



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



50 YEARS OF ONTARIO GOVERNMENT SUPPORT OF THE ARTS

50 ANS DE SOUTIEN DU GOUVERNEMENT DE L'ONTARIO AUX ARTS

2014–15 Business Plan

Submitted to the Ministry of Tourism, Culture and Sport
January 17, 2014

The Ontario Arts Council (OAC) was established in 1963 as the agency through which the Government of Ontario invests in the province's artists and arts organizations for the enjoyment and benefit of all Ontarians.

OAC believes that the arts contribute significantly to the quality of life, cultural identity, social well-being, and economic prosperity of Ontario's people and communities.

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OAC 2014-15 Business Plan Executive Summary

Ontario Arts Council's base budget for 2013-14 was \$60 million, the same as the previous five years. However, OAC received an additional \$600,000 in one-time funding from the Ministry of Tourism, Culture and Sport (MTCS) in 2013-14. The purpose of this special allocation was to allow OAC to avoid across-the-board (ATB) funding cuts in 2013-14, as the organization transitioned to a new Strategic Plan. For 2014-15, the same level of base funding (\$60 million) as in 2013-14 is anticipated.

Demand from the Ontario arts community for OAC support has grown dramatically, with the number of grant applications increasing by 51% over the past seven years, and new organizations entering the operating funding stream each year. Nonetheless, OAC is grateful to have retained base funding from MTCS.

MTCS's faith in OAC, as a model agency which operates with the highest degree of integrity, efficiency and effectiveness, is well-placed. And the Government of Ontario's investment in the arts sector, through OAC, provides a tremendous return on investment, not only through economic benefits, including contributions to Ontario's tourism sector, which were well documented in *Ontario's Arts and Culture Tourism Profile* (November 2012), but also in terms of quality of life, community building and helping to build Ontario's identity, at home and abroad. Furthermore, the creation and production support that OAC provides to Ontario's artists and not-for-profit arts organizations is crucial to the success of the cultural industries sector.

As OAC celebrates its 50th anniversary during 2013-14, concerns exist about balancing the needs of existing arts organizations – especially those which continue to be active, vital contributors – with our mandate to nourish and support new, emerging artists and organizations that would cease to exist, or at least never achieve their full potential, without public support. Indeed, the arts organizations that comprise Ontario's creative infrastructure today exist because of the vital support they received from OAC 10, 20 and 30 years ago. OAC must identify and find ways to continue nurturing the nascent organizations and artists that will comprise Ontario's creative infrastructure 10, 20 and 30 years in the future.

OAC is also concerned with the health and sustainability of the overall cultural sector, which includes two important concepts. First, ongoing operating support is crucial to provide stability and predictability for the sector. Second, in order for new activities to incubate, grow and flourish, activities that are no longer contributing to the life cycle need to wind down and be weaned from public funding.

At the same time, OAC is anxious to find ways to increase support for those who are most deserving. For the past five years, all organizations that receive operating grants have been maintained at the same level, provided they met standard – regardless of whether they were performing at a stellar level and making an enormous contribution or merely meeting minimum requirements. This has been demoralizing to the high achievers and has kept funding tied up that might have been better deployed elsewhere. This problem has been exacerbated by the fact that some organizations had the good fortune to enter the funding stream years ago,

perhaps when OAC had recently received an infusion of additional funding, while others have come to the table in leaner times. As a result, various kinds of funding disparities now exist.

Last year, OAC had a plan for 2013-14 that would have provided modest (maximum 5%) increases for the most highly-ranked operating organizations. OAC also planned to balance the 2013-14 operating budget by reducing three project programs (\$475,000) and implementing 2% ATB reductions to all operating programs (\$600,000). Following meetings with the Ministry, the idea of implementing increases was deferred until the new Strategic Plan is in effect, and because of the additional funding received from MTCS, implementation of ATB decreases to operating programs in 2013-14 was not necessary.

For 2014-15, OAC will have a gap of approximately \$1.2 million between anticipated revenues and expenditures. In order to balance the budget, the plan is to save \$475,000 through reductions to project programs, and save \$600,000 by implementing a 2% ATB reduction to all 575 organizations that receive operating grants (including the 10 Anchor organizations). OAC also plans to find administrative efficiencies of approximately \$125,000. While ATB reductions are generally not favoured, because they aren't particularly strategic and tend to merely reinforce the status quo, they are the fairest and most defensible reduction possible, until the new Strategic Plan is ready and able to support more strategic decision making.

OAC's new five-year Strategic Plan has been in development since January 2013. It is expected to be approved by the Board of Directors in late February 2014. OAC's new Equity Plan, which has been in development since 2011, including broad community consultation, was approved by the Board of Directors in October 2012 and will inform the new Strategic Plan.

After the Strategic Plan has been finalized and approved, it will be sent for translation, then designed and packaged for consumption and released publicly in late spring 2014. OAC will then need to develop a multi-year implementation strategy. Although it is hoped and expected that OAC will be transformed as a result of the new Strategic Plan, changes will be implemented over several years, and the timing is such that changes will not begin to be implemented until 2015-16. Therefore, OAC anticipates that 2014-15 will end up looking very much like 2013-14.

While waiting to implement the new Strategic Plan, OAC will continue to follow the Guiding Principles that were developed and approved by OAC's Board of Directors in 2012 and re-affirmed by the Board in October 2013. These principles are listed below, and details of each principle can be found in the Strategic Directions section:

1. **Principles that are given and continue to serve us**
2. **Principles that no longer serve us**
3. **Principles that will serve us for 2014-15 and beyond**
4. **Principles that may serve us for 2015-16 and beyond (as part of the new Strategic Plan)**

Like other public funders across North America and indeed around the world, OAC is grappling with the challenge of meeting ever-growing demand, without growing resources. OAC's new Strategic Plan will help guide the Ontario Arts Council, in making the difficult decisions which lie ahead.

Other priorities for 2014-15 and beyond include:

Implementing the Equity Plan

The following Equity Vision and Values were approved by OAC's Board of Directors in December 2011.

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

Leadership: OAC will integrate equity principles into its policies, practices, programs, partnerships and services; continue to address systemic barriers and historical challenges and develop and adequately resource annual equity plans within the context of the current Strategic Plan.

Inclusiveness: OAC will foster a welcoming, barrier-free environment and build relationships with communities not traditionally involved with OAC.

Responsiveness: OAC programs and services will meet varied needs of the diversity of artists and arts organizations from across the province.

Diversity: OAC board, staff, applicants and assessors will reflect the diversity of the public as defined by the Ontario Human Rights Code and Section 35(2) of the Constitution of Canada.

The following Equity Objectives were approved by the Board of Directors in October 2013 for implementation in the months and years ahead.

OAC is committed to attaining the following specific Equity Objectives over time, as resources allow:

1. Provide fair and equitable access to OAC funding, services and partnerships, with special focus on artists and arts organizations that continue to face systemic barriers and historic challenges.
2. Enhance diversity in OAC staff, board, hiring committees, peer assessment committees, vendors and suppliers.
3. Make OAC communications vehicles accessible and reflective of Ontario's diversity.
4. Help develop the capacity of diverse artists and arts organizations that continue to face systemic barriers to achieve their goals and strengthen their ability to succeed.
5. Meet or exceed the requirements of all applicable equity and human rights-related legislation.
6. Strengthen OAC's work culture through the application of equity and diversity principles in internal communications and staff contribution to decision making.
7. Continually increase OAC's knowledge of effective equity and diversity practices to enhance individual and organizational performance.
8. Allocate adequate human and financial resources to pursue equity and diversity objectives.
9. Regularly track, measure and report on OAC's progress toward achieving its vision of equity and diversity.

Development of new Electronic Grants Management/Customer Relationship Management (EGM/CRM) System

- This major project, which will allow clients to apply for grants online and revolutionize the way OAC does business, has been in development for two years now and is expected to be completed by December 2014.
- The project requires significant financial expenditures, and a great deal of staff involvement at all levels.

Working to implement a first-ever collective agreement with the Association of Management, Administrative and Professional Crown Employees of Ontario (AMAPCEO)

- In February 2012, OAC staff voted in favour of AMAPCEO as its bargaining agent.
- Negotiations began in September 2012 and are still continuing. More information on this can be found in the Human Resources section.

Possible office relocation

- After 50 years at 151 Bloor Street, OAC's lease expires February 29, 2016.
- OAC retained Infrastructure Ontario to prepare an Options Analysis, which indicates that regardless of whether OAC renews in its current location or relocates elsewhere, market-value rental costs will be approximately 50% higher than OAC is now paying.
- It's clear that OAC needs to find ways to reduce its existing footprint and reduce – or at minimum contain – rental costs going forward.

Space planning consultants will be retained in fall 2013, to begin work in early 2014. It will take considerable time and expertise to re-imagine how the organization works, and many staff who have long had private offices will likely have to move to work stations.

Working collaboratively with other agencies and organizations

- OAC co-founded and continues to play an active role in CADAC, which collects and analyses financial and statistical information about arts organizations, in order to facilitate the application process for organizations seeking operating funding from OAC, Canada Council for the Arts (CCA) and other cultural funders across Canada.
- OAC has championed and leads a collaborative effort with the Ontario Trillium Foundation and the Ontario Media Development Corporation to hire external consultants to develop accessibility plans for all three organizations (in compliance with the *Accessibility for Ontarians with Disabilities Act (AODA)*).
- OAC collaborates on a variety of arts research initiatives, including an ongoing partnership with the Department of Canadian Heritage (PCH) and Canada Council for the Arts (CCA) on the *Statistical Insights on the Arts* series, and with the CCA and others on the *Canada Dance Mapping Study*.
- OAC regularly collaborates with other funding bodies through active participation in CPAF (Canadian Public Arts Funders) and IRAFF (Intergovernmental Roundtable of Arts Funders and Foundations).
- OAC is a member of the provincial task force for Culture Days and a leader in this national movement.

OAC Mandate

Historical mandate

The Ontario Arts Council mandate, as outlined in the *Arts Council Act (1963)*, is to “promote the study and enjoyment of and the production of works in the arts” and to such end may:

- Assist, co-operate with and enlist the aid of organizations whose objects are similar.
- Provide through appropriate organizations or otherwise for grants, scholarships or loans to persons in Ontario for study or research in the arts in Ontario or elsewhere or to persons in other provinces or territories of Canada or any other countries for study or research in the arts in Ontario.
- Make awards to persons in Ontario for outstanding accomplishments in the arts.

Vision

OAC believes that the arts contribute significantly to the quality of life, cultural identity, social well-being and economic prosperity of Ontario’s people and communities.

OAC envisions an Ontario where:

- The lives, careers and work of individual artists flourish.
- Arts organizations are creative, viable and healthy.
- People of all ages and in all regions actively engage and participate in the arts.
- Aboriginal, francophone, culturally diverse, new-generation and regional artists and arts organizations are recognized for the value they provide to all of Ontario’s people, cultures and creative sectors.

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

Values

Ontario as a society believes in opportunity, freedom, choice, diversity, creativity, initiative, innovation, industriousness and compassion. The arts are a cornerstone of this vital society, and the Ontario Arts Council has the central public role of nurturing and sustaining a healthy arts community that contributes at all levels to Ontario society.

The arts are central to Ontario’s identity, to the educational infrastructure and to the social life of communities. The arts reflect the diversity of people who live here, of the communities they live in and add immeasurably to the economic and spiritual life of the province.

OAC’s Equity Values are:

- **Leadership:** OAC will integrate equity principles into its policies, practices, programs, partnerships and services; continue to address systemic barriers and historical challenges and develop and adequately resource annual equity plans within the context of the current Strategic Plan.

- **Inclusiveness:** OAC will foster a welcoming, barrier-free environment and build relationships with communities not traditionally involved with OAC.
- **Responsiveness:** OAC programs and services will meet the varied needs of diverse artists and arts organizations from across the province.
- **Diversity:** OAC board, staff, applicants and assessors will reflect the diversity of the public as defined by the Ontario Human Rights Code and Section 35(2) of the Constitution of Canada.

Meeting the Government of Ontario’s priorities

Priority #1 – Growing the tourism and cultural industries and sport sector, by providing targeted investments and setting strategic policy direction

Arts and culture contribute significantly to Ontario’s economy

- Ontario’s cultural sector directly contributes over \$22 billion annually to the province’s GDP.
- Direct employment in Ontario’s cultural sector was over 250,000 jobs
- Both Statistics Canada and the Conference Board of Canada recognize creators (e.g. independent artists, writers and performers) and creative producers (e.g. theatre companies, arts festivals, etc.) as important first steps in the “creative chain” that produces the sector’s economic impact.
- Artists create the content or product used by the cultural industries to generate this impact through the subsequent steps of production, manufacturing, distribution and sale of cultural goods and services.

Arts/culture is a key part of Ontario’s tourism industry

- 9.5 million overnight tourists participated in arts and culture activities while visiting Ontario in 2010 – representing 22% of all Ontario’s overnight visitors.

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 – \$667 per trip, versus \$374.
- On average, arts/culture tourists spend 4.4 nights in Ontario – over one night longer than the typical tourist at 3.1 nights.

Substantial economic impact of Ontario’s arts/culture tourism

- Arts/culture tourist spending generated:
 - \$3.7 billion in GDP province-wide in 2010.
 - 67,000 jobs and \$2.4 billion in wages.
 - \$1.7 billion in taxes.

Arts/culture is a primary motivator for consumer travel among Ontario’s tourist market

- 44% of North American tourists who visited Ontario among other trip destinations during the previous two years said that arts/culture was the main reason for at least one of their trips.

OAC’s support of the province’s artists and not-for-profit arts organizations forms part of the R&D for the cultural sector and helps provide training for the creative sector workforce, whose members work back and forth across the not-for-profit and commercial sectors

- OAC is the vehicle through which MTCS is able to make targeted investments; for example, last year OAC’s grants supported the creation of over 12,000 new artistic works by the province’s artists and arts organizations, and direct production of creative product including

1,500 new works for broadcast on television, internet, video or radio, and 7,750 media productions for distribution.

- The not-for-profit arts sector often serves as a training ground for artists who then apply these skills and experiences in the commercial sector; for example, a study of U.S. artists found that 80% of artists who work in the not-for-profit arts community also work in the commercial arts sector. OAC believes this to be the case in Ontario also. The professional not-for-profit arts organizations funded annually by OAC play a key role in training this “crossover” workforce. In 2009-10 they provided regular work for over 40,000 artists, and professional development and training for over 50,000 creative sector workers.
- OAC provides support to world-class professional arts training organizations, including the National Ballet School and the Royal Conservatory of Music.

Priority #2 – Strengthening its agencies and attractions, through a strategy of renewal and by focusing on core businesses

Renewal

- OAC continually engages in renewal; for example, it has begun to implement a more stringent policy to reduce or eliminate operating grants to organizations that fall below standard, as determined through peer assessment.
- OAC is in the process of synthesizing information from final reports from organizations who received grants from the Arts Investment Fund (AIF). The information being collected illustrates the ways in which the AIF allowed for renewal of the arts sector by providing funds to: mitigate against the effects of the economic downturn on endowment and private sector support; to build capacity to maintain and grow revenues; and to support new ways to deepen, broaden and diversify audiences.

Focusing on core business

- Grants to individual artists contribute directly to artists’ incomes, provide recognition and validation of professional practice and help the lives, careers and work of individual artists flourish. As the only provincial agency in Ontario that supports individual artists, OAC is committed to protecting a significant portion of its granting budget for direct support of individual artists.
- As the only Ontario agency that provides ongoing operating grants to arts organizations, OAC holds a unique role and responsibility; OAC is committed to providing significant and stable operating funding to arts organizations to directly support the creativity, vitality and health of Ontario’s arts organizations.
- In addition to its focus on individual arts organizations, OAC monitors the health and vitality of the arts sector as a whole. One sign of a healthy and vital arts sector is the emergence of new organizations, which are indicators of renewal as the sector evolves to reflect new art forms, new generations and changing demographics of the province. As new organizations emerge and prove themselves, OAC is committed to make room for them in its operating programs. In this way, OAC continues to directly support the renewal that contributes to a healthy arts sector.
- Having strong connections with the constituencies it serves is a core business practice for OAC; one of the ways in which OAC focused on this in 2013-14 was to consult with communities across Ontario in order to validate its new Equity Plan, and to begin developing

the new Strategic Plan. In 2014-15, OAC will work with the community to roll out the new Strategic Plan.

- Protecting its investment in OAC ensures that MTCS can continue to focus on its own core businesses.

Priority #3 – Supporting strong, vibrant communities

Arts and quality of life

- 95% of Ontarians believe that arts activities help enrich the quality of their lives.
- 91% of Ontarians think it is important for their community's quality of life to have arts facilities.
- 89% of Ontarians agree that if their community lost its arts activities, people living there would lose something of value.

Volunteerism

- Approximately 238,000 Ontarians volunteered for arts and culture organizations in 2007. This represents 2.3% of the province's population (15 years and over) and 4.8% of all volunteers. These volunteers contributed about 24 million hours per year to arts and culture organizations – equivalent to 13,000 full-time, full-year jobs with an estimated value of \$372 million.
- Over 60,000 Ontarians volunteered 1.8 million hours with OAC annually-funded arts organizations in 2009-10 – a value equivalent to \$53 million worth of hourly labour.

The arts build local communities and economies

- The Federation of Canadian Municipalities' Policy Statement on Social-Economic Development states that "arts, culture and heritage improve the ability of municipal governments to influence local economic development by attracting and retaining a skilled and talented workforce."
- In a 2010 survey of 18 mid-sized Ontario cities (populations of 50,000 to 349,000), all municipalities reported using cultural and recreational amenities (i.e. operation of cultural facilities, museums and galleries) as a tool for downtown revitalization – and 83% deemed this strategy to be an effective tool.
- Cities and towns of all sizes across Ontario are using arts and culture to revitalize downtowns and transform neighbourhoods. For example:
 - In May 2013, the Smiths Falls Town Council approved a municipal cultural policy recognizing "the significant role of culture in Quality of Life, Quality of Place and economic well-being." Promotion of the creative cultural economy, especially in downtown revitalization, is a key strategy for the plan's goal to market the Town's assets to residents, tourists and investors entertainment.
 - The city of Brampton has recently launched a process to re-develop its Heritage Theatre Block as a community cultural hub, as part of the City's vision to "merge business and culture as drivers in the revitalization of the City's downtown."
 - St. Catharines' master plan for the revitalization of its downtown has a creative focus including an increased cultural presence, artists living in the area, and a new performing arts centre. At the cornerstone ceremony in August 2013 to mark the official start of the Centre's construction, the Mayor noted that the Centre will further stimulate the arts and culture sector's \$595 million contribution to the local economy.

OAC supports arts activities in communities large and small – urban and rural – right across Ontario

- In 2012-13, OAC awarded 3,576 grants to individuals and organizations in 232 communities.
- In 2012-13, OAC grants directly supported arts activity in each of the 107 ridings and in each of the 49 counties in Ontario.

OAC funding provides opportunities for many Ontarians to enjoy and experience the arts

- Over 35,000 public arts activities were offered by OAC's annually-funded arts organizations in 2009-10, reaching audiences and attendees totaling 16.9 million.
- In addition, OAC's annually-funded arts organizations offered over 64,000 arts education activities in 2009-10, reaching 5.3 million participants of all ages – including more than 2.5 million children or youth.
- OAC continually advocates for public participation in the arts at the local level through activities such as Culture Days, and by fostering hands-on public engagement of the arts through OAC's Arts Education and Community Arts offices.

Priority #4 – Preserving Ontario's cultural and heritage resources

Aboriginal arts

- OAC has created an Aboriginal Arts Development Plan to support Aboriginal communities throughout Ontario.

Francophone arts

- OAC supports francophone communities – including culturally diverse francophone immigrants – in all regions across the province; in 2012-13 OAC provided over \$3.5 million in support to francophone artists and arts organizations in Ontario.

Key cultural attractions

- MTCS provides direct support to a small number of agencies and attractions, but the majority of Ontario's key cultural attractions are funded through the OAC; the organizations which OAC supports are key tourist attractions and economic drivers in communities throughout Ontario, not just in large population centres.
- In 2012-13 OAC provided operating funding to 43 public art galleries across the province, most of which maintain and preserve permanent collections that are held in trust for the public.

Priority #5 – Building Ontario's national and international profile through domestic and international marketing, and events of international significance

Arts and culture play an important role in building Ontario's identity and international reputation for creativity, innovation and excellence

- 95% of Ontarians believe that the success of Canadian artists like singers, writers, actors and painters gives people a sense of pride in Canadian achievement.
- Almost half (47%) of OAC regularly-funded arts organizations toured within Ontario, nationally or internationally in 2009-10, reaching a total audience of 1.8 million people with performances, exhibitions, or screenings of Ontario arts activity.
- OAC provides operating support to many world-class organizations and training institutions in Ontario: Stratford Festival, Shaw Festival, Canadian Stage Company, Canadian Opera Company, National Ballet of Canada, National Ballet School, Toronto Symphony Orchestra,

Harbourfront Centre, Royal Conservatory of Music, and Soulpepper Theatre, as well as to international festivals, such as the Toronto International Film Festival, Ottawa Bluesfest and Luminato.

Summary – Why the culture sector is important as an economic driver for Ontario

Contribution to GDP

- Ontario's cultural sector directly contributes over \$22 billion to the provincial economy.

Employment

- Direct employment in Ontario's cultural sector was over 250,000 jobs.

Tourism

- Ontario's arts and culture tourists spend twice as much per trip as typical tourists (\$667 per trip versus \$374), and stay longer (an average of 4.4 nights in Ontario versus 3.1 nights for typical tourists); 44% of North American tourists who visit Ontario say that arts/culture is the main reason for at least one of their trips.

Local economies

- Cities and towns of all sizes across Ontario are using arts and culture to revitalize downtowns and transform neighbourhoods.

Reach

- Almost half (47%) of OAC regularly-funded arts organizations toured within Ontario, nationally or internationally in 2009-10, reaching a total audience of 1.8 million people with performances, exhibitions or screenings of Ontario arts activities.

OAC Governance

The Ontario Arts Council was established in 1963 under an act of the legislature of Ontario. OAC is accountable to Ontarians through its board of 12 volunteer members, including a Chair and Vice-Chair. Board members are appointed by the Lieutenant Governor in Council for a three-year term and may be re-appointed. Board members come from a variety of backgrounds, and from across the province. The Board establishes OAC's policies and is responsible for approval of large grants and the fiscal health of OAC. Board members are spokespersons for the arts in Ontario, and act as OAC ambassadors in communities across the province.

The OAC Board functions through a system of standing committees that meet as required to discuss policies and issues and make recommendations to the full Board when appropriate.

The current standing committees are:

- Governance
- Finance & Audit
- Human Resources
- Public Affairs

OAC is an arm's-length agency of the Ontario government, fully responsible for its own policies, decisions and the awarding of grants. Grants are awarded through peer assessment, on the basis of artistic merit and fiscal responsibility. To ensure that its initiatives meet the needs of Ontarians in general and the artistic community in particular, OAC conducts extensive research and consults with members of the arts and business sectors, community leaders, educators and policy makers at all levels.

OAC is responsive to the arts community through the many advisors, arts experts and community representatives who sit on panels and juries and assess applications for funding.

The Director & CEO is appointed by the Board and is assisted in his responsibilities by a Directors' Committee consisting of the Director of Granting, Director of Communications, Director of Research, Policy & Evaluation, Director of Finance & Administration and Director of Human Resources. (For more specifics, see OAC's organizational chart on page 39).

Ontario Arts Council Board of Directors - as of October 2013:

| | Member | Location | Term |
|----|------------------------|-------------|--|
| 1 | Martha Durdin, Chair | Toronto | Feb 10, 2012 to Feb 9, 2015** |
| 2 | Albert Alexanian | Hamilton | Feb 4, 2012 to Feb 3, 2015* |
| 3 | Marie-Élisabeth Brunet | Ottawa | April 24, 2013 to April 23, 2016 |
| 4 | Verlyn Francis | Toronto | June 2, 2013 to June 1, 2016* |
| 5 | Judith Gelber | Toronto | February 20, 2013 to February 19, 2016 |
| 6 | Angelina Maltese | Thunder Bay | Nov 2, 2012 to Nov 1, 2015* |
| 7 | Hugh O'Neil | Trenton | April 24, 2013 to April 23, 2016* |
| 8 | Bela Ravi | Sudbury | May 15, 2013 to May 14, 2016* |
| 9 | Harvey A. Slack | Ottawa | May 27, 2012 to May 26, 2015* |
| 10 | David General | Oshweken | January 4, 2013 to January 4, 2017* |
| 11 | Vacant | | |
| 12 | Vacant | | |

* indicates second 3-year term

** indicates third 3-year term

OAC Strategic Directions

OAC's new Strategic Plan – 2014-15 and beyond

In April 2013, OAC embarked on a strategic planning process, with the goal of developing a new Strategic Plan to be approved by the OAC Board of Directors in February 2014 and launched publicly at the beginning of the 2014-15 fiscal year. Many of the principles and underlying values of OAC's earlier Strategic Plan remain valid and may not require wholesale replacement. However, the environment has changed since the current plan was created – for OAC, for the arts sector, and for society and the economy in general. Given the above context and time frame, OAC is engaging in a streamlined strategic planning process that builds on its internal knowledge base and takes advantage of technology in ways that are cost effective and timely.

OAC has divided its strategic planning process into two phases. The first phase was an information gathering stage that included the following activities:

- An environmental scan to identify current and future issues/trends in the external environment relevant to OAC or to Ontario's artists, arts organizations and the province's arts sector in general.
- Initial internal consultation and visioning sessions with OAC staff and board members to identify and begin to explore key issues/topics that require discussion during the planning process, including topics to consider in the external consultations.
- Consultations with external stakeholders in the form of:
 - An online survey, completed by over 1,850 arts community stakeholders, that asked about key needs/issues facing the arts sector, key issues for OAC to address, OAC's roles, appropriate focus of activities, OAC's public value and OAC goals over the next 5 years.
 - A one-day focus session, attended by 49 participants representing a diverse cross-section of artistic disciplines, OAC priority groups and other factors, to reflect on and provide insight into selected topics from the survey.

A synthesis of key themes from Phase 1 is currently being developed.

The next phase of OAC's strategic planning process will include facilitation, building on the findings from Phase 1, to identify the goals and strategies that will form the new Strategic Plan.

The new Strategic Plan will cover the period from 2014-15 to 2018-19, with implementation of its goals and strategies phased in over this five-year period. Furthermore, given that the new Strategic Plan will not be approved by the Board of Directors until February 2014, OAC needs to proceed with its budgeting and operational planning for 2014-15 prior to the plan's completion.

Guiding Principles

To provide a framework for this immediate work, OAC identified a set of guiding principles, approved by the Board, to continue to govern OAC's business planning for 2014-15. Developed through intensive consultation with senior staff and the Board, the guiding principles fall into four categories:

Principles that are given and continue to serve us

- The Strategic Plan Vision Statement continues to guide the OAC.
 - We envision an Ontario where:***
 - The lives, careers and work of individual artists flourish.
 - Arts organizations are creative, viable and healthy.
 - People of all ages and in all regions actively engage and participate in the arts.
 - Aboriginal, francophone, culturally diverse, new-generation and regional artists and arts organizations are recognized for the value they provide to all of Ontario's people, cultures and creative sectors.
 - The creativity, innovation and excellence of Ontario's artists and arts organizations in all their diversity are seen and acclaimed locally, nationally and internationally.
- OAC is a model agency – maintaining strong, positive relationships with the government, arts sector and public.
- OAC is a fair and equitable employer and is committed to OAC's Equity Plan.
- OAC has a balanced budget (no deficit).
- OAC maintains tight controls on administrative expenditures so that the maximum possible amount can be paid to artists and arts organizations.
- OAC allocates and uses all resources wisely to support its corporate objectives and to deliver results on its Strategic Plan.
- OAC maintains high standards for what it supports, evaluating applicants through peer adjudication (including reducing or denying grants to applicants that are below standard).
- OAC is committed to nurturing new arts activity through project grants and by allowing new organizations into the multi-year operating stream.
- OAC is committed to supporting activities that promote public engagement in the arts.
- OAC plays a crucial advocacy role on behalf of Ontario's arts community, with the Ministry, all MPPs, the people of Ontario and arts stakeholders across the country.

Principles that no longer serve us

- OAC operating grants are maintained indefinitely at the same level for all organizations that achieve operating standard, as determined through peer adjudication.

Principles that will serve us for 2014-15 and beyond

- Predictable, ongoing operating funding is crucial for a healthy, sustainable arts sector.
- Project support to artists and organizations for creation and production of new work is equally crucial for a healthy, sustainable arts sector and to nurture new artistic growth and creative infrastructure for the future.
- Funding principles for operating programs ensure the ongoing vitality of the field by:
 - Promoting renewal.
 - Rewarding excellence, when possible.
 - Reallocating funding within a program, when possible and as required.
- If funding reductions are required, they should be applied to both operating and project programs, protecting creation and creative production as much as possible.
- Reducing operating grants to certain organizations within a program, while potentially increasing others and allowing new organizations into the program, can be done only in Year 1, that is, when there is a basis for comparison and relative ranking of all operating organizations within a program.

Principles that are too early for 2014-15, but may serve us for 2015-16 and beyond (as part of a new Strategic Plan)

- Continue to apply Year 1 funding strategies to operating programs beginning new multi-year cycles in 2014-15 and beyond.
- Continue to invest in individual artists and emerging organizations.
- Develop new thinking about capacity building to encourage arts organizations to work in new ways and collaborate to share scarce resources and audiences for their work.
- Informed by strategic plan consultations, develop new strategies to deploy granting funds within and across sectors to respond to new realities and needs in the arts community.
- The existing breakdown between operating and project funding is not necessarily correct; metrics and rationale are needed to determine how much should go to one versus the other.
- OAC may wish to add more groups to the list of strategic priorities, including deaf and disabled artists.

OAC’s current Strategic Plan – *Connections and Creativity: 2008 – 2014*

OAC has strengthened its capacity to support the arts in Ontario to reflect its vision. The following strategies, grouped under three main themes, emerged from OAC’s community consultations, interviews and staff discussions during the strategic planning process for the current plan. The chart below is a report on current activities and initiatives.

Theme A: Build Connections

The OAC will take a greater role in advocating for the arts and in building connections that advance Ontario’s artists and arts organizations.

| Strategy | 2013 – 14 Activities/Initiatives: |
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| (1) Seek partnerships between the arts and other sectors, including education, social services, health, tourism and business | <p>Artists in Residence – Education (AIR-E)</p> <ul style="list-style-type: none"> • We are currently operating this program in 14 school boards. • OAC requested \$418,400 from the Ministry of Education (MoE) to continue and expand the AIR-E program from 14 to 17 school boards, shape the program to promote sustainability in the school board partners and make improvements to the AIR-E bilingual website. • The Canada-Ontario Agreement on French Language Services (CANON) has committed five years of support to this project totaling \$492,000 with an installment for 2013-14 of \$114,265. This will allow us to increase the number of participating francophone school boards from five to six. • If MoE funding is renewed, OAC will continue to manage the AIR-E website for school boards, teachers and artists • Without MoE funding, the number of school boards |

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| | <p>participating in the program will be scaled back and the website will be archived for reference only, with no updates or interactivity</p> <ul style="list-style-type: none"> • Ongoing funding of arts and health residencies exists through OAC’s Artists in the Community/Workplace program <p>Funders Forums, Business Enterprise Centres, Arts Councils and other funders</p> <ul style="list-style-type: none"> • Continue to build and maintain relationships with staff from various Government of Ontario ministries, funders’ networks, business enterprise centres, business development networks and Committee of Agencies and Ministries serving Northern Ontario (CAMNO), etc. through information sessions, grant writing sessions, workshops, etc. • Continue Arts Linkup initiative to get arts service organizations (ASOs) and other organizations serving Ontario’s arts communities talking about mutually beneficial ideas; ASOs identify themes, topics, organizations and individuals with which they would like to meet • Convene community arts councils and ASOs to brainstorm mutually beneficial ideas including approaches to professional development, resource sharing, training, advocacy, etc. |
| <p>(2) Build stronger relationships with communities, municipalities and provincial and federal governments to leverage support for Ontario artists and arts organizations</p> | <ul style="list-style-type: none"> • Continue OAC’s involvement with Canadian Public Arts Funders (CPAF), Intergovernmental Roundtable of Arts Funders and Foundations (IRAFF), Municipal Cultural Planning Incorporated (MCPI) and Canadian Arts Data/Données sur les arts au Canada (CADAC) • Develop new initiatives for CANON to leverage additional funding for the francophone arts community • Pending continued support from MTCS, continue to use the Culture Days movement to raise the issue of arts at the local level (MTCS support of Culture Days has been confirmed through 2014-15) • Continue to follow new Ministry Communications Protocols for MPPs and to communicate regularly with all MPPs about OAC grants in their ridings • Continue to work with Northwest Presenters to create a network to connect artists and audiences in the northwest <p>Artists in Residence – Education (AIR-E)</p> <ul style="list-style-type: none"> • Continue OAC’s Artists in Residence – Education (AIR-E) program, partnering with 14 school boards throughout the province. |

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| <p>3) Build relationships with Aboriginal band and tribal councils, agencies, elders and community leaders to increase the support, viability and recognition of Aboriginal artists and organizations</p> | <ul style="list-style-type: none"> • Continue OAC Aboriginal Arts Award • Continue Aboriginal Presenters in the North initiative through grants and professional development • Determine whether to continue investing staff and financial resources in further development of Aboriginal Arts Development Plan including: <ul style="list-style-type: none"> ○ Build on partnership with K-NET (a portal site of Keewaytinook Okimakanak, a non-political Chiefs Council serving communities in northern Ontario) to conduct more outreach via video conference with remote communities ○ Translate guidelines for Materials Assistance program into Ojibway and Cree; investigate the viability for translation into Mohawk and other languages ○ Research an Aboriginal youth arts strategy ○ Explore the creation of an Aboriginal residency program ○ Investigate creation of a North-South exchange or mentorship program/network |
| <p>(4) Support artists and arts organizations to build actively engaged audiences who reflect the changing generational and cultural demographics of Ontario</p> | <ul style="list-style-type: none"> • Develop a strategy for continued support of audience engagement activity • Complete collection and dissemination of examples of successful audience development projects supported by the Arts Investment Fund • Continued participation in facilitating and promoting Culture Days • Continued Francophone Theatre Audience Development initiative • Launched English theatre audience development initiative • Second year of 'Critical Dialogues' symposium connecting culturally diverse curators, artists and presenting galleries to build programs reaching new audiences • Exceeded 600,000 hits on OAC's YouTube site for <i>Ontario Dances</i> video to promote public participation in dance |
| <p>(5) Work with partners, including arts service organizations, to improve services to artists and arts organizations</p> | <ul style="list-style-type: none"> • Continue to partner with local arts organizations based on recommendations from the Community Arts Councils environmental scan • Second year of support to the Windsor & Region Arts Council for a Community Animator to generate community arts projects from local artists • Supported the Kingston Arts Council to engage a Community Animator to generate community arts projects from local artists • Work with provincial and local ASOs to develop a strategy to better support service needs of artists and arts organizations in the north |

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| <p>6) Share research to advocate for the value of the arts in people’s lives</p> | <ul style="list-style-type: none"> • Continued to partner with Canadian Heritage (PCH) and Canada Council for the Arts (CCA) to co-fund the <i>Statistical Insights on the Arts</i> series and the <i>Arts Research Monitor</i> • With PCH and CCA as partners, complete an assessment of the scope and usefulness of the 2011 National Household Survey (NHS) data on arts occupations • Continued partnership with CCA and others on the <i>Canada Dance Mapping Project</i>, a landmark study on the scope of dance in Canada; focus in 2013-14 on survey to quantify and profile Canadians who dance – from amateur to professional • Joined partnership led by PCH on the Culture Statistics Strategy re: economic impact of culture |
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THEME B: Increase Investment and Support

Increased provincial funding allows OAC to bolster investment and support in many important areas.

| Strategy | 2013 – 14 Activities/Initiatives: |
|--|--|
| <p>(1) Increase investment in arts education in schools and communities through artists’ residencies, youth arts and other initiatives</p> | <p>Arts Education</p> <ul style="list-style-type: none"> • Please see Theme A, Strategy 1 <p>Youth Arts</p> <ul style="list-style-type: none"> • Provided final year of partnership funding to ArtReach which will now transition to regular project program funding <p>Develop strategies for support of new-generation artists and organizations based on findings from consultation</p> |
| <p>(2) Increase investment in provincial, national and international touring, dissemination, residencies and other opportunities</p> | <ul style="list-style-type: none"> • Based on available resources, continue to fund <i>Ontario Dances</i> and audience development initiatives in English and French theatre • Explore a framework for an Aboriginal touring/residency network and create a digital interface to increase network exchanges between Aboriginal artists and organizations • Provided professional development opportunity for five Aboriginal music presenters to further develop capacity for |

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| | <p>touring in northern areas of the province</p> <ul style="list-style-type: none"> • Renew agreement with Conseil des arts et des lettres du Québec (CALQ) to co-fund Ontario/Québec Artist's Residencies • Conduct four additional "Road Scholars – Touring 101" workshops in regions of the province • Continue documentation of the economic impact of the arts and exploration of approaches to demand-side/audience research, in follow-up to the Ontario Arts Engagement Study |
| (3) Increase support to individual artists through funding, services and professional development | <ul style="list-style-type: none"> • Following the end of PCH matching funding of \$50,000 for a three-year pilot program for francophone visual artists, OAC supported the program, at a reduced level, for this year • Defer Northern Arts program evaluation due to staff change in the northeast office and parental leave for Northern Arts Program Officer • Based on consultations with culturally diverse artists, continue outreach strategy to increase access to Exhibition Assistance Program and added a 905 region recommender that will serve culturally diverse artists • Determine whether to continue investing staff and financial resources in further development of the Aboriginal Arts Development Plan • Analyse results from the Access & Career Development program evaluation, plan for any program changes • Continue Culturally Diverse Curatorial Projects program • Explore the need for a service organization for individual artists in music |
| (4) Increase support to arts organizations through funding, services and organizational development | <ul style="list-style-type: none"> • To ensure ongoing vitality of the field in the context of stable or diminished resources, guiding principles in operating programs will be to promote renewal and where possible, reward excellence, while remaining committed to OAC's strategic priorities, by reallocating funds within operating programs in Year 1 of a multi-year operating cycle • In Year 2 or 3 of a cycle, operating grants were maintained • OAC received an additional \$600,000 from MTCS to allow maintenance of funding to well-assessed organizations • Supported festivals and events in Northwest and Northeast by convening Festivals and Events Management Workshops with internationally renowned expert • Funded "Creative Consortium" – a group of French- and English-language arts organizations in Sudbury for study of infrastructure needs in the region |
| (5) Increase support to emerging and new generation of artists and arts organizations | <ul style="list-style-type: none"> • Revised assessment scoring for Operating grant applicants and increased reductions to organizations assessed at average or below-standard levels. Funds from reductions |

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| | <p>were re-directed to successful first-time applicant organizations as well as project programs in the same office</p> <ul style="list-style-type: none"> • Provided final year of partnership funding to ArtReach which will now transition to regular project program funding • Based on last year's consultation with new generation artists, develop strategies to better support their needs |
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THEME C: Improve Outreach and Access

Inclusiveness means ensuring that all Ontarians have equal access to the OAC's programs, resources and services.

| Strategy | 2013 – 14 Activities/Initiatives: |
|--|--|
| (1) Develop a province-wide outreach plan for artists and arts organizations to improve their access to OAC programs, resources and services | <ul style="list-style-type: none"> • Continue outreach to communities in the north including artists, arts organizations and Northwest Presenters • Continue to target outreach to southwest and 905 regions • Continue to develop opportunities to build capacity for regional arts service delivery and community arts activity in the northwest • Analyse results from the Access & Career Development program evaluation, plan for any program changes • Develop strategy to better support new-generation artists based on last year's consultation • Second year of support to the Windsor & Region Arts Council for a Community Animator to generate community arts projects from local artists • Place Making: Artists and Community convened two artists and one business development representative from each of seven northern communities to create opportunities for professional development, collaborations/ community arts activity and funding • Analyze results from validation phase of Equity Plan and begin implementation • Begin to implement a series of strategies to better support deaf and disabled artists • Convened gathering of culturally diverse artists and curators with public art galleries and artist-run centres • Convened second gathering of emerging northern visual arts leaders • Hire part-time Equity/Access Coordinator to research and plan advancements resulting from Equity Plan approved by the Board of Directors in October 2013 |
| (2) Support local, regional and rural arts activities through programs and partnerships | <ul style="list-style-type: none"> • Continue to build understanding of local presenting needs across the province • Continue supporting Community Arts Animator position in Windsor, and add new Animator position in Kingston area • Continue needs assessment of northern artists and organizations regarding services undertaken by Northwest and Northeast Consultants |

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| <p>(3) Increase funding to Aboriginal, francophone, culturally diverse and regional artists and arts organizations</p> | <ul style="list-style-type: none"> • Implement the first year of a multi-year Equity Plan • Convened Aboriginal music consultation in support of the development of the MTCS Live Music Fund • Determine whether to continue investing staff and financial resources in further development of Aboriginal Arts Development Plan including: <ul style="list-style-type: none"> ○ Build on partnership with K-NET to conduct more outreach via video conference with remote communities ○ Translate guidelines for Materials Assistance program into Ojibway and Cree; investigate the viability for translation into Mohawk and other languages ○ Research an Aboriginal youth arts strategy ○ Explore the creation of an Aboriginal residency program ○ Investigate creation of a North-South exchange or mentorship program/network • Year 2 of Culturally Diverse Curatorial Projects program |
| <p>(4) Make application process more user-friendly</p> | <ul style="list-style-type: none"> • Increase OAC's capacity to offer pre-deadline webinars for project programs • Continued to disseminate handbook for Aboriginal Presenters in the north • Continue to develop new IT system for Electronic Grants Management/Customer Relationship (EGM/CRM) • Produce 'New to OAC' video for first-time applicants |

Overview of Granting Programs and Activities – Current and Future

For 50 years, OAC has fostered stability and growth in Ontario's arts communities. In 2012-13, OAC received 11,783 applications and awarded 3,576 grants, 2,251 to individual artists and 1,325 to arts organizations in 232 communities across Ontario.

OAC's programs serve a broad array of disciplines, practices and communities across the province. OAC's strategic priority is to increase support to Aboriginal, francophone, culturally diverse, regional and new-generation artists and arts organizations. OAC's services are available in English and French.

OAC Programs

OAC programs are organized into 12 offices, defined by the arts sectors they serve:

- Aboriginal Arts
- Arts Education
- Arts Service Organizations
- Community & Multidisciplinary Arts
- Dance
- Franco-Ontarian Arts
- Literature
- Media Arts
- Music
- Theatre
- Touring
- Visual Arts

In addition, specialized programs support professional development of individual artists, organizational capacity building and targeted funding for OAC strategic priority groups. To respond to the needs of the province's arts communities, OAC regularly consults with artists and arts organizations. A complete list of programs follows this section.

Central tenets

OAC's work is based on two central tenets. **Arm's length** defines its relationship with government, while **peer assessment** defines its relationship with the arts community. OAC's arm's length relationship with government means that it has full authority to establish its own priorities, policies and programs and to make funding decisions. This relationship with government ensures that granting decisions are based on artistic, not political criteria; it also protects the government by providing an important buffer from potentially contentious funding decisions. Peer assessment means artists and other arts professionals (and, in the case of programs that provide operating funding, community representatives) are involved in assessing grant applications, advising on priorities and making recommendations on the awarding of grants. Through peer assessment, OAC involves the arts community directly and ensures that grants to artists and arts organizations are dispensed with integrity, transparency and fairness. Peer assessment is governed by policies, processes and procedures that are clearly and consistently communicated and applied.

Types of support

OAC offers two basic types of grants. **Project grants** provide assistance to individuals, collectives or organizations for a specific activity. **Operating grants** provide ongoing annual assistance to arts organizations to help pay for artistic and administrative expenses and provide stability and predictability.

OAC does not fund capital projects, programs that are part of an accredited college or university program, fundraising events or projects that have already taken place.

Granting programs and initiatives

Report on 2013-14

To ensure ongoing vitality of the field in the context of stable or diminished resources, guiding principles in **operating programs** will promote **renewal** and, where possible, reward excellence, while remaining committed to OAC's strategic priorities. This will be done by reallocating funds within operating programs in Year 1 of a multi-year operating cycle. In Year 2 or 3 of a cycle, funding will be maintained, unless it is necessary to implement across-the-board (ATB) reductions to all operating organizations (including Anchor organizations), as required by budget circumstances.

Starting in 2012-13, OAC began accepting new applications to operating programs *only* in Year 1 of a multi-year operating program in order to reduce the pressure on a fixed budget. Since 2012-13, new operating recipients are funded only from monies reallocated from reductions to organizations in the same program assessed as average or below standard. From 2010-11 to 2013-14 to date – the period in which OAC's base budget has not been increased – 100 organizations have been added to the operating stream. The ongoing impact of adding these organizations totals approximately \$1.9 million per year.

One of the objectives of OAC's Strategic Plan is to support artists and arts organizations to build actively engaged audiences. A key approach to growing public participation in the arts has been to encourage long-term relationships between arts presenters and arts organizations in Ontario. *Ontario Dances*, now in its sixth year, is a province-wide initiative that supports dance companies and presenters across the province to deliver participatory dance activities in their communities in advance of performances by the dance companies.

Inspired by the *Ontario Dances* model, **two new audience engagement initiatives** were launched in 2013-14. *Connexions théâtres* builds relationships between francophone theatre companies and centres culturelles, a province-wide network of organizations that are centres of francophone community life. *Theatre Connects* fosters connections between arts presenters and anglophone theatre companies. These initiatives aim to increase audience engagement with the work of French and English theatre companies in Ontario. They are two-year pilot programs with budgets of \$200,000 each over the two years.

A third initiative aimed at increased public participation in the arts is a three-year pilot program called **Aboriginal Presenters in the North: Music Events**. The purpose of the pilot program is to support artistic growth in Aboriginal communities through the presentation of music; to strengthen and develop a northern network of Aboriginal presenters; to develop and engage northern audiences and to enhance programming options for northern Aboriginal communities

and presenters. The annual program budget is \$30,000. This is the third year of this pilot program.

Thus far, these three audience development pilot initiatives have been funded through surplus funds which have been committed through 2013-14. After that, OAC will have to evaluate whether to continue these programs and how to fund them.

A change has been made to the Community & Multidisciplinary Arts office, aimed at improving application and assessment processes and increasing efficiencies in program administration. To better serve the needs of applicants and to recognize the blurring of the lines between artistic practices, the Integrated Arts and Multi-Arts programs were combined into one program called **Multi and Integrated Arts**.

In the Aboriginal Arts office, the Aboriginal Arts Education Projects program was re-named the **Aboriginal Artists in Communities** program to better reflect the nature of applications to the program, which are for projects that primarily take place in community settings.

Plans for 2014-15

OAC has demonstrated its active commitment to helping arts organizations develop **audience engagement** through publishing the 2011 *Ontario Arts Engagement Study* and, for example, through establishing *Ontario Dances*.

In order to continue growing public participation in the arts, OAC will:

- Pending continued support from MTCS, which has been confirmed for 2014-15 only, continue participation in facilitating and promoting Culture Days, through a cash contribution, plus donation of office space, equipment and services.
- Based on available resources, continue to fund Ontario Dances and audience development initiatives in English and French theatre; *Theatre Connects* and *Connexions théâtres* (for the second year of a two-year theatre audiences' pilot program).

OAC has a long history of **arts education** leadership. The Artists in Residence – Education (AIR-E) program supports year-long collaborative partnerships between school boards and professional artists. Over the past two years, with support from the Ministry of Education (MoE), the program expanded from five to 14 school boards. In addition, an AIR-E website and artist/teacher partnership model were developed and launched as resources for school boards and teachers.

- OAC's short-term goal is to renew MoE funding for 2013-14 to expand the AIR-E program from 14 to 17 school boards, shape the program to promote sustainability in our school board partners and make enhancements to the AIR-E bilingual website. In support of this, OAC has requested \$418,400 from MoE and \$125,000 from the Canada-Ontario Agreement on French Language Services (CANON).
- The mid-term goal is to secure an additional \$1.5 million from MoE to increase the total number of school boards to 32 (seven OAC-funded boards and 25 MoE-funded boards).
- The longer-term goal is to secure \$3.5 million annually from MoE to offer the AIR-E program in all 72 boards and 11 school authorities in Ontario.
- If MoE funding is renewed, OAC will continue to manage the AIR-E website for school boards, teachers and artists.

- Without MoE funding, the number of school boards participating in the program will be scaled back and the website will be archived for reference only, with no updates or interactivity. Maintaining even reduced activity will necessitate reductions to other arts education granting programs.

In response to findings from the March 2013 consultation, OAC will implement strategies to support **new-generation artists and organizations**.

OAC will continue to **build partnerships both within the arts and with other sectors** in order to maximize impact and efficiency. This will be done by:

- Building and maintaining relationships with staff from various Ontario Government ministries, funders' networks, business enterprise centres, business development networks, the Committee of Agencies and Ministries serving Northern Ontario (CAMNO) and others through information sessions, grant writing sessions, workshops, etc.
- Convene community arts councils and ASOs to brainstorm around mutually beneficial ideas including approaches to professional development, resource sharing, training, advocacy, etc.
- Evaluate Community Arts Animator contracts with Windsor and Kingston arts councils and assess future investment in this model in these and/or other communities. As these projects have thus far been funded out of surplus and without additional or reallocated funds, the future is not certain.

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

- Continuing to present the OAC Aboriginal Arts Award.
- Continuing the Aboriginal Presenters in the North initiative through grants and professional development.
- Continuing to disseminate *Shapeshifters*, the OAC-produced Aboriginal arts video series.
- Exploring a framework for an Aboriginal touring/residency network and research a digital interface to increase network exchanges between Aboriginal artists and organizations.
- Determining whether to continue investing staff and financial resources in further development of the Aboriginal Arts Development Plan including:
 - Building on a partnership with K-NET, a broadband network partnership of First Nation communities enabling video conferencing, to conduct more outreach via video conference with remote communities.
 - Translating guidelines for Materials Assistance program into Ojibway and Cree; investigating the viability for translation into Mohawk and other languages.
 - Researching an Aboriginal youth arts strategy.
 - Investigating creation of a North-South exchange or mentorship program/network.

For the past three years, the Department of Canadian Heritage (PCH) has contributed to a pilot program **supporting grants to francophone visual artists**. This year, with no PCH funding, OAC is committed to sustaining the program, though at a reduced overall level. A new request will be submitted to PCH for a contribution in 2014-15. Without partnership funding, it is unlikely the OAC will be able to maintain the program. In 2014-15, OAC will also:

- Continue its agreement with Conseil des arts et des lettres du Québec to co-fund Ontario/Quebec artists' residencies.
- Continue workshops and information sessions for francophone artists wishing to access the provincial, national and international touring programs.

OAC will continue to **support local, regional and rural arts activities** through programs and partnerships by:

- Conducting a Northern Arts program evaluation and including artists and organizations from northeast, northwest and the Far North in the evaluation. The evaluation will extend beyond OAC's Northern Arts program and will look at a broader range of program and service support to the north.
- Continuing a needs assessment of northern artists and organizations regarding services undertaken by OAC's Northwest and Northeast Consultants.
- Providing professional development opportunities for Aboriginal music presenters to further develop their capacity for touring in northern areas of the province.

Outreach and development

The Outreach and Development office was established to deliver on OAC's third strategic goal to improve outreach and access.

The Outreach Office coordinates OAC's annual development initiatives in collaboration with other OAC staff to ensure that support and services are made available to strategic priority (Aboriginal, culturally diverse, francophone, regional and new-generation) artists and arts organizations. In order to deliver outreach activities and support, OAC has two Northern Consultants: one based in Thunder Bay, serving the northwest and Far North, and one based in Sudbury, serving the northeast. The Northeast Consultant position became vacant in May of 2013 and is being filled through a six-month part-time contract while options for the best structure to serve the diverse needs of the area are explored.

Report on 2013-14

- OAC continues to improve access to programs, resources and services through convening, education, information and professional development activities.
- In particular, OAC continues to support and develop strategic priority artists and organizations through partnerships, infrastructure development, liaison and professional development opportunities; the focus of these regional efforts is on the north, the southwest and the 905 regions.
- OAC continues to facilitate relationships and connections among artists and arts organizations, and with the education, health and social services sectors.
- OAC continues to produce print and online tools and resources to support artists and arts organizations in the application process.
- OAC is increasing its capacity to use webinars, podcasts and social media as vehicles to improve its reach and increase efficiencies.
- Windsor and Kingston areas are receiving support for a model of local arts development with regional Community Arts Animators.

Plans for 2014-15

- OAC will continue to improve access to programs, resources and services through convening, education, information and professional development opportunities.
- In particular, OAC will continue to support and develop strategic priority artists and organizations through partnerships, infrastructure development, liaison and professional development opportunities. The focus of its regional efforts will continue to be the north, the southwest and the 905 regions.

- The model of local development work through support for Regional Animators will be further explored.
- OAC will develop supports and services in response to the needs of new-generation as well as deaf artists and artists with disabilities.
- OAC will continue to facilitate relationships and connections both within the arts and outside the arts with other sectors.
- OAC will increase its capacity to use new media and technology to improve its reach and increase efficiencies. It will expand the production of online videos to include information for first time applicants. Through a partnership with Ryerson University's Inclusive Media and Design Centre, OAC will develop video and online resources for deaf artists and artists with disabilities.
- OAC will partner with the Maytree Foundation to develop tools and opportunities to help arts organizations further enhance cultural diversity on governance boards.

OAC will improve access to OAC granting programs by:

- Increasing OAC's capacity to offer pre-deadline webinars for project programs.
- Developing a new online application process, while also continuing to produce print and online tools and resources to support artists and arts organizations in transitioning to the new online application process.
- Continuing to disseminate a handbook for Aboriginal Presenters in the north.
- Produce a 'New to OAC' video for first-time applicants.

OAC granting programs and services will be guided by the Vision and Values of the Equity Plan, by:

- Beginning to implement a series of strategies to better support deaf and disabled artists.
- Based on consultations with culturally diverse artists, continue an outreach strategy to increase access to the Visual Arts Exhibition Assistance program.
- Analysing and implementing results from the upcoming Access & Career Development program evaluation, and planning in accordance with any program changes.
- Continuing the Critical Dialogues series, a program aimed at connecting culturally diverse curators, artists and galleries with each other and with new audiences.
- Assessing the need for and develop a job description for a part-time OAC Equity/Access Co-ordinator to research and plan advancements resulting from approval of the Equity Plan.

Complete List of OAC Programs

ABORIGINAL ARTS

Aboriginal Artists in Communities
Aboriginal Arts Projects
Aboriginal Presenters in the North: Music Events

ACCESS AND CAREER DEVELOPMENT

ARTS EDUCATION

Aboriginal Artists in Schools
Arts Education Projects
Artists in Education
Arts Education Organizations

ARTS SERVICE ORGANIZATIONS

Arts Service Organizations
Arts Service Projects

AWARDS

Ontario Arts Council Aboriginal Arts Award
Premier's Awards for Excellence in the Arts

CHALMERS

Chalmers Arts Fellowships
Chalmers Professional Development Grants

COMMUNITY AND MULTIDISCIPLINARY ARTS

Artists in the Community/Workplace
Community and Multidisciplinary Arts Organizations
Community Arts Councils
Multi and Integrated Arts

COMPASS

DANCE

Aboriginal and Culturally Diverse Dance Training
Dance Initiatives
Dance Organizations

ARTS FRANCO-ONTARIENS

Aide à la diffusion artistique
Aide à la diffusion artistique – projets
Artistes visuels et des métiers d'art
Arts visuels, arts médiatiques et métiers d'art
 Organismes et centres d'artistes
 autogérés
 Projets
Avance médias
Chanson et musique
Création littéraire
Édition
Projets d'édition
Jets de théâtre
Organismes franco-ontariens de service aux arts
Projets de service aux arts franco-ontariens
Théâtre

LITERATURE

Block Grants to Book Publishers
Literary Festivals and Organizations
Literary Festivals Projects
Periodicals
Word of Mouth
Writers' Reserve
Applications accepted by recommenders from September to January 2015
Writers' Works in Progress
Writers' Works in Progress – Northern Competition

MEDIA ARTS

Exhibition Assistance
Applications accepted by recommenders from June to January 2015
Media Arts Organizations
Media Arts Projects
Media Artists
 Emerging
 Mid-Career and Established

MUSIC

Choirs & Vocal Groups
Choirs & Vocal Groups Projects
Classical Music Recording
Music Commissioning
Opera
Opera Projects
Orchestras
Orchestras Projects
Popular Music
Presenter/Producer
Presenter/Producer Projects

NORTHERN ARTS

THEATRE

Playwright Residency
Theatre Creators' Reserve
Applications accepted by recommenders from September to February 2015
Theatre Organizations
Theatre Organizations – Summer Theatres Only
Theatre Projects

TOURING

National and International Touring
National and International Residency
Ontario Arts Presenters
Ontario Touring

VISUAL ARTS

Aboriginal Curatorial Projects
Culturally Diverse Curatorial Projects
Public Art Galleries
Public Art Galleries Projects
Visual Artists
 Emerging
 Mid-Career
 Established
Visual Arts Artist-Run Centres and Organizations
Visual Arts Projects

CRAFT

Craft Projects: Connections
Craft Projects: Creation and Development

The following two programs offer grants for visual artists and craft artists:

Exhibition Assistance
Applications accepted by recommenders from June to January 2015
Aboriginal Artists – Materials and Supplies Assistance
Applications accepted by recommenders from June to January 2015

Research

Producing and sharing valid and credible research is an important part of OAC's commitment to advocate for the value of the arts in people's lives. Research supports OAC's own work, as well as the planning and advocacy efforts of artists and arts organizations across Ontario.

Report on 2013-14

The Research office monitors external arts research on an ongoing basis to identify credible findings relating to the personal, social and economic impacts of the arts in society.

In addition, the following initiatives are underway in 2013-14:

- Undertaking a range of specific analyses and providing research advice and expertise, as part of OAC's strategic planning process.
- Continuing to partner with the Canada Council for the Arts (CCA) and others on the *Canada Dance Mapping Project*, a landmark study that will help develop a better understanding of the scope of dance activity in Canada, through a variety of research and consultation initiatives. The focus in 2013-14 is on a public engagement survey to quantify and profile Canadians who dance – from amateur to professional – including their geographic and demographic characteristics, as well as the range of genres and motivations/reasons for involvement in dance.
- Continuing to partner with the Department of Canadian Heritage (PCH) and CCA to co-fund the *Statistical Insights on the Arts* series and with CCA to co-fund the *Arts Research Monitor* – two important vehicles for getting research findings into the hands of the arts community.
- Also in partnership with CCA and PCH, completing an assessment of the scope and usefulness of the 2011 National Household Survey (NHS) data on arts occupations.
- Participating with PCH as a partner on the Culture Statistics Strategy.

Plans for 2014-15

OAC plans to continue to partner with PCH and CCA on the *Statistical Insights on the Arts* series and the *Arts Research Monitor*. OAC will also work as part of the consortium on the Culture Statistics Strategy to support continuation of the Cultural Satellite Account economic impact data, as well as research on other indicators such as the social impacts of the arts and arts participation.

Pending the results of the assessment of the 2011 NHS data on arts occupations, OAC will obtain additional detail on Ontario arts occupations from NHS and/or consider options for alternative sources of information in order to develop an economic and demographic profile of Ontario artists.

In addition, OAC's Research office will be involved in developing approaches to track OAC's progress on both its Equity Plan and new Strategic Plan.

The identification of other specific research priorities for 2014-15 will be informed by the new Strategic Plan.

Program Evaluation

Report on 2013-14

For the current year, the following evaluations are scheduled:

- Access & Career Development – the program evaluation was actually completed in 2012-13 and implementation of changes was scheduled for 2013-14. However, analysis of the results from the evaluation has been delayed due to a staff absence this year, but will resume in order to prepare for implementation of changes in 2014-15.
- Northern Arts - the program evaluation was to begin in 2012-13, however with the change in the Director of Granting position, a vacancy in the Northeast Consultant position and a parental leave for the Northern Arts Program Officer, the evaluation was deferred.

Plans for 2014-15

Recommendations from the Access & Career Development program evaluation will be implemented and the Northern Arts program evaluations will begin late in the year. Early discussions about other potential program evaluations are taking place, but no decisions have been made at this time.

Risk Identification, Assessment and Mitigation Strategies

OAC has recorded on the ***Risk Assessment Worksheet*** all risks that have been identified as potentially having an impact on OAC's achievement of its objectives. Risks have been listed under the risk categories as identified by the Ministry of Tourism, Culture and Sport, with an assessment as to 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 Governance Committee of the Board annually reviews the assessment worksheet prepared by management and makes changes, if required, to ensure that issues that have occurred over the past year are properly reflected in the worksheet. The committee has agreed that this material will be part of the orientation for new board members and that the register will be updated continuously as circumstances change throughout the year. The Governance Committee reviewed the worksheet in November 2013.

Please see attachment 'Appendix 4 – OAC Risk Assessment Worksheet'.

Environmental Scan

External issues/factors

The following is a summary of key findings from OAC's environmental scan, recently commissioned by OAC as part of the strategic planning process. It highlights factors that are anticipated to affect OAC's work in the years ahead, either directly or indirectly (due to impacts on OAC's client base).

There are three major drivers affecting the arts in Ontario — demographic change, economic uncertainty and technology. These issues, along with more sector-specific trends, are impacting how the arts are created, produced, disseminated and promoted, as well as how people participate in and engage with the arts.

Demographic trends

The demographic trends indicate that Ontario is likely to see an overall increase in seniors and an increasingly diverse younger generation, including Aboriginal youth:

- While Canada's rate of population growth is the highest among G8 countries, Ontario's population is experiencing some of its slowest growth in a century.
- Ontario is the province with the second-highest percentage of its labour force in arts occupations.
- By 2031, the number of seniors aged 65 and over is projected to more than double.
- Ontario's visible minority communities are growing much faster than the overall population. As with the rest of the population, the Franco-Ontarian population is also increasingly diverse.
- Demographic trends show that younger Canadians are more culturally diverse than older generations. Aboriginal youth make up an increasing proportion of the younger generation.
- There is increasing evidence that despite high levels of educational attainment, the younger generation is struggling financially due to a retraction of the job market and high levels of student debt.
- Ontario's population continues to be predominantly urban; however, the "creative economy" is becoming part of the discussion in rural communities, where arts and culture are seen as a potential response to youth out-migration and the downturn of traditional employment sectors.

Studies indicate that increasing diversity could translate into greater and potentially different forms of arts engagement and participation, and overall, Ontario's demographic trends present fantastic potential in a blossoming of art forms, activities and services. The downside, however, is a risk of disconnection and fragmentation, as limited resources are distributed among an ever-widening range of activities and artists.

The economic environment

The economy remains fragile and forecasts indicate that economic growth will be restricted for the next few years. The literature suggests that some arts organizations are having difficulty keeping pace with operating costs, and this is having a negative effect on programming

resources in some disciplines. Shifts in ticket-buying practices and the loss in revenue stemming from the move toward digital distribution are also concerns for some sectors.

Artists' earnings continue to be well below the overall labour force average. The low earnings and precarious financial situation of individual creators is particularly disconcerting given that the role of the creator is fundamental to the definition of culture and the "creative chain," as described by Statistics Canada.

Public arts funding has remained relatively stable in recent years, despite some decreases and increases. In 2012, Ontario cut millions of dollars from its culture budget, including a \$3.5 million (23%) reduction in funding over two years to Toronto's Luminato festival, a \$500,000 reduction to Canada's National Ballet School and modest decreases in operating assistance to the Royal Ontario Museum, Art Gallery of Ontario and McMichael Canadian Art Collection.

The Canada Council for the Arts (CCA) was not subject to major cuts in the 2013 federal budget, although its parliamentary allocation did not increase and will remain at just over \$180 million in 2013–14. Program reviews at the CCA may have an impact on the arts in Ontario. It is currently in the midst of reviewing its operating grant program, which represented \$94.8 million, or approximately 65%, of the CCA's grants budget in 2011–12.

Some municipal arts councils and funders have seen budgetary increases. For example, the Toronto Arts Council will see a \$17.5 million budget increase for arts funding over four years, with the first \$6 million to be allocated this year. Nevertheless, lack of confidence in the reliability of public funding is challenging the sector. Overall, as government funding and other revenue sources come under increasing pressure, the arts sector continues to explore alternate revenue sources.

The future of organizational models

There is a sense that the sector is leaner than ever and operating without much of a cushion. Although the current not-for-profit model enables organizations to apply for government funding, some (particularly new-generation arts organizations) are questioning whether or not the "cost" is worth it. Amendments in federal and provincial legislation, for example, are all increasing compliance pressures on not-for-profit organizations. This, along with trends in social innovation — which emphasize the importance of diversity, cross-sectoral and cross-disciplinary collaboration, shared resources and adaptation to change — are giving rise to new organizational models, including indigenous governance models.

Like other trends, this shift presents both opportunities and challenges for the sector. For funders, for example, new not-for-profit models may not fit within existing structures and assessment/reporting practices that emphasize and encourage signs of stability.

Technology

The transition to a digital society has had a significant impact on the arts sector, shifting and even transforming how the arts are created, produced, disseminated, promoted and experienced. This has led to exciting possibilities for creation and greater experimentation, enabled artists to distribute their own work to audiences directly and opened up the potential for artists and arts organizations to diversify revenue streams and reach niche markets.

However, new modes of digital distribution often expect artists to provide their content for free, and many of the traditional business models underlying production and distribution have changed dramatically, leading to a significant loss of revenue in some sectors. Some remain skeptical about the potential for new business models in the arts, arguing that digital distribution favours only a few arts organizations that have leading brands, strong niches and the resources to secure increased market share.

Participation and engagement in the arts

Technology has also had a significant impact on how people participate in and engage with the arts. A significant number of Canadians are using the Internet to engage in arts and culture-related activities online, and there is a widespread sense that digital technologies are critical to the spread of the arts, helping to make art a more participatory experience and audiences more diverse. Perhaps surprisingly, people who consume art via the Internet and electronic media are also nearly three times as likely to attend live arts events.

The capacity for interactivity associated with digital technologies is also altering the artist-audience relationship as people want to do more than simply experience arts content as passive consumers, and increasingly expect to contribute to, curate, comment on and alter arts content for their own creative purposes. It is also changing how and where arts experiences take place.

Against this backdrop of change is a discourse that takes a broad view of arts engagement and activity — such as inventive and interpretive activities, community-based arts events, and media consumption — and is revealing its multifaceted and pervasive nature. Expanding the notion of arts activity suggests there is a greater appetite for the arts and arts participation, and presents opportunities for the arts sector to engage new, more diverse audiences through active participation in non-traditional settings. However, it simultaneously presents challenges for a sector which may not have historically engaged its communities in these ways — or have the financial resources or expertise to do so — and for funders, who are already responding to an increasingly broad range of priorities.

Arts practice: issues, approaches and trends

While demographic and technological change, and the prevailing economic instability, are the main drivers in the external environment, there are also other factors impacting the arts sector, including the high cost of production and touring in some sectors; the need for adequate, safe, accessible and affordable space; and the need for succession planning, mentorships, and training (particularly technical training in digital business skills, such as intellectual property (IP) and IP rights management).

As well, some equity-seeking groups in the arts sector continue to lack an appropriate infrastructure to support their practice. This is a particular challenge for Aboriginal artists and artists with disabilities. New-generation artists and arts organizations are unable to access the same levels of stable funding as their predecessors, and the growth in community-engaged art has led to calls for funders to validate their practice and fund a range of socially conscious arts activities. All of this will continue to put pressure on a funding system that is also feeling the effects of the economic slowdown and the challenge of diminishing resources while addressing increased demands for funding from a wider range of players.

How funders are responding – strategic plans and global trends in arts funding

As part of this scan, the authors also analyzed the strategic plans and related documents from approximately a dozen key arts councils in Canada and internationally. That analysis indicates that several funders are starting to broaden their priorities.

Whereas emphasis on supporting artistic excellence and professional arts practice continues to be central for most funders, some are increasingly focusing on how to increase demand for the arts. For some funders, this entails a focus on public engagement and exploring ways to help artists and arts organizations deepen their relationship with audiences. Others have made it a priority to focus on people and places with the least engagement. And while many funders have long prioritized arts education, the understanding of what arts education entails is widening, as some are adopting the language of lifelong learning and the continuum of arts experience, from “receptive to participatory.” Others have indicated that, going forward, they will also emphasize city building and community revitalization, in addition to artistic excellence.

Advocating for the arts continues to be a priority for most funders. There are, however, a growing number that focus on ways to maximize private sector revenue for the sector, particularly by helping arts organizations and artists to diversify and increase their revenue streams. Technology and innovation are also relatively new priorities for funders, though “innovation” isn’t always well-defined, and its meaning varies across funding agencies. Equity and diversity continue to be priorities for funders — particularly Aboriginal artists, culturally diverse artists, regional artists and youth. As well, disability arts is an area of growing interest.

The overall challenges facing the sector have led some thinkers and commentators to call for shifts in the current funding models and a “rebalancing” of funding. Depending on who one talks to, that rebalancing might entail a shift toward an emphasis on “adaptive capacity,” “decreasing supply of the arts,” “increasing demand for the arts” or “increased equity in arts funding.” What is clear is that the challenges are many, but the opportunities — to see a more diverse range of arts practice and arts participation thrive — are also great.

Internal factors

- Financial and Operational impacts of implementing the various standards under the *Accessibility for Ontarians with Disabilities Act (AODA)*.
- OAC’s move to an Electronic Grants Management/Customer Relationship Management (EGM/CRM) System and other changes in its approach to information technology will have significant impacts on both employees and applicants. In addition, a large amount of staff time is currently being devoted to information-gathering, business validation, design and implementation of OAC’s new EGM/CRM System.
- Investment returns in today’s equity markets will affect the amount of income available over time for the restricted and endowment funds, in particular the grants and fellowships in the Chalmers' program.

Human Resources

Ontario Arts Council's employees play a significant role in its positive reputation with stakeholders. OAC's ability to achieve its strategic priorities, mission, vision and values is due in large part to the experience, intelligence, thoughtfulness, creativity and engagement of its staff and board, and the respect in which they are held by the arts community.

OAC's Human Resources office is responsible for ensuring that effective programs and policies are in place to support and optimize OAC's ability to successfully deliver on its mandate through its employees. This includes training and development, health and safety, recruitment, compensation, organizational design and development, performance evaluation systems, labour relations, and implementing legislative requirements.

Some of the larger projects currently underway which require significant staff involvement and investment to make them successful are the ongoing development and implementation of the new Electronic Grants Management/Customer Relationship (EGM/CRM) System, through which OAC's entire grants management operation will be re-invented, starting with online submission of all grant applications, as well as the process to develop a new multi-year Strategic Plan, and begin implementation of the Equity Plan.

Major changes such as these require time for adjustment and evaluation which, in this instance, means increased demands on the Human Resources office to create new and revised policies, review job descriptions and responsibilities, implement organizational design changes and hire, retain and reallocate staff, as needed, to meet OAC's evolving needs.

In addition, OAC has identified the need to reduce its office footprint, when its current lease expires in February 2016, regardless of whether it remains in the same building or relocates elsewhere. Although this seems a long way off, it will be a very time-consuming and delicate effort for OAC to reinvent the way it works, including, for example, the need for more collaborative work spaces and open work stations, and very few private offices. This will mean a significant cultural shift. Only then can a detailed space plan be developed, which will enable OAC to begin considering its real estate options.

Major priorities in 2014-15 include the following:

Finalization and implementation of first collective agreement with the Association of Management, Administrative and Professional Crown Employees of Ontario (AMAPCEO)

Collective bargaining with AMAPCEO began in September 2012, after OAC staff voted in AMAPCEO as its bargaining agent in February 2012. AMAPCEO represents all OAC staff excluding those who work in management and/or in a confidential capacity with respect to labour relations. The OAC positions excluded from the union are six Directors, two Managers, the Executive Coordinator, and the Human Resources Administrator.

The collective agreement is expected to be completed by the negotiating teams, and ratified by the OAC Board and AMAPCEO membership, in 2013-14 and implemented in 2014-15. Working under the new collective agreement will be a significant change for OAC employees, and will require significant support from Human Resources. Implementing and operationalizing

numerous changes as they apply to policies, procedures, job descriptions and reporting structure will be some of results of unionization.

Organizational effectiveness and design

A significant change for OAC in 2013-14 was the restructuring of OAC's administrative department, which included the hiring of a Manager of IT. The Manager of IT has had the primary responsibility of modernizing OAC's IT systems, including a new website and development/implementation of Nova.

Once Nova is fully implemented, the new technology will greatly impact the way OAC does its work internally, providing increased efficiencies and eliminating manual paper-driven processes, allowing staff to focus on more value-added, client-driven engagement. To what extent this technology change will lead to changes in staff roles and responsibilities and/or the need for departmental restructuring outside of IT has yet to be determined.

Recruitment

Hiring will continue to focus on filling vacant positions as they occur, and/or those identified as priorities as a result of the equity and strategic planning processes. For example, the feedback received from the Equity Plan consultation has indicated that increased support of mentorship and Community Animators is of high value. As well, in order to successfully implement the Equity Plan activities, including the ongoing implementation of improved access of deaf artists and artists with disabilities, OAC may need to hire someone with this expertise to lead these initiatives.

Accessibility for Ontarians with Disabilities Act (AODA)

In 2012, OAC initiated a collaboration with its sister agencies, Ontario Media Development Corporation and Ontario Trillium Foundation, in hiring a consulting company to assist with the creation of individual Accessibility Plans and Policies to fulfill the requirements of the *Integrated Accessibility Standard Regulation* (IASR) under the AODA. This was completed in January 2013. In 2013, the focus has been on implementing these employment policies, and establishing ISAR training for OAC staff and board members.

In addition, OAC has established a Deaf and Disability Arts and Access Services Committee whose focus is on evaluating and implementing improved services to support the disability arts milieu, deaf artists and artists with disabilities. In 2014-15, OAC will begin to implement recommendations that will provide improved access and services, such as support for the completion of applications. It should be noted that the financial and human resources impact to fully implement the IASR is something that is not yet completely understood, but greater internal knowledge and expertise is required to ensure compliance and to lead accessibility initiatives.

Equity

OAC's current Strategic Plan for 2008-2013, *Connections and Creativity*, was the impetus for OAC undertaking a multi-phased Equity Plan project. Within the Strategic Plan, Aboriginal, Culturally Diverse, Francophone, Regional and New Generation artists and arts organizations were identified as strategic priority groups that OAC is committed to, through its programs and services. In turn, the Equity Committee was created, with representation of staff from all areas

and levels of the organization. The committee has worked closely with external equity and diversity consultants on each phase of the Equity Plan project.

In spring 2011, OAC completed an audit of its organizational and granting program policies and practices which provided a baseline assessment of its current state. This led to the creation of an equity vision statement and values, which were approved by the OAC Board in December 2012. In 2012-13, high-level objectives and activities required to support the vision and values were developed, and in June 2013, OAC conducted an external validation of this draft plan with internal and external stakeholders through a wide-reaching survey, external focus groups and sessions with OAC staff and board. The feedback received was very positive and provided OAC with another opportunity to revisit the draft plan before presenting the final Equity Plan to the OAC Board, where it was approved in October 2013. In 2014-15, OAC will operationalize its first year of the multi-year implementation plan. Dedicated internal expertise and support will be required to ensure the success of the identified equity initiatives, and OAC expects to hire a part-time Equity Coordinator for this purpose in 2014.

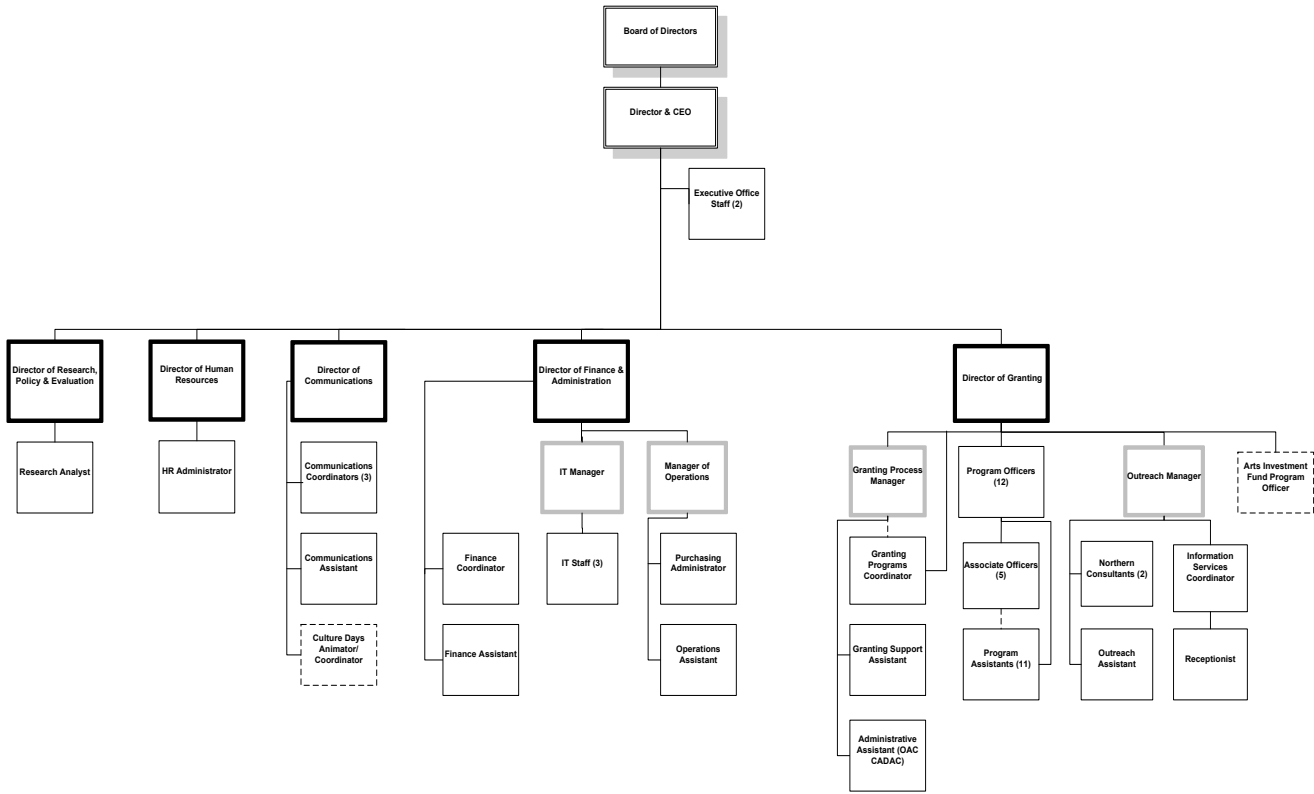
Staff Complement

The organizational chart below indicates the total number of permanent and temporary employees, expressed as full-time equivalents, as at January 2014.

In February 2012, the Ontario Labour Relations Board certified AMAPCEO as the bargaining agent for all employees of OAC, save and except persons exercising managerial functions or employed in a confidential capacity in matters relating to labour relations. Fifty regular budgeted positions are in the bargaining unit.

OAC Organizational Chart

Ontario Arts Council – Organization Chart for Business Plan



TOTAL FTE Count = 62.4

= Special Project Position

October 2013

OAC Performance Measures

OAC's performance measures, which are based on the vision statements from OAC's Strategic Plan, provide a framework for assessing OAC's progress on the high-level intended outcomes that underlie the plan. In 2012-13, OAC released the third public report on these corporate performance measures. The report shows that OAC has met, or is on track to meet, its targets for fully 76% of all indicators. OAC is currently updating the performance measures for the most recent year.

Please see attachment 'Appendix 5 – OAC Performance Measures'.

Information Technology/Electronic Service Delivery

In June 2012, OAC initiated a project to develop and implement an Electronic Grants Management/Customer Relationship (EGM/CRM) System. As part of this project, OAC leveraged common component applications and architecture standards consistent with the spirit and intent of the Government of Ontario Information Technology Directive to minimize cost, optimize acuity, and future-proof the application. Based on this, OAC recognized the opportunity for more than 42 component improvements over current systems, with greater efficiency and accuracy, and improved better service delivery to OAC and its clients.

OAC also elected to follow the Government of Ontario Project Management Methodology and its recommended best practices for the implementation of the EGM/CRM System. Based on this methodology, OAC initiated an implementation checkpoint review at the completion of the requirements gathering and fit/gap analysis project phase.

The purpose of the implementation checkpoint review process was to assess and identify risks/challenges that may impact the success of the EGM/CRM project, as well as to exploit all opportunities that would allow OAC to operate more efficiently and cost-effectively in order to continue providing the highest level of support to its stakeholders. In August 2013, the project entered its second project phase of requirements validation, product design and development.

The Service Level Objective of the integrated online application echoes that of the Ontario Public Sector. In a parallel initiative, OAC is continuously addressing its readiness for on-boarding this form of service delivery. This assessment looks at the organization, its processes, its workflow procedures and its IT organization structure, tools and service delivery framework.

OAC followed the GO-ITS Infrastructure standard and has implemented an n-tier secure infrastructure solution, leveraging virtualization and green technologies. The infrastructure is also designed for 99.0% availability. Post EGM/CRM launch, OAC will move to a hybrid (internal/external co-location) data centre hosting environment.

OAC is confident that the final product will be an award-winning system that can serve as a model for other similar granting agencies. OAC will realize the establishment of more consistent processes, the ability for cross-application reporting, business intelligence and improved client satisfaction. This system will modernize OAC applications, including its contact management and granting processes, by reducing overall operations costs. The targeted completion date for the EGM/CRM project is December 2014.

IT staffing and resources

IT functionalities that will be added at the completion of the EGM/CRM implementation include:

- **Extended data centre hosting environment** – Moving to a hybrid (internal/external co-location) data centre hosting environment will provide increased security, protection, redundant power supply, internet bandwidth capacity and scalable computing power to facilitate online application processing.

- **Microsoft Dynamics Great Plains EGM/CRM Integrated System** – OAC will have a fully integrated system that connects OAC’s website, financial, granting, events and contacts management systems across the organization.
- **IT help desk** – OAC will require an IT help desk during the critical launch phase of the EGM/CRM System implementation and roll-out. This will ensure that clients are able to have a positive experience when they initially file grant applications through the EGMS/CRM System.

Network and infrastructure

OAC continues to maintain and upgrade its infrastructure in order to support its business. OAC’s network continues to be very reliable and OAC has experienced 99% uptime, year over year. The infrastructure projects this past year included:

- OAC developed an Infrastructure Blueprint (Technical Architecture) for extending the current network to include an external data centre component. This new data centre will host the new grants online system. Virtualization is the emphasis for this new infrastructure and, as such, OAC has commenced the process of building its new network by:
 - Procuring the services of an external data centre provider.
 - Procuring all infrastructure hardware requirements according to the blueprint including:
 - Deploying redundant computing and power supply.
 - Installing redundant Internet services, firewalls and Internet security endpoints.
 - Setting up and configuring virtual servers for a hybrid (internal/external) data centre hosting environment for web hosting and email services starting with the Ontario Arts Foundation (OAF) and Ontario Cultural Attraction Funds (OCAF) websites, which are now live.
 - Setting up and configuring virtual servers for hosting the Artists in Residence - Education (AIR-E) website, as per OAC’s agreement with the Ministry of Education.
 - Deploying enhanced email services to facilitate mass emailing and prevent future email blockages.
 - Installing an email vault and transitory record system, which will enable document classification, safeguard, retention and recovery, as per corporate policy on information security and privacy classification.
- **Other notable network upgrades and security enhancements:**
 - Deployment of wireless Internet services in OAC’s meeting rooms to provide Internet access for peer assessment panel members and board members.
 - A secure private cloud file storage service pilot project to provide staff with a secure alternative to public cloud services such as Dropbox and iTunes, and to evaluate the need for enhanced cloud services at OAC.
- **In addition the following is planned to be completed in 2013-14:**
 - Upgrading OAC email communications systems from Microsoft Exchange 2003 to Microsoft Exchange 2010 due to end-of-life and inadequate technology.
 - Migration of OAC, OAF, OCAF and AIR-E websites to the new data centre hosting environment.

Website accessibility compliance

OAC has initiated a project to develop and implement a new website that is fully compliant with the *Accessibility for Ontarians with Disabilities Act (AODA)* and satisfies the requirements under section 14 of the *Integrated Accessibility Standards Regulations (IASR)*. This project has been identified as a critical component of the OAC multi-year accessibility plan.

OAC is reconsidering the project timelines based on new information received from the Accessibility Directorate of Ontario and opportunities with the EGM/CRM System project to develop a website based on the new SharePoint 2013 technology platform, which will leverage new optimized workflows and automated processes in SharePoint, providing the means for:

- A fully accessible site that satisfies AODA requirements and section 14 of the IASR
- A website that is WCAG level AA compliant.
- Integration with the EGM/CRM online application processing system.
- Enhanced site search functionality.

Initiatives Involving Third Parties

Artists in Residence – Education (AIR-E)

OAC has built connections with various education partners to set up artist residencies in schools within the partners' jurisdictions. To date, OAC has partnered with:

- Conseil scolaire de district catholique Centre-Sud
- Conseil scolaire de district des écoles catholiques du Sud-ouest
- Durham District School Board
- York Region District School Board
- Near North District School Board
- Conseil scolaire public du Grand-Nord de l'Ontario
- Keewatin-Patricia District School Board
- Toronto District School Board, and
- Conseil scolaire catholique Franco-Nord.

Partnerships are also currently being negotiated with:

- Conseil scolaire de district catholique des Grandes Rivières
- Algonquin Lakeshore Catholic District School Board
- Limestone District School Board
- London Catholic District School Board
- Thames Valley District School Board, and
- Conseil scolaire de district catholique des Aurores boréales.

The long-term goal is to place artists in residence in schools across the province. Detailed agreements are in place with each partner to make sure that the Transfer Payment Accountability Directive (TPAD) is followed.

Royal Conservatory Artist-Educator Foundations Course

Since 2009, the Royal Conservatory has offered professional development courses that support artists to work more effectively in schools and community settings. The Artist-Educator Foundations Course was crafted for artists who are already engaged in arts education and for those who would like to learn more about arts education. Funding provided by OAC enables Ontario artists to enroll in the course at a significantly reduced fee of \$60. OAC is involved in selecting the locations throughout the province for this course, and for determining where French language sessions are required.

Throughout the 30-hour course, artists learn how to develop and structure arts-based lessons that effectively engage students. Topics include planning and partnering with a teacher, lesson planning, classroom management, teaching tactics and strategies. The curriculum also focuses on how people learn at different stages of life, understanding the brain and adult education. The Artist-Educator Foundations Course combines educational content and theory with a creative "laboratory" environment where artists can apply their arts practice in education. OAC staff participate in some of the locations where the course is offered.

Ontario Dances

This OAC-funded program helps to strengthen and develop the presentation of dance in Ontario, and to increase the range and diversity of dance that is available to communities across the province. The program also builds capacity for dance presenters, dance artists and dance organizations, and fosters audience development, thereby providing a greater number of Ontarians with access to and engagement in dance of all kinds. Currently, OAC coordinates the partnership with 11 multi-disciplinary arts presenters from across Ontario. Ontario Presents administers the program on behalf of OAC, and a contract is in place to ensure compliance with TPAD.

Third-party granting (recommender) programs

The strength of the recommender program model is its regional responsiveness, its flexibility and its relatively simple application process, as compared to other granting programs. Artists in all regions of the province, at all stages of their careers and from diverse communities, rely on these programs, despite their relatively small grants. A key aspect of the success of these programs is that regional artists have the opportunity to bring their work to the attention of local galleries, publishers and theatre companies. And recommenders are able to identify artists in their regions with whom they are unfamiliar, and being to develop relationships with them.

OAC publishes guidelines and regulations for recommenders in all three recommender programs. These requirements include assessment criteria, use of OAC strategic priorities in decision making, procedures with regard to managing the flow of applications, communication of results to applicants, and annual completion of a final report on recommendations. Recommenders are assessed on their ability to act as effective recommenders by fulfilling the programs' objectives, meeting OAC strategic priorities as demonstrated through judgment used in the previous year's recommendations, managing the allocated budget effectively, and having in place an effective process for assessment of grant applications. Recommenders are chosen annually by the Officer based on a review of previous year's grant recommendations and recommenders' final reports.

There are 153 approved recommenders participating in three third-party programs in 2013-14 throughout the province. Recommenders are partially responsible for broadly disseminating information through their region about the program. Applicants to the various programs then contact the various recommender(s) directly, not OAC, to submit an application. Recommendations under these granting programs are made by approved recommenders to OAC for processing and payment. Successful applicants are required to submit final reports to OAC. Recommenders do not receive direct financial support to administer their allocation. However, they may be in receipt of other operating or project funding from OAC.

Current third-party granting programs include:

Visual Arts, Exhibition Assistance – annual budget \$472,500 (this figure includes the amount for Aboriginal Artists Materials and Supplies Assistance)

This program provides grants of \$500 to \$1,500 to assist individual artists with costs related to presenting their work in an exhibition. Grants are made through third-party recommenders (public art galleries, artist-run centres and arts service organizations) throughout the province. There were 71 recommenders in 2013-14. Artists must apply directly to a recommender located

in the zone in which they live. Approved applications are forwarded to OAC by the recommender once the decision to award a grant has been made.

Theatre Creator's Reserve – annual budget \$333,000

This program assists Ontario-based professional theatre creators and informal collectives of creators, by funding them to create work. This is also a third-party recommender program; applications are made to and funding decisions are made by theatre companies. There are 44 theatre recommenders in 2013-14.

Literature, Writers' Reserve – annual budget \$871,500

This program assists professional writers in the creation of new work and is administered by third-party recommenders from the literary community (designated book and magazine publishers). There are 38 recommenders in 2013-14. All of the recommenders who apply to become recommenders have acceptable assessment criteria in place to judge the writers' applications. All recommenders who returned in 2013-14 had followed the program guidelines with respect to recommendations made in the previous year.

Communications

Goals and priorities

Working within the framework of OAC's Strategic Plan and Advocacy Plan, the goals of OAC's Communications department are to:

- Raise the profile and visibility of the Ontario Arts Council, the Government of Ontario's primary vehicle for supporting Ontario's not-for-profit arts sector.
- Promote the value of the arts and advocate on behalf of Ontario's arts community.
- Disseminate information about OAC granting programs and corporate activities.

The Communications office continues to have the following specific priorities:

- Support the Director & CEO and OAC Board in advocacy efforts, including building and strengthening OAC's relationship with MPPs.
- Support OAC's outreach activities, through tools and special activities.
- Liaise with the Ministry of Tourism, Culture and Sport (MTCS) on announcements and issues, and provide support to encourage nominations for the Premier's Awards for Excellence in the Arts.
- Provide communications support for OAC's programs and research activities, and be responsible for all corporate communications through the OAC website.
- Produce events, newsletters, news releases/newsflashes, advertising, publications and other communications products (videos, webinars) as needed.
- Use social media to maintain OAC's presence on Facebook and Twitter and focus on building other online relationships for OAC.

MPP communications protocol

OAC's MPP relations are multi-faceted. A new website (in early 2015) is expected to enhance interactivity in communications with MPPs. For the time being, letters describing local activities taking place in individual ridings are sent to MPPs from OAC's Chair approximately every eight weeks, as well as an annual rollup letter outlining all OAC-funded activities in each MPP's riding.

The new communications protocol with MTCS has now been in place for one year. Following each board meeting, MTCS is notified of all operating grants of \$30,000 or more. The protocol requires that the Minister's Office have five business days, from when the information is received, to review the list and invite those MPPs with grants in their ridings to host an event, issue a news release, or otherwise announce each grant, prior to OAC releasing the information to successful applicants. Where possible, the social media reach with MPPs is increased through Twitter, Facebook or the OAC blog.

Arts Day at Queen's Park (AD@QP)

The next AD@QP is planned for February 2014. Communications will work with Research to develop the necessary tools for advocacy meetings with MPPs. This event will be an opportunity for MPPs to mark OAC's 50th anniversary, and outline the important work OAC does within each constituency.

Strategic Plan

Communications will be key to the production, dissemination and communications strategies related to the new Strategic Plan, which is scheduled to be launched in spring 2014. Planned events may also include meetings/town halls around the province.

Equity Plan

Communications support will be needed to implement the Equity Plan, a key component of the new Strategic Plan.

Accessibility for Ontarians with Disabilities Act (AODA)

The requirement of the AODA has significant implications for OAC and its client organizations and will require communications strategies, as well as specific tools, including production of certain materials in multiple formats.

Online grant application

The development of OAC's new Electronic Grants Management/Customer Relationship Management (EGM/CRM) System, and in particular, moving Ontario's artists and arts organizations to online grant applications in 2014-15, will have major internal and external communications implications for OAC, leading to a launch of a new OAC website.

Board support

Communications continues to provide corporate support for board and staff members through event coordination, speaking notes for public events, and production of materials for special advocacy initiatives.

Awards

Communications provides considerable support for OAC's Awards section. This involves news releases, event strategies for award presentations and related speaking notes for OAC representatives, as well as social media components.

Premier's Awards for Excellence in the Arts

Communications supports MTCS's activities to raise awareness and increase applications to the Premier's Awards for Excellence in the Arts. Various social media channels are being employed to generate more nominations than in the past.

Culture Days

After three years of growth, Culture Days stabilized in its fourth year with over 1,300 activities throughout Ontario in September 2013. This number is expected to remain approximately the same in 2014 with some variation, as certain communities take breaks and return in successive years and new communities come aboard. Several municipalities are now including Culture Days in the development and/or implementation of their own municipal cultural plans. In 2013, this was the case in Kenora, Sioux Lookout and Greater Sudbury. In recognition of the importance of this annual event, OAC will continue its Culture Days commitment through 2014 with support for the Ontario Culture Days Animator/Coordinator position, as well as by providing office space, infrastructure support and services as the Ontario Culture Days Task Force continues to develop its road map for the future.

This support is in conjunction with the continuing funding support for Culture Days from MTCS. It is in the spirit of the *Status of the Artist Legislation* that MTCS provides support to organize and promote Culture Days in every Ontario community.

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.

Financial Budget

The Financial Forecast Summary to 2016-17, a Variance Report for 2012-13, and an FTE Forecast are included as appendices (pages 52 – 54).

Budget highlights

- The operating grant from the Government on Ontario is \$59,937,400. It was increased by \$5 million to the current level in 2009-10; 2014-15 will be the sixth year at this level of funding. Additional funding of \$600,000 was received in 2012-2013, applicable to grant programs in 2013-14.
- Additional funds were received as part of the \$27 million Arts Investment Fund program over three years; \$11 million was received in 2010-11, \$10 million in 2011-12 and \$6 million in the final year, 2012-13.
- Additional funds of \$400,000 were received in 2011-12 from the Ministry of Education (MoE) to increase the school boards participating in the Artists in Residence – Education (AIR-E) program; these funds were deferred to 2012-13 with the approval of MoE; the total additional funds were \$500,000. These funds were spent in 2012-13. Although we have made a request for additional funds from MoE for 2013-14, the budget does not reflect this, as this funding has not been confirmed.
- OAC prepares a balanced operating budget annually with a general target allocation of 87% towards grants and programs, 2% towards services and 11% towards administrative expenses (including all salaries and benefits).
- In addition, a budget is prepared to use the surplus strategically over several years. In 2013-14, OAC has budgeted for several projects, including:
 - Funds received from the Ministry in 2012-2013 for 2013-2014 - \$600,000
 - Electronic Grants Management/Customer Relationship Management (EGM/CRM) project - \$790,000
 - Audience Development initiatives - \$346,000
 - AIR-E - \$192,000
 - Strategic planning process - \$150,000
 - Equity Plan - \$123,000
 - Culture Days - \$80,000
 - Other - \$224,000.
- In addition, grant commitments to be paid in the future upon specific requirements being met are not included in the statement of expenditures until paid. The balance at March 31, 2013 was \$758,000.
- Starting in 2012-13, organizations were eligible to apply for operating funds only in the first year of a multi-year cycle (normally three years), when the advisory panel sees and can compare all applicant organizations in that particular program; this has significantly reduced the number of new organizations that receive operating funding.
- OAC budgets cautiously for self-generated revenue. Actual results are expected to be better than budgeted. The most significant self-generated revenue is interest income and investment income. As interest rates are low, OAC is currently budgeting \$325,000 for 2013-14. Investment income is much more difficult to predict but does not significantly affect the operating fund activities, although it does affect the restricted funds.

- OAC expenditure budgets are monitored 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 cover the expenditure. Larger expenditures are budgeted as part of the annual budget process, and the review of the accumulated surplus position. Monthly financial reports are generated for budget managers for their review and to signal any budget issues.
- OAC's capital assets consist of computer hardware, software, leasehold improvements, furniture and office equipment. The current net book value is \$706,000. Plans for the EGM/CRM System are in the Information Technology section of this document.
- OAC's office lease will expire in February 2016. OAC has been working with Infrastructure Ontario which developed a Real Estate Options Analysis earlier this year. OAC plans to commence a comprehensive space planning project in January 2014 before engaging Infrastructure Ontario and their broker to conduct a search for possible locations.

APPENDIX 1

Financial Forecast Summary

| AGENCY: Ontario Arts Council | FINANCIAL FORECAST SUMMARY | | | | | |
|---|----------------------------|-------------------|--------------------------------|-----------------------|-------------------|-------------------|
| | 2012-13 | 2013-14 | 2013-14 PROJECTED ACTUAL | 2014-15 | 2015-16 | 2016-17 |
| | ACTUAL | BUDGET | | BUDGET | FORECAST | |
| PROVINCE OF ONTARIO | | | | | | |
| MTCS Operating (including maintenance) | 60,537,400 | 59,937,400 | 59,937,400 | 59,937,400 | 59,937,400 | 59,937,400 |
| MTCS (specify program name & funding period) | | | | | | |
| Arts Investment Fund (final - Year 3) | 6,000,000 | 0 | | 0 | 0 | 0 |
| Other (specify program name, ministry & funding period) | | | | | | |
| Ministry of Education | 500,000 | 0 | | 0 | 0 | 0 |
| Cultural Development Fund | 50,000 | 0 | | 0 | 0 | 0 |
| CANON / French Language projects | 165,500 | 0 | | 0 | 0 | 0 |
| 1> TOTAL PROVINCIAL FUNDING | 67,252,900 | 59,937,400 | 59,937,400 | 59,937,400 | 59,937,400 | 59,937,400 |
| OTHER GOVERNMENT | | | | | | |
| (specify program name, government & funding period) | | | | | | |
| 2> TOTAL OTHER GOV'T FUNDING | 0 | 0 | 0 | 0 | 0 | 0 |
| SELF GENERATED REVENUES | | | | | | |
| Investment Income | 354,406 | 325,000 | 325,000 | 325,000 | 325,000 | 325,000 |
| Other (specify source e.g. fund transfers, reserve/restricted funds): | | | | | | |
| Fund administration | 53,559 | 57,095 | 57,095 | 60,000 | 60,000 | 60,000 |
| Recovery of prior years' grant | 56,654 | 25,000 | 43,159 | 25,000 | 25,000 | 25,000 |
| Miscellaneous | 52,025 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 |
| 3> TOTAL SELF GENERATED | 516,644 | 442,095 | 460,254 | 445,000 | 445,000 | 445,000 |
| 4> TOTAL REVENUE: 1+2+3 | 67,769,544 | 60,379,495 | 60,397,654 | 60,382,400 | 60,382,400 | 60,382,400 |
| EXPENDITURES | | | | | | |
| Salaries & Benefits | 4,915,406 | 5,150,000 | 5,150,000 | 5,304,500 | 5,410,590 | 5,518,802 |
| Grants | 52,373,402 | 52,898,370 | 52,898,370 | 52,202,900 | 52,121,810 | 51,763,598 |
| Grants - Arts Investment Fund | 6,011,461 | 0 | 0 | 0 | 0 | 0 |
| Administration | 993,996 | 798,600 | 798,600 | 800,000 | 800,000 | 800,000 |
| Occupancy/Lease | 484,463 | 523,699 | 523,699 | 525,000 | 750,000 | 575,000 |
| Marketing & Communications | 351,347 | 261,141 | 261,141 | 250,000 | 250,000 | 250,000 |
| Other (specify): | | | | | | |
| Other programs | 1,080,550 | 377,740 | 377,740 | 350,000 | 350,000 | 350,000 |
| Jurors and advisors fees | 490,839 | 511,768 | 511,768 | 500,000 | 500,000 | 500,000 |
| Travel | 450,838 | 458,177 | 458,177 | 450,000 | 400,000 | 450,000 |
| Expenditures budgeted from surplus | | 2,198,848 | 1,798,848 | 500,000 | 200,000 | 100,000 |
| 5> TOTAL EXPENDITURES | 67,152,302 | 63,178,343 | 62,778,343 | 60,882,400 | 60,782,400 | 60,307,400 |
| Net Income Surplus/(Deficit): 4-5 | 617,242 | -2,798,848 | -2,380,689 | -500,000 | -400,000 | 75,000 |
| Amortization of deferred capital contributions | | | | | | |
| Amortization of capital assets | 174,978 | 200,000 | 200,000 | 400,000 | 400,000 | 400,000 |
| | | | | computer amortization | | |
| Net Income Surplus/(Deficit) After Amortization | | | | | | |
| Net assets (deficit), beginning of year | 3,685,665 | 4,140,058 | 4,140,058 | 1,759,369 | 1,259,369 | 859,369 |
| Net assets (deficit), end of year | 4,140,058 | 1,341,210 | 1,759,369 | 1,259,369 | 859,369 | 934,369 |
| Year end grant commitments | 758,505 | 758,505 | 758,505 | 758,505 | 758,505 | 758,505 |

Notes:

Name the funds that comprise the Net Assets (Deficit)

Fund balances: Unrestricted

1-Budget for 2013-2014 is a balanced budget with a budgeted use of surplus in the amount of \$2,606,566 which includes special funding from MTCS of \$600,000 received in 2012-2013

2-Budget for 2014-2015 is a balanced budget with budgeted use of surplus not spent in 2013-2014 and other items approved for 2014-2015

3-There are grant commitments as at March 31, 2013 in the amount of \$758,000. These grants are usually paid out in the following year but new commitments are anticipated at \$750,000

4-Commitments are not recorded as expenditures until they are paid out in the subsequent year.

5-As part of the OAC budget process, we develop a balanced budget. The surplus position is reviewed and a separate budget is developed for strategic expenses that can not be funded from the base budget.

6-This format includes both the balanced budget and the cumulative surplus. As a result net income shows as a deficit in years 2013-2014 and beyond.

APPENDIX 2

Previous Year Variance

| AGENCY: | 2012-13 Variance (Operating) | | | |
|--|------------------------------|-------------------|-------------------|----------------|
| Ontario Arts Council | 2011-12 | 2012-13 | | |
| | ACTUAL | BUDGET | ACTUAL OUTCOME | VARIANCE |
| GOVERNMENT SUPPORT | | | | |
| MTCS Operating (including maintenance) | 60,437,400 | 59,937,400 | 60,537,400 | 600,000 |
| Other (specify) | | | | 0 |
| Arts Investment Fund | 10,000,000 | 6,000,000 | 6,000,000 | 0 |
| Ministry of Education | 0 | 500,000 | 500,000 | 0 |
| Cultural Development Fund | 100,000 | 50,000 | 50,000 | 0 |
| CANON / French Language projects | 165,500 | 165,500 | 165,500 | 0 |
| | | | | |
| | | | | |
| SELF GENERATED | | | | |
| Investment Income | 413,496 | 320,000 | 354,406 | 34,406 |
| Other (specify) | | | | |
| Fund administration | 55,580 | 55,580 | 53,559 | -2,021 |
| Recovery of prior years' grants | 70,583 | 25,000 | 56,654 | 31,654 |
| Miscellaneous | 37,937 | 35,000 | 52,025 | 17,025 |
| TOTAL REVENUES | 71,280,496 | 67,088,480 | 67,769,544 | 681,064 |
| | | | | |
| EXPENDITURES | | | | |
| Salaries & Benefits | 4,630,548 | 4,873,138 | 4,915,406 | 42,268 |
| Grants | 53,674,942 | 52,371,256 | 52,373,402 | 2,146 |
| Grants - Arts Investment Fund | 9,797,777 | 6,029,366 | 6,011,461 | -17,905 |
| Administration | 1,087,155 | 888,588 | 993,996 | 105,408 |
| Occupancy/Lease | 479,160 | 520,419 | 484,463 | -35,956 |
| Marketing & Communications | 309,581 | 273,460 | 351,347 | 77,887 |
| Other (specify) | | | | |
| Other programs | 1,139,405 | 1,178,670 | 1,080,550 | -98,120 |
| Jurors and advisor fees | 454,250 | 495,177 | 490,839 | -4,338 |
| Travel | 463,543 | 458,406 | 450,838 | -7,568 |
| Expenditures budgeted from surplus | | 1,913,778 | | |
| TOTAL EXPENDITURES | 72,036,361 | 69,002,258 | 67,152,302 | 63,822 |
| Net Income Surplus/(Deficit) | -755,865 | -1,913,778 | 617,242 | 617,242 |

APPENDIX 3

FTE Forecast

| | | | | | | | |
|----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| AGENCY: | | | | | | | |
| Ontario Arts Council | | | | | | | |
| | | | | | | | |
| | 2011-12 | 2012-13 | 2013-14 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| | ACTUAL | ACTUAL | FORECAST | REFORECAST | FORECAST | | |
| FTEs | 59 | 60 | 60 | 60 | 61 | 61 | 61 |
| Total FTEs | | | | | | | |