed to it in section 15.1.

“Expiration Date” means the date on which this Agreement will expire and is the date set out in Schedule “B”.

“Funding Year” means:

- a. in the case of the first Funding Year, the period commencing on the Effective Date and ending on the following March 31; and
- b. in the case of Funding Years subsequent to the first Funding Year, the period commencing on April 1 following the end of the previous Funding Year and ending on the following March 31.

“Funds” means the money the Province provides to the Recipient pursuant to the Agreement.

“Indemnified Parties” means Her Majesty the Queen in right of Ontario, Her ministers, agents, appointees and employees.

“Maximum Funds” means the maximum amount the Province will provide the Recipient under the Agreement as set out in Schedule “B”.

“Notice” means any communication given or required to be given pursuant to the Agreement.

“Notice Period” means the period of time within which the Recipient is required to remedy an Event of Default, and includes any such period or periods of time by which the Province considers it reasonable to extend that time.

“Party” means either the Province or the Recipient.

“Project” means the undertaking described in Schedule “C”.

“PSSDA” means the *Public Sector Salary Disclosure Act, 1996* (Ontario).

“Reports” means the reports described in Schedule “F”.

“Timelines” means the Project schedule set out in Schedule “C”.

2.0 REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1 General. The Recipient represents, warrants and covenants that:

- a. it is, and will continue to be for the term of the Agreement, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- b. it has, and will continue to have for the term of the Agreement, the experience and expertise necessary to carry out the Project;
- c. it is in compliance with all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules and by-laws related to any aspect of the Project, the Funds or both; and
- d. unless otherwise provided for in the Agreement, any information the Recipient provided to the Province in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Recipient provided it and will continue to be true and complete for the term of the Agreement.

2.2 Execution of Agreement. The Recipient represents and warrants that it has:

- a. the full power and authority to enter into the Agreement; and
- b. taken all necessary actions to authorize the execution of the Agreement.

2.3 Governance. The Recipient represents, warrants and covenants that it has, and will maintain, in writing for the period during which the Agreement is in effect:

- a. a code of conduct and ethical responsibilities for all persons at all levels of the Recipient's organization;
- b. procedures to ensure the ongoing effective functioning of the Recipient;
- c. decision-making mechanisms for the Recipient;
- d. procedures to enable the Recipient to manage Funds prudently and effectively;
- e. procedures to enable the Recipient to complete the Project successfully;
- f. procedures to enable the Recipient, in a timely manner, to identify risks to the completion of the Project, and strategies to address the identified risks;
- g. procedures to enable the preparation and delivery of all Reports required pursuant to Article 7.0; and

- h. procedures to enable the Recipient to deal with such other matters as the Recipient considers necessary to ensure that the Recipient carries out its obligations under the Agreement.

2.4 **Supporting Documentation.** Upon request, the Recipient will provide the Province with proof of the matters referred to in this Article 2.0.

3.0 **TERM OF THE AGREEMENT**

3.1 **Term.** The term of the Agreement will commence on the Effective Date and will expire on the Expiration Date unless terminated earlier pursuant to Article 13.0, Article 14.0 or Article 15.0.

4.0 **FUNDS AND CARRYING OUT THE PROJECT**

4.1 **Funds Provided.** The Province will:

- a. provide the Recipient up to the Maximum Funds for the purpose of carrying out the Project;
- b. provide the Funds to the Recipient in accordance with the Payment Plan attached to the Agreement as Schedule “E”; and
- c. deposit the Funds into an account designated by the Recipient provided that the account:
 - i. resides at a Canadian financial institution; and
 - ii. is in the name of the Recipient.

4.2 **Limitation on Payment of Funds.** Despite section 4.1:

- a. the Province is not obligated to provide any Funds to the Recipient until the Recipient provides the insurance certificate or other proof as the Province may request pursuant to section 12.2;
- b. the Province is not obligated to provide instalments of Funds until it is satisfied with the progress of the Project;
- c. the Province may adjust the amount of Funds it provides to the Recipient in any Funding Year based upon the Province’s assessment of the information provided by the Recipient pursuant to section 7.1; and

- d. if, pursuant to the *Financial Administration Act* (Ontario), the Province does not receive the necessary appropriation from the Ontario Legislature for payment under the Agreement, the Province is not obligated to make any such payment, and, as a consequence, the Province may:
 - i. reduce the amount of Funds and, in consultation with the Recipient, change the Project; or
 - ii. terminate the Agreement pursuant to section 14.1.

4.3 Use of Funds and Project. The Recipient will:

- a. carry out the Project in accordance with the terms and conditions of the Agreement;
- b. use the Funds only for the purpose of carrying out the Project;
- c. spend the Funds only in accordance with the Budget; and
- d. not use the Funds to cover any specific cost that has or will be funded or reimbursed by any third party, including other ministries, agencies and organizations of the Government of Ontario.

4.4 Province's Role Limited to Providing Funds. For greater clarity, the Province's role under the Agreement is limited to providing Funds to the Recipient for the purposes of the Project and the Province is not responsible for carrying out the Project.

4.5 No Changes. The Recipient will not make any changes to the Project, the Timelines, or the Budget without the prior written consent of the Province.

4.6 Interest Bearing Account. If the Province provides Funds to the Recipient before the Recipient's immediate need for the Funds, the Recipient will place the Funds in an interest bearing account in the name of the Recipient at a Canadian financial institution.

4.7 Interest. If the Recipient earns any interest on the Funds, the Province may:

- a. deduct an amount equal to the interest from any further instalments of Funds; or

- b. demand from the Recipient the repayment of an amount equal to the interest.

4.8 **Maximum Funds.** The Recipient acknowledges that the Funds available to it pursuant to the Agreement will not exceed the Maximum Funds.

4.9 **Rebates, Credits and Refunds.** The Recipient acknowledges that the amount of Funds available to it pursuant to the Agreement is based on the actual costs to the Recipient, less any costs (including taxes) for which the Recipient has received, will receive, or is eligible to receive, a rebate, credit or refund.

4.10 **Funding, Not Procurement.** For greater clarity, the Recipient acknowledges that:

- a. it is receiving funding from the Province for the Project and is not providing goods or services to the Province; and
- b. the funding the Province is providing under the Agreement is funding for the purposes of the PSSDA.

5.0 RECIPIENT'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS

5.1 **Acquisition.** If the Recipient acquires goods, services, or both with the Funds, it will:

- a. do so through a process that promotes the best value for money; and
- b. comply with the BPSAA, including any procurement directive issued thereunder, to the extent applicable.

5.2 **Disposal.** The Recipient will not, without the Province's prior written consent, sell, lease or otherwise dispose of any asset purchased or created with the Funds or for which Funds were provided, the cost of which exceeded the amount as set out in Schedule "B" at the time of purchase.

6.0 CONFLICT OF INTEREST

6.1 **No Conflict of Interest.** The Recipient will carry out the Project and use the Funds without an actual, potential or perceived conflict of interest.

6.2 **Conflict of Interest Includes.** For the purposes of this Article, a conflict of interest includes any circumstances where:

- a. the Recipient; or
- b. any person who has the capacity to influence the Recipient's decisions,

has outside commitments, relationships or financial interests that could, or could be seen to, interfere with the Recipient's objective, unbiased and impartial judgment relating to the Project, the use of the Funds, or both.

6.3 **Disclosure to Province.** The Recipient will:

- a. disclose to the Province, without delay, any situation that a reasonable person would interpret as an actual, potential or perceived conflict of interest; and
- b. comply with any terms and conditions that the Province may prescribe as a result of the disclosure.

7.0 **REPORTING, ACCOUNTING AND REVIEW**

7.1 **Preparation and Submission.** The Recipient will:

- a. submit to the Province at the address referred to in section 19.1, all Reports in accordance with the timelines and content requirements set out in Schedule "F", or in a form as specified by the Province from time to time;
- b. submit to the Province at the address referred to in section 19.1, any other reports as may be requested by the Province in accordance with the timelines and content requirements specified by the Province;
- c. ensure that all Reports and other reports are completed to the satisfaction of the Province; and
- d. ensure that all Reports and other reports are signed on behalf of the Recipient by an authorized signing officer.

7.2 **Record Maintenance.** The Recipient will keep and maintain:

- a. all financial records (including invoices) relating to the Funds or otherwise to the Project in a manner consistent with generally accepted accounting principles; and
- b. all non-financial documents and records relating to the Funds or otherwise to the Project.

7.3 **Inspection.** The Province, its authorized representatives or an independent auditor identified by the Province may, at its own expense, upon twenty-four hours' Notice to the Recipient and during normal business hours, enter upon the Recipient's premises to review the progress of the Project and the Recipient's allocation and expenditure of the Funds and, for these purposes, the Province, its authorized representatives or an independent auditor identified by the Province may take one or more of the following actions:

- a. inspect and copy the records and documents referred to in section 7.2;
- b. remove any copies made pursuant to section 7.3(a) from the Recipient's premises; and
- c. conduct an audit or investigation of the Recipient in respect of the expenditure of the Funds, the Project, or both.

7.4 **Disclosure.** To assist in respect of the rights set out in section 7.3, the Recipient will disclose any information requested by the Province, its authorized representatives or an independent auditor identified by the Province, and will do so in the form requested by the Province, its authorized representatives or an independent auditor identified by the Province, as the case may be.

7.5 **No Control of Records.** No provision of the Agreement will be construed so as to give the Province any control whatsoever over the Recipient's records.

- 7.6 **Auditor General.** For greater certainty, the Province's rights under this Article are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

8.0 COMMUNICATIONS REQUIREMENTS

- 8.1 **Acknowledge Support.** Unless otherwise directed by the Province, the Recipient will acknowledge the support of the Province in a form and manner as directed by the Province.
- 8.2 **Publication.** The Recipient will indicate, in any of its Project-related publications, whether written, oral, or visual, that the views expressed in the publication are the views of the Recipient and do not necessarily reflect those of the Province.

9.0 FURTHER CONDITIONS

- 9.1 **Additional Provisions.** The Recipient will comply with any Additional Provisions. In the event of a conflict or inconsistency between any of the requirements of the Additional Provisions and any requirements of this Schedule "A", the Additional Provisions will prevail.

10.0 FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY

- 10.1 **FIPPA.** The Recipient acknowledges that the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Province in connection with the Project or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

11.0 INDEMNITY

- 11.1 **Indemnification.** The Recipient hereby agrees to indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings, by whomever made, sustained, incurred, brought or prosecuted, in any way arising out of or in

connection with the Project or otherwise in connection with the Agreement, unless solely caused by the negligence or wilful misconduct of the Province.

- 11.2 **Recipient's Participation.** The Recipient will, at its expense, to the extent requested by the Province, participate in or conduct the defence of any proceeding against any Indemnified Parties and any negotiations for their settlement.
- 11.3 **Province's Election.** The Province may elect to participate in or conduct the defence of any proceeding by providing Notice to the Recipient of such election without prejudice to any other rights or remedies of Province under the Agreement, at law or in equity. Each Party participating in the defence will do so by actively participating with the other's counsel.
- 11.4 **Settlement Authority.** The Recipient will not enter into a settlement of any proceeding against any Indemnified Parties unless the Recipient has obtained the prior written approval of Province. If the Recipient is requested by the Province to participate in or conduct the defence of any proceeding, the Province will co-operate with and assist the Recipient to the fullest extent possible in the proceeding and any related settlement negotiations.
- 11.5 **Recipient's Co-operation.** If the Province conducts the defence of any proceedings, the Recipient will co-operate with and assist the Province to the fullest extent possible in the proceedings and any related settlement negotiations.

12.0 INSURANCE

- 12.1 **Recipient's Insurance.** The Recipient represents and warrants that it has, and will maintain for the term of the Agreement, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out a project similar to the Project would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than the amount set out in Schedule "B" per occurrence. The policy will include the following:

- a. the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipient's obligations under, or otherwise in connection with, the Agreement;
- b. a cross-liability clause;
- c. contractual liability coverage; and
- d. a 30 day written notice of cancellation.

12.2 **Proof of Insurance.** The Recipient will provide the Province with certificates of insurance, or other proof as may be requested by the Province, that confirms the insurance coverage as provided for in section 12.1. Upon the request of the Province, the Recipient will make available to the Province a copy of each insurance policy.

13.0 TERMINATION ON NOTICE

13.1 **Termination on Notice.** The Province may terminate the Agreement at any time without liability, penalty or costs upon giving at least 30 days' Notice to the Recipient.

13.2 **Consequences of Termination on Notice by the Province.** If the Province terminates the Agreement pursuant to section 13.1, the Province may take one or more of the following actions:

- a. cancel all further instalments of Funds;
- b. demand the repayment of any Funds remaining in the possession or under the control of the Recipient; and
- c. determine the reasonable costs for the Recipient to wind down the Project, and do either or both of the following:
 - i. permit the Recipient to offset such costs against the amount owing pursuant to section 13.2(b); and
 - ii. subject to section 4.8, provide Funds to the Recipient to cover such costs.

14.0 TERMINATION WHERE NO APPROPRIATION

14.1 **Termination Where No Appropriation.** If, as provided for in section 4.2(d), the Province does not receive the necessary appropriation from the Ontario Legislature for any payment the Province is to make pursuant to the Agreement, the Province may terminate the Agreement immediately without liability, penalty or costs by giving Notice to the Recipient.

14.2 **Consequences of Termination Where No Appropriation.** If the Province terminates the Agreement pursuant to section 14.1, the Province may take one or more of the following actions:

- a. cancel all further instalments of Funds;
- b. demand the repayment of any Funds remaining in the possession or under the control of the Recipient; and
- c. determine the reasonable costs for the Recipient to wind down the Project and permit the Recipient to offset such costs against the amount owing pursuant to section 14.2(b).

14.3 **No Additional Funds.** For greater clarity, if the costs determined pursuant to section 14.2(c) exceed the Funds remaining in the possession or under the control of the Recipient, the Province will not provide additional Funds to the Recipient.

15.0 EVENT OF DEFAULT, CORRECTIVE ACTION AND TERMINATION FOR DEFAULT

15.1 **Events of Default.** Each of the following events will constitute an Event of Default:

- a. in the opinion of the Province, the Recipient breaches any representation, warranty, covenant or other material term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:
 - i. carry out the Project;
 - ii. use or spend Funds; or
 - iii. provide, in accordance with section 7.1, Reports or such other reports as may have been requested pursuant to section 7.1(b);

- b. the Recipient's operations, or its organizational structure, changes such that it no longer meets one or more of the eligibility requirements of the program under which the Province provides the Funds;
- c. the Recipient makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or a creditor makes an application for an order adjudging the Recipient bankrupt, or applies for the appointment of a receiver; or
- d. the Recipient ceases to operate.

15.2 Consequences of Events of Default and Corrective Action. If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

- a. initiate any action the Province considers necessary in order to facilitate the successful continuation or completion of the Project;
- b. provide the Recipient with an opportunity to remedy the Event of Default;
- c. suspend the payment of Funds for such period as the Province determines appropriate;
- d. reduce the amount of the Funds;
- e. cancel all further instalments of Funds;
- f. demand the repayment of any Funds remaining in the possession or under the control of the Recipient;
- g. demand the repayment of an amount equal to any Funds the Recipient used, but did not use in accordance with the Agreement;
- h. demand the repayment of an amount equal to any Funds the Province provided to the Recipient; and
- i. terminate the Agreement at any time, including immediately, without liability, penalty or costs to the Province upon giving Notice to the Recipient.

15.3 Opportunity to Remedy. If, in accordance with section 15.2(b), the Province provides the Recipient with an opportunity to remedy the Event of Default, the Province will provide Notice to the Recipient of:

- a. the particulars of the Event of Default; and

- b. the Notice Period.

15.4 **Recipient not Remediating.** If the Province has provided the Recipient with an opportunity to remedy the Event of Default pursuant to section 15.2(b), and:

- a. the Recipient does not remedy the Event of Default within the Notice Period;
- b. it becomes apparent to the Province that the Recipient cannot completely remedy the Event of Default within the Notice Period; or
- c. the Recipient is not proceeding to remedy the Event of Default in a way that is satisfactory to the Province,

the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections 15.2(a), (c), (d), (e), (f), (g), (h) and (i).

15.5 **When Termination Effective.** Termination under this Article will take effect as set out in the Notice.

16.0 FUNDS AT THE END OF A FUNDING YEAR

16.1 **Funds at the End of a Funding Year.** Without limiting any rights of the Province under Article 15.0, if the Recipient has not spent all of the Funds allocated for the Funding Year as provided for in the Budget, the Province may take one or both of the following actions:

- a. demand the return of the unspent Funds; and
- b. adjust the amount of any further instalments of Funds accordingly.

17.0 FUNDS UPON EXPIRY

17.1 **Funds Upon Expiry.** The Recipient will, upon expiry of the Agreement, return to the Province any Funds remaining in its possession or under its control.

18.0 REPAYMENT

- 18.1 **Repayment of Overpayment.** If at any time during the term of the Agreement the Province provides Funds in excess of the amount to which the Recipient is entitled under the Agreement, the Province may:
- a. deduct an amount equal to the excess Funds from any further instalments of Funds; or
 - b. demand that the Recipient pay an amount equal to the excess Funds to the Province.

- 18.2 **Debt Due.** If, pursuant to the Agreement:

- a. the Province demands the payment of any Funds or an amount equal to any Funds from the Recipient; or
- b. the Recipient owes any Funds or an amount equal to any Funds to the Province, whether or not their return or repayment has been demanded by the Province,

such Funds or other amount will be deemed to be a debt due and owing to the Province by the Recipient, and the Recipient will pay or return the amount to the Province immediately, unless the Province directs otherwise.

- 18.3 **Interest Rate.** The Province may charge the Recipient interest on any money owing by the Recipient at the then current interest rate charged by the Province of Ontario on accounts receivable.

- 18.4 **Payment of Money to Province.** The Recipient will pay any money owing to the Province by cheque payable to the "Ontario Minister of Finance" and delivered to the Province at the address referred to in section 19.1.

- 18.5 **Failure to Repay.** Without limiting the application of section 43 of the *Financial Administration Act* (Ontario), if the Recipient fails to repay any amount owing under the Agreement, Her Majesty the Queen in right of Ontario may deduct any unpaid amount from any money payable to the Recipient by Her Majesty the Queen in right of Ontario.

19.0 NOTICE

- 19.1 **Notice in Writing and Addressed.** Notice will be in writing and will be delivered by email, postage-prepaid mail, personal delivery or fax, and will be addressed to the Province and the Recipient respectively as set out in Schedule “B”, or as either Party later designates to the other by Notice.
- 19.2 **Notice Given.** Notice will be deemed to have been given:
- a. in the case of postage-prepaid mail, five Business Days after the Notice is mailed; or
 - b. in the case of email, personal delivery or fax, one Business Day after the Notice is delivered.
- 19.3 **Postal Disruption.** Despite section 19.2(a), in the event of a postal disruption:
- a. Notice by postage-prepaid mail will not be deemed to be received; and
 - b. the Party giving Notice will provide Notice by email, personal delivery or by fax.

20.0 CONSENT BY PROVINCE AND COMPLIANCE BY RECIPIENT

- 20.1 **Consent.** When the Province provides its consent pursuant to the Agreement, it may impose any terms and conditions on such consent and the Recipient will comply with such terms and conditions.

21.0 SEVERABILITY OF PROVISIONS

- 21.1 **Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of the Agreement will not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision will be deemed to be severed.

22.0 WAIVER

- 22.1 **Waivers in Writing.** If a Party fails to comply with any term of the Agreement, that Party may only rely on a waiver of the other Party if the other Party has provided a written waiver in accordance with the Notice provisions in Article

19.0. Any waiver must refer to a specific failure to comply and will not have the effect of waiving any subsequent failures to comply.

23.0 INDEPENDENT PARTIES

23.1 **Parties Independent.** The Recipient acknowledges that it is not an agent, joint venturer, partner or employee of the Province, and the Recipient will not represent itself in any way that might be taken by a reasonable person to suggest that it is, or take any actions that could establish or imply such a relationship.

24.0 ASSIGNMENT OF AGREEMENT OR FUNDS

24.1 **No Assignment.** The Recipient will not, without the prior written consent of the Province, assign any of its rights, or obligations under the Agreement.

24.2 **Agreement Binding.** All rights and obligations contained in the Agreement will extend to and be binding on the Parties' respective heirs, executors, administrators, successors and permitted assigns.

25.0 GOVERNING LAW

25.1 **Governing Law.** The Agreement and the rights, obligations and relations of the Parties will be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement will be conducted in the courts of Ontario, which will have exclusive jurisdiction over such proceedings.

26.0 FURTHER ASSURANCES

26.1 **Agreement into Effect.** The Recipient will provide such further assurances as the Province may request from time to time with respect to any matter to which the Agreement pertains, and will otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

27.0 JOINT AND SEVERAL LIABILITY

27.1 **Joint and Several Liability.** Where the Recipient is comprised of more than one entity, all such entities will be jointly and severally liable to the Province for the fulfillment of the obligations of the Recipient under the Agreement.

28.0 RIGHTS AND REMEDIES CUMULATIVE

28.1 **Rights and Remedies Cumulative.** The rights and remedies of the Province under the Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

29.0 ACKNOWLEDGEMENT OF OTHER LEGISLATION AND DIRECTIVES

29.1 **Recipient Acknowledges.** The Recipient:

- a. acknowledges that by receiving Funds it may become subject to legislation applicable to organizations that receive funding from the Government of Ontario, including the BPSAA, the PSSDA, and the *Auditor General Act* (Ontario);
- b. acknowledges that Her Majesty the Queen in right of Ontario has issued expenses, perquisites, and procurement directives and guidelines pursuant to the BPSAA; and
- c. will comply with any such legislation, including directives issued thereunder, to the extent applicable.

30.0 FAILURE TO COMPLY WITH OTHER AGREEMENTS

30.1 **Other Agreements.** If the Recipient:

- a. has failed to comply (a "Failure") with any term, condition or obligation under any other agreement with Her Majesty the Queen in right of Ontario or one of Her agencies;
- b. has been provided with notice of such Failure in accordance with the requirements of such other agreement;
- c. has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and
- d. such Failure is continuing,

the Province may suspend the payment of Funds for such period as the Province determines appropriate.

31.0 SURVIVAL

- 31.1 **Survival.** The following Articles and sections, and all applicable cross-referenced sections and schedules, will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Article 1.0 and any other applicable definitions, section 4.2(d), 4.7, section 5.2, section 7.1 (to the extent that the Recipient has not provided the Reports to the satisfaction of the Province), sections 7.2, 7.3, 7.4, 7.5, 7.6, Article 8.0, Article 11.0, section 13.2, sections 14.2 and 14.3, sections 15.1, 15.2(d), (e), (f), (g) and (h), Article 17.0, Article 18.0, Article 19.0, Article 21.0, section 24.2, Article 25.0, Article 27.0, Article 28.0, Article 29.0, Article 30.0, and Article 31.0.

- END OF GENERAL TERMS AND CONDITIONS -

SCHEDULE "B"

PROJECT SPECIFIC INFORMATION AND ADDITIONAL PROVISIONS

Maximum Funds	\$1,000,000
Expiration Date	September 30, 2018
Amount for the purposes of section 5.2 of Schedule "A"	\$1,000
Insurance	\$2,000,000
Contact information for the purposes of Notice to the Province	Name: Ministry of Advanced Education and Skills Development Address: 33 Bloor St. East. 1st Floor, Suite 100, Toronto, ON, M7A 1L2 Attention: PATRICIA QUATTROCIOCCHI Fax: (416) 327-9800 Email: MAESDCentralRegionFinance@ontario.ca
Contact information for the purposes of Notice to the Recipient	Name: DURHAM REGION LOCAL TRAINING BOARD Address: 951 SIMCOE ST N, OSHAWA, ON, L1G4W3 Attention: Heather McMillan Fax: Email: hmcmillan@durhamwa.ca

Additional Provisions:

1. Amendments to Definitions

The definition for "Indemnified Parties" in Article 1.2 is deleted and replaced with:

"Indemnified Parties" means Her Majesty the Queen in right of Ontario, Her ministers, agents, appointees, employees and authorized subcontractors.

2. Further Definitions

The following definitions also apply to this Agreement:

“EO” means Employment Ontario.

“EOPG” means the Employment Ontario Partners’ Gateway, a Province-maintained website which provides support to service providers delivering Employment Ontario programs and services as part of the Employment Ontario network available at www.eopg.ca

"Footprint" means a list, including descriptions, of employment and training and other wrap around services currently being delivered within the LEPC planning area. The Footprint should, at minimum, capture the name of the service providers, the location of service, the service type, the target client group and the service activity levels.

“FIPPA” means the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. F. 31, as amended.

"Intermediary" means an organization serving as the connection between diverse local groups (e.g., employers, service providers and other community Stakeholders) and their ideas, resources and services (such as skills training) to more effectively plan employment and training service delivery, generate local labour market knowledge, address the workforce development needs of employers, and help shape changes to the local labour market. The organization leads and champions local solutions to labour market issues and builds credibility and buy-in amongst community Stakeholders (employers in particular) to support the successful implementation of local workforce development initiatives.

"LEPC" means the Local Employment Planning Council.

"Partnership/ Partners" means a relationship where two or more parties, having compatible goals, have an arrangement to work, share the risk and share the results or proceeds. Partnership involves sharing decision making, risks, power, benefits and burdens. It should add value to each partner’s respective services, Products or situations.

"Partnership Project" means a project undertaken by a Partnership or by Partners described in the business plan.

"Product(s)" means the work created or developed with the Funds including those that are described in Schedule "C".

"SP Connect" means the EOIS Service Provider Connect application, which provides service providers with online access to their agreement details to view the most up-to-date site target and financial information, including agreements, allocations and payment schedules and report submission.

"Stakeholder" means somebody or something with direct interest: a person or group with a direct interest, involvement or investment in the Project; individuals or groups that are affected by a decision and have an interest in its outcome.

3. **Additions to Article 2.0**

The following provisions are added to Article 2.1:

e. it has provided, and will continue to provide for the term of the Agreement, training to any person involved in carrying out the Project on the relevant responsibilities of the Recipient set out in the Agreement; and

f. it has taken, and will continue to take for the term of the Agreement, all reasonable actions to minimize and reduce the costs related to the Project that may be incurred as a result of the expiry or termination of the Agreement including negotiating all contracts related to the Project, such as employment contracts, on terms that will enable the Recipient to cancel them upon terms and conditions that will minimize their cancellation costs in the event of the expiry or termination of the Agreement.

4. **Additions to Article 5.0**

The following provisions are added to Article 5.0:

5.3 Ownership of Products. The Recipient will own the Products.

5.4 Recipient's Grant of Licence. The Recipient grants the Province and all Stakeholders a perpetual, irrevocable and royalty-free licence to use the Products for any purpose except commercial gain. Without limitation, the Province may update, revise, copy, translate or distribute the Products to its Stakeholders.

5.5 Representation and Warranty. The Recipient represents and warrants that the grant of licences pursuant to section 5.4 will not infringe or induce the infringement of any third party intellectual property rights.

5.6 Acceptance of Terms of Licence. If at any time, the Recipient is granted a licence for other Products pursuant to an agreement with the Province and another organization to carry out a project with the Province, or a successor Government of Ontario program, the Recipient acknowledges and agrees:

- a. that the licence for the other Products is solely applicable for the purpose of the Recipient carrying out the Project or a subsequent project with the Province, or a successor Government of Ontario program;
- b. the license expires on the day that the Recipient does not hold a valid agreement with the Province to carry out a project with the Province, or a successor Government of Ontario program; and
- c. to immediately cease using, modifying, reproducing or distributing the other Products upon the expiry of the licence.

5. Additions to Article 7.0

The following provision is added to Article 7.0:

7.7 Records Transfer. At any time after the expiry of the Agreement or the termination of the Agreement pursuant to Article 13.0, Article 14.0 or Article 15.0, the Province may demand the transfer of any records referred to in section 7.2 to another organization identified by the Province in order to facilitate the successful continuation or completion of the Project, or a

similar project, including the continuation or completion of services to individuals.

6. **Additions to Article 8.0**

The following provision is added to Article 8.0:

8.3 Visual Identity and Communications. The Recipient will comply with the Visual Identity and Communications Guidelines for Employment Ontario Service Providers, available on the EOPG, and which may be amended from time to time at the sole discretion of the Province.

7. **Additions to Article 10.0**

The following provisions are added to Article 10.0:

10.2 Idem. The Recipient acknowledges that the Province is bound by FIPPA and undertakes to perform its obligations under the Agreement in a manner that ensures that the Province is not in breach of its obligations under FIPPA.

10.3 Protection of Privacy. The Recipient represents and warrants that it will protect privacy in accordance with applicable privacy legislation or pursuant to its own privacy policy that is consistent with the Canadian Standards Association Code for the Protection of Personal Information and that is publicly available.

Without limitation, the Recipient will:

- a. designate an experienced official who will be responsible for ensuring the Recipient's compliance with its privacy policy and the privacy protection provisions of the agreement;
- b. make the designated privacy officer aware of the privacy policy and the privacy protection provisions of the Agreement;
- c. implement appropriate privacy protection training of employees, contractors and authorized subcontractors who have access to personal information to carry out the Project;

- d. only collect, use and disclose personal information if necessary to carry out the Project and comply with its obligations under the Agreement;
- e. at the earliest opportunity, provide notice of collection, if required, and obtain and retain any consents that may be necessary to carry out the Project and comply with its obligations under the Agreement in compliance with applicable privacy legislation, and the Recipient's privacy policy and the Research Ethics Board approval of the Project, if any;
- f. not use personal information that was collected for use in carrying out the Project for any other purpose without the informed and voluntary written consent of the individual;
- g. limit access to personal information to employees, contractors and authorized subcontractors who need the personal information to carry out the Project and ensure the Recipient's compliance with its obligations under the Agreement;
- h. before disclosing personal information to employees, contractors and authorized subcontractors, enter into an agreement with them requiring them to be bound by the Recipient's privacy policy, the Research Ethics Board approval of the Project, if any, and the privacy policy and the privacy protection provisions of the Agreement;
- i. ensure the security and integrity of any personal information collected by implementing, using and maintaining the most appropriate products, tools, measures and procedures to prevent the unauthorized or inadvertent collection, use, disclosure, loss, alteration or destruction;
- j. provide individuals with access to their own personal information in accordance with applicable privacy legislation, and the Recipient's privacy policy;
- k. ensure the secure and irreversible destruction of paper records containing personal information when it is no longer needed to carry out the Project or to comply with the obligations under the Agreement;

l. ensure that electronic records containing personal information that are no longer needed to carry out the Project or to comply with the obligations under the Agreement are not accessible until secure and irreversible destruction of these records is possible;

m. notify the Province as soon as the Recipient becomes aware of a potential or actual breach of any of the privacy policy and the privacy protection provisions of the Agreement;

n. cooperate with the Province and its contractors and auditors in any audit of or investigation into a breach of the privacy policy and the privacy protection provisions of the Agreement; and

o. implement, use and maintain other specific privacy or security measures that in the reasonable opinion of the Province would improve the adequacy and effectiveness of the Recipient's measures to ensure the privacy and security of the records collected, created, used and disclosed in carrying out the Project and complying with the obligations under the Agreement.

8. **Amendments to Article 12.1**

Article 12.1 is deleted and replaced with:

12.1 Recipient's Insurance. The Recipient represents and warrants that it has, and will maintain for the term of the Agreement, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, or if the Recipient is a school board, with the Ontario School Boards' Insurance Exchange, all the necessary and appropriate insurance that a prudent person carrying out a project similar to the Project would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than two million dollars (\$2,000,000) per occurrence. The policy will include the following:

a. the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipient's obligations under, or otherwise in connection with, the Agreement;

- b. a cross-liability clause;
- c. contractual liability coverage; and
- d. a 30 day written notice of cancellation, termination or material change.

9. **Amendments to Article 13.1**

Article 13.1 is deleted and replaced with:

13.1 Termination on Notice. The Province may terminate the Agreement at any time without liability, penalty or costs on giving at least six (6) months' Notice to the Recipient.

SCHEDULE “C”

PROJECT DESCRIPTION AND TIMELINES

The Project will be delivered for the period of June 1, 2017 to September 30, 2018.

1. OBJECTIVE

Local Employment Planning Councils are workplace intermediaries designed to improve labour market conditions in local communities through enhanced collection and dissemination of local labour market information, and community engagement to drive local approaches in the planning and delivery of employment and training services.

The LEPC will help to:

1. Improve employer participation rates in employment and training programs (e.g., Employment Service (ES) job placements, etc.);
2. Increase service coordination among local service providers (e.g., increase service coordination rates among EO service providers operating in the community); and
3. Improve integrated local planning of EO and non-EO services among service providers.

To these ends, the LEPCs are expected to work in partnership with a range of stakeholders including but not limited to, local employers, community leaders, service providers, and education and training institutions. Through quality collaboration and engagement, and the

collection, analysis and synthesis of local labour market information, the LEPCs are expected to gain a better awareness of existing local labour market priorities and needs – strengths, gaps, challenges, and priorities. The results of this analysis are expected to inform local business plans and local activities to address labour market issues. Over time, this is expected to contribute to a more innovative and diverse approach to service delivery and better coordination and delivery of employment and training services.

The LEPC will:

1. **Build partnerships/community collaborations** to promote coordinated planning and actions.
2. **Develop local labour market knowledge** and promote its use both locally and in province-wide workforce development and planning.
3. **Help mobilize and build capacity of communities** to inform employment and training services planning and delivery to achieve system integration.

The LEPC meets its objectives through undertaking the following activities:

a. Community Partnerships

The Recipient will:

Develop Partnerships with a wide range of local Stakeholders in order to mobilize the community to identify and address labour market issues and opportunities, and workforce development needs; and engage local Stakeholders in improving employment and training service coordination and integrated service planning.

Partnerships may be formed with:

- i. Service providers of employment and training services;
- ii. Employers/businesses, or industry organizations;
- iii. Local planning or community action groups;
- iv. Other levels of government (municipal/ federal and/or other Ontario government ministries);
- v. Provincial Boards or commissions;
- vi. Indigenous communities;
- vii. Health and/or social service agencies;
- viii. Educational institutions (e.g., universities, colleges, school boards);
- ix. Providers of literacy and essential skills services and regional networks;
- x. Unions/labour organizations;
- xi. Organizations serving equity target groups (e.g., immigrant services, ASETS) and/or First Nations/Indigenous groups; and

- xii. Other non-profit community organizations or not-for-profit businesses.

b. Service Coordination for Employers

The Recipient will:

- i. Develop a detailed understanding of local employment and training services, including job matching and placement services, skills training services and supports, and workforce development projects and initiatives. This includes employment and training services outside the EO network, such as Ontario Works Employment Assistance (OW-EA) and Ontario Disability Supports Program – Employment Supports (ODSP-ES);
- ii. Conduct outreach and deliver information sessions to employers, industry associations, sector groups and unions regarding employment and training services available to them in the community; and
- iii. Work with local employers and employer groups to identify workforce development needs and opportunities and make timely and appropriate referrals to relevant employment and training service providers and/or to different levels of government.

c. Integrated Local Planning

The Recipient will:

- i. Coordinate input to service planning by:
 - 1. Reviewing community employment and training service Footprints (both EO and non-EO services) and identifying potential service duplications and gaps and developing solutions for how they can be addressed and that helps support local delivery providers plan and coordinate their services;
 - 2. Identifying locally-responsive best practices in service delivery to address the needs of diverse communities and labour market environments;

3. Conducting research to gain a better understanding of local labour market and employment policies, programs or initiatives operating in the community and develop recommendations as to how they might more effectively work together; and
 4. Disseminating and facilitating uptake of findings and recommendations to local service providers and planners through reports and the LEPC governance structure (i.e., through the central planning table or a service planning working group).
- ii. Lead workforce development planning by:
1. Researching and forecasting staffing gaps and requirements in high- growth industries;
 2. Bringing together local businesses and community and industry sectors to identify solutions for future skills requirements and/or to prevent skills shortages;
 3. Promoting literacy and essential skills development within local workforces; and
 4. Identify and address workforce and training needs in areas experiencing lay-offs or extensive workforce realignment.
- iii. Support labour force adjustment by:
1. Conducting outreach events to raise awareness of local employment needs and in-demand skills; and
 2. Working with employers, employment and training service providers and training institutions in areas experiencing lay-offs or in need of extensive workforce realignment to identify and address workforce and training issues; and
- iv. Improve local labour market conditions by contributing to local economic planning and community development. This includes promoting growth of new industries or assisting in workforce development planning related to local infrastructure development projects.

d. Research and Innovation

The Recipient will:

- i. Collaborate with community Stakeholders in the design and development of projects aimed at researching and testing, where possible, innovative approaches, local labour market issues, or opportunities, including:
 - 1. Developing new tools or methods of gathering and/or disseminating local labour market knowledge;
 - 2. Responding to local labour market and skills imbalance or other workforce development challenges through coordinated skills training or other initiatives;
 - 3. Engaging with community Stakeholders, such as employers, service providers, different levels of government and other community groups; and
 - 4. Developing new approaches to integrated local planning.
- ii. Assess, select and fund a minimum of one research and innovation project to address identified labour market issues, challenges, or opportunities delivered directly by the LEPC.
- iii. Allocate a portion of their regular operating funds to funding a minimum of one research and innovation project through a third-party local Stakeholder. While there is no maximum number of projects that can be funded, the total amount of project funding cannot exceed the Maximum Funds.
- iv. Establish business practices to:
 - 1. Conduct an ethical, transparent and impartial assessment and selection process of submitted project proposals;
 - 2. Develop project funding agreements with clearly articulated deliverables, payment schedules and legal accountability;
 - 3. Monitor design, development, implementation and outcomes of all funded projects;
 - 4. Ensure Project funds are spent appropriately and represent value for money through audit and accountability measures; and
 - 5. Be accountable to the Province for all funded projects and report on these projects in quarterly updates to the Province.
- v. Ensure that, when undertaking research, the following guidelines and principles are adhered to for the purposes of ensuring high-quality, objective research and analyses:
 - 1. Be objective and systematic in designing and conducting research projects and data analysis;

2. Be transparent about research intentions, methodology and limitations, distortions in data and biases in analysis;
 3. Employ technically sound research methodology that is appropriate for the intended purpose of the research;
 4. Make conclusions and recommendations that are based on research and analysis that is rigorous and methodologically-sound;
 5. Employ systematic approaches to data collection, review, verification, and storage methods;
 6. Employ technically sound methodologies and analyses that are appropriate for the intended purpose;
 7. Explicitly justify conclusions and recommendations based on rigorous and methodologically-sound data collection and analyses; and
 8. Ensure research design has adequate scope and guard against misconceptions, biases, distortions, and errors.
- vi. Proper referencing is required. The style can a footnote style (e.g., Oxford) or an in-text referencing style (e.g., American Psychological Association (APA)). Ensure that Products disseminated publicly are reviewed by a qualified third- party independent researcher employed for the purposes of providing insight and direction on all research-related activities (e.g., the development of data collection tools and instruments, research analyses, and research reports) prior to publication. The third-party independent researcher will produce reports for specific deliverables as outlined in Schedule “G”, confirming that all publicly disseminated Products satisfy the following:
1. Research design has adequate scope and is guarded against misconceptions, biases, distortions, and errors;
 2. Research has employed technically sound methodologies and analyses that are appropriate for the intended purpose; and
 3. Conclusions and recommendation are explicitly justified based on rigorous and methodologically-sound data collection and analyses.

e. Analysis and interpretation of Labour Market Information

The Recipient will:

- i. Develop a detailed understanding of local labour market characteristics, challenges and opportunities using a combination of pre-existing data, reliable data sources, research, outreach, and engagement with local community Stakeholders. This may include:
 1. Identifying key changes to local community workforce characteristics, including: population, employment, unemployment, participation rates, migration and immigration and educational attainment;
 2. Identifying industry, human resources or social economic trends affecting the local labour market;
 3. Analyzing training needs and employment opportunities in the community or in local industries;
 4. Identifying job descriptions and/or job clusters in the area's dominant or growth industries beyond National Occupational Classification (NOC) code levels;
 5. Monitoring occupational outlook reports and research;
 6. Conducting community research on specific local labour market issues affecting employers;
 7. Developing local profiles of job seekers or the long-term unemployed;
 8. Identifying potential skill set misalignments between in-demand occupations and local labour market supply;
 9. Documenting educational pathways to specific in-demand jobs in local industries and/or sectors;
 10. Developing community maps of employment, education and training and community and social services;
 11. Validating local workforce characteristics and examining service outcomes; and
 12. Identifying potential gaps in service delivery such as underserving certain populations.

f. Collection and Dissemination of Labour Market Knowledge

The Recipient will:

- i. Maintain a fully functional and accessible bilingual website that complies with accessibility legislation under the *Accessibility for Ontarians with Disabilities Act* (AODA) and incorporates responsive web design that is mobile device friendly that provides information on its mandate, and disseminates information and findings to the EO network, key Stakeholders and the general public at no cost to the end user;
- ii. Maintain an information dissemination strategy and ensure the resources posted on the Recipient's website are known by and accessible to the EO network, key Stakeholders and the public;
- iii. Maintain effective means of collecting and disseminating local labour market knowledge for a variety of different audiences, including: service providers, employers and employer associations, levels of government and other local community Stakeholders. This is to be accomplished through the following:
 1. Development of community-specific tools and other in-person and electronic methods to collect labour market knowledge;
 2. Development of electronic tools to disseminate local labour market findings to different audiences;
 3. Delivery of information sessions with different community audiences to build local capacity to analyze and interpret local labour market information for the purposes of effective evidence-based business and service decision-making and planning; and
 4. Sharing local best practices and promising approaches with other LEPCs and employment and training service providers.

g. Advisory Committees

The Recipient will:

- i. Maintain an advisory committee structure with the capability and capacity to carry out its intended functions. This structure will include the following:

1. Central Planning Table comprised of key community representatives such as service providers, employer groups, and different levels of government (i.e., municipalities, federal and provincial government departments and ministries, including the Ministry of Advanced Education and Skills Development).
 2. Subject-Matter Working Group(s): focused and detailed engagement related to specific local labour market issues or subject- matter areas. The working group structure will include:
 - a. Industry Engagement comprised of key industry, labour and community representatives;
 - b. Service Planning comprised of key service providers, network representatives and local community advocacy groups; and
 - c. Intergovernmental/Inter-Ministerial comprised of representatives from key municipal, provincial and federal government departments and ministries that deliver services in the community.
 3. Secretariat: provides support in the following areas:
 - a. Administration (organizing and facilitating meeting, events, etc.);
 - b. Labour market information, collection, analysis and dissemination to local community Stakeholders; and
 - c. Stakeholder liaison, engagement and partnership building.
- ii. Maintain best practices for working groups and planning tables that include but are not limited to:
1. Terms of Reference and other governing documents that outline member roles and responsibilities. These will include details on group structure, meeting frequency, quorum, orientation of new members etc. to support effective engagement of Stakeholders; and
 2. Ensuring that discussions, recommendations, and outcomes are documented in minutes for implementation and follow-up.

h. Planning and Reporting

The Recipient will:

- i. Report all findings and activities to the Province through the following reports described in Schedule “F”;
- ii. Consult with non-EO service providers and other community Stakeholders to develop submission timelines for quarterly and annual business reporting that best meet their needs;
- iii. Submit quarterly and annual reports to the Province to provide updates on deliverables and all key performance indicators; and
- iv. Make quarterly and annual reports accessible to its varied audiences, including but not limited to customizing content accordingly, and streamlining content and adjusting language to match the needs of specific audiences.

i. Business Plan

The Recipient will develop a detailed business plan through close collaboration with all stakeholders that outlines activities and deliverables to be completed during the Project. Business plans should:

- i. Be supported by evidence and identified as priorities by community partners;
- ii. Identify the LEPC's priorities for the coming year;
- iii. Be informed through consultation with community Stakeholders;
- iv. Reflect the labour market needs and priorities of the LEPC region; and
- v. Be aligned with the LEPC's business plan and the Government's intended goals and outcomes.

j. Community Labour Market Planning Report (Due February 28, 2018):

The Recipient will complete a Community Labour Market Planning Report, including a final review by community Stakeholders. The comprehensive report will identify local labour market challenges, opportunities and recommendations related to:

- i. Improving service coordination;
- ii. Integrating local planning;
- iii. Collecting and disseminating local labour market knowledge; and
- iv. Addressing identified local labour market challenges and opportunities.

The LEPCs will submit their completed report to the Province on the date outlined above, but will be given an additional three months' time to translate their report, make it accessible (AODA compliant) and posted on their respective LEPC websites.

k. LMI Strategy Report (Due March 31, 2018):

The LEPCs will work collectively and collaborate to identify best practices relating to labour market information products that are (or could be) consistent, comparable, scalable and relevant at the regional or provincial level. Through this process, LEPCs will identify the potential for a common LMI strategy that identifies relevant LMI products (such as surveys, tools, etc.) summarized in a single report. The task will involve preparing a roadmap with the appropriate sequencing of processes, responsibilities and deliverables involved in the approach.

The LEPCs will collectively nominate a lead or two leads and inform the Province, who will be responsible for leading this initiative and all other LEPCs will be partners and contribute to the overall final report.

The LEPCs may collaborate with other partners, e.g., with the Ontario Centre of Workforce Innovation (OCWI), to assist with the planning and coordination of this deliverable.

The following report, specific to LMI, is required, but this should not be considered a limitation on the variety or quantity of work in this area. The LEPCs will identify a minimum one other deliverable in addition to the LMI Strategy Report.

This report will be a required deliverable in your agreement with the Province

and will not need to be included in your business plan submission.

The report should include the following:

- i. An overview that includes the scope of the LMI products identified and a description of how these products would meet the criteria of consistency, comparability and / or scalability;
- ii. A list of the common LMI products the LEPCs would develop with a methodology for each including (as appropriate) details of tool development, data collection methods, statistical or analytical techniques and dissemination approach;
- iii. A list of project roles and responsibilities to outline the expectations placed on the LEPCs; and
- iv. The potential challenges involved in developing LMI products that meet these criteria.

2. ROLES AND RESPONSIBILITIES

a. Role of the Province

The role of the Province is to facilitate community capacity building by contributing funding, expertise and information to the Recipient. The Province will:

- i. Administer the Project by monitoring progress and performance on the basis of deliverables (as per the Strategic Plan) and performance indicators, and through an evaluation of the LEPCs;
- ii. Collect and review LMI products;
- iii. Provide direction to the LEPCs based on an assessment of local labour market information products; and
- iv. Participate in the LEPC central planning table and, as appropriate, subject- matter working groups.

b. Role of the Recipient

The role of the Recipient is to support community capacity building and adhere to good management practices in the maintenance of accurate progress reports and financial records. The Recipient is responsible for:

- i. Providing community actors with information to inform local planning decisions;
- ii. Involving partners and wider community Stakeholders in LEPC activities, and ensuring wide representation and quality participation from across all relevant sectors;
- iii. Delivering LEPC activities on a day to day basis, including:
 - 1. Actively meeting reporting and monitoring obligations, as well as participating in the Province's evaluation of the LEPC;
 - 2. Ensuring that objectives and strategic priorities are being met, keeping a record of progress and accomplishments to-date and maintaining accurate financial records; and
 - 3. Ensuring that funding is being used for its intended purpose and that objectives stated in the agreement are being met;
- iv. Managing the Agreement with the Province, submitting required reports and participating in monitoring and evaluation; and
- v. Obtaining the services of a third-party independent researcher to review Products and reports to ensure internal reliability, rigor and quality standards.

3. CUSTOMER SERVICE

Customer Satisfaction

Without limiting the generality of section 2.3 of the Agreement, the Recipient will have in place comprehensive program management systems including policies and procedures to ensure the delivery of quality customer services as well as adequate and appropriate human resources, management and administrative support. The Recipient will:

- a. Ensure:
 - i. A customer service charter is posted and visible to employers, service providers and other community Stakeholders;
 - ii. A complaint and resolution process in place; and
 - iii. A Stakeholders needs identification process is developed;

- b. Have, at a minimum, the following three elements in their customer service charter:
 - i. Ensure broad representation of all relevant stakeholder groups and sectors;
 - ii. Ensure active participation and collaboration amongst all stakeholders;
 - iii. Encourage feedback (compliments or complaints); and
 - iv. Follow up on this feedback in a timely and prescribed manner;
- c. Report any service or organizational changes that result from their customer service activities to the Province through the Project monitoring and reporting process;
- d. Have an independent third-party conduct a minimum of 2 service quality surveys of employers, service providers and other community Stakeholders to measure effectiveness of service coordination and connections made to employment and training services; and
- e. Conduct a minimum of two surveys to LEPC representatives to assess the degree of engagement and satisfaction with the organizational structure, governance, decision-making and reporting.

4. FACILITIES

The Recipient will:

Ensure LEPC-related information and activities are readily accessible to all persons, including persons with disabilities. Where information and/or services are not fully accessible, offer an alternate accessibility plan to accommodate.

5. FACILITY LEASES

If relocation or revision of facility arrangements is required, the Recipient will obtain prior written approval from the Province to use the Funds for this purpose prior to entering into agreements or making financial commitments.

6. FRENCH LANGUAGE SERVICES

The Recipient will make all of the following information and documentation available to the public in both official languages:

- a. The Recipient's web site;
- b. Any publication, report, marketing materials or other similar documents, available in print form and/or online, that is a Product under the Agreement; and
- c. Any publication, report, marketing materials or other similar documents, available in print form and/or online, that is the Product of an activity or project approved by the LEPC.

The Recipient will develop a policy pertaining to the translation of other materials/ Products, which may include documents such as:

- d. Planning documents, research reports, newsletters, press releases, job ads, member recruitment, marketing materials, administrative practices and procedures, governance (such as bylaws, board minutes etc.) and any other document not listed above.

7. MONITORING AND EVALUATION

a. Monitoring

Monitoring, under the Agreement, will be a collaborative effort between the Province and the Recipient. Its aim is to support the LEPC, measure progress, and ensure continuous improvement. Activities that can be expected to occur during the life cycle of an Agreement include:

- i. Quarterly reporting on deliverables;
- ii. Quarterly reporting on key performance indicators;
- iii. Assessment and feedback on LMI products;
- iv. Project and financial reporting;
- v. On-site compliance and evaluation visits; and

- vi. Follow-up discussions will be conducted via telephone or by mail or email.

b. Evaluation

The Recipient will assist the Province in its evaluation of LEPCs by:

- i. Contacting on behalf of the Province all community Stakeholders actively involved with the LEPC; and asking that the stakeholders participate in the evaluation;
- ii. Providing the Province with names and contact information for all stakeholders, and any other information (e.g., best time to reach) that would facilitate stakeholder involvement in the evaluation; and
- iii. Participating in evaluation activities conducted by or on behalf of the Province such as surveys, interviews and/or focus groups.

8. INFORMATION MANAGEMENT REQUIREMENTS

The Recipient will develop and maintain relevant and up-to-date systems for planning, monitoring, and reporting program activity and expenditures as outlined in Schedule "D". At a minimum, the information management records, systems, and procedures will:

- a. Ensure that full documentation is available, verifying that the statistical and financial information entered into any Provincial systems and other Recipient management systems meets the reporting and audit requirements of the Province;
- b. Make records accessible for audit purposes by identifying them in a distinct manner;
- c. Ensure records and information are used for ongoing evaluation of services; and
- d. Comply with accessibility legislation under the *Accessibility for Ontarians with Disabilities Act*.

SCHEDULE "D"

BUDGET

Summary

June 1, 2017 – September 30, 2018

MAXIMUM FUNDS FOR 2017-2018	MAXIMUM FUNDS FOR 2018-2019	TOTAL MAXIMUM FUNDS
\$625,000	\$375,000	\$1,000,000

2017-2018

Budget for Site ID Number: 4956A

Site Address: 951 SIMCOE ST N, OSHAWA, ON, L1G4W3

Community from which service is to be delivered: Durham

FUNDING CATEGORIES	AMOUNT
Operating Funds	\$550,000
Administrative Costs	\$75,000
MAXIMUM SITE BUDGET	\$625,000

2018-2019

Budget for Site ID Number: 4956A

Site Address: 951 SIMCOE ST N, OSHAWA, ON, L1G4W3

Community from which service is to be delivered: Durham

FUNDING CATEGORIES	AMOUNT
Operating Funds	\$330,000

FUNDING CATEGORIES	AMOUNT
Administrative Costs	\$45,000
MAXIMUM SITE BUDGET	\$375,000

SCHEDULE "E"

PAYMENT PLAN

The monthly payment amount will be calculated as follows:

Maximum Funds / number of monthly payments*

*The number of monthly payments will be the number of calendar months, for which there is Project activity for the Fiscal Year(s) as specified in Schedule "C" Project Description and Timelines.

Pursuant to section 4.2c of the Agreement, the Province may adjust the monthly payment based on the Estimate of Expenditure Reports referenced in Schedule "F". For greater certainty, the Maximum Funds will not be exceeded.

Monthly payment information that includes any adjustments made by the Province pursuant to section 4.2c of the Agreement can be accessed by logging into SP Connect and viewing the Payment Schedule page for each of the service delivery sites.

SCHEDULE “F”

REPORTING

1. Quarterly Status and Adjustment Report

Report 1 for June 1, 2017 to September 30, 2017:

Due Date: October 23, 2017

Report 2 for October 1, 2017 to December 31, 2017:

Due Date: January 22, 2018

Report 3 for January 1, 2018 to March 31, 2018:

Due Date: April 23, 2018

Report 4 for April 1, 2018 to June 30, 2018:

Due Date: July 23, 2018

Report 5 for July 1, 2018 to September 30, 2018:

Due Date: October 22, 2018

2. Estimate of Expenditure Report

Report 1 for June 1, 2017 to August 31, 2017:

Due Date: September 13, 2017

Report 2 for June 1, 2017 to September 30, 2017:

Due Date: October 12, 2017

Report 3 for June 1, 2017 to November 30, 2017:

Due Date: December 13, 2017

Report 4 for June 1, 2017 to December 31, 2017:

Due Date: January 11, 2018

Report 5 for June 1, 2017 to March 31, 2018:

Due Date: April 6, 2018

Report 6 for April 1, 2018 to June 30, 2018:
Due Date: July 12, 2018

Report 7 for April 1, 2018 to September 30, 2018:
Due Date: October 12, 2018

3. Community Labour Market Planning Report

Due Date: February 28, 2018

4. LMI Strategy Report

Due Date: March 31, 2018

5. Statement of Revenue and Expenditure Report

Report 1 for June 1, 2017 to March 31, 2018:
Due Date: June 15, 2018

Report 2 for April 1, 2018 to September 30, 2018:
Due Date: December 14, 2018

6. Auditor's Report

For the period of June 1, 2017 to September 30, 2018:
Due Date: December 14, 2018

7. Reports specified from time to time

On a date or dates specified by the Province.

Report Details

The Quarterly Status and Adjustment Report(s), Estimate of Expenditure Report(s) and Statement of Revenue and Expenditure Report(s) will be submitted on the dates set out above, in the SP Connect system.

A sample of the Auditor's report is in the Schedule "H" of this Agreement.

SCHEDULE "G"

PERFORMANCE COMMITMENTS

Deliverable	
Research project and report that identifies key workforce challenges for retail trade and recommends concrete strategies for system-wide responses to workforce challenges, including a greater understanding of the issues that affect the retail trade sector among labour market stakeholders, and the initiation of processes that begins to address some of these issues.	
Performance Measures	
80 percent of Employment Ontario Service providers report an increased understanding of the labour market dynamics and needs relating retail trade	
Retail trade employers participating in this initiative indicate that they have benefited from this project (75% say that the project has been helpful or very helpful in addressing their workforce challenges).	
Other labour market stakeholders indicate that they have gained a better appreciation of the workforce needs of retail trade (75% say that the project has improved or greatly improved their understanding of the workforce needs of retail trade employers)	
Start Date	Completion Date
June 1, 2017	December 31, 2017
Expected Outcome	
Increased understanding of this labour market information will better inform employment service providers in advising job seekers in their employment search.	
Career counselors and educators will also benefit in advising their clients regarding education and career choices.	
Retail trade employers and all other stakeholders will benefit from system-wide responses to workforce challenges, including a greater understanding of the issues that affect the retail trade sector among labour market stakeholders, and the initiation of processes that begins to address some of these issues.	

Deliverable	
A survey report on the local available workforce (employed, unemployed and not in the labour force) essential skills levels and industry trends through the provision of a Durham-wide workforce survey to adjust local training to meet employers needs and gaps in supply.	
Performance Measures	
Community organizations, economic development departments, employment service providers will demonstrate an increased understanding of survey participant respondents of industry trends, available workforce essential skills and employers' essential skills requirements.	
Start Date	Completion Date
June 1, 2017	March 31, 2018
Expected Outcome	
<p>Priority Sectors, as identified in the 2017 Skills for Tomorrow Employer Survey, 75 sector specific employee responses for a total of 225 (3 sectors; health care and social assistance; advanced manufacturing; information, and cultural industries)</p> <p>Durham Region Business Count (Region of Durham Economic Department conducts an annual business count survey with employer contact information) employers, 150 employed targeted respondents</p> <p>Public survey outreach respondents, employed, 150 unemployed targeted respondents</p> <p>Ontario Works recipients 75 targeted respondents</p> <p>Employment Ontario clients 75 targeted respondents</p> <p>Service providers, education providers and economic development will gain an understanding of the employment and hiring needs of Durham Region employers. This new Durham-wide public workforce survey report will include recommendations that will be shared with the Durham Economic Development Partnership (DEDP) and others to better meet generic and sector specific available skills and gaps when compared to the 2017 Skills for Tomorrow Employer Survey. Service providers will gain an understanding of available essential skills in the Durham Region labour supply to better prepare job seekers when looking for employment. The survey will focus on 3 sectors survey in the 2017 Skills for Tomorrow Employer Survey (health care and social assistance, advanced manufacturing, information, and cultural industries) to provide detailed information to these subject matter working groups.</p>	

Deliverable	
Carry out an enhanced Durham Under 30 Survey for Durham Region with an emphasis on employability skills to increase in understanding of youth service needs and labour force attachment	
Performance Measures	
Four community presentations with post event survey indicates an 80% increase in understanding by survey participants of youth service needs and labour force attachment.	
Start Date	Completion Date
June 1, 2017	May 31, 2018
Expected Outcome	
<p>Increase global response rates of youth (employed, unemployed and not in the labour force) from 1,000 to 1,500 completed surveys.</p> <p>Increase response rates of:</p> <p>15-19 population 47 020 anticipate 382 number of respondents</p> <p>20-24 population 39 820 anticipate 381 number of respondents</p> <p>25-29 population 34 340 anticipate 380 number of respondents</p> <p>The survey results will provide just in time local labour market information that is community specific and more detailed than data obtained through secondary sources allowing employers, Employment Ontario Service providers, educational institutions and community services to better serve Durham Region youth's unique service needs. The community will use the survey report information when designing programs.</p>	

Deliverable	
A research report analysing the specific causes and contributing factors in the increase in Durham Region's not in the labour force statistic to improve local understanding of the Not in Labour Force drivers to inform local workforce planning.	
Performance Measures	
80 percent of Central Planning Table members indicate an increased understanding of the drivers of this local labour market issue (who is and isn't participating and why/ trends) 80 percent of ES managers indicate an increased understanding of the participation rate trends 80 percent of Durham Economic development indicate an increased understanding of the profile of individuals in the participation rate report.	
Start Date	Completion Date
June 1, 2017	May 31, 2018
Expected Outcome	
Increased understanding of the drivers of the not in the labour force population and participation rate increases to better inform the members of the LEPC governance structure, employers, service providers and other stakeholders of the drivers to inform workforce planning across the region as a whole.	

Deliverable	
Develop an attraction and retention research report to identify strategies and best practices that address issues affecting Brock Township tourism sector employers.	
Performance Measures	
60 percent of survey respondents indicate increased understanding of factors affecting job attraction and retention 50 percent of survey respondents indicate they expect to use a best practice to address job attraction or retention issues	
Start Date	Completion Date
June 1, 2017	June 30, 2018
Expected Outcome	
Employment service providers, economic development departments, municipal government and employers have a clear understanding of the value and opportunity in the tourism sector and a clear set of employability skills required to be successful in the sector.	

Deliverable	
Through a facilitated process including all Employment service full suite agencies and Literacy & Basic Skills programs, develop two strategic plans that will serve to guide service coordination activities for 3 to 5 years in the future. These strategic plans will outline terms of references, determine ES and LBS strategic objectives and specific strategic activities aligned with each objective.	
Performance Measures	
80 percent of ES managers surveyed indicate an increased understanding of local service coordination and action items within their agency and among staff 50 percent of the group members reports an increased collaboration as a result of the plan 80 percent of LBS managers surveyed indicated an increased understanding of local service coordination and action items within their agency and among staff	
Start Date	Completion Date
June 1, 2017	September 30, 2018
Expected Outcome	
Employment service providers and Literacy and Basic Skills providers will use the strategic plan foundation to collaborate to improve service for clients and employers. The intent of the strategic plans is to guide decision making, encourage collaboration and refine future service delivery.	

Deliverable	
A report of Durham Region HR professional's recruitment and retention needs of a skilled workforce and the report is used to assist Economic development department and Employment service providers with information to adjust their programming to meet employer needs.	
Performance Measures	
80 percent of Durham Region Economic Developers attending focus groups indicate an increased understanding of HR professionals recruitment and retention needs 80 percent of HR professionals attending focus groups indicate an increased understanding of Employment Ontario services, and community support organizations	
Start Date	Completion Date
June 1, 2017	September 30, 2018
Expected Outcome	
Durham Region HR managers engaged in roundtables indicate an increased understanding of local planning and understanding of Employment Ontario Service providers Employment Ontario Service providers have an increased understanding of Durham Region HR managers sector-specific skill needs for workforce development and use this information to improve employer service provision.	

Deliverable	
The facilitation of a community ethnography research initiative that observes the systemic interaction of Ontario Works clients with local community program access points. The ethnography observations will be used to develop a community report that will help identify and address access barriers.	
Performance Measures	
<p>The research initiative will result in a report that outlines culminating recommendations that will enhance and improve service delivery.</p> <p>80 percent of ES and LBS front line workers and OW front line workers report an increased understanding of client service gaps</p> <p>80 percent of ES and LBS managers report an increased understanding of the gaps in service and opportunities for enhanced service coordination</p> <p>50% of ES and LBS programs will report plans to make a program enhancement or change to accommodate the report recommendations.</p>	
Start Date	Completion Date
June 1, 2017	September 30, 2018
Expected Outcome	
Employment service, Ontario Works. LBS and community based agencies will gain a better understanding of the struggles faced by those living in poverty in Durham Region	

Deliverable	
Second phase of the 2017 Skills for Tomorrow employer survey; create and distribute custom municipal reports for each of municipality and 3 sector reports on local labour market employer hiring practices, challenges, desired essential skills levels and industry trends from the data derived from the phase one survey.	
Performance Measures	
<p>Pre-and post surveys at four municipal government presentations will demonstrate an 80% increased understanding of employers' essential skills requirements.</p> <p>Pre-and post surveys at four chambers of commerce presentations will demonstrate an 80% increased understanding of employers' essential skills requirements.</p> <p>Pre-and post surveys at two community partner presentations will demonstrate an 80% increased understanding of employers' essential skills requirements.</p>	
Start Date	Completion Date
June 1, 2017	September 30, 2018
Expected Outcome	
Municipal government leaders, service providers, and economic development departments will gain an understanding of the essential skills, employment and hiring needs of Durham Region employers. The results of the 2017 Skill for Tomorrow employer survey report will be extracted to create custom municipal reports with local information and sector specific employer needs. The Durham Economic Development Partners (DEDP), Service providers and the Chambers of Commerce will gain a better understanding of employers' essential skill requirements to better prepare job seekers when looking for employment.	

SCHEDULE “H”

AUDIT AND ACCOUNTABILITY REQUIREMENTS

Note to Auditors and other readers: Schedule “H”, the Audit and Accountability Requirements, must be read in conjunction with the Agreement and its other Schedules.

1. Definitions

In this Schedule, the following terms have the following meanings:

a. “Capital Assets” means capital assets (tangible and intangible), are identifiable assets that meet all of the following criteria:

- i. are held for use in the provision of services, for administrative purposes, for production of goods or for the maintenance, repair, development or construction of other capital assets;
- ii. have been acquired, constructed or developed with the intention of being used on a continuing basis;
- iii. are not intended for sale in the ordinary course of operations; and
- iv. are not held as part of a collection.

Tangible capital assets include land, buildings and equipment.

Intangible capital assets are identifiable non-monetary assets without physical substance.

b. “Multi-agreement holder” means a Recipient that has two or more agreements with the Province within a single region or across more than one region.

c. “Project Accounting” means that, where a Recipient has multiple projects, all costs will be allocated to a specific Project. These costs will then be reconciled with the sources of funding, ensuring accurate accounting. The Recipient may receive funding from multiple sources. For the purpose of Audit and Accountability Requirements, each Project has a separate source of funding.

Project Accounting connects Recipient funding with Project activities to effectively track the financial progress of a Project.

2. Funding Categories

a. Operating Funds

Operating Funds are Funds used for direct expenditures related to the day-to-day direct delivery of all of the components of the Project as agreed to with the Province.

i. Costs related to the provision of the Project that can be claimed against Operating Funds include:

1. Staff and management salaries directly associated with the delivery of the Project;
2. Hiring and training of staff (including professional development);
3. Marketing (signage, print/paper/web ads, outreach, etc.);
4. Facilities (rent);
5. Facilities (mortgage payments, but only the interest portion of a mortgage payment is allowed as an operating cost);
6. Funding of Projects undertaken by the Recipient;
7. Ongoing purchase of equipment and furniture directly associated with the effective delivery of the Project is allowable after the start-up period;
8. Funding of research and innovation projects through third-party local Stakeholders;
9. Accounting services and auditor's fees; and
10. Other direct operating expenditures related to delivery of the Project.

Capital costs are to be applied in the year incurred.

ii. The Recipient will not use Operating Funds for:

1. Termination, severance costs and bonuses; or
2. Major capital expenditures, such as the purchase or construction of facilities.

b. Administration Costs

Recipients are able to attribute no more than 15% of Funds for administration costs. Administration costs are indirect expenditures necessary for operating an organization but not directly associated with the delivery of the Project. For example, a portion of the salaries/benefits of the Executive Director, IT, and/or financial staff that work for the entire organization but may spend a portion of their time dedicated to administrative functions that support the Project may be claimed as Administration Costs.

3. Financial Considerations

a. Funds

Recipients' use of Funds is also subject to the following limits:

- i. Operating Funds are allocated against an identified level of activity;
- ii. In situations of co-location of the Project with other programs and services, Project funds will only be used to cover costs directly related to the delivery of the Project; this will be managed by applying Project Accounting principles;
- iii. Operating funds cannot be used for renovations for new or existing facilities, with prior written approval from the Province;
- iv. Operating funds can be used for ongoing purchase of equipment and furniture directly associated with the effective delivery of the Project;
- v. The Recipient will obtain prior written approval from the Province to shift funds between funded sites or communities;
- vi. The Recipient will not transfer funds between budget lines (as set out in Schedule "D") unless it obtains the prior written consent of the Province;

- vii. The Recipient should not anticipate additional funds, although the Recipient should discuss any issues with the Province; and
- viii. Leasehold improvements directly related to the delivery of the Project require prior written approval from the Province.

b. Interest Earned

The Agreement sets out the requirements on Interest Earned.

If the Recipient fails to identify interest earned in the Estimate of Expenditure Report EER(s) and the Statement of Revenue and Expenditure Report, then the following applies:

- i. The Province will deem interest to have been earned based on the average of unspent Funds reported on the EER(s) and the SRER using the current interest rate charged by the Province of Ontario on accounts receivable. This deemed interest amount will be considered revenue of the Recipient for the purposes of the EER(s) and the SRER; and
- ii. Such failure will be considered an Event of Default in accordance with section 15.1 of the Agreement.

c. Bank Account

The Agreement sets out the requirements regarding deposit of the Funds into an interest bearing account in 4.6 of the Agreement.

Although maintaining a separate bank account for Funds received from the Province is not a requirement under the Agreement, it is a strongly recommended practice.

d. Capital Assets

The Recipient is not required to report capital asset expenditures to the Province. However, the Recipient will maintain a separate record of capital asset expenditures for audit purposes in accordance with Article 7.2 of the Agreement.

e. Disposition of Assets

The Agreement sets out the requirements on Disposition of Assets.

Any money earned on the disposition of assets will be reported on the SRER (and any other reports specified by the Province) in the period when disposition of the asset occurs.

f. Deficits

The Recipient is accountable for managing the Funds and required to remain within its approved site allocations (per Schedule “D” of the Agreement). The Recipient will request prior written approval from the Province for an anticipated over-expenditure. Each request will be individually evaluated. The Recipient will enclose copies of overspending approval documents from the Province with their financial reports (for example, EER or SRER as requested by the Province).

g. Tax Rebates

Reporting Province program expenditures net of tax rebates:

The Recipient will report all program expenditures net of any tax rebates or input tax credits.

h. Sample

Amount Recipient spent on goods/services	\$100.00
--	----------

Amount of tax paid (example 13%)	\$13.00
----------------------------------	---------

Less amount of tax rebate claimed (where rebate equals 80%)	-\$10.40
---	----------

Amount of tax expenditure	\$2.60
---------------------------	--------

Amount reported as Province Project expenditure	\$102.60
---	-----------------

4. Instructions for Reports Required

Reports are complete if they are signed by a person with authority to bind the Recipient. Payments will be delayed if complete Reports are not received by identified due dates as directed by and in the form required by the Province.

a. Estimate of Expenditure Report (EER)

The Recipient will submit to the Province EER(s) as required for each site as set out in Schedule “D” and in accordance with the instructions set out in Schedule “F”. Each EER will identify the total expenditure for the defined period for each site using the best information available at the time, as well as the forecast of expenditures at March 31 of each year of the Agreement.

The Province will provide the Recipient with a template for the EER in the SP Connect system. The Recipient will complete the EER as directed by and in the form required by the Province.

The Province may adjust payments based on each EER received during the year.

b. Statement of Revenue and Expenditure Report (SRER)

The Recipient will submit to the Province SRER(s) as required for **each site as set out in Schedule “D” and in accordance with the instructions set out in Schedule “F”**. The SRER(s) are used as the basis for the Province’s annual Reconciliation Report.

The Province will provide the Recipient with a template for the SRER. The Recipient will complete the SRER(s) as directed by and in the form required by the Province in the SP Connect system.

Each SRER will verify that:

- i. Funds have been applied to costs directly related to the Project;
- ii. Shared costs have been properly apportioned to the Project using Project Accounting principles;
- iii. Funds received in prior years for a similar project have not been included;
- iv. Funds and expenditures from other sources have not been included in the Report;
- v. Project reported expenditures are net of tax rebates, credits and refunds referred to in section 4.9 of the Agreement;
- vi. Interest earned on Funds has been credited to the Project;
- vii. Money earned on the disposition of assets has been credited to the Project and maintained in an interest-bearing bank account; and
- viii. Funds that were provided prior to the immediate need for them were maintained in an interest-bearing bank account.

c. Auditor’s Report

The Recipient will obtain an Auditor’s Report when the Maximum Funds (set out

in Schedule “B” of the Agreement) total \$100,000 or more. The audit of all SRERs will be conducted by an external auditor in accordance with Canadian Generally Accepted Auditing Standards. The auditor should verify, at a minimum, that proper and distinct accounts and records are maintained for program funds/expenditures by each budget line. The Auditor’s Report will include an opinion on the SRER(s). The Auditor will attach the SRER(s) reviewed with the Auditor’s Report. Upon receipt of the Auditor’s Report, the Recipient will submit the full report to the Province as directed by and in the form required by the Province.

A sample Auditor’s Report that meets the Province’s requirements is set out below.

Important Note: If additional details or corrections are necessary on any of the SRER(s), the Recipient’s external auditor will verify any revisions in writing. The Province cannot accept unaudited information provided by a Recipient in support of their SRER(s).

Sample Auditor's Report

(Includes all sites)

Auditor's Report to the Government of Ontario Ministry of Advanced Education and Skills Development

At the request of the [Recipient Name], we have audited all of the [Name of Program or Project (and acronym)] Statement of Revenue and Expenditure Reports (SRERs) of the [Recipient Name] for the term of the Agreement ended [Agreement End Date].

The SRERs were prepared by [Recipient Name] pursuant to the Ministry of Advanced Education and Skills Development's [Program or Project acronym] Audit and Accountability Requirements for [Agreement Start Date] to [Agreement End Date]. This financial information is the responsibility of the [Recipient Name] management. Our responsibility is to express an opinion on this financial information based on our audit.

We conducted our audit in accordance with Canadian Generally Accepted Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the financial information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial information. An audit also includes assessing the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of financial information.

In our opinion, this report presents fairly, in all material respects, the revenue and expenditure of the Project for the year ended [Agreement End Date] in accordance with the Ministry of Advanced Education and Skills Development's [Name of Program or Project] Audit and Accountability Requirements for [Agreement Start Date] to [Agreement End Date].

I attach a copy of the SRER provided by the [Recipient Name] used in my audit.

Licensed Public Accountant under the *Public Accounting Act, 2004*.

(Name)

(Title)

(Date)