



**ONTARIO ARTS COUNCIL**  
**CONSEIL DES ARTS DE L'ONTARIO**

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

## 2022-23 Board-Approved Business Plan

Submitted to the Ministry of Heritage,  
Sport, Tourism and Culture Industries  
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## MANDATE

***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 years old)
- Artists living in Regions outside Toronto

In 2021 OAC began development of a new strategic plan that will be completed in the spring of 2022. The plan will define vision, values, goals and strategies for the subsequent five years. Themes that are emerging through stakeholder engagement as part of developing the plan include post-COVID recovery and building economic stability, as well as equity, access, and the impact of the arts in building vital communities.

### **Supporting Government Objectives**

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 across the country and around the globe.

OAC's work is guided by government priorities and business is planned according to directions set out in the Minister's mandate letter. The information below demonstrates how OAC supports government goals in general, and specifically, during COVID-19.

### **Accountability**

OAC's mandate is subject to the Government of Ontario's Agencies and Appointments Directive. The accountability of OAC's Board of Directors is to the minister, the accountability of the OAC itself is to the government through the minister, and ministers are accountable for provincial agencies. OAC operates within the terms set out in a Memorandum of Understanding (MOU) between OAC and the Minister; the MOU reflects the accountability framework including the minister's accountability to Cabinet and the Legislature, which represents the public.

### **Recent actions responding to the pandemic:**

- Deputation to the *Standing Committee on Finance and Economic Affairs*: On June 26, 2020 OAC CEO, Carolyn Vesely, gave a presentation to the Committee and reported on the impacts of COVID-19 on Ontario's arts sector.
- OAC provided feedback to the Ministry's white paper, *Reconnecting Ontarians: Re-emerging as a Global Leader*, and participated in roundtable sessions led by the Minister in April and October 2021 to discuss collaborative, agency-led initiatives to support recovery.

- In the spring of 2020, OAC adapted quickly to the impacts of the pandemic by enabling Operating grant recipients to receive their annual grants without being assessed through the regular peer assessment process; OAC also very quickly developed an Arts Response Initiative projects program for which funds were redirected from programs that usually support activities not viable at the time. (e.g. Touring). The temporary Arts Response Initiative program supported new ways of working to build resilience.
- OAC maximizes investments in grants and supports the arts sector to rebuild and recover from COVID-19 impacts so that professional artists and arts organizations can continue building Ontario's diverse and successful arts sector: In 2022-23 OAC will continue to adjust granting programs to foster recovery of the arts sector in Ontario – more information on this can be found in the section *Operating grants 2020-21 and 2021-22: Pandemic Adjustments* on page 9.
- Following the suspension of the regular process for Operating grants in 2020-21, OAC developed a streamlined application process for Operating grants in 2021-22 which allowed OAC to fulfill its governance responsibilities while at the same time ensuring that applying to OAC is streamlined and efficient. OAC will continue to implement this streamlined approach in 2022-23.

### **Continuing Priorities**

- Bringing economic 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.

## **1. Bringing economic prosperity to Ontario**

### **Economic Contribution**

- Arts and culture directly contribute \$27.5 billion annually to the province's GDP – or 3.3% of Ontario's GDP.<sup>1</sup>
- The artists and arts organizations funded by OAC create the content used by the cultural sector to generate this impact. Put simply, there would be no cultural industries in Ontario without individual artist creators or the not-for-profit arts sector that presents and nurtures artistic product and builds audiences for it.
- OAC is the vehicle through which the government makes targeted investments in creation. For example, in 2018-19, OAC's operating grants supported the creation of 9,489 new artistic works by the province's artists and arts organizations, as well as direct production of creative product including 1,799 works broadcast on television, internet, video or radio, 643 works distributed exclusively using electronic media, and 11,465 media arts productions available for distribution.
- 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. It has gone on to receive widespread critical and popular acclaim, with very successful runs on Broadway, London's West End, throughout North America and in other cities around the world.
  - The acclaimed CBC television series *Kim's Convenience* began with a small OAC grant to playwright Ins Choi. His resulting play debuted as a theatre production at the OAC-funded Toronto Fringe Festival and was re-mounted by OAC-funded

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<sup>1</sup> *Provincial and Territorial Culture Indicators, 2019.* (product perspective) Statistics Canada, May 2021.

Soulpepper Theatre (including a cross-country tour and an Off-Broadway performance) before being picked up by CBC television.

- 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 \$14.25 in earned and private sector revenues.<sup>2</sup>
- Every \$1 in OAC operating grants translates into \$19.68 in total expenditures on goods and services by Ontario organizations – including \$11.18 in salaries and fees.<sup>3</sup>

### **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.<sup>4</sup>
- 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.<sup>5</sup>
- 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.<sup>6</sup>
- OAC provides operating support to about 550 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**

- In 2020-21, OAC grants directly supported arts activity in 206 Ontario communities.
- 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.<sup>7</sup>
- 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.<sup>8</sup>

## **2. Creating good jobs**

- Arts and culture provide 288,306 jobs in Ontario, or 4.1% of total provincial employment.<sup>9</sup>

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<sup>2</sup> Reflects actual data for 2018-2019 for 485 organizations from 2020-2021 OAC operating applications/CADAC

<sup>3</sup> Ibid.

<sup>4</sup> *Ontario Arts and Culture Tourism Profile*, Research Resolutions Consulting Ltd. for Ontario Arts Council, November 2012.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> *Downtown Revitalization Strategies in Ontario's Mid-Sized Cities: A Web-Survey and Case Study*, by Christopher Lauder, (Masters' Thesis) University of Waterloo, April 17, 2010.

<sup>8</sup> *Arts and Heritage Access and Availability Survey 2016-2017*, Environics Research Group, March 2017.

<sup>9</sup> *Provincial and Territorial Culture Indicators, 2019*. (product perspective) Statistics Canada, May 2021.

- The arts organizations funded annually by OAC provide work for more than 48,601 individuals and more than \$414.5 million in income paid. These not-for-profit arts organizations provide opportunities for artists to build artistic skills, technical craft and audiences – 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.<sup>10</sup>

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

#### **A great place to live and raise families**

- 93% of Ontarians believe that arts activities help enrich the quality of our lives, and 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.<sup>11</sup>
- 51,364 public arts activities were offered by OAC’s annually-funded arts organizations in 2018-19, reaching audiences and attendees totaling 24.7 million.<sup>12</sup>
- 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.<sup>13</sup>

#### **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.
- 65% of Ontario business leaders say that a thriving arts and culture scene is something that would make it easier to attract top talent to their community.<sup>14</sup>
- Similarly, 65% of skilled workers agree that a thriving arts and cultural scene is something they would look for when considering moving to a new community.<sup>15</sup>
- 80% of Ontarians agree that an active local arts scene helps communities to attract businesses.<sup>16</sup>

### **4. Making effective use of taxpayers’ dollars and ensuring accountability**

- OAC allocates public funds to the arts in a 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 13% of its budget spent on administration.
- OAC implementation of its online grant application and management system (Nova) resulted in increased efficiency and cost-effectiveness in the processing of the more than 10,000 applications OAC receives each year.

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<sup>10</sup> Reflects actual data for 2018-2019 for 485 organizations from 2020-2021 OAC operating applications/CADAC.

<sup>11</sup> *Impressions of the Impact of the Arts on Quality of Life and Well-Being in Ontario: Ontario Arts Council Survey Findings*, by Nanos Research for the Ontario Arts Council, March 2017.

<sup>12</sup> Reflects actual data for 2018-2019 for 485 organizations from 2020-2021 OAC operating applications/CADAC.

<sup>13</sup> *Impressions of the Impact of the Arts on Quality of Life and Well-Being in Ontario: Ontario Arts Council Survey Findings*, by Nanos Research for the Ontario Arts Council, March 2017.

<sup>14</sup> *Businesses’ thoughts on attracting employees through the arts and culture*, by Nanos Research for Business for the Arts, May 2016.

<sup>15</sup> *Skilled workers’ impressions of the arts*, by Nanos Research for Business for the Arts, April 2016.

<sup>16</sup> *Impressions of the Impact of the Arts on Quality of Life and Well-Being in Ontario: Ontario Arts Council Survey Findings*, by Nanos Research for the Ontario Arts Council, March 2017.

**In addition, the people of Ontario value the arts, and show their support in many ways:**

- 86% of Ontarians attend live arts events or performances (such as music concerts, plays or visual arts exhibits) at least once a year.<sup>17</sup>
- More than 60,000 Ontarians volunteered 1.7 million hours with OAC annually-funded arts organizations in 2018-19 – a value equivalent to \$32.5 million worth of hourly labour.<sup>18</sup>
- More than 380,000 Ontarians donate money to arts and culture organizations annually.<sup>19</sup>
- More than three-quarters (79%) of Ontarians believe that the government should spend public dollars to support the arts.<sup>20</sup>

*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 positive economic and social impacts for the people of Ontario and the province overall.*

## STRATEGIC DIRECTIONS

This Business Plan outlines how OAC will design and implement initiatives to ensure delivery of the mandate outlined in the Minister's letter to OAC. Activities will address development and sustainability both within OAC and for the stakeholders supported through OAC programs and services. OAC supports a sector that was one of the first and hardest hit by COVID-19. Almost two years into the pandemic it has been demonstrated that creativity, agility and resilience characterize artists and arts organizations in Ontario.

Planning is shaped by the observation that artists and arts organizations will be facing ongoing need to rebuild careers, audiences, markets and donor bases. OAC will need to sustain a balance of funding in both its Operating and Project programs as each one addresses capacity-building needs of arts organizations and the artists they present in different ways.

A central pillar of OAC's business is managing operating grants for more than 550 arts organizations around the province. In 2021 OAC responded to impacts of the pandemic by redesigning and streamlining applications and assessment processes. This helped achieve improvements and efficiencies that will be carried forward into 2022-23. In the year ahead, OAC's project programs (one-time funding) will again be adjusted to reflect restrictions on travel and touring for artists and organizations. Granting programs that previously funded touring and market development will fund capacity-building activities that will support artists and presenters to prepare for and create new opportunities to reach audiences and markets while the sector continues to adjust to COVID conditions.

In order to provide these services in the most effective and efficient manner, OAC will continue to address staff skills, technology gaps, and business processes that can be further improved. In 2019 OAC

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<sup>17</sup> *Arts and Heritage Access and Availability Survey 2016-2017*, Environics Research Group, March 2017.

<sup>18</sup> Reflects actual data for 2018-2019 for 485 organizations from 2020-2021 OAC operating applications/CADAC.

<sup>19</sup> *Volunteers and Donors in Arts and Culture Organizations in Canada in 2013*, Statistical Insights on the Arts Vol. 13 No. 3, by Hill Strategies Research Inc., February 2016.

<sup>20</sup> *Impressions of the Impact of the Arts on Quality of Life and Well-Being in Ontario: Ontario Arts Council Survey Findings*, by Nanos Research for the Ontario Arts Council, March 2017.

engaged consultants Lough Barnes to complete a review of Granting business processes. This review examined and validated the efficiencies gained and services improved by moving to on-line application management over the previous three years. In line with this review, at the end of 2019, OAC reorganized two positions in the Granting staff to create the new position of Associate Director of Granting – Business Operation. This position oversees business processes and staff work assignments to ensure efficiency and readiness for responding to shifting priorities.

OAC's Business Plan also addresses updates to risk management under COVID-19. In 2021, business continuity was achieved with excellent support from OAC's small but skilled IS&T and Operations teams. Applicants were unaffected by OAC's ongoing, temporary work-from-home business model. Regular risk management is addressed in the *Risk Identification, Assessment and Mitigation* section of this plan.

As noted above, OAC is developing a new strategic plan that will shape the agency's work over the next five years. Themes that are emerging through stakeholder engagement include post-COVID recovery and building economic stability, as well as equity, access, and the impact of the arts in building vital communities.

## OVERVIEW OF CURRENT AND FUTURE PROGRAMS AND ACTIVITIES

For more than five decades, OAC has fulfilled its mandate by fostering growth in and access to the arts for people in Ontario. In 2020-21, OAC invested \$78.6 million in 206 communities across Ontario through 2,176 grants to individual artists and 1,312 grants to organizations. This amount includes the one-time \$25 million Arts Recovery Support Fund from the Ministry of Heritage, Sport, Tourism and Culture Industries.

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 and 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 priorities, policies and programs and, in particular, makes all funding decisions. This relationship ensures that granting decisions are based solely on stated criteria, including merit, viability, impact and effectiveness.

Peer assessment is a highly effective and internationally respected decision-making mechanism through which 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 in decision-making and ensures that grants to artists and arts organizations are disbursed 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 followed.

### GRANTING PROGRAMS

OAC offers granting programs through four funding streams:



- Creating and Presenting
- Building Audiences and Markets
- Engaging Communities and Schools
- Developing Careers and Arts Services

## **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.

### **Operating grants**

Operating grants provide stability, allowing the approximately 550 professional arts organizations that receive operating grants from OAC to create jobs and make strong economic and social contributions to their communities. As well, operating grants are the most effective way to invest in arts infrastructure around the province. Operating grants fund organizations to develop, present and support innovative artistic projects and build the creative life of their communities in a way that one-time projects does not.

Peer advisors evaluate applications for operating funding based on four assessment criteria:

- Artistic and/or Service Quality (25%)
- Contribution to Artistic Field and Role Within Community (30%)
- Contribution to OAC Priority Groups (25%)
- Administrative and Financial Viability (20%)

Applications are reviewed, then scored and ranked by score. An organization's ranking informs whether its grant amount is increased, maintained or decreased (from the previous grant level). OAC considers new applicants for operating grants in order to support an evolving arts ecology, understanding that today's emerging arts organizations and arts professionals are tomorrow's industry leaders.

OAC operating grants are normally administered on three-year funding cycles. In Year 1 of a program's cycle, eligible organizations submit substantial applications to be assessed by a peer advisory panel. In Years 2 and 3, only organizations that have been newly admitted to the operating program, those having received funding decreases in the previous year, or those in a state of significant flux are required to submit full applications for assessment by a peer advisory panel. Other organizations submit scaled-down applications which outline any updated plans for review by OAC staff.

### **Operating grants: 2020-21 and 2021-22 – Pandemic Adjustments**

Due to the COVID-19 pandemic, operating grant recommendations in **2020-21** were not based on peer assessment and no evaluative framework was applied. Rather, OAC's Board of Directors approved a formula-based approach wherein 2020-21 grant amounts were based on 2019-20 operating grants awarded. This exceptional, one-time approach was implemented in order to respond to many arts organizations' urgent need for cash flow to sustain operations. OAC also recognized the difficulty in preparing and evaluating operating grant applications during the pandemic, when most organizations' programming and planning was in considerable flux. Suspending the intake and assessment of applications for the 2020-21 fiscal year gave organizations more time to focus on building stability as they endured major financial losses and managed other impacts of COVID-19 on their programming and operations.

The ongoing pandemic required another exceptional process in **2021-22**. In order to responsibly manage operating grant funds in another challenging year for the arts sector, OAC required all 2020-21 operating grant recipients to submit a simplified application for annual funding and peer panels assessed applications using a simplified evaluation rubric. New applicants were not invited to apply in this year. This streamlined approach ensured that OAC continued to be accountable to the public for operating grant funds, and in tune with the reality that organizations are facing at this time. It also allowed OAC to establish assessment benchmarks for a modified return to multi-year application and assessment processes in 2022-23 that takes into account ongoing pandemic conditions.

### **\$25M One-time Funding for Organizations**

In the budget tabled by the Ontario Government on November 5, 2020, \$25M in funding to the arts through OAC was included and announced by Minister MacLeod. Approximately \$15M was invested in major organizations (as defined by OAC, budgets greater than \$15M) and \$9M to OAC-funded core organizations. One million dollars supplemented the oversubscribed Individuals stream of the Arts Response Initiative (see below: Project Grant Initiatives: 2020-21).

### **Operating grants: 2022-23**

OAC will reinstate multi-year funding cycles for operating grants in 2022-23 with a modified approach that continues to respond to pandemic conditions. Application forms will remain streamlined. The evaluation rubric used by assessors will take into account the challenges that organizations are still managing in the ongoing pandemic. New applicants will be permitted to apply to all operating programs.

### **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 initiate the life cycle of artistic product, providing essential “R&D” for the cultural industries and the entire arts and culture sector. As projects develop, they can often lead to partnership and presenting opportunities with more established organizations, some of which are funded through operating programs.

Project programs are peer-assessed according to standard criteria (usually artistic merit, impact and viability). Applications to project programs are scored, ranked and assigned grant amounts by a panel of peers, within the parameters of a given program.

### **Project Grant Initiatives: 2020-21**

In 2020-21, OAC’s Board of Directors approved the creation of a one-time project program to support adaptation and recovery for artists and organizations across the province. The **Arts Response Initiative (ARI)** provided \$3.8M in COVID support funds reallocated internally. The program supported 515 high-impact projects across the province and demonstrated the great need for public funds to support pandemic recovery in Ontario’s arts sector. ARI grants helped to shore up artists’ and organizations’ efforts to remain financially solvent and adapt their businesses to new ways of working, both during the pandemic and after.

In 2021-22, OAC also launched a temporary program that supports relationship-building between artists and presenters during the suspension of OAC’s Touring and Market Development programs. The **Artist-Presenter Collaboration Projects** program promotes similar aims to the suspended programs, while the program design permits for a diversity of activities beyond ones that require travel. It supports network

and market development activities to help artists and presenters exchange knowledge and cultivate opportunities to reach audiences, communities and markets. It also funds touring, presentation, exhibitions and new forms of dissemination, as well as audience development and engagement activities. With the ongoing impact of COVID-19 on travel, in 2022-23, the Artist-Presenter Collaboration Projects program will continue to be offered in place of Touring and Market Development programs.

**Project Grant Initiatives: 2021-22**

The **Career Catalyst: Project Grants for New Generation Artists** program was developed to support the objectives outlined by the Minister’s March 2021 announcement of a one-time \$1M program to support individual artists who have seen their livelihoods severely affected by the pandemic. This program funds New Generation artists (ages 18-30) in the province who are at a crucial career stage to further their practice during a period of recovery from the COVID-19 pandemic. The program may also provide a first point of entry for artists new to OAC grant programs who have so far had limited access to public arts funding. Five hundred artists will receive \$2,000 grants for activities including professional development and training, marketing and promotion, the purchase of artist materials and supplies, software and hardware upgrades, and artist’s studio or workspace enhancements. OAC is piloting a streamlined approach to peer assessment with this program that aims to reduce the time before applicants receive the results. This is also made possible by using abbreviated application forms and fixed grant amounts.

The **Indigenous Arts Support** program will support the objectives outlined by the Minister’s November 2021 announcement of \$3.5M to support Indigenous artists and arts organizations in the province. This one-time project grants program will assist Indigenous artists, collectives and arts organizations working in any artistic discipline supported by OAC to research, develop, create and present new work, and to build capacity and to engage with their communities. Grants for professional artists are set at \$15,000 and grants for curators, programmers/presenters and literary editors are set at \$10,000. Indigenous collectives, groups and organizations can receive up to \$225,000 over three years.

**GRANTING BUDGET ALLOCATION**

Traditionally, approximately two-thirds of OAC granting dollars have been invested in operating programs and contribute to the arts infrastructure across the province; the remaining one-third has been directed towards project programs. The proportion began to shift in 2018-19 and is expected to remain at the current ratio. Currently 71% of grant dollars support operating grants. The desire to protect the arts infrastructure has necessitated the shift in balance between support to operating and project programs.

<b>Fiscal year</b>	<b>% of OAC granting dollars invested in operating grants</b>	<b>% of OAC granting dollars invested in project grants</b>
2016-2017	67%	33%
2017-2018	67%	33%
2018-2019	69%	31%
2019-2020	71%	29%
2020-2021 (approximate)*	71%	29%
2021-2022	71%	29%
2022-2023	71%	29%

*NOTE: These figures exclude Special Project Grant Programs (e.g. Creative Engagement Fund and ICF). For 2020-21, figures also exclude the one-time funding of \$25M included in the November 2020 Budget announcement. For 2021-22, figures exclude the one-time funding of \$5M included in the March 2021 Budget announcement.*

### **Operating Programs Framework: 2022-23**

OAC understands the need for financial stability and recovery so that organizations can successfully rebuild and “come back better” from pandemic-related challenges. In 2021-22, grant amounts for all well-assessed operating grant recipients were maintained at pre-pandemic levels (i.e. no assessment-based increases), and grant reductions were only applied to a small number of organizations where serious assessment concerns were unrelated to pandemic challenges.

In 2022-23, OAC plans to increase the operating grants of highly assessed organizations that are making a significant contribution to OAC priority groups, and that are currently underfunded compared to organizations of similar size and scope. We also anticipate funding some new organizations that have been waiting to enter the operating grants stream for some time.

### **Project Programs Framework: 2022-23**

Some measures will be taken in 2022-23 to reduce spending and increase the efficiency of project programs:

- *Dance Training Projects* program will be suspended and merged with the *Dance Projects* program.
- *Visual Arts Projects* program will be reduced from two application deadlines to one.
- *Artists in Residence – Education* program budget will continue to be reduced by \$150,000 (the budget was reduced in 2020-21 from \$350,000 to a revised budget of \$200,000).

In 2022-23, these programs will continue to be suspended in order to prioritize stable funding for operating grant recipients:

- *Arts Service Projects* program and its French language counterpart *Services aux arts – projets francophones*.
- *Compass* program.

In 2022-23, Touring and Market Development programs will continue to be suspended and funds will be redirected to the temporary program **Artist-Presenter Collaboration Projects**. This program supports pandemic-adapted presentation and circulation activities related to market development as well as the development of new and hybrid models of arts dissemination, such as digital platforms (see above, Project Grant Initiatives: 2021-22).

### **MARKET DEVELOPMENT**

OAC established a Market Development Initiative in 2016 to support career-related projects that empower 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 the pilot program (funded at \$40,000 in 2016 and increased to \$100,000 in 2017), OAC doubled its investments in 2018-19 by establishing a \$200,000 *Market Development Projects* granting program. 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. Despite the success of OAC’s Market Development programs, they were suspended for the 2020-21 and 2021-22 years due to travel restrictions and limits placed on in-person gatherings at the provincial, national and international levels. Funds were redirected to the one-time *Arts Response Initiative*.

In 2022-23, Market Development programs will continue to be suspended and funds will be redirected to the temporary *Artist-Presenter Collaboration Projects* program, which will support audience and market development activities adapted to the pandemic context and new ways of working. The program will focus on building relationships between artists and presenters in times of limited mobility, in order to make audience and market connections in new and lasting ways. Travel activities will be eligible in this new program as long as they meet the program objectives and comply with travel advisories. It will also include activities that are currently ineligible (e.g. digital exchange) in existing programs.

OAC plans to review its market development programs in 2022-23, with the intention of evaluating the successes of the 2016-19 initiative as well as the temporary Artist-Presenter Collaboration Projects program so that a new approach can be designed and implemented in 2023-24.

### **2022-23 PROGRAMS**

A table showing all operating and project programs OAC will offer in 2022-23 is on the following page.

<b>Artist-Presenter Collaboration Projects</b>	<b>Market Development Initiatives</b>
<b>Artists in Communities and Schools Projects</b>	<b>Market Development Projects (Suspended)</b>
<b>Artists in Residence (Education)</b>	<b>Market Development Travel Assistance (Suspended)</b>
<b>Arts médiatiques – projets francophones</b>	<b>Media Arts Organizations: Operating</b>
<b>Arts Organizations in Communities and Schools: Operating</b>	<b>Media Arts Projects</b>
<b>Arts Service Organizations: Operating</b>	<b>Multi and Inter-Arts Organizations: Operating</b>
<b>Arts visuels et métiers d'art – projets francophones</b>	<b>Multi and Inter-Arts Projects</b>
<b>Arts visuels, arts médiatiques et métiers d'art : organismes et centres d'artistes autogérés francophones – fonctionnement</b>	<b>Music Creation Projects</b>
<b>Chalmers Arts Fellowships</b>	<b>Music Organizations: Operating</b>
<b>Chalmers Arts Professional Development</b>	<b>Music Production and Presentation Projects</b>
<b>Connexions théâtres</b>	<b>Music Recording Projects</b>
<b>Craft Projects</b>	<b>Musique – projets francophones</b>
<b>Curatorial Projects: Indigenous and Culturally Diverse</b>	<b>Northern Arts Projects</b>
<b>Dance Organizations: Operating</b>	<b>Ontario Arts Presenters Projects</b>
<b>Dance Projects (+ Training Projects)</b>	<b>Organismes francophones de service aux arts – fonctionnement</b>
<b>Dance Training Projects: Equity and Access (Suspended)</b>	<b>Public Art Galleries: Operating</b>
<b>Deaf and Disability Arts Projects</b>	<b>Publishing Organizations: Operating (Book Publishers)</b>
<b>Deaf and Disability Arts Projects: Materials for Visual Artists</b>	<b>Publishing Organizations: Operating (Magazine Publishers)</b>
<b>Diffusion – projets francophones</b>	<b>Recommender Grants for Theatre Creators</b>
<b>Diffusion francophone – fonctionnement</b>	<b>Recommender Grants for Writers</b>
<b>Édition francophone – fonctionnement</b>	<b>Skills and Career Development: Indigenous Arts Professionals and Arts Professionals of Colour</b>
<b>Exhibition Assistance (Visual Arts)</b>	<b>Strategic Collaborations Fund</b>
<b>Indigenous Artists in Communities and Schools Projects</b>	<b>Théâtre – projets francophones</b>
<b>Indigenous Arts Projects</b>	<b>Theatre Connects</b>
<b>Indigenous Visual Artists' Materials</b>	<b>Théâtre francophone - fonctionnement</b>
<b>Literary Creation Projects (Works for Performance)</b>	<b>Theatre Organizations: Operating</b>
<b>Literary Creation Projects (Works for Publication)</b>	<b>Theatre Projects</b>
<b>Literary Organizations Projects</b>	<b>Touring Projects (Suspended)</b>
<b>Literary Organizations: Operating</b>	<b>Visual Artists Creation Projects</b>

### **Support to Local, Regional and Rural Arts Activities**

OAC's strategic plan prioritizes artists and organizations in regions outside Toronto. Peer assessment panels always include significant non-Toronto representation. In 2022-23, Northern applicants and communities will be supported through enhanced investment in a full-time OAC Northern Representative position, which replaces the part-time OAC Northwestern Representative. This person will provide tailored service to all Northern applicants (expanded to Northeastern) and engage in significant community capacity-building.

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 deadlines will be maintained in 2022-23. The program will be managed by the OAC Northern Representative.

### **Indigenous Arts**

OAC's strategic plan includes Indigenous artists and organizations as one of six priority groups. Peer assessment panels regularly include Indigenous representation. OAC employs an Indigenous Officer who manages three Indigenous Arts project programs as well as the Northern Arts program. OAC continues to implement its Indigenous Arts Development Plan through these programs as well as by continuing to fund and present the *OAC Indigenous Arts Award*, and by offering outreach and professional development tools on OAC's website.

In 2022-23, the Northern Arts program will be managed by the enhanced Northern Representative position so that the Indigenous Officer can focus on the Indigenous Arts Support program (a 2021-22 project grants initiative that will need ongoing administration in 2022-23) and can also conduct community consultation in the design of a new Indigenous Operating Grants program to be launched in 2023-24.

OAC plans to add an Indigenous Arts Outreach Associate, when possible, in order to increase opportunities for Indigenous artists and arts organizations.

### **Artists in Residence – Education (AIR-E)**

In 2021-22, OAC partnered with 13 school boards across the province (the list of school boards is in the *Initiatives Involving Third Parties* section, which starts on page 32). These 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.

### **Support to Deaf Artists and Artists with Disabilities**

OAC's strategic plan includes Deaf Artists and Artists with Disabilities as one of six priority groups. A dedicated program supports Ontario-based artists and arts professionals as well as ad hoc groups, collectives and arts organizations mandated to serve and led by artists or arts professionals who are Deaf and/or have a disability. The Deaf and Disability Arts Projects program funds all contemporary and traditional art practices that are supported at OAC, and the Materials for Visual Artists component of the program supports visual and craft artists to purchase materials required to create their work.

OAC maintains a designated Deaf and Disability Arts Access fund which supports Deaf artists and artists with disabilities in two areas:

- Application Support – funds a service provider 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. sign language interpretation, transportation, equipment rental, personal support worker, communication supports, etc.)
- There were 48 **Accessibility Fund: Application Support (AF:AS)** applications and \$17,027 spent in 2020-21 (39 AF:AS applications were invoiced by service providers). We saw requests for help with ASL interpretation, transcription, editing, navigating Nova, organizing, and formulating applicants' ideas, staying on task.
- There were 83 **Accessibility Fund: Project Support (AF:PS)** submitted applications, among which 25 successful project applications, and all 25 AF:PS applications have been supported. \$76,522 was spent in total towards AF:PS in 2020-21. In the past year OAC introduced a \$5,000 cap for AF:PS to address increasing demand. There is a dedicated program webpage and applicants now apply and report on AF:PS in NOVA and, as in the past, may apply at any stage of their project before completion. We are seeing requests for ASL interpretation, personal and communication supports. Requests for transportation have of course fallen off.

OAC continues to increase the number of peer assessors who are Deaf or who have disabilities. OAC ensures that supports are in place for assessors who need accommodation to participate fully. Since 2015, both ASL and LSQ interpretation are provided when required. OAC information sessions for Deaf artists and artists with disabilities have ASL interpretation provided. OAC staff communicate via email, Skype and Bell Voice Relay Service with Deaf artists, and arrange for ASL interpreters for meetings.

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

In 2021, OAC created a series of 22 videos that are ASL translations of key pages of OAC's website. These videos are posted at the top of web pages that contain important information about OAC's grant programs and processes (some examples of the videos can be found on the pages in these links: [New to OAC](#), [Grant Programs for Deaf Artists and Artists with Disabilities](#), [Deaf and Disability Arts Projects](#)).

### **Access to Programs**

OAC is continually improving access to its granting programs by:

- Offering online information sessions such as pre-deadline webinars, grant application workshops, simulated assessment panels and podcasts for project programs
- Continuing to clarify and simplify the public information OAC provides about its programs and processes
- Refining its online application process and producing tools and resources to support artists and arts organizations in using the online platform
- Continuing to develop and refine accommodation policies as they relate to OAC application and assessment processes
- Continuing to refine and simplify grant program structures and eligibility
- Encouraging artists and other arts professionals to express interest in participating on peer assessment panels
- Program staff, as well as the Northwestern Representative, are available by phone and email to answer questions about OAC's programs and processes.



## 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.

Below are OAC's financial estimates:

	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
<u>FORECASTED FUNDING FROM THE PROVINCE OF ONTARIO:</u>			
MHSTCI Operating (including maintenance)	\$59,937,400	\$59,937,400	\$59,937,400

OAC anticipates that its headcount will be 60 FTEs for 2022-23.

## 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 (Appendix 3), 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. The risks reflect the business environment and internal operations of OAC.

The Governance Committee of the Board of Directors annually reviews the Risk Assessment Worksheet prepared by management. The worksheet is also provided to new Board members as part of their orientation. The worksheet is updated as circumstances change throughout the year, with changes brought to the Board of Directors for approval on an as-needed basis.

## ENVIRONMENTAL SCAN

This scan provides a brief summary of key issues and occurrences in OAC's external and internal environment that are anticipated to affect OAC's work over the coming year.

### EXTERNAL ISSUES

#### Issues/Trends Affecting Ontario's Arts Sector

Based on information that arose during the assessment process of the 2020-21 OAC operating grant applications and relevant research, the following key issues and occurrences were identified:

#### COVID-19

Nearly two years since the beginning of the COVID-19 pandemic, a time in which most arts organizations were unable to operate, it continues to be the predominant external factor influencing the arts sector in Ontario. While the full impact of the pandemic will take years to assess, artists and arts organizations of all disciplines have been affected. Beyond the obvious financial losses, there are issues related to staffing, artist and arts worker burnout, and the operational challenges of re-opening amidst pandemic

rules and regulations. Despite the unrelenting challenges there are also signs of progress and positive developments.

An Ontario Nonprofit Network survey of non-profit organizations conducted during the province-wide lockdown in the spring of 2021 found that:

- **Revenue:** Three in four (75%) arts and culture organizations reported a decrease in revenue (to some degree) since the onset of the pandemic. Four in ten (42%) estimated a decrease in revenue of 50% or higher.
- **Subsidies:** One-third (33%) benefited from the Canadian Emergency Wage Subsidy (CEWS), 22% from Canadian Emergency Business Account (CEBA), and 17% from Canada Emergency Rent Subsidy (CERS).
- **Virtual:** In terms of operating status, 59% were operating but have adapted to a virtual work and/or service delivery and 30% had closed their doors temporarily.
- **Closures:** Nearly a third (32%) are aware of other arts and culture organizations which have permanently closed due to pandemic, which is significantly higher than the percentage for non-profit organizations overall (at 18%).
- **Future:** Just over half of arts and culture organizations (53%) forecasted being able to stay open for 12 months or longer, while the remaining 47% forecasted a period of less than 12 months. In the next 6 to 12 months, the majority expected that their organization's situation would improve (53%) or remain the same (33%). Fourteen percent (14%) felt it would worsen.
- **Staffing:** Nearly three in ten (27%) laid off full time staff. Of these, nine in ten (87%) plan to hire some or all of them back again. Two-thirds (66%) lost volunteers.<sup>21</sup>

Within the context of COVID-19, some important issues and occurrences are described below:

- **Financial Impact and Pressure:** While the overall financial impact of the pandemic has been devastating, it will take more time to assess the magnitude. There is a two-year lag in financial data for OAC-funded operating organizations, however the 2019-20 statistics include some organizations with fiscal years that extend into 2020 and revenue decreases are becoming apparent. Early estimates indicate that from 2018-19 to 2019-20, total revenue across all organizations dropped by 18%.
- There are several factors that have contributed to the severity of impact. Organizations that rely heavily on earned revenue sources (e.g. box-office, advertising, facility rentals) such as performing arts and festivals have been affected the most, while those reliant on other sources such as foundations and agencies may be less affected. The organizations that qualified for government programs and COVID-19 emergency relief funds, had lower expenses, maintained surpluses, and/or pivoted to online programming, will be more secure. Smaller organizations that often did not qualify for government relief programs and COVID-19 emergency funding may be in a more precarious position. While many organizations were able to produce digital programming, this was often offered for free. Closures will be inevitable, but the fallout remains to be seen. In October 2021, Canadian Art, the nearly forty-year-old visual art magazine closed citing financial losses associated with the COVID-19 pandemic amongst other issues.

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<sup>21</sup> COVID-19: *The state of the Ontario nonprofit sector one year later*, Ontario Nonprofit Network, May 2021, available at: <https://theonn.ca/our-work/covid-surveys/>

- **Staffing issues:** A large swath of arts organizations was forced to lay-off employees during the pandemic. Early estimates show that from 2018-19 to 2019-20 (includes some organizations with fiscal years that extend into 2020), the total number of full-time equivalent staff for all OAC-funded operating organizations decreased by 12% and the number of positions decreased by 33%. However, it will take more time to fully measure the decreases in staffing because of the two-year lag in CADAC statistical data. Some artists and arts workers have left the arts sector to pursue careers in other industries where the future seems more certain. Arts presenters, particularly smaller organizations, have been challenged by trying to operate in an environment of constantly changing rules and regulations resulting in burnout and mental health issues. Related to this, individual artists have had to reinvent themselves and learn new skills, especially related to digital.
- **Digital Engagement:** Many organizations were challenged to develop creative online projects as regularly planned programming and major projects got cancelled. Many were successful at pivoting and presenting some form of virtual event in the form of conversations, panel discussions, and eventually recorded or live-streamed presentations. Most visual arts galleries quickly and efficiently pivoted to online exhibitions and operations by photographing work and presenting virtual on-line viewing. When in-person activities resume, many organizations – having shown that virtual arts engagement is possible – may offer a hybrid (in-person/virtual) program model. However, questions exist as to whether the demand for digital programming will maintain when in-person attendance resumes, fees are introduced, and online presentations face competition from commercial giants like Netflix, Disney, Amazon, and Prime that have enormous budgets. In the September 2021 findings from WolfBrown’s Audience Outlook Monitor – Ontario, six in ten (62%) indicate that online programs will play a role in their cultural life after in-person performances resume, however this role will mainly be minimal (48%), rather than substantial (14%). For the remaining thirty-eight percent (38%) it will not play a role. Older respondents (peaking at 23% among those 65 or older) are most likely to say it will play a substantial role.<sup>22</sup>
- A shift towards digital (or a hybrid approach) raises familiar and new challenges such as capacity, training, navigating contracts and developing fee schedules for both digital and in-person work, and how organizations will support artists amidst this change. Festivals previously defined by region may need to re-position themselves once geographical barriers have dissolved, the definition of media and visual arts may need to evolve, and a greater understanding of the virtual and in-person audience experience may need to be sought. Despite the challenges, there have been some positive elements of digital programming such as: increased reach (to national and international audiences), and greater accessibility for those for whom in-person attendance is a challenge (for example, older people, caregivers, those living in rural areas).
- **Sector Recovery:** In October 2021, capacity restrictions were lifted in Ontario. However, on January 5, 2022, the Ontario Government moved the province back to a modified version of Step 2 in its *Roadmap to Reopen* because of rising COVID-19 hospitalizations. This included closing indoor concert venues, theatres, cinemas, museums, and galleries until at least January 26, 2022. (At time of writing, with key public health and health system indicators starting to

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<sup>22</sup> WolfBrown Audience Outlook Monitor – Ontario, WolfBrown, September 2021, available at: <https://www.audienceoutlookmonitor.com/ontario-arts-council>

show improvements, Ontario has released details of steps to cautiously and gradually ease public health measures, starting on January 31, 2022.)

- It is unclear when, and how often, people will return to in-person events. September 2021 findings from WolfBrown's Audience Outlook Monitor – Ontario (described earlier) indicate a cautious return with over half (53%) saying they will resume attending live performance arts programs in January 2022 or thereafter (note that the survey was conducted just before the capacity restrictions were lifted). Many (46%) will wait and see what happens with public adoption of the vaccine and infection rates.<sup>23</sup>
- **Diversity, Equity, and Inclusion:** A focus for many arts organizations is responding to social movements for equity, justice, and calls against anti-black and anti-indigenous racism. Many organizations have experienced a sudden and pressing demand for change as organizations rebuild after the pandemic. Organizations are at different stages of their equity development – some further along than others. Along with this is an increased questioning of the relevance of historical, Eurocentric art forms and a move towards placing new work, new voices, and diverse stories front and centre. Arts organizations are being challenged not just to re-build, but to make fundamental change to maintain relevance. Some are prioritizing anti-racism/oppression training for staff members, centering equity and inclusion in their practices, and exploring how to establish long-term relationships with racialized and Indigenous artists.
- **Innovation, Collaboration and Partnerships:** On a positive note, the pandemic has inspired and expedited innovative solutions that may have otherwise taken longer to materialize. In the shift to digital, online purchasing platforms are an example of the infrastructure that is now in place for these events. The pandemic has also forced greater cross-disciplinary collaboration and partnerships among organizations out of necessity.

## FUNDING ENVIRONMENT

In addition to OAC's Indigenous Arts Support Program and Career Catalyst: Project Grants for New Generation Artists and other Ontario provincial supports, a number of COVID-19-related funds have been established to help the arts sector recover. As of the writing of this environmental scan, some examples include:

- In June 2021, the federal government announced \$1.9 billion in funding over the next five years to the arts, culture, heritage and sports sectors. The investment will be distributed through two funds and administered by Department of Canadian Heritage, Canada Council for the Arts, and Telefilm Canada:
- The **Recovery Fund for Arts, Culture, Heritage and Sport Sectors** will leverage existing programs to provide \$300 million over two years to organizations that are still struggling due to the pandemic. The **Reopening Fund** will provide \$200 million over two years through existing programming to help Canada's festivals, cultural events, outdoor theatre performances, heritage celebrations, local museums, and more.
- The funds include: \$75 million to the Canada Council for the Arts and \$35 million over two years to Telefilm Canada. Some of the funding that will be distributed through Canadian Heritage include: \$54 million to celebration and commemoration; \$35 million to the Canada Arts Presentation Fund; \$41 million to the Museums Assistance Program, \$31.5 million to Canada Periodical Fund, \$16 million to the Canada Cultural Spaces Fund, \$12 million to the Building

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<sup>23</sup> *Ibid*

Communities Through Arts and Heritage Program, \$11.4 million to the Canada Book Fund, \$10.5 million to local news and programming; \$10 million to Local Journalism Initiative, \$7 million to the Canada Music Fund, \$5 million to Canada Media Fund, and \$5 million to the Canada Arts Training Fund.

- Of the \$181.5 million in additional federal funding that the Department of Canadian Heritage and the Canada Council for the Arts in funding received in 2021, the Canada Council for the Arts invested \$116.5 million. \$66 million went to its Explore and Create program and \$50.5 million went to its one-time Digital Now Initiative which supports the adaptation and creation of works to be shared online. Canadian Heritage distributed the remaining funds through three programs: Building Communities through Arts and Heritage program, the Canada Arts Presentation Fund, and the Canada Music Fund.
- Many Ontario artists and arts organizations have been relying on federal support programs. For **arts organizations** these include the Canadian Emergency Wage Subsidy (CEWS) and the Canada Emergency Rent Subsidy (CERS). The CEWS and the CERS expired in October 2021 and was replaced by two targeted programs: the Tourism and Hospitality Recovery Program, which targets organizations in selected sectors of the tourism and hospitality industry that have been deeply affected since the outset of the pandemic and that continue to struggle, and The Hardest-Hit Business Recovery Program for organizations that do not qualify for the Tourism and Hospitality Recovery Program and that have been deeply affected since the outset of the pandemic.
- For **individual artists**, the Canada Recovery Benefit (CRB), which replaced the earlier Canada Emergency Response Benefit (CERB), was a key support for employed and self-employed artists who are not entitled to Employment Insurance benefits. In October 2021, The Canada Recovery Benefit (CRB) expired and was replaced by the Canada Worker Lockdown Benefit – a smaller benefit that is strictly for those whose work is directly impacted by government-imposed lockdowns. The expiration of this program is causing concern, especially for self-employed artists because the prospect of future work is uncertain, restrictions remain, and the economy has not yet recovered.

## **POLICY/LEGISLATIVE ENVIRONMENT**

- **COVID-19:** The Standing Committee on Canadian Heritage released a report in April 2021 called “Impacts of the COVID-19 Pandemic on the Arts, Culture, Heritage and Sport Sectors”. In the report, the Committee recommends that the Department of Canadian Heritage strike a committee to study new funding models for organizations in the arts, culture, heritage and sport sectors. In July 2021, the government reported to the Committee that work in this regard was underway.
- **Copyright:** On July 30, 2021, in the case of York University versus Access Copyright, after hearing appeals from both parties, the Supreme Court of Canada upheld a previous decision which stated that copyright tariffs imposed by Access Copyright, a non-profit organization that collects and distributes royalties for Canadian authors and publishers, are not mandatory for postsecondary institutions that choose not to have a license agreement with the organization. According to Access Copyright, over \$150 million in royalties has been lost to Canadian creators and publishers due to the education sectors interpretation of the *Copyright Act’s* fair dealing provision. In response to the Supreme Court’s ruling, Access Copyright called on the federal government to “remedy the untenable situation in which creators find themselves as a result of the Court’s decision.” Other organizations have echoed Access Copyright’s statement, urging the federal government to get involved by reforming the Copyright Act.

- **Broadcasting and Telecommunications:** Bill C-10 was passed by the House of Commons on June 22, 2021 and awaits Senate approval. The bill seeks to amend the Broadcasting Act to account for the increased prominence of internet video and digital media, by adding undertakings that conduct "broadcasting" over the internet to the regulatory scope of the Canadian Radio-television and Telecommunications Commission (CRTC).

Supporters of Bill C-10 state that it would allow the CRTC to compel foreign streaming services (such as Netflix, Amazon Prime Video and Disney+) to follow similar regulatory obligations to conventional radio and television broadcasters, including mandating that they make contributions to the Canada Media Fund to support the production of Canadian content (which was projected by government officials to result in at least \$830 million in additional funding by 2023), and improve the discoverability of Canadian content on their platforms. Supporters in the arts sector are pressing the Senate to expedite its consideration of Bill C-10 and pass this legislation as soon as possible.

- **Minimum Wage:** As part of the 2021 Fall Economic Statement, the Ontario government will introduce legislation that, if passed, would raise the general minimum wage from \$14.35 to \$15.00 per hour effective January 1, 2022. This could be challenging for professional not-for-profit arts organizations in terms of salary costs as they recover from the pandemic but will help the income precarity of artists and cultural workers.

## **INTERNAL ISSUES/FACTORS**

### **Strategic/Policy Related**

OAC's strategic plan, [Vital Arts and Public Value: A Blueprint for 2014 to 2020](#), provides a framework to guide OAC activities, funding programs, and services. OAC arts support activities are organized in four funding streams, in the context of six priority groups. In 2021-22, OAC engaged with stakeholders to develop its new strategic plan. The new strategic plan will guide OAC to support the arts sector to recover from the pandemic and grow in the post-pandemic environment. The new strategic plan will also provide the guidance and framework for future OAC priorities, programs and services.

In 2020-21, during the pandemic, OAC changed its assessment processes and developed a new program, the *Arts Response Initiative* to provide urgent targeted funding to artists and arts organizations impacted by the pandemic. On November 5, 2020, the Ontario budget was announced and included in it was a Government of Ontario one-time \$25M allocation in funding through OAC to support arts institutions across the province. In 2021-22, OAC suspended its Touring and Market Development programs due to public health restrictions on travel and gathering and channeled the funds towards a new Artist-Presenter Collaboration Project program which provided the support to the arts sector in the areas needed. Thanks to the \$5M increase in funding from the Government, two new programs were launched in 2021-22 to support indigenous artists and arts organizations as well as new generation artists: the *Indigenous Arts Support* program and *Career Catalyst Projects* program.

### **Governance**

OAC's Board, with a capacity of 12 members, oversees OAC strategies and operations. OAC will work with the government to ensure a strong board and governance structure is in place.

## **Organizational**

As OAC strives to achieve cost efficiency, the organization will focus on ensuring proper internal resources are allocated to supporting its business operations.

## **Legal/Compliance**

OAC reviews its operational policies and procedures regularly to ensure ongoing compliance with applicable requirements of Ontario regulations, directives and policies. In 2020-21, a new OPS Procurement Directive took effect. OAC updated and implemented the necessary steps to ensure compliance with the procurement directive. The focus of the procurement at OAC is to have strong processes and policies to generate value and reduce risks to the organization. In the next several years, OAC will work with Supply Chain Ontario to support the government initiative of supply chain centralization.

To comply with the Transfer Payment Accountability Directive, OAC continually reviews its granting policies and procedures, as well as the terms and conditions of OAC grants. Together with its Records Management program, OAC ensures it is compliant with government regulations and represents best legal practices in its business.

In 2021-22, OAC undertook a records management digitalization project that operationalized records management in the Microsoft 365 Compliance Centre and automated application of retention policies to digital records. In the next several years, OAC will continue to develop its data governance program, including metadata schema and file naming standards. The evolution of the work will shift from focusing on compliance to focusing on governing data assets to better leverage information capital for informed organizational decision making and strategy development.

OAC has substantially transformed its business to digital services, which provides value to Ontarians. OAC will continue to leverage available applications in the current systems for effective and efficient management of record lifecycle. In a continuing effort to align with OPS initiatives as practical and appropriate, OAC will introduce Recordkeeping Requirements Identification to the acquisition process of IT solutions. This will ensure that recordkeeping requirements are identified and accounted for at the planning stage of IT solutioning.

OAC will also continue to actively participate in OPS communities of practice groups to stay abreast of new developments and initiatives such as the Digital and Data Directive, File Sharing Modernization, and Governance and Management of Information and Data Assets. OAC will adopt changes as required and will promote best practices in records and information management.

In 2018-19, OAC was selected to participate in the expense review program by the Office of the Integrity Commissioner of Ontario (OICO). Since that time, OAC has been working with the OICO to address any issues in expense management and to improve processes and compliance.

## **Operational /Service Delivery/Information Technology**

Since its successful launch in 2017, OAC's online grant application management system, Nova, has transformed the way OAC conducts business and interacts with grant applicants. Particularly during the pandemic, Nova became an essential system of support for OAC programs and services. Building on this experience, OAC continues to improve its service delivery by working with system users and vendors to improve user experience, system functionality, reliability and accessibility. Because Nova is a cloud-

based solution, OAC works closely with service providers to maintain system security and manage performance.

The pandemic has highlighted the need for OAC to have a robust IT infrastructure to support remote work efficiently and securely. OAC continues to improve its digital service deliveries and to migrate OAC's IT infrastructure and remaining local applications to cloud-based solutions, which will improve service delivery, system reliability and reduce costs. Another area the pandemic highlighted is the importance of having a robust business continuity plan (BCP). OAC completed its BCP in 2021-22. In the next several years, OAC will further strengthen organizational resilience by refining and updating its BCP to reflect best practices and lessons learned from the pandemic, including: emergency management; government regulations and orders; public health guidance; communications protocols; and contingent organizational policies and procedures for rapid adaptation to changes in the work environment. Annual testing of the BCP will also be conducted to inform and refresh business continuity operating procedures and playbooks.

To further improve its operational efficiency, OAC will continue to digitize routine administrative tasks and workflows using available Microsoft 365 apps such as PowerApps and Power Automate. The automation of routine tasks and workflows will continue to improve efficiency both in terms of process and in generating reportable data for analysis and ongoing improvement.

#### **Workforce and Labour Relations Issues**

The current Collective Bargaining Agreement between OAC and AMAPCEO was ratified in 2018. In 2021-22, OAC began work to prepare for renewal of the agreement. OAC will work with Treasury Board to ensure the new agreement is in compliance with government regulations.

On January 10, 2022, OAC experienced a change in leadership. An Interim CEO has been appointed while a search is being conducted for a new CEO. The Board plans to have a new, permanent CEO in place by summer 2022.

Similar to OPS and many other organizations, OAC will be piloting a hybrid work arrangement when the office reopens. The goal is to sustain a flexible, high-performing and engaged workforce. It is expected that some policies and procedures will need to be modified to support a hybrid work arrangement. OAC will closely examine these changes to ensure that clear business objectives are built into them.

The pandemic has impacted the workforce in many ways. As the office reopens, workforce management becomes an important area in that it need to support a healthy and productive team. OAC will leverage a new HR management system and will work to identify and implement changes required to support its employees in the post-pandemic workplace. OAC is prepared to adapt to emerging new realities of the post-pandemic workplace and to continue to effectively and efficiently provide service to grant applicants, grant recipients, and other stakeholders.

#### **Investments**

OAC manages its investment portfolio prudently to support its granting and awards programs. The high volatility of the market is expected to continue as the pandemic is still weighing on business activities. OAC regularly reviews its investment risks and adjusts the expected returns. The potential impact of low investment returns will be greater for restricted and endowment funds than for the operating fund. In particular, grants and fellowships supported by the Chalmers' fund will be affected by the change in expected investment returns.



## STAFFING, HUMAN RESOURCES, AND COMPENSATION STRATEGY

Fiscal year 2022-23 will be a period of renewal for OAC with the implementation of a new strategic plan, the addressing of recommendations from an equity assessment, and the return to the physical workplace following an extended time working from home during the COVID-19 pandemic. These are significant activities that require the attention of all staff at all levels of the organization.

As society and businesses begin to reopen safely, so will OAC with a hybrid/flexible work model, an option that is now possible through technology improvements that have been implemented. This hybrid work model will support OAC in attracting and retaining employees while not sacrificing customer service standards or the benefits of employee engagement and collaboration that occurs when staff are together in the same workplace.

The length of the pandemic may produce a lingering impact on the mental, physical and potentially financial health and wellbeing of staff. Their encounters and support of a community that has been devastated by the pandemic can take a toll. OAC will continue to spotlight the benefits of wellness through resources provided by our Employee and Family Assistance Program benefits provider and other initiatives of interest to employees.

Despite the pandemic and the competitive marketplace, OAC's workforce has remained relatively stable during these difficult times, and as of the date this plan was submitted there were five resignations in the 2021 calendar year, notably two of them in IT, resulting in an annual turnover rate of 8.77%.

OAC's biggest HR business risk continues to be our very lean staff structure, particularly in areas outside of the primary business of Granting. This creates potential issues regarding business continuity, due to lack of knowledge and experience within the organization to manage work responsibilities in case of unexpected absences or sudden departures. OAC has also seen a significant increase in demand of our granting programs during the pandemic which has meant an increased workload spread throughout existing staff. The goal in this year is to evaluate the critical business functions and supply additional human resources to address the biggest risks, such as in Finance, IS&T, and Human Resources.

OAC's permanent staff headcount is projected to be 60 for 2022-23.

### **Areas of Focus in 2022-23**

#### **Collective Bargaining**

The AMAPCEO and OAC Collective Agreement will expire on March 31, 2022. OAC will most likely be in negotiations in the winter to early spring of 2022.

#### **Compensation and Benefits**

Changes to compensation and benefits will be negotiated with the renewal of the collective agreement. Non-executive management staff receive increases similar to the bargaining unit.

In accordance with the current review of the Broader Public Sector Executive Compensation Act, executive (directors) salaries have remained frozen since 2018.

OAC continues to provide healthcare benefits administered by Canada Life, through its association as an agency of the government. OAC's plan is similar to the Ontario Public Service Management and Excluded

Plan, aside from the healthcare spending account. The same plan is provided for unionized and non-unionized staff.

### **Equity & Accessibility**

OAC has met all of its legislated obligations under the AODA and will be developing a new Multi-Year Accessibility Plan to take effect in 2022. Consultation with OAC's external Deaf and Disability Arts and Access Advisory Group will take place on the development of the new plan, taking into consideration feedback received in the strategic planning process from Deaf artists and artists with disabilities.

OAC conducted an equity assessment in 2021 that resulted in a series of recommendations that will be implemented to strengthen the organization's response to systemic racism. One of the major initiatives will be to create a position of Equity, Diversity and Inclusion Manager - a new senior equity role reporting to the CEO to advance equity, diversity and inclusion at OAC. OAC previously had an Equity Coordinator, but that position was eliminated in 2019 due to downsizing. The assessment has clearly identified a demand and need for a similar position to be reinstated in the organization, and at a higher level. With the hiring of this new equity position, there will be strategies developed to ensure an equity lens is applied to our policies, practices, engagement and decision making, with corresponding metrics and reporting.

OAC is committed to Indigenous reconciliation and in demonstrating this, plans include adding a third position focused on providing outreach and applicant support to the existing two Indigenous Arts granting positions, thereby enabling OAC outreach efforts to reach more Indigenous artists and communities.

### **Summary of Staff Numbers**

OAC's headcount for 2021-22 year-end was 59 full-time equivalents (FTE).

OAC had the following staff categories in 2021-22:

- Executive (6)
- Management (4)
- Unionized (45)
- Contract/Unionized (2)
- Exempt (2)

OAC anticipates that its headcount will be 60 full-time equivalents (FTE) for 2022-23.

OAC will have the following staff categories in 2022-23:

- Executive (6)
- Management (5)
- Unionized (45)
- Contract/Unionized (2)
- 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. Unionized staff include administrative support staff as well as arts professionals, such as our Program Officers.

## OUTCOME AND OUTPUT-BASED PERFORMANCE MEASURES AND TARGETS

OAC has been tracking corporate-level outcomes-based performance measures for more than 15 years. The first set of performance measures tracked outcomes from 2006-07 through 2014-15. In 2016, OAC launched a process to develop new outcomes-based performance measures in the context of the 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 clearly links OAC’s key activities 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 directly align with OAC’s strategic plan and mandate, as well as with overall government priorities.

Based on best practices in the field, performance measures 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 measures for each outcome were selected 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 specific values (# and \$) as well as relative performance (%). Targets were established for each indicator to track performance over the implementation timeframe of the strategic plan.

The key short-term outcomes and selected measures highlighted in Appendix 4 include:

<b>Short-term Outcomes</b>	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	Continuous improvement in fostering a vital and sustainable arts sector
	Funding of artists and arts organizations in all parts of the province	Funding of grants and services that increase skills and capacity	Opportunities for Ontarians to experience and participate in the arts	Administrative efficiency in assessment process
<b>Measures</b>	Employment and income for arts professionals in Ontario		Opportunities for people outside Ontario to experience Ontario artists and arts organizations	Stakeholder satisfaction

The framework includes both programmatic and operational performance measures. OAC expanded its original Performance Measures Framework to include additional operational impact measures with indicators and targets relating to service standards in the areas of administrative efficiency, stakeholder satisfaction and complaints process.

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

## FINANCIAL BUDGET

The Financial Forecast Summary with forecasts to fiscal year 2024-25 is included as Appendix 1.

### **Budget & Forecast Highlights**

- OAC received a one-time funding increase in 2021-22 to bring its operating funding from the Government of Ontario to \$64,937,400. It is assumed that the base operating grant from the Government of Ontario will be at \$59,937,400 in fiscal 2022-23 to fiscal 2024-25.
- As the Government announced on Nov 3, 2021, new project programs of Indigenous Arts Support Program and Career Catalyst will be introduced in 2021-22 to create more opportunities for Indigenous artists and arts organizations to reconnect with their audiences and recover from the impacts of COVID-19 and help new emerging artists across all disciplines during a pivotal stage in their careers.
- OAC receives limited amounts of self-generated revenue every year. The majority of self-generated revenue comes from investment income of restricted and endowment funds. This revenue can only be used for the stated purpose of the restricted and endowed funds. Therefore, lower than expected investment income is considered a low risk to the operating fund and programs. Investment returns vary and the forecast is consistent with the current outlook. Other self-generated revenue includes cost-recovery fund administration, recovery of prior years' grants, and miscellaneous items.
- OAC prepares a balanced operating budget annually with a general forecast allocation of approximately 85% towards grants and programs, 13% for administrative expenses and 2% for services.
- The budget and forecast takes into consideration the rising costs in salaries under the current collective agreement (executive compensation is frozen) and annual rent adjustments, as well as operational efficiencies.
- In analyzing the impacts of the COVID-19 pandemic, OAC repurposed funds in 2021-22 from several programs to provide support in the new Artist-Presenter Collaboration project program to the arts sector to manage the disruption and losses caused by the pandemic.
- 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 it will support expenditures within its budget. Larger expenditures are budgeted as part of the annual budget process.
- In addition, a budget is prepared to use reserves strategically. For 2021-22, OAC budgeted for several projects funded by the Board-designated reserve fund. These include the following:
  - OAC's new strategic plan development activities to support proper consultation and community feedback in developing the new strategic plan which will guide OAC operations in the next several years.
  - Information systems and operations projects to support system enhancement and upgrade OAC equipment and network to support virtual meetings and a remote work environment.

- Activities to support the development of a more equitable, diversified and inclusive work environment.
  - New collective bargaining activities to negotiate a renewal of the collective agreement with the union.
  - Potential OAC organizational review to improve its operational efficiency.
  - Communication and community engagement activities including the 'Ripple Effect' video project and support of Culture Days.
  - Develop and implement a new HR management system and payroll system.
- 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, 2021 was \$644,499.
  - OAC's capital assets consist of computer hardware, software, leasehold improvements, as well as furniture and office equipment. The net book value at March 31, 2021 was \$821,386.
  - OAC also records accumulated remeasurement gains as a part of its fund balances following public sector accounting standards for government not-for-profit organizations. These gains are accumulated unrealized gains related to a number of funds. The balance at March 31, 2021 was \$7,331,459.

## REALTY

OAC leases its office space in Toronto. There are four years remaining in the lease term. OAC supports the government initiative of centralizing realty management and ensures compliance with government realty interim measures. OAC currently has no plan to acquire any new realty space or change the use of its current space.

## INFORMATION SERVICES & TECHNOLOGY / ELECTRONIC SERVICE DELIVERY PLAN

OAC's Information Services & Technology (IS&T) area is responsible for supporting OAC business objectives and innovation. The Nova grants management system enables OAC to provide online reliable services to applicants across the province. IS&T team plays an important role in ensuring the Nova system efficiently supports OAC programs, is in compliance with all regulations and directives, and maintains robust data security. Concurrently, the team also provides effective information management to support the continuing efforts of finding operational efficiencies and to support the data-driven, evidence-based decision-making processes. In the last couple of years, IS&T also replaced outdated technology platforms with modern, agile, and secure platforms, which contributed significantly to the continuing operations of OAC during the pandemic. In the next several years, as OAC continues to enhance its technology infrastructure and improve its digital service delivery, IS&T will be instrumental in supporting the organization to achieve its objectives. The initiatives in IS&T include work in the following areas:

### **Innovation**

For OAC infrastructure, IS&T has implemented cloud technologies at OAC from service providers such as Amazon AWS and Microsoft Azure. This has resulted in:

- Ecosystem optimization

- System and Application rationalization
- Digital acceleration and transformation
- Reduced cost in system management
- Value-added cybersecurity and privacy
- Improved technology scalability and redundancy
- Mobility
- Better disaster recovery plans and business continuity solutions

The above enhancements have provided OAC with technological competitive advantage while drastically reducing cost and risk.

### **Infrastructure**

IS&T will continue its work on upgrading on-site hardware and software to provide modern and secure services. In 2021-22, IS&T replaced some old network servers and firewalls, and engaged with a new internet service provider to provide much larger network bandwidth to support the increasing demand in network connectivity. The current remaining onsite infrastructure equipment is about seven years old and is no longer supported. To eliminate geographical dependency and improve data and staff mobility, IS&T will securely migrate its remaining infrastructure components to cloud using encryption and two-factor authentication. In 2022-23, IS&T plans to migrate finance platforms to cloud and integrate into OAC cloud platform. As the organization plans to implement a new HR management system and payroll solution, IS&T will support the implementation and ensure supporting network infrastructure is in place to ensure system performance and security.

### **Cybersecurity**

As OAC moves more of its services to digital platforms, cybersecurity becomes an important consideration for IS&T as it develops its infrastructure and IT services. In 2022-23, IS&T will implement multi-factor authentication, enhancing its firewalls, and deploying network monitoring tools. IS&T will also update its cyber incident response plan and conduct a testing to make sure the plan works as it intended. User training is also an important part of the cybersecurity awareness. IS&T will provide training throughout the year to help users to be aware of the common cyber security threats.

### **Applications**

IS&T will further adopt and roll out applications to launch web portals, collaboration platforms and web/cloud applications to improve services, streamline workflows and processes to better serve Ontarians. IS&T plans to provide all OAC services digitally to all Ontarians. At the same time, IS&T will improve existing systems and services by integrating new and existing systems, including OAC's grants management system.

IS&T will build on the Microsoft Teams platform and develop software components to improve OAC internal processes and workflows to improve work efficiencies.

### **Supporting Remote Work and Digital Service Delivery**

During the COVID-19 pandemic, OAC rolled out hardware and software to support staff to work remotely. IS&T will analyze the current solutions and identify areas for improvement. It is expected that the technologies implemented during this period will benefit the organization in supporting a flexible and agile workforce and improve its digital service delivery to all Ontarians. OAC will support the government digital strategy and work closely with its vendors to provide secure, reliable, and efficient digital services.

In 2022-23, OAC's office is expected to reopen as public health restrictions are gradually lifted. A new work model will be implemented to support a flexible and engaged workforce. IS&T will provide important supports in this reopening and transition. New computers and mobile devices will be gradually rolled out. New IS&T supports and services will be implemented to support this strategy.

### **Team Development**

In 2021-22, OAC's IS&T team experienced some turnover. IS&T will take this opportunity to review its current team resources and competencies to make sure the team continues to provide excellent services and helps to drive business forward. With the global migration of IT systems to the cloud, IS&T will focus on skills development and certifications in the IS&T team with an emphasis on the cloud, cloud security and privacy certifications for continuous improvement. By improving core competence of the team, IS&T will be better positioned to implement its initiatives and support OAC strategic goals.

### **Information Governance & Records Management**

- **Enterprise Architecture** IS&T will work to improve integration and interoperability between disparate systems and shift to a business focused enterprise architecture. IS&T will act as an enabler to eliminate technology silos and improve agility of technology platforms so that the core business can effectively apply changes to processes and capabilities.
- **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 confidentiality, availability, usability, integrity and security of enterprise data at OAC.
- **Records Management** To continue supporting the compliance with the *Archives and Recordkeeping Act 2006*, IS&T will leverage the programming functions and features available in Microsoft Office 365 technology which is used at OAC. Embedding policies in technology is increasingly becoming the standard method of promoting compliance with legislations and government directives. Building on the records management project undertaken in 2021-22, OAC will keep abreast of the development of various digital recordkeeping guidelines and best practices, and will implement systems to support its recordkeeping policies.

### **Business Continuity**

Building on the lessons learned during the pandemic, OAC has completed its Business Continuity Plan (BCP). IS&T services are an important part of the OAC BCP. IS&T will regularly test the BCP and to ensure services to Ontarians and staff can be provided in emergency situations and scenarios.

### **Disaster Recovery**

IS&T will work on eliminating major infrastructure dependencies by migrating services to cloud-based solutions. In 2022-23, IS&T will upgrade its backup configurations and focus on geographical redundancy, fail over and high availability to ensure OAC services are independent of OAC physical location.

### **Business Intelligence**

- **Data Warehousing and Integration** IS&T will develop a plan to build a data warehouse to house all the data from its grant management system, public website and other third-party services used by OAC. The data warehouse solution will support better analysis, build business intelligence, and improve data driven decision making. Building on the work already underway

in 2021-22 to support data sharing with the Ministry, IS&T will also manage the systems to facilitate the governance of the greater data sharing to add value to the business. Furthermore, it is important to manage and control the proper flow of information between different systems so that data accuracy, integration, and security can be managed. The focus of IS&T in this area will be to manage 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** In 2021-22, IS&T planned to build a business analytics tool to support decision making and real time data sharing. The project was delayed due to the staff turnover in IS&T. In the new year, IS&T will collaborate with other teams to implement the business analytic tools to make sure business requirements are met and business can benefit from the new IT advancements.

### **Enterprise Risk Management**

IS&T is an important contributor and enabler of proper enterprise risk management practices. Based on the OPS Enterprise Risk Management Framework and Directive, OAC will develop programs in building risk management in its business operations. IS&T will focus on data security and privacy areas and provide tools to support the enterprise risk management practices. IS&T will continue working towards securing OAC infrastructure and services using single sign-on, encryption and multi-factor authentication while providing flexibility, mobility and ease of access to users externally and internally. In addition, to raise awareness of data security and privacy, and build the culture of cybersecurity at OAC, IS&T will provide regular training in these areas for staff.

## **INITIATIVES INVOLVING THIRD PARTIES**

### **Artists in Residence – Education (AIR-E)**

As noted on page 15, OAC has created partnerships with Ontario school boards to set up artist residencies in schools within each board's jurisdiction. In 2021-22 OAC partnered with 13 school boards, including three Indigenous education authorities:

- Conseil des écoles publiques de l'Est de l'Ontario (CEPEO)
- Conseil scolaire catholique du Nouvel-Ontario (CSCNO)
- Conseil scolaire de district catholique de l'Est ontarien (CSDCEO)
- Conseil scolaire de district catholique des Aurores boréales
- Conseil scolaire Viamonde
- Kenora Catholic District School Board
- Rainbow District School Board
- Superior-Greenstone District School Board
- Superior North Catholic District School Board
- Wellington Catholic District School Board
- David Kejick School
- AFNEA (Attawapiskat First Nation Education Authority)
- Kinoomaadziwin Education Body



Detailed agreements are in place with each partner to ensure that the *Transfer Payment Accountability Directive (TPAD)* is followed.

### **Third-Party Granting (Recommender) Programs**

The strengths of the recommender program model are its regional responsiveness, flexibility and cost-effectiveness. Although grant amounts are relatively small, artists in all regions of the province, at all stages of their careers and from diverse communities, value and rely on these programs. 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 own communities. Recommenders “discover” artists in their communities and develop relationships with them.

In 2021-22 OAC had 138 approved recommender organizations throughout the province participating in four third-party programs. Recommenders share responsibility with OAC for disseminating information about each program within their communities. They do not receive compensation to administer their allocation, but generally receive operating or project funding from OAC. In 2020-21, for the first time OAC provided a small honorarium (\$2,000) to each of the recommenders of the *Indigenous Visual Arts Materials* program, as an investment in the extraordinary commitment to outreach and application support that these recommenders provide in their communities. The honorariums to recommenders of the *Indigenous Visual Arts Materials* program were continued in 2021-2022.

OAC establishes guidelines and regulations for recommenders in all four recommender programs (programs are listed below). 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 program 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.

#### **OAC’s four Recommender programs are:**

##### *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 engages book and magazine publishers, with 28 recommenders in 2021-22.

##### *Theatre - Recommender Grants for Theatre Creators*

This program provides grants of \$1,000 to \$3,000 to assist professional theatre creators to create new work. The program engages theatre companies and multi-disciplinary organizations with expertise in theatre, with 46 recommenders in 2021-22.

##### *Visual Arts - Exhibition Assistance*

This program provides grants of \$500 to \$2,000 to assist visual artists, media artists and craft artists with the cost of presenting their work in a public exhibition. The program engages public art galleries, artist-run centres and other qualified organizations, with 58 recommenders in 2021-22.

##### *Visual Arts - Indigenous Visual Artists’ Materials*

This program provides 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. The program is administered by Indigenous organizations included in the group of Visual Arts Exhibition Assistance recommenders, with 6 recommenders in 2021-22.

## IMPLEMENTATION PLAN

Please see Appendix 5 for OAC's 2022-23 Implementation Plan.

## COMMUNICATION PLAN

OAC's Communications activities focus on the strong public benefit that results from investment in Ontario's arts sector as well as supporting the return to the arts as we see society's comfort level increase with COVID 19's retreat. The pandemic's effects on artists and arts organizations as well as on sectors that are significantly intertwined with arts and culture (e.g. tourism, hospitality, and others) have been profound and will likely last for years.

### Goals

- To promote the Ontario Arts Council's leadership role in helping Ontario's rich and diverse arts community survive and recover from the effects of the pandemic.
- To 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.
- To 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.
- To work with the Ministry of Heritage, Sport, Tourism and Culture Industries and other ministries on initiatives that might benefit Ontarians through investment in the arts.
- To Increase awareness that public funding makes a wide range of artistic activity possible, which benefits Ontarians across the province.

### Messages

- Healthy communities need the arts to retain their identity and their attraction to citizens and visitors.
- The arts: contribute to a strong economy; create jobs; and drive financial value in a region.
- The arts build strong, healthy communities and create good places in which to live and do business.
- OAC's long history and expertise in the professional not-for-profit arts sector makes it a trusted and informed resource for both the community and the government.

### Strategies

- Showcase impact stories that express the responses from artists and arts organizations to connecting with audiences in the context of COVID-19.
- Amplify OAC efforts to support the arts community through the pandemic.
- Find new ways to enhance existing MPP communications by working with the Ministry on ways in which OAC grant recipients can engage with their MPPs.
- Use social media to enhance the relationship between the arts and other audiences/disciplines/activities.
- Create new ways for grant recipients to recognize Ontario government funding through OAC.

- Produce events, eblasts, news releases, advertising, publications and other communications products (audio stories, webinars) as needed.
- Provide communications support for OAC's programs and research activities, and be responsible for all corporate communications through the OAC website.
- Support the CEO and OAC's Board in arts advocacy efforts, including building and strengthening OAC's relationship with MPPs.

#### **Awards**

- Communications provides support for OAC's privately-funded awards, including preparing and disseminating news releases, creating event strategies for award presentations, drafting related speaking notes for OAC representatives, as well as social media activity.

#### **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 all Ontario government ministries and agencies.

##### 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.

## **A RESPONSE TO THE EXPECTATIONS SET OUT IN THE AGENCY MANDATE LETTER**

OAC aligns its work with government priorities and plans business according to directions set out in its mandate letter. Information about how OAC supports government goals in general, and specifically, during COVID-19 can be found on page 3.

## APPENDIX 1 – Financial Forecast Summary

AGENCY:	FINANCIAL FORECAST SUMMARY						
	2019-20	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25
Ontario Arts Council	ACTUAL	ACTUAL	BUDGET	PROJECTED ACTUAL	Plan	FORECAST	
<b>PROVINCE OF ONTARIO</b>							
MTCS Operating (including maintenance)	59,937,400	59,937,400	64,937,400	59,937,400	59,937,400	59,937,400	59,937,400
MTCS (CANON - French Language Services)	79,283						
MTCS (Indigenous Culture Fund)	337,894	49,748					
MTCS (One-Time Arts Support Fund)		24,901,881		5,000,000			
Other (Office of Francophone Affairs - Cultural Development)	37,500	37,500					
Other (Ontario Women's Directorate)	4,672						
Others							
<b>1&gt; TOTAL PROVINCIAL FUNDING</b>	<b>60,396,749</b>	<b>84,926,529</b>	<b>64,937,400</b>	<b>64,937,400</b>	<b>59,937,400</b>	<b>59,937,400</b>	<b>59,937,400</b>
<b>OTHER GOVERNMENT</b>							
(specify program name, government & funding period)							
<b>2&gt; TOTAL OTHER GOV'T FUNDING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SELF GENERATED REVENUES</b>							
Investment Income	1,760,641	1,465,606	1,770,800	1,840,800	1,650,000	1,650,000	1,650,000
Non-Government Grants							
Other (specify source e.g. fund transfers, reserve/restricted funds):							
Fund administration	68,134	71,236	71,591	71,591	65,000	65,000	65,000
Recovery of prior years' grants	50,579	121,463	75,000	75,000	75,000	50,000	50,000
Miscellaneous	268,422	163,609	208,808	243,808	50,000	200,000	50,000
<b>3&gt; TOTAL SELF GENERATED</b>	<b>2,147,776</b>	<b>1,821,914</b>	<b>2,126,199</b>	<b>2,231,199</b>	<b>1,840,000</b>	<b>1,965,000</b>	<b>1,815,000</b>
<b>4&gt; TOTAL REVENUE: 1+2+3</b>	<b>62,544,525</b>	<b>86,748,443</b>	<b>67,063,599</b>	<b>67,168,599</b>	<b>61,777,400</b>	<b>61,902,400</b>	<b>61,752,400</b>
<b>EXPENDITURES</b>							
Awards and expenses	1,211,388	234,206	1,120,800	1,120,800	900,000	900,000	900,000
Grants / other programs	52,548,612	78,633,511	56,583,304	56,676,104	51,768,304	51,773,304	51,473,304
Services	716,581	754,945	1,028,338	1,028,338	915,338	927,338	939,338
Administration							
Salaries & Benefits	5,920,368	5,911,543	6,442,036	6,442,036	6,479,137	6,592,137	6,730,137
Occupancy / Lease	567,927	586,658	622,191	622,191	627,613	632,613	637,613
Travel	45,161	1,653	41,800	25,000	110,000	110,000	110,000
Communications	110,286	104,231	117,750	117,750	85,000	85,000	85,000
Other	737,782	519,809	897,380	891,380	682,008	677,008	672,008
<b>5&gt; TOTAL EXPENDITURES</b>	<b>61,858,105</b>	<b>86,746,556</b>	<b>66,853,599</b>	<b>66,923,599</b>	<b>61,567,400</b>	<b>61,697,400</b>	<b>61,547,400</b>
<b>Net Income Surplus/(Deficit): 4-5</b>	<b>686,420</b>	<b>1,887</b>	<b>210,000</b>	<b>245,000</b>	<b>210,000</b>	<b>205,000</b>	<b>205,000</b>
<b>Amortization of deferred capital contributions</b>							
<b>Amortization of capital assets</b>	<b>-379,770</b>	<b>-256,349</b>	<b>-210,000</b>	<b>-210,000</b>	<b>-210,000</b>	<b>-205,000</b>	<b>-205,000</b>
<b>Net Income Surplus/(Deficit) After Amortization</b>	<b>306,650</b>	<b>-254,462</b>	<b>0</b>	<b>35,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net assets (deficit), beginning of year</b>	<b>31,261,659</b>	<b>27,782,952</b>	<b>27,782,952</b>	<b>27,782,952</b>	<b>27,817,952</b>	<b>27,817,952</b>	<b>27,817,952</b>
<b>Net remeasurement gains</b>	<b>-3,785,357</b>	<b>5,277,822</b>					
<b>Net assets (deficit), end of year</b>	<b>27,782,952</b>	<b>32,806,312</b>	<b>27,782,952</b>	<b>27,782,952</b>	<b>27,817,952</b>	<b>27,817,952</b>	<b>27,817,952</b>

Notes:

Funds that comprise the Net Assets (Deficit)

Invested in Capital Assets	44,030	36,107
Restricted and Endowment Funds	24,154,010	23,275,256
Unrestricted	1,531,275	2,163,490
Accumulated Remeasurement Gains	2,053,637	7,331,459
	<b>27,782,952</b>	<b>32,806,312</b>

Accumulated remeasurement gains of \$7.3 million at the end of 2020-21 represent unrealized gains of restricted and endowment funds.

## APPENDIX 2 - FTEs

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	ACTUAL	ACTUAL	ACTUAL	FORECAST	FORECAST	FORECAST
<b>FTEs</b>						
Total FTEs	57	57	59	60	60	60