

Ministry of Health and Long-Term Care (MOHLTC) – CANCER CARE ONTARIO (CCO)
ACCOUNTABILITY AGREEMENT
APRIL 1, 2014 – MARCH 31, 2017 (Accountability Agreement)

BETWEEN:

**Her Majesty the Queen in right of Ontario, as represented by the
Minister of Health and Long-Term Care (MOHLTC)**

- and -

Cancer Care Ontario (CCO)

Introduction:

Cancer Care Ontario (**CCO**) was established under the *Cancer Act* (Ontario) with a Board appointed by the Lieutenant Governor in Council and is classified as an operational service agency under the *Agency Establishment and Accountability Directive* (**AEAD**).

To ensure consistency of healthcare services across the province, the MOHLTC as steward of the healthcare system, is responsible for setting provincial strategic direction and priorities, as well as developing legislation, regulations, standards and policies.

CCO's objects and main mandate are as contained in the *Cancer Act* (Ontario). CCO also plays a critical role in assisting the Government in achieving its strategic priorities for Ontario's healthcare system.

CCO is accountable to the MOHLTC and works to improve the performance of Ontario's health system by driving quality, accountability, innovation and value. In doing so, CCO is expected to monitor and evaluate Health Service Providers' use of funds provided by CCO and to identify best practices to build capacity in the system in an efficient and effective manner.

The Parties are committed to creating a more integrated, sustainable healthcare system that is person-centered and results-driven. The goal of an integrated system is to improve the experience for individuals as they move through the continuum of healthcare services by creating a more coordinated, easy to navigate system while making effective and efficient use of existing resources. Developing a truly integrated system will improve the quality, accessibility and sustainability of healthcare provided to the people of Ontario.

This Accountability Agreement sets out the obligations for the Parties related to ensuring financial accountability, sustainability and performance of both the Cancer Control System and the integrated delivery of chronic kidney disease services through the Ontario Renal Network, as well as other strategic priorities. It also sets out expectations around effective and efficient management, including balanced budget requirements and risk management.

This Accountability Agreement consolidates a number of initiative-specific accountability agreements between the Parties from prior years. This Accountability Agreement operates among other accountability instruments, including the *Cancer Act* and the MOU that require CCO to provide, among other things, compliance declarations, detailed financial and risk reports, and further require the Chief Executive Officer of CCO to meet regularly with the MOHLTC.

Section 1 – Primary Purpose of the Accountability Agreement

- 1.1 Further to the *Cancer Act* and the MOU, this Accountability Agreement supports the agency relationship between the Parties in CCO's endeavour to:
- a) fulfill its mission and mandates;
 - b) act as the Government's chief adviser on Cancer Control Services and the Cancer Control System;
 - c) carry out other agreed upon strategies and programs of the Government, such as the Access To Care strategy and the integrated delivery of chronic kidney disease services through the Ontario Renal Network; and
 - d) carry out strategic policy directions of the Government.
- 1.2 The Accountability Agreement will not modify matters covered by legislation and regulations, government directives, and provincial program standards applicable to CCO. This Accountability Agreement should be read together with the MOU.
- 1.3 The MOHLTC will support CCO's efforts to carry out its objectives and obligations as set forth in Section 1.1 (**Primary Purpose**), and acknowledges that issues may arise that will require joint MOHLTC-CCO problem-solving, decision making and action.

Section 2 – Term & Updates

- 2.1 **Term.** This Accountability Agreement shall be effective as of April 1, 2014 and shall continue for the period ending March 31, 2017, covering the 2014-2015, 2015-2016 and 2016-2017 Fiscal Years (**Term**). Under the AEAD, the Parties are required to enter into a new MOU effective December 1, 2014. If the provisions in the new MOU impact the provisions of this Accountability Agreement, the Parties agree to amend this Accountability Agreement accordingly.
- 2.2 **Annual Review and Update of Schedules.** The Parties agree that the Schedules will be reviewed and updated annually as necessary to better reflect the Primary Purpose, within 120 days of the date a budget motion is approved by the Ontario Legislature for the fiscal year. Any Schedule that provides funding that is time limited will not be reviewed and updated annually and the time limited funding will terminate on the date such time limited funding terminates as set out in the Schedule unless the Parties otherwise agree.
- 2.3 **Expiry of this Accountability Agreement.** The Parties will enter into a new accountability agreement for any funding that the MOHLTC provides to CCO following the expiry of this Accountability Agreement. If the new agreement is not signed by the Parties by April 1, 2017, this Accountability Agreement will continue in force until the new agreement is signed, except for any funding or Schedule that is time limited. The Parties will use their best efforts to sign a new agreement as soon as they are able.

Section 3 – Principles

- 3.1 Each of the Parties will carry out its responsibilities and perform its obligations under this Accountability Agreement in accordance with the guiding principles set out in Section 2.0 of the MOU.

Section 4 – Definitions and Interpretation

- 4.1 The following terms have the following meanings in this Accountability Agreement:

“Accountability Agreement” means this agreement and all related Schedules as amended;

“Activities” means the priority performance activities (including any programs, projects, products, volumes, capital acquisition or other services), and Activity means only one priority performance activity, to be delivered by CCO, or a Health Service Provider funded by CCO, as further described in the Program Schedules and as set out in the Dedicated Funding Envelopes;

“AEAD” means the *Agency Establishment & Accountability Directive* dated January 26, 2010, as amended from time to time;

“CCO” means Cancer Care Ontario;

“Balanced Annual Budget” means that, in a Fiscal Year, the total revenues for CCO are greater than or equal to the total expenses for CCO;

“Board” means the board of directors of CCO as appointed by the Lieutenant Governor in Council under the *Cancer Act* to govern CCO;

“Cancer Act” means the *Cancer Act*, R. S. O. 1990, chapter C.1, as amended from time to time, or any legislation enacted in addition or in substitution for it, and any regulation made under it;

“Cancer Control Services” means those cancer control services relating to cancer prevention, screening, diagnosis, surveillance, evaluation, treatment and supportive care, including palliation, research, education and training funded by CCO;

“Cancer Control System” means the system in Ontario through which Cancer Control Services are provided;

“Chair” means the Chair of the CCO Board;

“Dedicated Funding Envelope” means the amount of dollars allocated by the MOHLTC to CCO for the performance of specific Activities within each Program Schedule;

“eHealth Services” means one or more services to promote the delivery of health care services in Ontario that use electronic systems and processes, information technology and communication technology to facilitate electronic availability and exchange of information related to health matters, including Personal Information and Personal Health Information, by and among patients, health care providers and other permitted users;

“Fiscal Year” means any financial reporting period beginning April 1st of one year and ending on March 31st of the next year;

“Government” means the Government of Ontario;

“Health Service Provider” means organizations engaged in direct patient care or related or ancillary services, including, without limitation, hospitals, independent health facilities, laboratories, community and long-term care facilities;

“Minister” means the Minister of Health and Long-Term Care;

“MOHLTC” means the Ministry of Health and Long-Term Care;

“MOU” means the Memorandum of Understanding entered into between the MOHLTC and CCO, dated as of December 2, 2009, as amended or replaced from time to time;

“Ontario Renal Network” and “ORN” means the provincial network known as the Ontario Renal Network that has been established within CCO as a separate administrative unit responsible, with the MOHLTC, for the management and coordination of the provincial chronic kidney disease program.

“Party” means either CCO or the MOHLTC; and **“Parties”** means both of them;

“Performance Factor” means of any matter that could significantly affect a Party’s ability to perform its obligations under this Accountability Agreement;

“Personal Health Information” has the meaning specified in *PHIPA*;

“Personal Information” has the meaning set out in the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c.F.31, as amended from time to time;

“PHIPA” means the *Personal Health Information Protection Act, 2004*, S.O. 2004. C.3. Schedule A, as amended from time to time;

“Primary Purpose” means the purpose for entering into the Accountability Agreement as described in Section 1.

“Program Schedules” means those Program Schedules that outline the specific funding, performance measures and reporting requirements of CCO Activities funded by the MOHLTC for each Fiscal Year, attached consecutively to this Accountability Agreement as follows and as amended from time to time:

- Program Schedule 5 –Cancer Programs
- Program Schedule 6 – Ontario Breast Screening Program
- Program Schedule 7 – Integrated Cancer Screening
- Program Schedule 8 – Clinical Specialist Radiation Therapist Integration
- Program Schedule 9 – New Drug Funding Program
- Program Schedule 10 – Nursing Programs
- Program Schedule 11 – Health Promotion Programs

- Program Schedule 12 – Diagnostic & Medical Equipment Program
- Program Schedule 13 – Access to Care
- Program Schedule 14 – Ontario Renal Network

“**PSAB**” means the Public Sector Accounting Board;

“**Quarterly Performance and Financial Report**” means a report described in the *Reporting and Integrated Reporting Schedule* that contains:

- a) A statement of CCO’s budget allocations, actual expenditures, and explanation of variances for CCO to the date of the report;
- b) A detailed variance analysis, updated forecast to year-end, and the identification of any financial and performance risks; and
- c) Updates to CCO’s performance of the commitments set out in the Program Schedules;

“**Schedule**” means any one of and “**Schedules**” means any two or more of the Schedules attached to this Accountability Agreement, including:

- The Program Schedules;
- Schedule 1** – General;
- Schedule 2** – Funding and Allocations;
- Schedule 3** – Financial Management; and
- Schedule 4** – Reporting and Integrated Reporting.

“**Transfer Payment(s)**” has the meaning ascribed to it in Treasury Board/ Management Board of Cabinet’s *Transfer Payment and Accountability Directive* and related policies and guidelines, as amended from time to time;

“**Year End**” means end of Fiscal Year on March 31.

Section 5 – Performance and Accountability of Each Party

- 5.1 Each of the Parties agrees to carry out its responsibilities and perform its obligations under this Accountability Agreement.
- 5.2 Both Parties will, in carrying out its responsibilities and performing its obligations under this Accountability Agreement:
 - (a) provide reasonable assistance to the other Party to enable the other Party to carry out its responsibilities and perform its obligations hereunder;
 - (b) promote financial sustainability and efficient utilization of financial resources;
 - (c) develop clear and achievable service and financial performance obligations, and identify risks to performance;

- (d) establish clear lines of communication and responsibility; and
 - (e) work diligently to resolve issues in a proactive and timely manner.
- 5.3 CCO is responsible for managing the performance of the Cancer Control System, and the Activities outlined in the Program Schedules.

Section 6 – Evaluation and Performance Improvement

- 6.1 The Parties will work together to complete an evaluation of the success in carrying out their respective obligations under this Accountability Agreement by February 28 of the last year of the Term.
- 6.2 Throughout the Term, one Party shall provide written notice to the other Party as soon as reasonably possible, of any matters that could significantly affect that Party’s ability to perform its obligations under this Accountability Agreement (**Performance Factor**). Notice shall include a description of any remedial action it is undertaking or plans to undertake to remedy the performance issue. The Parties agree to discuss the Performance Factor within one calendar month of the date of the written notice.
- 6.3 During the meeting, the Parties will discuss:
- a) the causes of any Performance Factor;
 - b) the impact of the Performance Factor and determine whether it poses a “low”, “moderate” or “high” risk to achieving the obligations of the Accountability Agreement;
 - c) the steps in the performance improvement process to be taken to mitigate the impact of the Performance Factor, where possible; and
 - d) whether revisions and amendments to a Party’s performance expectations are required.
- 6.4 Where a CCO Performance Factor is involved, the MOHLTC and CCO will first work cooperatively to determine the remedies to improve performance, depending on the extent, exposure and level of risk. If the Parties MOHLTC and CCO are unable to agree on the remedies, the matter will be referred to the Chair of CCO’s Board and the Deputy Minister of the MOHLTC for resolution.

Section 7 – Intellectual Property

- 7.1 Subject to any third-party intellectual property rights and Section 15 of the Cancer Act, all copyright and other intellectual property rights in all deliverables and other materials created by CCO, its employees, independent contractors and/or other third-party service providers in connection with the performance of this Accountability Agreement shall belong absolutely to CCO.

Section 8 – General

- 8.1 In the event of a conflict or inconsistency between the terms and conditions of: (i) this Accountability Agreement; (ii) the MOU; (iii) applicable legislation; or (iv) applicable Government directives, such conflict or inconsistency will be resolved in the following priority: (i) applicable legislation; (ii) the MOU and applicable Government directives; and (iii) this Accountability Agreement.
- 8.2 This Accountability Agreement supersedes and replaces all obligations set out in any other accountability agreement or amending agreement entered into between the Parties relating to the Activities in respect of the 2014-2015 Fiscal Year.
- 8.3 All Schedules shall be governed by the main body of this Accountability Agreement.
- 8.4 Any performance, deliverable, report or budget deadline falling on a weekend or on a holiday recognized by the MOHLTC, shall be deemed to fall on the next business day.
- 8.5 CCO will not assign any duty, right or interest under this Accountability Agreement without the written consent of the MOHLTC.
- 8.6 A Party will communicate with the other Party about matters pertaining to this Accountability Agreement through the following persons:

To the MOHLTC:

Ministry of Health and Long-Term Care
Negotiations and Accountability Management
Division
Hepburn Block, 5th Floor
80 Grosvenor Street
Toronto ON M7A 1R3

Attention:

Pauline Ryan
Interim Assistant Deputy Minister
Negotiations and Accountability Management
Division
Telephone: (416) 324-3411
Fax: (416) 326-9967
Email: Pauline.Ryan@ontario.ca

With a copy to:

Miriam Johnston
Interim Director
Provincial Programs Branch
5700 Yonge Street, 5th Floor
Toronto ON M2M 4K5
Telephone: (416) 326-3834
Email: Miriam.Johnston@ontario.ca

To CCO:

Cancer Care Ontario
620 University Avenue
Toronto ON M5G 2L7

Attention:

Michael Sherar
President & CEO
Cancer Care Ontario
Telephone: (416) 971-9800 x1244
Fax: (416) 971-6888
Email: Michael.Sherar@cancercare.on.ca

With a copy to:

Ratan Ralliaran
Interim Chair, Board of Directors
Cancer Care Ontario
620 University Avenue
Toronto ON M5G 2L7
Telephone: (416) 971-9800
Email: Ratan.Ralliaran@cancercare.on.ca

- 8.7 No amendment, waiver or termination of this Accountability Agreement or any Schedule is effective unless agreed to by the Parties in writing.
- 8.8 Each Party is designated as an "institution" within the meaning of Ontario's *Freedom of Information and Protection of Privacy Act (FIPPA)* and as a result, all persons may have a legal right of access to information in the custody and/or control of the other Party, subject to a limited set of exemptions. Notwithstanding any provision in this Accountability Agreement, each Party acknowledges and agrees that this Accountability Agreement and any records or information related to this Accountability Agreement, or any portion thereof, may be disclosed in accordance with the provisions of FIPPA, based on an order or decision of the Information and Privacy Commissioner or otherwise as required under applicable law.
- 8.9 This Agreement and the rights, obligations and relations of the Parties shall 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 this Agreement shall be conducted in Ontario.

This Accountability Agreement is effective as of the ____ day of _____, 2014 by:

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO, as represented by
THE MINISTER OF HEALTH AND LONG-TERM CARE:**

Name: Dr. Eric Hoskins
Title: The Honourable Minister of Health and Long-Term Care

CANCER CARE ONTARIO

Name: Mr. Ratan Ralliam
Title: Interim Chair, Board of Directors, Cancer Care Ontario

SCHEDULE 1 – GENERAL

PART A	PURPOSE OF SCHEDULE 1
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This General Schedule sets out the general obligations for the MOHLTC and CCO with respect to their roles and responsibilities pursuant to this Accountability Agreement.

PART B	GENERAL ROLES AND RESPONSIBILITIES
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1. Responsibilities of the MOHLTC and CCO

1.1 The MOHLTC will:

- a) establish priorities for the provincial health system and communicate these priorities to CCO. These priorities may be revised from time to time to reflect changes in the Government's priorities as the health system continues to evolve; and
- b) develop provincial strategies to support the achievement of the Government's priorities for the health system and determine any specifications and conditions of funding related to these strategies, and communicate these to CCO as they relate to CCO's roles in the health system.

1.2 CCO will:

- a) work with MOHLTC and Health Service Providers to implement and achieve Government priorities as described in the Program Schedules;
- b) work with the MOHLTC and Health Service Providers to implement provincial strategies based on any specifications and conditions of funding as identified by the MOHLTC; and
- c) use funds solely for the purpose of carrying out its objects and its obligations as set out in this Accountability Agreement and the applicable Program Schedule.

2. Consistency

2.1. Each of the Parties will identify issues and initiatives for discussion with the other Party where consistency across the CCO funded health systems may be required.

2.2. The Parties will work jointly to develop the principles and parameters for the CCO funded Health Service Providers to follow in developing policies, procedures, and practices to achieve consistency.

2.3. CCO will implement the policies, procedures and practices for the CCO funded Health Service Providers to achieve consistency.

2.4. CCO will:

- a) undertake strategic planning by consulting with a broad mix of stakeholders that may

include individuals with: (i) clinical or technical expertise; (ii) experience of the cancer or chronic kidney services system from a patient/survivor perspective; (iii) health systems and organization planning expertise; and (iv) MOHLTC representatives, as CCO deems appropriate;

- b) advise the MOHLTC of the institutional stakeholders consulted and the names and titles of all MOHLTC representatives involved in CCO's community engagement undertaken in development of CCO's strategic planning at least 2 months prior to the public release of any documents related to such strategic planning activities; and
- c) access appropriate internal or external expertise when providing expert advice to provide to the MOHLTC.

3. Information Management

3.1 Where feasible and practicable, and working co-operatively, CCO and the MOHLTC will:

- a) ensure reasonable alignment with eHealth Ontario's mandate and eHealth Ontario's 2015 Blueprint, as amended or replaced from time to time;
- b) ensure reasonable compatibility and interoperability with provincial initiatives relating to eHealth Services (including, but not limited to, the Electronic Health Record); and
- c) ensure reasonable alignment with information management standards (e.g., Pan-Canadian standards and/or those standards set by the MOHLTC and/or eHealth Ontario), including those related to architecture, technology, privacy and security, as applicable from time to time.

3.2 The MOHLTC will work with CCO to establish a forum to identify and discuss data, propose strategies to address data and information gaps, information management requirements, decision support requirements, standards, data quality issues, and other pertinent information management topics.

3.3 CCO will collect data and information products from Health Service Providers in compliance with PHIPA, in alignment with Government priorities as communicated in writing to CCO, and in accordance with the terms of any agreements between the applicable Health Service Provider and CCO.

4. Health Service Providers

4.1 The MOHLTC may provide CCO with, and develop as appropriate, and consult, as appropriate, with CCO on, those provincial standards (such as operational, financial or service standards and policies, and program eligibility), directives and guidelines that shall apply to CCO funded Health Service Providers.

4.2 CCO will:

- a) monitor the performance of each Health Service Provider as set out in the applicable agreement between the Health Service Provider and CCO, including cancer and renal.

- b) contract services with Health Service Providers for initiatives and capital projects in a manner that will enable CCO to comply with its obligations under this Accountability Agreement; and
- c) require Health Service Providers to spend the funds in accordance with the budget set out in the agreement between the applicable Health Service Provider and CCO.

5. Compliance Certificates and Attestations

5.1 CCO will:

- a) Provide certificates of compliance, or attestations as the case may be, to the MOHLTC in form and substance as required by the MOHLTC in writing;
- b) Report on its executive office costs in an attestation to the MOHLTC in form and substance as required by the MOHLTC in writing.

SCHEDULE 2: – FUNDING and ALLOCATIONS

PART A.	PURPOSE OF SCHEDULE 2
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This Funding and Allocations Schedule provides a statement of the total funding to be allocated to CCO for the 2014-15 Fiscal Year.

PART B.	PERFORMANCE OBLIGATIONS
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1. Funding and Allocations

- 1.1 The MOHLTC will within 120 days of the date a budget motion is approved by the Ontario Legislature for the fiscal year provide CCO with the 2014-15 CCO funding allocation set out in Table 1 in this Funding and Allocations Schedule;
- 1.2 The CCO funding allocation in Table 1 in this Funding and Allocations Schedule is divided into Dedicated Funding Envelopes as set out in the Program Schedules.
- 1.3 The MOHLTC will pay the Dedicated Funding Envelopes to CCO as set out in the Program Schedules.
- 1.4 CCO will:
 - a) use the funds provided to it under this Accountability Agreement with efficiency, effectiveness and economy;
 - b) use the funds only for the purpose of carrying out the Activities as described in the specific Program Schedule;
 - c) spend the funds in accordance with this Funding and Allocations Schedule and the applicable Program Schedules; and
 - d) not make any reallocations of funding between Dedicated Funding Envelopes without the prior written consent of the MOHLTC, but CCO may reallocate funding from one Activity to another within a Dedicated Funding Envelope without the consent of the MOHLTC.

2. Balanced Annual Budget Requirements

- 2.1 CCO will plan for and achieve a Balanced Annual Budget within each Dedicated Funding Envelope.

3. Reallocations

- 3.1 The MOHLTC will:
 - a) provide parameters or guidelines from each branch/division for any changes to CCO's allocation of funding; and
 - b) monitor CCO's reallocation requests, decisions and management of expenditures, and develop any additional guidelines and parameters, as required, to ensure effective financial management.

3.2 CCO will report to the MOHLTC any reallocations from one Activity to another within a Dedicated Funding Envelope under section 2.1(d) through the in-year quarterly financial reporting for Q2, Q3 and Q4

4. Adjustments

4.1 The MOHLTC may adjust the amounts and Activities associated with a Dedicated Funding Envelope it provides to CCO in any Fiscal Year based upon the MOHLTC's assessment of the information contained in the Reports submitted by CCO as set out in the Reporting and Integrated Reporting Schedule, and upon prior consultation with CCO.

5. Reconciliation

5.1. The MOHLTC will:

- a) review in-year quarterly financial reporting for Q2, Q3 and Q4 as requested for each Dedicated Funding Envelope from CCO and where there is a forecasted surplus, the MOHLTC may recover the forecasted surplus or a portion thereof from CCO;
- b) review year-end financial reporting as requested for each Dedicated Funding Envelope from CCO and where there is a surplus, the MOHLTC may recover the surplus or a portion thereof from CCO; and
- c) notify CCO of the amount to be recovered and the method and time of delivery.

PART C

TABLE 1

Program	2013/14 Revised Opening Base (incl. Admin Efficiencies)	2013/14 Incremental Base	2014/15 Opening Base	2014/15 Incremental Base	2014/15 One-Time	2014/15 Total Allocations
	(A)	(B)	(C=A+B)	(D)	(E)	(F=C+D+E)
Schedule 5 - Cancer Programs	\$457,476,900	\$43,229,000	\$500,705,900	\$172,440,100 <i>Annualized:</i> \$173,284,500	\$0	\$673,146,000 <i>Annualized:</i> \$673,990,400
Schedule 6 - Ontario Breast Screening Program	\$21,565,600	\$779,200	\$22,344,800	\$8,830,400	\$0	\$31,175,200
Schedule 7 - Integrated Cancer Screening (ICS)	\$39,609,600	\$1,000,000	\$40,609,600	\$11,551,500	\$4,347,200	\$56,508,300
Schedule 8 - Clinical Specialist Radiation Therapist Integration Project	\$0	\$0	\$0	\$0	\$369,100	\$369,100
Schedule 9 - New Drug Funding Program	\$227,100,000	\$38,900,000	\$266,000,000	\$54,000,000	\$15,349,000	\$335,349,000
Schedule 10 - Nursing Programs	\$1,400,000	\$0	\$1,400,000	\$0	\$0	\$1,400,000
Schedule 11 - Health Promotion Programs	\$500,000	\$0	\$500,000	\$0	\$87,500	\$587,500
Schedule 12 - Diagnostic & Medical Equipment	\$0	\$0	\$0	\$0	\$34,500,000	\$34,500,000
Schedule 13 - Access to Care	\$20,406,100	\$0	\$20,406,100	\$0	\$0	\$20,406,100
Schedule 13a – electronic Canadian Triage Acuity Scale	\$0	\$0	\$0	\$580,900	\$0	\$580,900
Schedule 14 - Ontario Renal Network	\$188,010,900	\$405,621,700	\$593,632,600	\$17,589,700 <i>Annualized:</i> \$17,480,700	\$2,079,200	\$613,301,500 <i>Annualized:</i> \$611,113,300
FISCAL GRAND TOTAL	\$956,069,100	\$489,529,900	\$1,445,599,000	\$264,992,600	\$56,732,000	\$1,767,323,600
Less 2014-15 One-time Health Promotion funding approved in 2013-14					-\$87,500	
New 2014-15 Incremental Funding				\$264,992,600	\$56,644,500	\$321,637,100
Annualized Total	\$956,069,100	\$489,529,900	\$1,445,599,000	\$265,728,000		\$1,711,327,000

SCHEDULE 3 – FINANCIAL MANAGEMENT

PART A

PURPOSE OF SCHEDULE 3

- This Financial Management Schedule sets out standard financial management requirements and policies recognizing CCO receives funding from the MOHLTC through a number of MOHLTC Dedicated Funding Envelopes and recognizing CCO receives funding from other sources including other agencies of the Government of Ontario, other federal government funding and non-governmental funding.
- These financial management requirements and policies are intended to promote sustainable health systems that optimize the use of financial resources, improve health system performance and support the achievement of provincial targets.

PART B

PERFORMANCE OBLIGATIONS

1. Financial Management

1.1 This Accountability Agreement applies to funding received from the MOHLTC.

2. Financial Management Policies and Guidelines

2.1. The MOHLTC will:

- a) develop and issue policies, directives and guidelines related to financial management;
- b) provide CCO with copies of applicable financial management policies; and
- c) communicate to CCO policies, directives and guidelines related to financial management from other Ministries of the Government that are applicable to CCO.

2.2 CCO will:

- a) comply with the policies, directives and guidelines related to financial management as set forth in the MOU or otherwise provided to CCO in writing;
- b) comply with the following financial management policies and directives:
 - i. parameters for in-year and year-end reallocations policy; and
 - ii. future policies, directives and guidelines provided by MOHLTC.

3. Budget Forecasts and Unspent Funds

3.1 CCO will:

- a) Submit annual forecasts to the MOHLTC on a quarterly basis starting with Q2 unless otherwise agreed to with the MOHLTC; and
- b) Upon completion of all reconciliations, settlements and accruals for the Fiscal Year, return any unspent funds relating to the Dedicated Funding Envelope to the MOHLTC, as directed by the MOHLTC.

3.2. The Parties will work jointly to identify budgetary flexibility and manage in-year risks and pressures to ensure that Balanced Annual Budget requirements are achieved.

4. Financial Management - Accounting Standards

4.1 The MOHLTC will issue interpretations and modifications, as required, relating to Canadian Public Sector Accounting Standards for Government Not-For-Profit organizations (GNPO) as issued by the Public Sector Accounting Board (PSAB) based on advice from the Office of the Provincial Controller.

4.2. CCO will:

- a) prepare its financial reports and statements on its operating funds and Transfer Payment Funds, based on Canadian Public Sector Accounting Standards for Government Not-For-Profit organizations (GNPO) as issued by PSAB ; and
- b) maintain documentation to support all financial statements and related payments in accordance with the MOU.

5. Financial Management - Capital Initiatives

5.1 The MOHLTC will provide CCO with parameters, policies, directives and guidelines related to capital initiatives that are applicable to CCO.

6. Financial Management – Executive Office Costs

6.1 CCO agrees to maintain the 10% reduction in executive office costs that it achieved between April 1, 2011 and March 31, 2013 against its 2010/11 budget.

SCHEDULE 4 – REPORTING and INTEGRATED REPORTING

PART A PURPOSE OF SCHEDULE 4

This Reporting and Integrated Reporting Schedule summarizes the reporting and integrated reporting obligations pursuant to the Accountability Agreement.

PART B SPECIFIC REPORTING OBLIGATIONS

Quarterly Performance and Financial Reports means details of operating and capital expenditures, spending on base operations and Activities.

1. CCO will submit the reports as specified in Part E of this Reporting and Integrated Reporting Schedule.
2. CCO will provide details in its Quarterly Performance (for Q2, Q3 and Q4) and Financial Report on any Transfer Payments made by CCO.

PART C REPORTING OBLIGATIONS

General Obligations

1. The reporting obligations of each Party are listed in the table below. CCO will also provide to the MOHLTC the specific reports as set out in the specific Program Schedule.
2. The MOHLTC will:
 - (a) Provide any necessary training, instructions, materials, templates, forms, and guidelines to CCO to assist with the completion of the reports listed in this Reporting and Integrated Reporting Schedule; and
 - (b) As required, develop reporting requirements relating to government priorities and notify CCO of the requirements.
3. CCO will:
 - (a) Submit to the MOHLTC all reports and integrated reports as outlined in Part E of this Reporting and Integrated Reporting Schedule to the official specified, in the format specified, and by the due date specified;
 - (b) Complete all integrated performance and financial quarterly reports using the tables provided in Part E. Quarterly financial reports shall include actual and year-end financial forecast (where applicable) including status updates and variance explanations; and
 - (c) Ensure all reports are completed to the satisfaction of the MOHLTC, acting reasonably.

4. Both Parties will:
- (a) Work together to ensure a timely flow of information to fulfill the reporting requirements of both Parties;
 - (b) Respond in a timely manner to requests for information and access to records of one another, including financial records, to fulfill the reporting and other obligations of the Parties under the Accountability Agreement; and
 - (c) Jointly evaluate the reporting processes each year, and recommend process and content improvements for future implementation that are consistent with the Primary Purpose of this Accountability Agreement.

PART D	INTEGRATED REPORT RECIPIENTS
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1. The specified officials within the MOHLTC for this Schedule are as follows:

Interim Assistant Deputy Minister
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Health Human Resources Strategy Division (HHRSD)
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Assistant Deputy Minister
Ontario Public Drug Programs Division (OPDPD)
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Fax: (416) 325-6647
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Assistant Deputy Minister
Communications and Marketing Division (CMD)
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Email: Jean-Claude.Camus@ontario.ca

PART E**REPORTING**

Reports	Due Date and Report Recipients
1. Board Financial Reports signed by the designated financial officer of CCO	Due to NAMD 45 days after CCO Board approval to which the report relates as required by section 6.4. of the MOU
2. Draft Annual Report	Due to Minister through NAMD and CMD within 120 days after the Fiscal Year end
3. Board Approved 3 year Business Plan	Due to Minister through NAMD October 31 each year
4. Reports required by Treasury Board/Management Board of Cabinet	As provided in correspondence from an ADM to the President and CEO
5. Reports specified from time to time	Due date or dates specified by the Government of Ontario
6. Board Approved Enterprise Risk Assessment	Due to NAMD October 31 each year
7. Confirmation of Compliance or Attestations	To MOHLTC as requested
<p>8. Public Accounts – to meet central agency reporting requirements:</p> <ul style="list-style-type: none"> Completed Other Government Organizations (OGOs) submission using the forms provided by MOHLTC, other schedules required for consolidation reporting purposes and the draft Audited Financial Statements if signed final audited financial statements are not available on that date Audited Financial Statements and accompanying reports in format specified by MOHLTC 	<p>Due to Accounting Policy and Financial Reporting Branch (APFRB)</p> <p>During the first week of May or <i>a date as necessary to meet central agency reporting requirements.</i></p> <p>By June 30 or <i>a date as necessary to meet central agency reporting requirements</i></p>

<p>9. Other Consolidation Reports</p> <ul style="list-style-type: none"> Detailed year-to date listing (to December 31 and March 31) of payments made to other government reporting entities as specified by MOHLTC Multi-Year forecast of expenses with or on behalf of other government reporting entities as specified by MOHLTC Completed Multi-Year Consolidation Reporting using the forms provided by MOHTLC and supporting documents as required 	<p>Due to APFRB</p> <p>By January 18 and April 18</p> <p>Within 10 days following the end of the 1st, 2nd and 3rd quarters</p> <p>The first week of October <i>or a date as necessary to meet central agency reporting requirements</i></p>
<p>10. Q2, Q3, and Q4 Integrated Quarterly Financial and Performance Reports as per templates provided in Part E signed by designated financial officer of CCO</p>	<p>Due to all ADMs as set out in section 1 of Part D 30 days after the end of the quarter for Q2 and Q3, and 60 days for Q4</p>

Sample Reporting Template:

1. Initiative Name					
Budget	YTD Budget	Year to Date (YTD) Actual	YTD Variance	2014/15 Year-End Forecast	2014/15 Forecast Variance
Progress Report:					
Deliverables:					