ONTARIO ARTS COUNCIL
CONSEIL DES ARTS DE L'ONTARIO

an Ontario government agency
un organisme du gouvernement de l'Ontario

2019-20 Business Plan

Submitted to the Ministry
of Tourism, Culture and Sport

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Supporting Government Objectives

The Ontario Arts Council contributes to the following government priorities:

- Bringing prosperity to Ontario;
- Creating good jobs;
- Making Ontario a great place to live, do business and raise families;
- Making effective use of taxpayers' dollars and ensuring accountability.

OAC's investment in professional artists and not-for-profit arts organizations builds and revitalizes Ontario communities, making them great places to live and work, while also attracting tourism, jobs and investment – and helping to build Ontario's brand around the country and across the globe.

1. Bringing prosperity to Ontario

Economic Contribution
- Arts and culture directly contribute $25.7 billion annually to the province's GDP – or 3.5% of Ontario's GDP.
- The artists and arts organizations funded by OAC create the content or product used by Ontario's cultural industries to generate this impact. Put simply, there would be no cultural industries without individual professional artists and the not-for-profit arts sector.
- Often, early grants from OAC help artistic creative product move on to significant economic and commercial success. For example: *Come From Away*'s co-creators received two small OAC grants to workshop the musical very early on. It has gone on to receive widespread critical and popular acclaim. Its current Broadway run earned several Tony Award nominations and grossed more than $12.5 million. It recently received three Olivier Award nominations (London's West End equivalent of the Tonys).
- OAC's support is often recognized as a "Seal of Approval" that encourages others to invest. Every $1 that OAC invests through operating grants helps generate $14.92 from earned revenues and the private sector.

Tourism
- The arts help drive tourism across Ontario. 9.5 million overnight tourists participate in arts and culture activities while visiting Ontario, generating $3.7 billion in GDP province-wide.
- Arts and culture is a primary motivator of consumer travel among Ontario's tourist market. 44% of North American tourists who visited Ontario among other trip destinations over a two-year period said that arts/culture was the main reason for at least one of their trips.
- Arts and culture tourists spend more and stay longer: the average Ontario arts/culture tourist spends twice as much per trip as a typical tourist and stays more than one night longer.
- OAC provides operating support to over 500 professional not-for-profit arts organizations across the province. Large and small, many of these organizations are key attractions within their own communities and contribute to the positioning of their region as one with varied tourist offerings and experiences. Artists and local arts organizations play an important role as "destination enhancers", by helping provide the variety of experiences that Destination Ontario's research shows today's tourists are seeking.

Community Revitalization and Local Economic Development
- The arts revitalize Ontario communities and build local economic development. For example, in a 2010 survey of 18 mid-sized Ontario cities, all municipalities reported using cultural and recreational amenities as a tool for downtown revitalization. 83% deemed this strategy to be an effective tool.
- The Federation of Canadian Municipalities has stated that "arts, culture and heritage improve the ability of municipal governments to influence economic development."
- 88% of Ontarians agree that arts and cultural activities are important to a community's economic well-being.

2. Creating good jobs

- Arts and culture provide more than 269,000 jobs in Ontario, or 3.8% of total provincial employment.
- The arts organizations funded annually by OAC provide work for over 56,600 artists and arts professionals per year – generating $361.9 million in income paid. These not-for-profit arts organizations provide opportunities for artists to build skills, craft and audience – an "R&D" function that benefits both the not-for-profit and commercial sectors as this "crossover" workforce moves back and forth between the sectors.

3. Making Ontario a great place to live, do business and raise families.

A great place to live and raise families
- 90% of Ontarians agree that an active local arts scene helps make a community a better place to live. 88% of Ontarians believe that if their community lost its arts activities, people living there would lose something of value.
- Over 47,590 public arts activities were offered by OAC's annually-funded arts organizations in 2015-16, reaching audiences and attendees totaling 22.4 million.
- OAC has played a leadership role in arts education for over 50 years and 97% of Ontarians agree that engaging children in the arts is important to their overall development.

A great place to do business
- According to the Federation of Canadian Municipalities, a vibrant arts and culture sector helps communities to attract and retain employees.
- Indeed, 65% of Ontario business leaders say that a thriving arts and culture scene is something that makes it easier to attract top talent to their community.
- Similarly, 65% of skilled workers agree that a thriving arts and cultural scene is something they look for when considering moving to a new community.
- 80% of Ontarians agree that an active local arts scene helps communities attract businesses.

4. Making effective use of taxpayers' dollars and ensuring accountability

- OAC allocates public funds to the arts in a highly responsible and accountable manner, using a rigorous peer assessment process that factors public and community impact into decision-making.
- OAC operates extremely cost-effectively, with less than half the staff that it had 20 years ago. Only 13% of its budget is spent on administration.

- OAC has moved to less expensive premises, reducing its overall space by 13%, with most staff moving from private offices to workstations.
- OAC recently implemented its Nova online grant application and management system, which resulted in increased efficiency and cost-effectiveness in processing of the 12,200 applications OAC receives each year.

In addition, the people of Ontario value the arts, and show their support in many ways:
- 87% of Ontarians attend arts events or performances (such as arts festivals, music concerts, plays or public art galleries) at least once a year.
- Over 70,000 Ontarians volunteered 1.8 million hours with OAC annually-funded arts organizations in 2015-16 – a value equivalent to $31.4 million worth of hourly labour.
- Over 380,000 Ontarians donate money to arts and culture organizations annually.
- Over three-quarters (79%) of Ontarians believe that the government should spend public dollars to support the arts.

The logic model that is part of OAC's Performance Measurement Framework (see Appendix 4) further illustrates how OAC's strategic goals (i.e. short-term outcomes) align with very positive long-term outcomes, i.e. economic and social impacts for the people of Ontario and the province overall.

Mandate

Historical Mandate
The Ontario Arts Council mandate, as outlined in the Arts Council Act (1963), is to "promote the study and enjoyment of and the production of works in the arts" and to such end may:
- Assist, co-operate with and enlist the aid of organizations whose objects are similar.
- Provide through appropriate organizations or otherwise for grants, scholarships or loans to persons in Ontario for study or research in the arts in Ontario or elsewhere, or to persons in other provinces or territories of Canada or any other countries, for study or research in the arts in Ontario.
- Make awards to persons in Ontario for outstanding accomplishments in the arts.

The mandate of the Ontario Arts Council (OAC) is to foster the creation and production of art for the benefit of all Ontarians.

The arts are essential to the quality of life, cultural identity, social well-being and economic prosperity of Ontario. Access to and participation in the arts enhances lives, fosters creativity and innovation, and strengthens communities. OAC is committed to ensuring equitable access for everyone, with particular emphasis on the following six priority groups, and the organizations that serve them and the public:
- Artists of Colour
- Deaf Artists and Artists with Disabilities
- Francophone Artists
- Indigenous Artists
- New Generation Artists (18-30 year olds)
- Artists living in Regions outside Toronto

Vision
OAC envisions an Ontario where:
- People of all ages and communities experience, feel connected to and value the arts
- The arts sector is resilient and healthy
- Ontario artists and arts organizations are recognized locally, nationally and internationally for their work
- The arts reflect the diversity of stories of all of Ontario's people and communities

OAC is inspired by and values Ontario's artists, who help shape our thriving and diverse society and express the richness of our stories, histories and cultures. Therefore, as a public agency, funder and employer, OAC leads and is responsive and inclusive in supporting diverse artists, artistic practices, arts communities and our own organization.

Beliefs
OAC believes that:
- The arts are essential to the quality of life, cultural identity, social well-being and economic prosperity of Ontario
- Access to the arts enhances lives, fosters creativity and innovation and strengthens communities
- Works of artistic merit are created by artists from all communities, regions and cultural backgrounds

Values
The values that guide OAC's work are:
- Leadership and responsiveness to the evolving needs of the arts community and the public
- Transparency and accountability to the arts community, the government and the public
- Equity and accessibility
- Integrity, fairness and professionalism

Strategic Directions

Vital Arts and Public Value – A Blueprint for 2014-2020
OAC's Strategic Plan
OAC's strategic plan, *Vital Arts and Public Value*, was developed in consultation with over 1,800 Ontarians who responded to a comprehensive online questionnaire. OAC chose the word 'vital' to reflect the qualities most essential to a healthy arts sector, including artistic merit, relevance, impact, risk-taking and effectiveness. *Vital Arts and Public Value* also encompasses OAC's Equity Plan, which focuses on Leadership, Inclusiveness, Responsiveness and Diversity.

The plan focuses on the two themes of OAC's mandate:
- To serve both the arts community and the public.

The four goals of the plan are to:
- Invest in Ontario's vital artists and arts organizations
- Strengthen skills and share knowledge
- Support public engagement in the arts
- Build public awareness of the value of the arts

Overview of Current and Future Activities

For more than five decades, OAC has fostered growth in and access to the arts for the people of Ontario. In 2017-18, OAC received 11,466 applications and invested $58.7 million in 231 communities, through 2,294 grants to individual professional artists and 1,474 grants to arts organizations.

OAC's programs support a broad array of arts practices, organizations and communities in every corner of the province. OAC is committed to ensuring equitable access for all Ontarians. OAC's services are available in English and French.

Central Tenets
OAC's work is based on two central principles. **Arm's length decision-making** defines OAC's relationship with the government, while **peer assessment** defines its relationship with the arts community.

The arm's length relationship with government means that OAC establishes its own priorities, policies and programs and, in particular, makes all funding decisions. This relationship protects the government by providing an important buffer from funding decisions that may turn out to be contentious or unpopular with some people, and ensures that granting decisions are based on criteria, including quality, viability, impact and effectiveness, rather than political considerations.

Peer assessment is a highly effective and internationally respected decision-making mechanism whereby artists and other arts professionals (and, for operating programs, a representative from the broader community) participate by assessing grant applications, advising on rankings, and making recommendations on the awarding of grants. Through peer assessment, OAC involves the arts community directly, and ensures that grants to artists and arts organizations are dispensed with integrity, transparency and fairness. OAC's peer assessment process is governed by policies and procedures, including stringent conflict of interest policies, all of which are clearly and consistently communicated and applied.

OAC offers granting programs through four funding streams: *Creating and Presenting; Building Audiences and Markets; Engaging Communities and Schools;* and *Developing Careers and Arts Services*. Fifty-eight granting programs were offered in 2018-19 through these four areas.

Types of Support
OAC offers two types of grants. **Operating grants** provide ongoing, annual investment in professional arts organizations to help pay for artistic and administrative expenses, as well as provide stability and predictability. **Project grants** provide one-time investment in individuals, collectives and organizations for a specific activity such as creation, production or presentation of artistic work, or professional development. Approximately two-thirds of OAC granting dollars are invested in operating grants and contribute to the arts infrastructure across the province; the remaining one-third support project grants.

Assessment Method
Peer advisors evaluate applications for all **operating** funding based on specific criteria in two categories: Artistic Quality & Contribution, and Organizational Effectiveness. These two categories have equal weight in assessment. Each assessment category has three standard criteria used to guide assessment that is consistent across programs:

Artistic and/or Service Quality & Contribution
- Artistic Quality (25%)
- Contribution to artists, the art form and the artistic community (15%)
- Artistic Contribution to the OAC's Priority Groups (10%)

Organizational Effectiveness
- Public Impact (20%)
- Administrative and Financial Viability (20%)
- Organizational Contribution to the OAC's Priority Groups (10%)

Applications are reviewed by a peer panel and then scored and ranked (A, B, C) according to score. Ranking informs whether the grant amount, compared to the applicant's previous grant level, is increased, maintained or decreased.

Project programs are peer-assessed according to standard criteria (usually artistic merit, impact and viability). Applications to project programs are scored by a peer jury which ranks and assigns grant amounts within the parameters of a given program. The number of applications funded is determined by the program budget. In OAC's most highly competitive project programs, the ratio of projects funded, compared to applications received, is as low as 12 out of 100. For programs developed to support priority initiatives, the success ratio can be, and should be, much higher.

Funding Context
To achieve a balanced budget for 2019-20 based on a base funding budget of $60 million from the government (compared to a $70 million base funding budget in 2018-19), investment of grants through Operating and Project programs will be:
- $37.1 million to Operating grants (compared to $39.9 million in 18-19 – $2.8 million, or 7%, less)
- $15.3 million to Project grants (compared to $20.3 million in 18-19 – $5 million, or 24.5%, less)

In 2018-19, 34% of OAC's granting budget supported Project grants and in 2019-20, this will become 29%; 66% of the 2018-19 granting budget supported Operating grants, which will become 71% in 2019-20.

Operating Grants
Operating grants provide stability, allowing the approximately 550 professional arts organizations that receive operating grants from OAC to create and support jobs, and make strong economic contributions to their communities. As well, operating grants are the most effective way to protect arts infrastructure in times of restraint.

In 2019-20, OAC's projected budget will require 8% across-the-board reductions to all organizations that receive operating grants. Of this, a reduction of 7% ($2.8 million) is needed to address OAC's budget gap. The additional 1% ($400,000) will allow for responsive change and re-allocation including funding of successful new applicants, as well as modest increases to the most vital organizations that are annually assessed or in Year 1 of OAC's three-year operating budget cycle. OAC has always funded new applicants, even in lean times, in order to support an evolving arts ecology. OAC believes that today's new arts organizations and arts professionals are tomorrow's leaders.

In 2019-20, <u>all</u> operating organizations will receive an 8% across-the-board decrease as compared to their 2018-19 grant amount. This decrease is unrelated to assessment. All organizations will be reset to a new base funding level that is 92% of the funding received last year.

The following framework will be applied to the new base grant amount <u>after</u> the 8% ATB reduction and is only for organizations in **Year 1** or in an **annual** cycle as they have been assessed by a panel this year. Multi-Year 2 and 3 organizations will receive the ATB reduction only (no assessment-based changes).

Rating Group	Year 1 and all Annuals	**2nd Assessment-Based Reduction**	**3rd and 4th Assessment-Based Reductions**
A *(score 90 to 100)*	increase 6% to 10% *(net result: 98% to 101.2% of previous grant)*	n/a	n/a
B+ *(score 80 to 89)*	increase 3% to 6%	n/a	n/a
B *(score 70 to 79)*	increase 0% to 3%	n/a	n/a
C *(score 60 to 69)*	decrease -2% to -7%	decrease -7% to 17%	-17% - 42%
D *(score <60)*	decrease -7% to 17%	decrease -17% to -42%	-42% - 100%

Increase/Decrease Recommendation Rationales
Norms for increases to **Group A, B+ and B** organizations will be on the lowest end of the range provided. Recommendations using the higher end of the range will be based on one or more of the following rationales:
- Above all other indicators, the organization is underfunded as determined by percent level of OAC support to overall budget as compared to similar organizations in the program (ranking, scale, activity)
- Ranking within each assessment level
- Designated priority organization status
- Significant contribution to priority groups by non-designated organizations (as evidenced by average scores of 4 or above on both Priority Group assessment criteria)

Group C reduction rationales for organizations will be guided by the following:
- Priority group organizations may be recommended for a smaller reduction within indicated ranges based on significant importance to their field or their community.
- Organizations that achieve improved assessment (based on comparison between current and previous assessment ranking – place in the field and/or assessment comments) may be recommended for a lower reduction.
- Organizations that receive an Artistic or Organizational score below 30 may be recommended for a greater reduction.

Group D organizations that score below 30 on both Artistic/Service Quality & Contribution and Organizational Effectiveness will be recommended for decreases at the higher end of the applicable range.

Funding New Organizations

New applicants must reach an equivalent ranking of B (score of 35) on Artistic Quality and Contribution and an equivalent ranking of B (score of 35) on Organizational Effectiveness to be funded in the program.

2019-2020 OPERATING PROGRAM SCHEDULE		
MULTI-YEAR 1	**MULTI-YEAR 2**	**MULTI-YEAR 3**
Dance Organizations: Operating	Arts Organizations in Communities and Schools: Operating	Diffusion francophone – fonctionnement
Literary Organizations: Operating	Arts Service Organizations: Operating	Arts visuels, arts médiatiques et métiers d'art : organismes et centres d'artistes autogérés francophones – fonctionnement
Public Art Galleries: Operating	Major Organizations: Operating	Édition francophone – fonctionnement
Théâtre francophone – fonctionnement	Multi and Inter-Arts Organizations: Operating	Media Arts Organizations: Operating
Theatre Organizations: Operating	Music Organizations: Operating	Visual Arts Artist-Run Centres and Organizations: Operating
	Organismes francophones de service aux arts – fonctionnement	
	Publishing Organizations: Operating (Book Publishers)	
	Publishing Organizations: Operating (Magazine Publishers)	

Project Grants

Project grants support individuals, collectives and organizations throughout the province to create, produce, and present new and innovative work, often by emerging artists from under-represented groups. Project grants enable the life cycle of artistic product, providing essential "R&D" for the cultural industries and the entire arts and culture sector.

As noted, 2019-20 Projects grants will be reduced by $4.4 million compared to the 2018-19 budget. The following factors were considered in determining which programs to protect from reductions or elimination:
- programs that are and have been the most highly competitive for applicants
- demand trends (which programs have had the highest increase in applications)
- impact and public value, including contribution to OAC priority groups
- shifting sectoral trends (growth, technology, demographics etc.)

- Changes to project programs will also be guided by potential cost saving through further administrative efficiencies.

In summary, five project programs have been suspended for 2019-20, as listed below. Other project grant budgets will be significantly reduced by 15% to 44%.

Summary of Changes to Granting Programs in 2019-20

Program	2018-19	2019-20
Arts médiatiques – projets francophones	Deadlines – April 19 and September 27	One Deadline - September 27
Musique – projets francophones	Deadlines April 24 and October 3	One Deadline - October 3
Théâtre – projets francophones	Deadlines April 24 and October 3	One Deadline - October 3
Services aux arts – projets francophones	Deadlines – April 19 and September 26	One deadline t.b.d.
Littérature – projets francophones	Deadlines – April 26 and October 4	One Deadline - October 4
Arts visuels et métiers d'art – projets francophones	Deadlines – April 26 and October 4	One Deadline - October 4
Arts Service Projects	Deadline May 7	One deadline t.b.d.
Compass	Deadlines March 1 and July 3 and Nov 8	One Deadline - March 1
Indigenous Presenters in the North: Music Projects	Deadline November 6	Activity will be funded through Indigenous Arts Program
National and International Residency Projects	Deadline October 31	No program this year
Travel Assistance (for Presenters)	Deadline Dec 14	No program this year
Ontario Dances	Audience Development program	No program this year
Theatre Training Projects	May 30	No program this year
Publishing Organizations Projects (Magazines)	Deadline June 5	No Program this year

GRANTING PROGRAM PLANS

Market Development
In 2016, OAC established a Market Development Initiative to support career-related projects that empowers Ontario artists to take advantage of market development opportunities, thereby enabling high quality work from Ontario to be promoted, showcased and sold across the province, the country, and abroad resulting in contributions to the economy and building sustainable careers for artists and other arts professionals. Based on the success of this pilot program (funded at $40k in 2016 and increased to $100k in 2017), OAC doubled its investments in 2018-19 by establishing a $200k *Market*

Development Projects granting program. The program supports costs associated with presenting, networking and selling at recognized national and international market opportunities. This investment will be maintained in 2019-20.

The ***Market Development Travel*** program was introduced as a pilot component of the Market Development Initiative in 2017 and established as a full program in 2018-19. The program provides micro-grants to Ontario artists to travel to promote their work, build their profile, and develop relationships with arts presenters in Ontario, Canada and abroad. With its open deadline and quick granting results (within eight weeks of applying), the program has been designed to be accessible and responsive. The program will be maintained in 2019-20.

Support to Local, Regional and Rural Arts Activities
OAC's strategic plan promotes artists and organizations in regions outside Toronto as one of six priorities. Peer assessment panels always include significant representation from outside Toronto. Northern applicants and communities will continue to be supported through investment in a OAC Northern Representative staff position, that provides in-person service to northern applicants and engages in significant community capacity-building.

In addition, OAC offers a multi-disciplinary Northern Arts program that provides additional funding opportunities to applicants from the Northeast, Northwest and the Far North. The program has two deadlines each year and these will be maintained in 2019-20.

OAC's commitment to building awareness of and access to professional Community-Engaged Arts began with two years of support to a contract with Windsor Arts Council for a model of local arts development with a part-time regional Community Arts Animator. This continued with two years in Kingston and then, Mississauga. Beginning in 2016-17, OAC similarly invested in the Central-Ontario area (Barrie) by funding the costs associated with a local community animator and this has continued through 2019. The Animator engages local artists and educators helping them to expand the impact of their work to benefit the local community. The program will be continued in 2019-20.

Local Audience Engagement
One of the objectives of OAC's Strategic Plan is to support artists and arts organizations to build actively engaged audiences and make the arts more accessible to Ontarians. A key approach to enhancing public participation in the arts has been to encourage long-term relationships between arts presenters, artists and audiences in Ontario, particularly outside urban centres. Two examples are *Ontario Dances* and *Theatre Connects and Connexions théâtres*.

Ontario Dances will be suspended for 2019-20.
Theatre Connects and Connexions théâtres are two programs that support presenters in programming innovative performances by Ontario theatre artists, in both French and English, that would not otherwise be booked by these presenters. Presenters in communities such as North Bay, Oakville, Markham, Kitchener, Mississauga, Milton, Burlington and St. Catharines have been supported in their capacity to create avenues for Ontario's indie theatre productions to tour the province. By providing presentation support, touring support and curatorial development, *Theatre Connects and Connexions théâtres*' holistic approach fosters connections between arts presenters, theatre companies and regional audiences. OAC partners with service organizations Ontario Presents and Réseau Ontario to manage these initiatives. Theatre Connects and Connexions théâtres will continue at a reduced level in 2019-20.

Indigenous Arts

OAC will continue to implement our Indigenous Arts Development Plan by:

- Disseminating the *Indigenous Arts Protocols* video (a tool used by artists and arts organizations working to partner with and engage Indigenous organizations and audiences and which is available on OAC's website)
- Continuing to fund and present the *OAC Indigenous Arts Award*
- Continuing to disseminate *Shapeshifters,* the OAC-produced Indigenous Arts video series.

Arts Education Initiatives

Artists in Residence – Education (AIR-E)

In 2018-19, OAC maintained partnerships with 19 school boards representing each Ontario region. The partnerships support year-long, part-time residencies of professional artist-educators in school boards to provide students and teachers with meaningful, sustained opportunities for creative learning. These partnerships were supported in part with a Canada-Ontario Agreement on French Language Services (CANON) contribution. To develop sustainability, OAC has also developed a program funding strategy that introduces new participants and scales back funding levels to longer-term participants. AIR-E will continue at a reduced level in 2019-20.

Support to Francophone Artists and Organizations

In 2018-19 OAC confirmed a two-year partnership with the Department of Canadian Heritage (PCH), through the Official-Languages Support Program Community Cultural Action Fund, to continue support for *Connexions visuelles*, a capacity-building program for Francophone visual artists. Over the last five years, OAC and PCH have committed a total of $338,269 to build capacity for Francophone visual arts organizations and Francophone visual artists in Ontario.

Outreach and Development

OAC's Outreach and Development staff help deliver on OAC's strategic goal of improving outreach and access to programs and services. OAC's development initiatives are coordinated across Granting and in collaboration with other departments to ensure that support and services are made available to all Ontario artists and arts organizations, with particular emphasis on OAC priority groups.

OAC continues to improve access to programs, resources and services through convening, education, information and professional development activities, including:

- Capacity building and professional development for Deaf artists and artists with disabilities (annually)
- Professional development for Northern visual arts directors and emerging leaders (annually)
- Professional development for Tamil artists (2017-18)
- Northern Arts Services outreach (ongoing partnerships since 2017-18)
- Convening of Skills and Career Development: Indigenous Arts Professionals and Arts Professionals of Colour grant recipients for professional development and capacity building (2019-20).

OAC is enhancing its capacity to use webinars, podcasts and social media as vehicles to improve its reach and increase efficiencies. OAC's website now includes the following video tools and resources:

- *New to OAC* – web page for first-time applicants

- *Boundless: Deaf Artists, Artists with Disabilities and OAC*, captioned in English and French, and with American Sign Language (ASL) and Langue des Signes Québécoise (LSQ); developed through a partnership with Ryerson University's Inclusive Media and Design Centre
- ASL video of *Vital Arts and Public Value: A Blueprint for 2014-2020* – OAC's strategic plan
- ASL video of OAC's accessibility support for Deaf artists and artists with disabilities
- *OAC Grant Survival Guide* – tips and must-dos for preparing a grant application to OAC
- *Framing Community: A Community-Engaged Art Workbook* – with new podcasts
- *Shapeshifters* – profiles of Ontario Indigenous artists and organizations
- *Indigenous Arts Protocols* – guidance on how to engage with Indigenous arts.

As well as numerous podcasts focusing on frequently asked questions about various OAC granting programs.

Outreach for Deaf Artists and Artists with Disabilities

OAC will continue to develop supports and services in response to the needs of Deaf artists and artists with disabilities. In 2015-16, OAC created its first Deaf and Disability Arts Program to support projects by artists who are Deaf or have a disability. The program design was informed by a report commissioned by OAC from the disability arts organization Tangled Arts + Disability. The program supports creation, production and professional development. The Deaf and Disability Arts Materials and Supplies component of the program supports visual and craft artists to purchase materials required to create work. As a direct result of increased investment in OAC, this program became a permanent part of OAC's base budget in 2018-19.

In 2016, OAC established a standing advisory group of Deaf artists and artists with disabilities to contribute to advancingOAC's capacity to increase accessibility. The group continues to meet semi-annually and advises OAC on issues affecting support to these communities. Issues have included training for OAC staff, real and perceived barriers, and OAC's progress on its Multi-Year Accessibility Plan and initiatives.

OAC's designated Deaf and Disability Arts Access fund provides support to Deaf artists and artists with disabilities in two areas:
- Application Support – funds a support worker to aid the artist as necessary in completing an OAC application
- Accessibility Support – funds extra accessibility costs associated with a successful project application (i.e. ASL translation or a personal support worker for an actor or dancer in a production).

OAC has increased the number of peer jurors and advisors who are Deaf, or who have disabilities, who serve on assessment panels. OAC ensures that supports are in place for an assessor to participate fully. Since 2015 both ASL and LSQ interpretation is provided when required. OAC information sessions for Deaf artists and artists with disabilities have ASL interpretation provided, and communications for these events have ASL versions. OAC staff communicate via email, Skype and Bell Voice Relay Service with Deaf artists. OAC arranges meetings and provides follow-up with Deaf individuals in person, where we arrange for ASL interpreters to be at OAC offices.

OAC staff members have delivered or participated in information, networking and professional development sessions for Deaf artists and artists with disabilities at OAC and in community settings.

Access
OAC continues to improve access to OAC granting programs by:
- Offering information sessions such as pre-deadline webinars, grant application workshops, simulated assessment panels and podcasts for project programs
- Developing a new online application process, while also continuing to produce print and online tools and resources to support artists and arts organizations in transitioning to the new online application process
- Continuing to disseminate a handbook for *Aboriginal Presenters in the North*
- Continuing to develop accommodation policies as they relate to OAC application and assessment processes
- Encouraging artists and other arts professionals to express interest in participating on peer assessment panels.

Partnerships
As part of implementing its strategic plan, OAC continues to **build partnerships both within the arts and with other sectors** in order to maximize impact and efficiency.

- Four 'Recommender Grant' programs, described below under Initiatives Involving Third Parties
- The service organizations Ontario Presents and Réseau Ontario are valued partners as they play a key role in the success of OAC's audience development programs *Ontario Dances*, *Theatre Connects* and *Connexions théâtre*. Through an effective and efficient service agreement, Ontario Presents and Réseau Ontario develop the capacity of arts presenters to connect with broader audiences and to help build sustainable careers for Ontario's artists through increasing tour bookings. *Theatre Connects* and *Connexions théâtre* will continue at a reduced level in 2019-20.
- Building and maintaining relationships with staff from various Ontario Government ministries, funders' networks, business enterprise centres, business development networks, the Committee of Agencies and Ministries serving Northern Ontario (CAMNO), and others through information sessions, grant writing sessions, workshops, etc.
- Working with the province's Arts Service Organizations (ASOs) and Community Arts Councils to promote dialogue between ASOs and other organizations serving Ontario's arts communities regarding mutually beneficial ideas including approaches to professional development, resource sharing, and training.

Initiatives Involving Third Parties

Artists in Residence – Education (AIR-E)
OAC has created partnerships with Ontario school boards to set up artist residencies in schools within each board's jurisdiction. In 2018-19 OAC partnered with:

- Conseil des écoles publiques de l'Est de l'Ontario
- Conseil scolaire catholique du Nouvel-Ontario
- Conseil scolaire catholique Providence
- Conseil scolaire catholique Mon Avenir (Centre-Sud)
- Conseil scolaire de district catholique de Centre-Est de l'Ontario
- Conseil scolaire de district catholique Franco-Nord
- Conseil scolaire public du Grand-Nord de l'Ontario
- Conseil scolaire public du Nord-Est de l'Ontario

- Durham District School Board
- Keewatin-Patricia District School Board
- Kenora Catholic District School Board
- Limestone District School Board
- London District Catholic School Board
- Near North District School Board
- Rainbow District School Board
- Thames Valley District School Board
- Toronto District School Board
- York Region District School Board

Detailed agreements are in place with each partner to make sure that the *Transfer Payment Accountability Directive (TPAD)* is followed. The long-term goal is to place artist residencies in every school board throughout the province, though such an expansion of the program will not be possible without dedicated funding.

As noted, AIR-E will continue at a reduced level in 2019-20.

Theatre Connects / Connexions théâtres
As described above under Local Audience Engagement (pages 12-13)

Northern Young Audience Circuit
In partnership with the Department of Canadian Heritage, in 2018-19, OAC introduced the Northern Young Audience Circuit with 11 arts presenters from Red Lake and Fort Frances all the way to Kirkland Lake and Haliburton. This Audience Development Initiative is intended to create touring opportunities for professional artists and enhances both the quality and the diversity of work being presented.

Third-Party Granting (Recommender) Programs
The strengths of the recommender program model are its regional responsiveness, flexibility and cost-effectiveness. Artists in all regions of the province, at all stages of their careers and from diverse communities, rely on these programs, despite their relatively small grants. A key aspect of the success of these programs is that artists have the opportunity to bring their work to the attention of local galleries, publishers and theatre companies in their communities. And recommenders are able to identify artists in their communities with whom they may not be familiar, and to begin developing relationships with them.

In 2018-19 OAC had 161 approved recommenders throughout the province participating in four third-party programs. Recommenders share responsibility with OAC for broadly disseminating information about each program within their communities. They do not receive direct financial support to administer their allocation, but may receive operating or project funding from OAC.

OAC establishes guidelines and regulations for recommenders in all four recommender programs. OAC requires that recommenders: define their assessment criteria; recognize OAC priority groups in decision-making; establish effective procedures for receiving and assessing applications; communicate results to applicants in a timely manner; and avoid conflict of interest in their recommendations. Recommenders are assessed on their ability to act as effective recommenders by fulfilling the programs' objectives, meeting OAC strategic priorities as demonstrated through judgment used in the previous year's recommendations, and managing the allocated budget effectively. Recommenders are confirmed

annually by the relevant OAC Officer, based on a review of the recommenders' application to OAC and/or their previous year's grant recommendations.

OAC's third-party granting programs include:

Literature, Recommender Grants for Writers
- This program provides grants of $1,500 to $5,000 to assist professional writers to create new work. The program is administered by book and magazine publishers, with 35 recommenders in 2018-19.

Recommender Grants for Theatre Creators
- This program assists Ontario-based professional theatre creators and informal collectives of creators, by funding them to create work. Applications are made to and funding decisions are made by Ontario theatre companies and multi-disciplinary organizations with expertise in theatre. There were 51 recommenders in 2018-19.

Visual Arts, Exhibition Assistance
- This program provides grants of $500 to $2,000 to assist artists and collectives with the cost of presenting their work in a public exhibition. Grants are made through public art galleries, artist-run centres, and other organizations throughout the province. There were 70 recommenders in 2018-19. Artists apply directly to a recommender located in the zone in which they live, or to one of the specialized recommenders serving priority group artists or artists working in specific arts practices.

Visual Arts, Indigenous Visual Artists' Materials
- This program provides micro-grants of $500 to First Nations, Inuit and Métis artists working in visual arts, crafts or traditional/customary Indigenous art forms. Grants support the purchase of art materials and supplies. Artists apply through one of five Indigenous recommender organizations included in the 70 Exhibition Assistance recommenders.

Environmental Scan

This scan provides a brief summary of key issues or factors in OAC's external and internal environment that are anticipated to affect OAC's work over the coming year, either directly or indirectly (due to impacts on OAC's client base).

EXTERNAL ISSUES/FACTORS

Issues/Trends Affecting Ontario's Arts Sector

Based largely on information arising during the assessment process on the 2018-19 OAC operating grant applications, the following key issues/factors are affecting the operations of Ontario's professional, not-for-profit arts sector:

- **Financial Pressures and Flux**: While some organizations and arts sectors reported significant increases from the Canada Council (CCA), many saw their grants maintained. Overall there was a sense that the Ontario arts sector's expectations for dramatic increases due to CCA's budget

increase were not met. In addition, some sectors reported particular challenges with flux at CCA in terms of clarity of funding framework and program definitions and funding cycle disruptions. This, together with increasing operational costs, inflation, and OAC's reduction in operating support, have increased pressures on arts organizations to grow their self-generated and private sector revenues – with the latter a particular challenge. In addition, the low Canadian dollar creates challenges for organizations that book US artists.

- **Facilities/Infrastructure**: Space is increasingly expensive, resulting in a variety of innovative strategies, including numerous examples of shared space (offices, exhibition and performance venues, studio, archive facility), as well as collaborations with private developers, municipalities and other arts organizations. Nevertheless, some arts organizations/artists are being forced to move due to increased rents or development. Organizations that own facilities report increasing operating costs and needed renovations to address inadequate infrastructure.

- **Staffing and Succession**: Retaining administrative staff is an ongoing challenge, especially for small organizations, in a sector characterized by part-time contracts, low salaries, unpaid overtime and reliance on volunteers. Resulting staff turnover presents challenges for sustained planning, strategy, implementation and fundraising. Succession planning is also an issue given the recent or imminent retirement of long-standing leaders across all sectors.

- **Digital Culture**: Continues as both an opportunity and resource pressure including challenges relating to monetization of digital content; developing online portfolios/programming; and distribution/market development (see below).

- **Distribution/Market Development**: Changing distribution models and infrastructure pose challenges to artists and arts organizations in reaching their markets; the prominent role of online formats and social media as pathways to markets/audience requires staff time and different skill sets.

- **Sector Renewal/Demand**: Most arts sectors are experiencing continued renewal and growth as new diverse communities, genres and regions develop capacity, create artistic ventures and establish young and growing organizations – resulting in increased demand for OAC project and operating support.

- **Partnerships**: In addition to sharing facilities, arts organizations are engaging in a variety of programmatic partnerships with schools, seniors' residences, libraries, and the health care system.

- **Equity and Diversity**: All arts sectors are taking concrete steps to be more inclusive, including developing equity policies, opening up programming, audience/community consultation and engagement, and sector-level conferences. Gender parity was a particular focus this year including policies on anti-harassment/safe workplaces, and staff and board training.

Funding Environment

- The federal government's 2016 Budget promise to double the budget of the Canada Council for the Arts (CCA) over five years continued to roll out with an additional $35 million in 2018-19, and a focus on digital arts, Indigenous arts, international activity and first-time recipients. As noted earlier, some Ontario arts organizations recount increased grants or new funding. However, there were fewer increases – and fewer significant increases – than expected. Certainly, data show that Ontario artists and arts organizations continue to be underfunded by the CCA – and Quebec artists and arts organizations overfunded – in proportion to the relative size of these provinces' arts sectors.

- Funding announcements by the federal government included launch of the Creative Export Canada Strategy (at $125 million over five years) to support export and discoverability of Canadian creative industry works, comprising increased export funding to help creative entrepreneurs understand markets and develop export strategies; lifting the lifetime cap on the Canada Cultural Investment Fund – Endowment Incentive; launch of the First Spark Initiative in the Canadian Cultural Investment Fund's Strategic Initiatives component to provide up to $5,000 to arts and heritage organizations for collaborative problem-solving activities to help address shared business challenges; and $67.3 million over five years through the new Action Plan for Official Languages for the construction or renovation of community educational and cultural infrastructure in official-language minority communities.

Policy/Legislative Environment

- **Copyright Reprographic Rights**: Notwithstanding the victory of Access Copyright in its Federal Court lawsuit against York University (currently under appeal), reprographic revenue from the education system has effectively disappeared as universities, colleges and school boards interpret the Copyright Act as permitting almost any educational use of copyrighted material without compensation to authors and publishers. This loss of revenue has resulted in financial strain on children's, educational and literary publishers, and diminished authors' incomes. The case is expected to proceed to the Supreme Court. In the meantime, Ontario school boards recently joined ministries of education from other provinces in a lawsuit against Access Copyright for past fees paid.
- **Statutory Review of the *Copyright Act*** (Standing Committee on Industry, Science and Technology): Following receipt of a high volume of deputations and briefs, the Committee has recently begun to draft its much-anticipated report. Arts community hopes for the review include: clarification of the *Act*'s fair dealing provision to protect writers' rights to compensation for educational uses; provisions for increased earnings for creators from online streaming services and downloads; including royalty rights for performers when their work is featured in soundtracks; better mechanisms for policing illegal copies of work; and introduction of resale rights for visual artists.
- **Taxation of Artists:** A spring 2018 news item highlighted a Canada Revenue Agency (CRA) denial of a Nova Scotia professional artist's claim for expenses against grant revenue. In addition, national art service organizations (NASOs) are reporting that the CRA has been reassessing and auditing artists at an increased rate over the past four years. In response, the Canadian Arts Coalition has recommended increased dialogue between CRA and the NASOs, clarification between CRA and granting bodies, that "CRA's reassessment procedures be reviewed to better align with professional artists", and exploration of tax concession mechanisms such as income averaging, or tax breaks on grants, awards, and copyright royalties.
- **Canadian Cultural Property Export Review Board (CCPERB):** The Federal Court decision in June 2018 that narrowed rules for when an art work is deemed important to Canadian heritage for purposes of approving export permits, has resulted in similar limits on what art works qualify for tax credits on donations to public art galleries. The Canadian Art Museum Directors Organization is organizing an appeal on behalf of public galleries, which – in the absence of adequate acquisition budgets – rely on these donations to build their collections for public access.
- **Standing Committee on Canadian Heritage** activity particularly relevant to the arts sector included: the October 2018 report on **cultural hubs and districts** (which received a response from the Government in January 2019); the ongoing Review of **Remuneration Models for**

Artists and Creative Industries in the Context of Copyright (concurrent to the larger Copyright review); and the January 2019 report on **Gender Parity** on the Boards and Senior Leadership Levels of Canadian Artistic and Cultural Organizations. (Note: OAC's recently released research review of women in the arts and cultural industries provides a quantitative counterpart to the submissions on gender parity made to the Committee.)

- **Broadcasting and Telecommunications Legislative Review Panel:** The federal government established the panel to "review Canada's communication legislative framework" encompassing examination of issues such as "telecommunications and content creation in the digital age, net neutrality and cultural diversity, and how to strengthen the future of Canadian media and Canadian content creation." An extended consultation period closed in January 2019 and the panel is currently in review with a report expected by June. In general, arts sector submissions stressed the need for changes in the legislative framework in the context of the digital environment by ensuring that all Canadian and foreign players providing programming content to Canadians (e.g. broadcasters, over-the-top media services, music streaming services, Internet service providers and wireless service providers) fund and feature Canadian content. ACTRA also called for direct access to funding for writers, directors and performers for story development, partnerships, and connecting with appropriate producers and distribution channels.

- **Partial restoration of PNI Requirements:** The CRTC partially reversed its 2017 reductions in PNI (Programs of National Interest) requirements for broadcasters – recently increasing the requirements from 5% of a company's previous gross revenues to 7.5% for Bell, 8.5% for Corus, and maintaining 5% for Rogers. The CRTC has also issued a call for comments re: changing the approach to PNI reporting.

- C**USMCA Trade Deal:** The US-Mexico-Canada Agreement on trade preserved Canada's cultural exemption from NAFTA to maintain programs and policies to support the creation of Canadian content.

- **Labour Mobility of Artists**: For Canadian artists and arts organizations touring in the US the already problematic visa process is getting worse with US visa service centres now having "full discretion" to deny visa petitions without warning, shifting rules for getting extensions, and an increase in the fee for premium (expedited) processing. Similarly, visa requirements for foreign artists entering Canada have tightened (e.g. biometrics – photographs and fingerprints – are required for applicants from Europe, the Americas, Asia, Middle East, Africa, etc.). Both situations result in loss of income for artists and increased cost and red tape for presenters.

- **Extension of the Senate Review of the Charitable Sector to September 2019:** The Senate's discussion apparently is focusing on consideration of the definition of charity and revisions to the four heads of charity**.** Consideration is also being given to changing the model from a statutory definition to relying on common law to encourage the meaning of charity to evolve in line with societal values and norms. Either approach has the potential to either positively or negatively impact arts organizations, which do not always fit cleanly within the current four heads.

- **Minimum Wage:** The *Making Ontario Open for Business Act* provides some relief to professional not-for-profit arts organizations in salary costs, but will add to the **issue of precarity of incomes** in the sector among artists and cultural workers.

INTERNAL ISSUES/FACTORS

Strategic /Policy/Performance
As previously noted, OAC launched its strategic plan, *Vital Arts and Public Value: A Blueprint for 2014 to 2020*, in October 2014. The plan provides a framework to guide OAC activities, funding programs and services. In 2016-17, OAC approved a new funding framework which re-organized its arts support activities into four funding streams in the context of our six priority groups. The new funding framework, which was implemented in 2017-18 and 2018-19, streamlined OAC processes, improved the applicant experience, maintained effective peer assessment, and was much more efficient and cost-effective. In 2018-19, OAC approved a new budget framework which continued to use the strategic plan to guide OAC's investments in the Ontario professional arts sector, for the benefit of Ontarians.

In 2019-20, OAC will receive base funding at the same level as 2016-17. Through operational efficiencies and focusing programs on supporting the most vital artists and arts organizations in Ontario, OAC will maintain its operational budget target allocations at 87% towards grants, services and programs, and 13% to administrative expenses. OAC will manage grant reductions through a combination of across-the-board decreases to organizations that receive operating grants, assessment-based changes, and project program budget reductions and program suspensions. At the same time, OAC will maintain its commitment to funding new organizations and continue efforts to support the sectors which create jobs in Ontario and make Ontario a better place to live and do business.

OAC implemented new logic model and performance measures in 2017-18. In 2019-20, OAC will develop the capacity to provide outcome and output-based performance reporting to support the government's objective of improving accountability and trust.

Governance/Organizational
OAC will work closely with the government to ensure appropriate board representation in filling the board vacancies so that the board can provide effective and strong governance and oversight of the organization.

In 2019-20, OAC's current CEO will complete his 8-year term and retire from the agency. A board search committee has been appointed to conduct the search for a new CEO. The current plan is to have the search process completed in the fourth quarter of 2019 so that the new CEO will be able to start in January 2020 and ensure a smooth transition.

Legal/Compliance
In 2017, OAC launched its new website to be in compliance with the Accessibility for Ontarians with Disabilities Act (AODA). In addition, the OAC website also supports OAC online grant application management system and provides a strong communication channel for OAC. OAC conducted a third-party audit in March 2019 to ensure OAC's systems and website are in full compliance. The issues arising as a result of the audit will be dealt with in 2019-20.

To comply with the Transfer Payment Accountability Directive, OAC continuously reviews its granting policies and procedures, as well as the terms and conditions of grants. In 2019-20, OAC will conduct a review of its records management program to ensure it complies with government regulations and represents best legal practices. OAC will also continue its efforts in records management and focus on completing its Function Based Common Records Series and developing an electronic records management system in light of migration to an Office 365 environment.

OAC is in the process of implementing a new procurement policy to streamline the procurement process, obtain the best value for OAC, and ensure OAC procurement complies with government directives and trade agreements. The new procurement policy will help OAC support the government's objective of cost savings and improved transparency.

Operational /Service Delivery/Information Technology
The successful launch in 2017 of OAC's new online grant application management system, *Nova*, has transformed the way OAC conducts business and interacts with grant applicants. OAC continues to gather user feedback and make system improvements. In 2019-20, in addition to adding more functions and modules to improve the system's capability and user experiences, resources will be allocated to improve system security, reliability and data integrity. Because the new online grant application management system is a cloud-based solution, OAC will work closely with service providers to maintain system security and manage system performance. Nova is expected to have a life span of at least five more years, at which time OAC will decide whether to continue renewing and refreshing the current platform, or perhaps switch to a newer product that will be available then.

OAC successfully completed its migration to Office 365 in the last quarter of 2018-19. Training has been provided to staff to make sure the system supports more secure and efficient data management in OAC computers and network environment.

Workforce and Labour Relations Issues
A new OAC and AMAPCEO Collective Agreement was signed and ratified in 2018. In 2019-20, OAC will continue to work with its staff and AMAPCEO to support staff development and create a supportive work environment.

Investment
As a low interest environment is expected to continue, compounded by high volatility in investment markets, the expected returns of OAC's investments in current markets will be adjusted so that risks are properly managed. The potential impact of low investment returns will be more significant in the restricted and endowment funds than in the operating fund. In particular, grants and fellowships supported by the Chalmers' Fund will be affected by the change in expected returns.

Resources Needed to Meet Goals and Objectives

The government of Ontario's investment in the province's professional arts sector through the Ontario Arts Council (OAC) provides a strong return on investment by helping the government meet its strategic priorities. This is accomplished in many ways, including job creation and positive economic impact, helping build Ontario communities, attracting visitors, and making Ontario a better place to live and do business. The greater the government's investment in the arts through OAC, the greater the ROI. That said, OAC recognizes the financial constraints currently being faced by the government.

Communication Plan

OAC's Communications Plan is guided by our current Strategic Plan, *Vital Arts and Public Value*, in particular Goal 4: to *Build public awareness of the value of the arts.*

Providing the strong public benefit, the Return on Investment that results from investment in Ontario's arts sector is a fundamental part of OAC's mission. However, in today's complex and fast-changing environment, the tremendous value of the arts to society, both economically and in terms of quality of life, often gets forgotten.

Goals
- Promote the Ontario Arts Council's leadership role in building awareness of Ontario's rich and diverse arts community
- Increase awareness that public funding through OAC makes possible a wide range of artistic activity for the benefit of Ontarians across the province
- Highlight the strong contribution of Ontario's dynamic arts sector to economic impact, creating and maintaining jobs, and attracting tourism and investment, while also improving the lives of Ontarians, and enhancing social cohesion towards strong communities
- Raise the profile and visibility of the Ontario Arts Council, the government of Ontario's primary vehicle for supporting Ontario's professional artists and not-for-profit arts sector
- Work with our MTCS and other ministry colleagues if they have initiatives that might benefit Ontarians through investment in the arts

Messages
- The arts contribute to a strong economy, create jobs and drive financial value in a region
- The arts build strong, healthy communities that are good places to live and in which to do business
- Arts education nurtures creativity and increases well-being in Ontario students
- The Ontario Arts Council is the government of Ontario's primary vehicle for investing in Ontario's arts community and benefiting the people of the province through this investment

Strategies
- Amplify existing MPP communications by increasing ways OAC grant recipients can engage with their MPP(s).
- Use social media to enhance the relationships between the arts and other audiences/disciplines/activities.
- Develop impact stories for the OAC website and social media that persuasively illustrate how the arts contribute to building strong communities.
- Integrate short shareable videos into impact stories to extend their reach.
- Create new ways for grant recipients to recognize Ontario government funding through OAC, including a social media toolkit
- Produce events, eblasts, news releases, advertising, publications and other communications products (videos, webinars) as needed
- Provide communications support for OAC's programs and research activities, and be responsible for all corporate communications through the OAC website

Other activities
Awards – Communications provides support for OAC's privately-funded Awards section. This involves news releases, event strategies for award presentations, related speaking notes for OAC representatives, as well as social media components.

Legislative requirements

French Language Services – OAC is committed to providing services to the public in French in accordance with the requirements of the *French Language Services Act*. The Act guarantees members of the public the right to communicate with and receive available services in French from Ontario government ministries and agencies, such as OAC.

Accessibility for Ontarians with Disabilities Act (AODA) – Communications requirements under AODA have significant implications for OAC and its client organizations, and require ongoing communications strategies, as well as specific tools, including production of certain materials in multiple formats.

Risk Identification, Assessment and Mitigation Strategies

OAC maintains a comprehensive risk register which includes all risks identified as potentially having an impact on OAC's achievement of its objectives. In the Risk Assessment Worksheet, risks have been listed under different risk categories, with an assessment of likelihood and impact, mitigation strategies in place and the overall risk assessment. Risk owners have also been identified to ensure that the identified risks are properly managed.

Please see Appendix 3 – OAC Risk Assessment Worksheet. These risks reflect the business environment and the internal operations of OAC. The Governance Committee of the Board of Directors annually review the risk assessment worksheet prepared by management and make changes, if required, to ensure that issues that have occurred over the past year are properly reflected in the worksheet. The committee has agreed that this material will be a part of the orientation for new board members and that the register will be updated continuously as circumstances change throughout the year. Updates or changes to the worksheet are brought forward to the board for approval on a regular basis.

Human Resources

OAC employees play a very significant role in the agency's positive reputation among stakeholders. OAC's ability to achieve its mandate, vision, beliefs and values is due in large part to the experience, thoughtfulness, professionalism and engagement of OAC staff and board members, and the respect in which they are held by the arts community. We are proud of what we do, and our ability to continue doing good work relies on attracting, retaining and motivating strong leadership, staff and board members.

OAC consistently demonstrates low staff turnover and has a high percentage of long-serving staff. This can be attributed to the work culture, which is very collegial and innovative, as well as the intrinsic reward of knowing that OAC's work contributes to the strength and resilience of the professional arts sector, for the benefit of the people of Ontario. However, with this comes an aging workforce that OAC will have to pay close attention to. In 2018, 23% of OAC's workforce is over 55 years of age; 17% of the workforce has worked for the OAC for over 15 years and that number increases to 35% for employment over 10 years.

Organizational Effectiveness and Design

OAC continues to modernize how it does its business with the implementation of the Nova grant management system and other technological advancements. In 2019-20, OAC will conduct an

organizational design and process review centering primarily on granting processes, and on other departmental processes as they relate to granting, to evaluate and determine ways to operate more efficiently and cost-effectively, while continuing to provide excellent service and value to the public.

With an aging workforce, OAC has had to address increased absences for personal healthcare issues and demands on employees to take care of elderly parents, which has had an impact on business continuity when absences are unexpected. OAC would benefit from building some redundancy into its workforce with the required knowledge, skills and abilities to better address immediate workforce demands, which tends to be less disruptive and more cost effective than finding external short-term replacements that need to be trained.

Recruitment/Succession Planning
A major change for the organization will be the hiring of a new CEO as a result of the upcoming departure of the current CEO, at the end of the 2019 calendar year. HR will be a key partner to the Board of Directors and the selected executive search firm in this hiring process.

Compensation and Benefits
OAC will continue to implement salary increases in accordance with the collective agreement for bargaining staff. Non-executive management and exempt staff are evaluated and receive merit increases comparable to unionized staff. Executive staff salaries are currently frozen in accordance with the review of the Broader Public Sector Executive Compensation Act.

OAC continues to provide healthcare benefits administered by Great-West Life Assurance, through its association as an agency of the government. OAC's plan is similar to Ontario Public Service Management and Excluded Plan, and the plan provided for unionized and non-unionized staff is the same.

Equity & Accessibility
OAC continues to implement key activities identified in the 2018 – 2022 Multi-Year Accessibility Plan and will roll out a digitized equity training program for staff, and eventually for board members and peer assessors.

The Deaf and Disability Arts and Access Advisory Group continues to meet twice a year in order to provide valuable feedback to OAC on its programs and initiatives.

Summary of Staff Numbers
OAC's actual headcount for 2018-19 was 71, or 68.88 full-time equivalents (FTE).
By the third quarter of 2019-20, OAC's headcount is forecasted to decrease to 59 staff, or 58.8 FTEs due to headcount reductions that are necessary as a result of streamlining and suspension of certain granting programs and services.

OAC has the following staff categories (with 2019-20 budgeted headcount numbers provided in parentheses): Senior Management (6), non-Executive Management (3), Unionized (48) and Exempt (2).

AMAPCEO is the bargaining agent for all employees of OAC, except persons exercising managerial functions or employed in a confidential capacity in matters relating to labour relations. The unionized staff include administrative support staff as well as arts professionals, such as our Program Officers.

Performance Measures

OAC has been tracking corporate-level outcomes-based performance measures for more than 10 years. Our first set of performance measures tracked outcomes over the period from 2006-07 through 2014-15. In 2016, OAC launched a process to develop new outcomes-based performance measures in the context of its current strategic plan, *Vital Arts and Public Value*. A key purpose of these performance measures is to articulate and then track the public value that OAC provides to the people of Ontario.

OAC's performance measures framework is based on a logic model that links OAC's key activities clearly and logically to positive societal outcomes – from short-term and mid-term outcomes through to long-term outcomes or impacts. The outcomes and long-term impacts that are identified in OAC's logic model clearly align with OAC's strategic plan, as well as with government priorities.

Based on best practices in the field, performance measures should focus on measures that are attributable to organizational activities. As such, measures are typically outputs (of activities) that relate to *short-term outcomes* – those outcomes that arise most directly from an organization's activities. For the short-term outcomes in OAC's logic model, OAC has identified a number of related performance measures. The selection of measures for each outcome was based on what information would be most helpful in guiding decisions and understanding how OAC is achieving its outcome goals.

A small number of relevant indicators have been identified for each of the measures. By using a variety of indicators to describe OAC's performance, it is possible to track relative performance (%), as well as specific values (# and $). Targets were established for each indicator to track performance over the implementation timeframe of the strategic plan.

Appendix 4 provides an overview of OAC's *Performance Measures Framework*, including the logic model and selected performance measures and related indicators for key short-term outcomes. This is an abridged version of a more detailed framework with the complete set of performance measures and indicators.

The key short-term outcomes and selected measures highlighted in the appendix include:

Short-term Outcomes	Creation, production, and presentation of vital art in Ontario	Increased skills and capacity in the arts sector	More public participation in and appreciation of the arts
Measures	Funding of artists and arts organizations in all parts of the province Employment and income for arts professionals in Ontario	Funding of grants and services that increase skills and capacity	Opportunities for Ontarians to experience and participate in the arts Opportunities for people outside Ontario to experience Ontario artists and arts organizations

OAC will be reviewing its performance measures framework during 2019-20.

Financial Budget and Forecasting

The Financial Forecast Summary with forecasts to fiscal year 2021-22 is included as Appendix 1.

Budget & Forecast Highlights
- OAC's base operating grant from the Government of Ontario for fiscal 2019-20 is$59,937,400 and is currently forecasted to remain at the same level through 2021-22.
- The program under the Canada-Ontario agreement on the promotion of official languages ended in 2018-19. OAC is in the process of applying to a new program.
- Under the Canada-Ontario agreement on cultural, artistic, and heritage activity and expression of the francophone community, OAC received funding to support visual and applied arts. This four-year program has ended and OAC has applied for new funding under this program for 2019-20 and 2020-21.
- OAC receives a limited amount of self-generated revenue every year. The majority of self-generated revenue comes from investment income from restricted and endowment funds and is used for the purpose of restricted and endowment funds. In 2019-20, OAC will use a portion of the restricted fund to support several OAC granting programs. Investment returns vary and the forecast of the investment income is consistent with the current outlook and plan. Other self-generated revenue includes fund administration, recovery of prior years' grants and miscellaneous items.
- OAC prepares a balanced operating budget annually. For 2019-20, OAC is targeting the overall allocation of expenditures as 87% towards granting, services, and programs; and 13% for administrative expenses.
- The budget and forecast take into account rising costs of salaries under the current collective agreement and annual rent adjustments, as well as operational efficiencies.
- Current year variances between the actual result and the budget are due mostly to the in-year reduction in provincial base funding and suspension of the Indigenous Culture Fund, as well as corresponding reductions in expenditures.
- OAC monitors its expenditures closely to ensure that no large variances occur. In order to fund unplanned expenses, OAC examines under-spending in other areas to make sure all expenditures can be supported. Larger expenditures are budgeted as part of the annual budget process.
- Grant commitments to be paid in the future after specific requirements are met are not included in the statement of expenditures until paid. The balance for these commitments at March 31, 2019 was $368,453 for base programs and $507,938 under Indigenous Culture Fund.
- OAC's capital assets consist of computer hardware, software, leasehold improvements, and furniture and office equipment. The net book value at March 31, 2019 was $1,340,192.
- OAC also records accumulated remeasurement gains as a part of its fund balances following the public sector accounting standards for government not-for-profit organizations. These gains are accumulated unrealized gains related to the different funds. The balance was $5,838,994 at March 31, 2019.

Information Technology

Information Systems & Technology Enabling Business Transformation

The primary function of the OAC's Information Systems & Technology (IS&T) program is to support OAC business objectives and innovation. OAC's IS&T team has been working on making sure the Nova grants management system efficiently supports OAC programs, is in compliance with all regulations and directives, and has strong data security. At the same time, the team is also striving to provide effective information management to support the continuing efforts of finding operational efficiencies and to support the data-driven, evidence-based decision-making process. In 2019-20, the IS&T team will be working on the following initiatives.

Information Governance
- Data Governance – IS&T will work on a data governance program to define a strategy and a set of procedures and plans to oversee the management of the availability, usability, integrity and security of enterprise data at OAC.
- Business Continuity – IS&T will continue to work on business continuity to ensure services to Ontarians and staff can be provided in all situations and scenarios, other than situations where OAC has no control.
- Disaster Recovery – IS&T will work on eliminating major infrastructure components by migrating services to cloud based solutions. Geographical redundancy, fail over and high availability will be the focus to ensure OAC services are independent of OAC physical location.

Business Intelligence
- Data Warehousing and Integration – IS&T will develop a plan to evaluate the feasibility of a data warehouse to house all the data from its grant management system, public website and other third-party services used by OAC; it is important to manage and control the proper flow of information between these loosely coupled systems, while at the same time managing the security, privacy and encryption of data.
- Intelligent Solutions – IS&T is laying the foundation at OAC for adoption and implementation of intelligent solutions for improved outreach and communications with the arts community in Ontario.
- Business Analytics – IS&T will collaborate with other teams to implement the business analytic tools to support more robust data driven decision making process.

Enterprise Risk Management
- Internal Audits – IS&T is in the process of or has conducted internal and 3rd party audits to help reduce the possibility of fraud, improve efficiency in operations, and ensure compliance with laws and statutory regulations; once the audits are completed, IS&T will work on the audit findings and improve data security, process optimization and documentation, and access controls.
- Security and Privacy – IS&T is working on a strategy to improve the security and privacy of OAC data and networks, including cloud and infrastructure services; IS&T will also train OAC staff and raise awareness of data security and privacy.

Records Management

OAC has been working on Archives of Ontario's Function-Based Common Records Series. In 2019-20, the focus of records management will be on the following:

- Finalize and implement function-based records series and schedules for all functions of the organization including granting, strategic management, finance, HR, IT, research and communications.
- Develop operating policies and procedures on information classification, metadata, and naming convention.
- Provide organization-wide training on new records management processes and protocols.
- Develop an Electronic Data Management System in the Office 365 platform.

Implementation Plan

Please see Appendix 5

Appendix 1- Financial Forecast

AGENCY:	FINANCIAL FORECAST SUMMARY						
	2016-17	2017-18	2018-19	2018-19	2019-20	2020-21	2021-22
Ontario Arts Council	*ACTUAL*	*ACTUAL*	*BUDGET*	*ACTUAL*	*BUDGET*	*FORECAST*	
PROVINCE OF ONTARIO							
MTCS Operating (including maintenance)	59,937,400	64,937,400	69,937,400	64,937,400	59,937,400	59,937,400	59,937,400
MTCS (CANON - French Language Services)	100,000			99,000	79,283		
MTCS (Indigenous Culture Fund)	108,894	3,471,143	5,000,000	3,809,420			
Other (Office of Francophone Affairs - Cultural Development)	70,000	65,000	60,000	60,000	37,500	37,500	
Other (Ontario Women's Directorate)	553,329	936,900		628,854			
Others				11,092			
1> TOTAL PROVINCIAL FUNDING	**60,769,623**	**69,410,443**	**74,997,400**	**69,545,766**	**60,054,183**	**59,974,900**	**59,937,400**
OTHER GOVERNMENT							
(specify program name, government & funding period)							
2> TOTAL OTHER GOV'T FUNDING	**0**	**0**	**0**	**0**	**0**	**0**	**0**
SELF GENERATED REVENUES							
Investment Income	2,114,854	1,961,480	1,160,000	3,390,381	2,835,000	1,835,000	1,835,000
Non-Government Grants							
Other (specify source e.g. fund transfers, reserve/restricted funds):							
Fund administration	68,702	74,088	60,000	72,478	69,634	65,000	65,000
Recovery of prior years' grants	48,531	94,945	50,000	122,616	75,000	50,000	50,000
Miscellaneous	80,269	47,774	50,000	109,959	57,680	50,000	50,000
3> TOTAL SELF GENERATED	**2,312,356**	**2,178,287**	**1,320,000**	**3,695,434**	**3,037,314**	**2,000,000**	**2,000,000**
4> TOTAL REVENUE: 1+2+3	**63,081,979**	**71,588,730**	**76,317,400**	**73,241,200**	**63,091,497**	**61,974,900**	**61,937,400**
EXPENDITURES							
Awards and expenses	1,857,093	1,785,590	875,000	1,502,604	935,000	950,000	950,000
Grants / other programs	52,064,831	59,661,525	64,905,511	62,194,439	52,965,938	51,886,655	51,849,155
Services	1,115,670	1,032,086	1,669,172	994,735	981,348	993,348	1,005,348
Administration							
Salaries & Benefits	5,502,533	6,077,926	6,507,717	6,597,362	6,098,259	6,208,259	6,318,259
Occupancy / Lease	544,373	535,220	570,640	559,736	583,084	598,000	633,000
Travel	143,944	157,392	173,600	115,394	145,280	110,000	105,000
Communications	270,659	201,868	260,000	178,614	169,450	160,000	160,000
Other	1,577,001	994,046	851,760	763,414	823,138	798,638	706,638
5> TOTAL EXPENDITURES	**63,076,104**	**70,445,653**	**75,813,400**	**72,906,298**	**62,701,497**	**61,704,900**	**61,727,400**
Net Income Surplus/(Deficit): 4-5	**5,875**	**1,143,077**	**504,000**	**334,902**	**390,000**	**270,000**	**210,000**
Amortization of deferred capital contributions							
Amortization of capital assets	-721,347	-549,845	-504,000	-507,243	-390,000	-270,000	-210,000
	721,347	549,845	504,000	507,243	390,000	270,000	210,000
Net Income Surplus/(Deficit) After Amortization	**-715,472**	**593,232**	**0**	**-172,341**	**0**	**0**	**0**
Net assets (deficit), beginning of year	**31,058,403**	**32,137,744**	**32,478,753**	**32,478,753**	**31,261,659**	**31,261,659**	**31,261,659**
Net remeasurement gains	**1,794,813**	**-252,223**		**-1,044,753**			
Net assets (deficit), end of year	**32,137,744**	**32,478,753**	**32,478,753**	**31,261,659**	**31,261,659**	**31,261,659**	**31,261,659**

Notes:

Funds that comprise the Net Assets (Deficit)

Invested in Capital Assets	824,922	515,459		224,269
Restricted and Endowment Funds	22,864,510	23,431,394		24,071,578
Unrestricted	1,312,342	1,648,153		1,126,818
Accumulated Remeasurement Gains	7,135,970	6,883,747		5,838,994
	32,137,744	**32,478,753**		**31,261,659**

Accumulated remeasurement gains of $5.8 million at the end of 2018-19 represent unrealized gains of restricted and endowment funds.

Appendix 2 - FTEs

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	FORECAST		
FTEs							
Total FTEs	63	66	67	69	59	59	59