



ONTARIO ARTS COUNCIL
CONSEIL DES ARTS DE L'ONTARIO

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

2016-17 Final Business Plan

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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 2016-17 Business Plan Executive Summary

Balancing Priorities

OAC has to constantly find the right balance between competing priorities – for example: between individual artists and arts organizations; between creation of art and presentation; between large organizations and small; between one region of Ontario and another; and between one arts discipline and another.

But with no increase in OAC's \$60 million base funding since 2009-10, during which there has been a huge growth in demand, one of OAC's biggest challenges is to balance the needs of existing arts organizations – especially those which continue to be the most vital – with the need to support new and emerging arts activity that represents the future.

OAC is proud to have nourished, and indeed made possible, the extraordinary cultural infrastructure that exists in Ontario today. But OAC is equally committed to identifying and nurturing the new artists and organizations that will comprise Ontario's cultural infrastructure 10, 20 and 30 years from now.

OAC is also deeply concerned about the health and sustainability of the sector. While recognizing the importance of growth and development, OAC also believes that arts and culture are an ecosystem, and that in order for new activities to incubate, grow and flourish, older activities that are no longer vital and contributing to the life cycle, must make way for the new.

To that end, OAC's new strategic plan, ***Vital Arts and Public Value***, launched in fall 2014, focuses on "*vital arts*", to help OAC identify where to place the greatest priority, when difficult decisions are required.

As a first stage in implementing the strategic plan, OAC developed a new funding framework for 2015-16, which included 5% across-the-board reductions to all organizations which receive OAC operating grants. All of the approximately 550 organizations across the province that receive OAC operating funding, large and small, were reduced to a new base representing 95% of their 2014-15 funding. In addition, all OAC project program funding envelopes were reduced by 5%.

But this wasn't just about reductions. Part of the 5% decrease was to re-allocate resources to new and emerging arts activity; another part was to begin rewarding excellence and rebalancing funding through modest increases to highly-assessed art organizations.

Over and above the across-the-board reductions, OAC has begun to strengthen the consequences of our assessment-based ranking of organizations. For organizations in Year 1 of a multi-year cycle, those that are ranked as A (which could be thought of as "excellent") now have potential increases of up to 10%, those ranked as B+ ("very good") have potential increases of up to 5%, B ("good") are maintained at the new base level, C ("average") now receive reductions of 5-20%, and D ("below standard") now receive reductions of 10-100%. Thus, simply performing at an average level is no longer good enough to be maintained at the same level year to year. This is a tangible illustration of redirecting funding from less vital activities to more vital activities, and making way for the new.

The Ministry of Tourism, Culture and Sport's faith in OAC, as a model agency which operates with the highest degree of integrity, efficiency and effectiveness, continues to be well-placed. The Government of Ontario's investment in the arts, through OAC, provides a tremendous return on investment, not only through economic benefits, including strong contributions to Ontario's tourism sector, but also in terms of quality of life, community building and helping to build Ontario's identity, at home and abroad. Furthermore, the support of creation and production that OAC provides to Ontario's artists and not-for-profit arts organizations is crucial to the success of this province's cultural industries sector.

OAC can make compelling arguments about inflation, and about the financial pressures facing Ontario's artists and arts organizations which have grown significantly during the past seven years, during which OAC's funding has been flatlined. At the same time, we recognize the serious fiscal realities faced by the Government of Ontario. For that reason, this Business Plan assumes no increase in operating funding for 2016-17.

However, OAC continues to believe that increased resources to OAC would be a tremendous investment for Ontario. In the context of the creation of a first-ever Culture Strategy for Ontario, we encourage the government to make increased funding to the Ontario Arts Council a goal, as and when resources allow. Such an investment would assist the government with its own goals of economic development, job creation, helping make Ontario more globally competitive, and promoting the Ontario "brand" nationally and internationally – all of which would make our province even more attractive as a place to live, work, visit, study and invest in.

OAC Mandate

Mandate

The Ontario Arts Council's mandate is to foster the creation and production of art for the benefit of all Ontarians.

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 envisions an Ontario where:

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

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

Beliefs

OAC believes that:

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

Values

The values that guide OAC's work are:

- Leadership and responsiveness to the evolving needs of the arts community and the public
- Transparency and accountability to the arts community, the government and the public
- Equity and accessibility
- Integrity, fairness and professionalism

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.

Supporting the Government of Ontario's priorities

This section demonstrates the ways in which OAC supports the Ministry's and Government's priorities¹ through OAC's work of supporting Ontario's professional not-for-profit arts sector, for the benefit of the public.

Priority: Supporting and promoting a strong Ontario tourism sector

Professional not-for-profit arts organizations funded by OAC support Ontario's tourism strategy

- MTCS provides direct support to a small number of agencies and attractions, but the large majority of Ontario's key cultural attractions are funded through OAC. Many of the organizations that OAC supports are key tourist attractions and economic drivers in communities throughout all parts of Ontario – not just in large population centres.
- OAC provides annual operating support to over 500 professional not-for-profit arts organizations in more than 200 communities across the province. Large and small, many of these organizations (as noted) are key attractions within their own communities, and contribute to the positioning of their regions by providing varied tourist offerings and experiences. Artists and local arts organizations play an important role as "destination enhancers" by helping provide the variety of experiences that OTMPC research shows today's tourists are seeking.

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 over one-fifth (22%) of 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 typical tourists, who spend 3.1 nights.

¹ The Ministry and Government priorities noted here are based on MTCS' *Published Results-Based Plan 2014-15* and the Premier's September 25, 2014 mandate letter to Minister Coteau.

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 have visited Ontario among other trip destinations over a two-year period said that arts/culture was the main reason for at least one of their trips.

Priority: Enhancing the culture sector and fostering a sustainable and prosperous creative economy that supports a dynamic cultural environment and Ontario's economic vitality and quality of life (supported by strategic investments in the talent and skills of our people)

Arts and culture contribute significantly to Ontario's economy

- Ontario's culture sector directly contributes \$23.8 billion annually to the province's GDP – representing 4.0% of Ontario's GDP.
- Direct employment related to Ontario's culture sector is over 301,000 jobs, or 4.5% of total Ontario employment.
- 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 key 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.

OAC's support of Ontario's artists and not-for-profit arts organizations forms part of the crucial 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 in creation. For example, last year, OAC's grants supported the creation of over 14,400 new artistic works by the province's artists and arts organizations, as well as direct production of creative product including 2,690 works broadcast on television, internet, video or radio, over 1,000 works distributed exclusively using electronic media, and over 9,000 media arts productions available for distribution.
- The not-for-profit arts sector is often the training ground for artists who then apply these skills and experiences in the commercial sector. 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, and 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 by providing work for about 38,000 artists, and professional development and training for over 100,000 creative sector workers in 2012-13.
- OAC provides support to world-class professional arts training organizations, including the National Ballet School and the Royal Conservatory of Music.

The arts revitalize communities and build local economic development

- 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.

The arts enrich the quality of life of individuals and communities

- 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 believe that if their community lost its arts activities, people living there would lose something of value.

Priority: Support festivals and events that build a strong economy and vibrant communities, attract tourists and contribute to job creation

OAC supports arts festivals across Ontario

- OAC funds over 150 professional not-for-profit arts festivals across Ontario through grants totaling \$6.1 million. Many of these arts festivals – large and small – bring tourists and economic benefits, and add vibrancy to their local communities. Examples include: Ottawa Bluesfest; Brott Music Festival (Hamilton); Elora Festival; Festival of the Sound (Parry Sound); Ottawa Chamber Music Festival; Shaw Festival (Niagara-on-the-Lake); Stratford Festival; and Summerfolk (Owen Sound).

Priority: Building a dynamic business climate that thrives on innovation, creativity and partnerships (including promoting Ontario's global competitiveness and attracting international investment and showcasing Ontario's talent and expertise)

Arts and culture play an important role in building Ontario's brand 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.
- 40% of OAC regularly-funded arts organizations toured within Ontario, nationally, or internationally in 2012-13, reaching a total audience of 3 million people with performances, exhibitions, or screenings of Ontario arts activity.
- OAC regularly-funded arts organizations reached over 908,600 people through tours outside Ontario in 2012-13 – building Ontario's brand in North America and overseas as a creative and innovative place in which to live, work, visit and invest.

- OAC provides operating support to many world-class producing/presenting organizations and training institutions in Ontario; for example, 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 Toronto International Film Festival, Ottawa Bluesfest, Luminato and Sunfest.

Priority: Supporting and providing oversight to major tourism and cultural agencies and attractions that are not only world class travel destinations but also showcase the province's rich history, heritage, culture and arts/Continuing to support a vibrant arts sector

- ***Through the Ontario Arts Council continue to provide strategic investments and other services to develop Ontario artists and arts organizations, and promote art in communities across the province***

OAC's strategic investments in Ontario's arts sector

- The government's investment in OAC as the flagship agency that supports Ontario's arts sector ensures that MTCS can continue to focus on core business.
- OAC allocates public funds to the arts in a responsible and accountable manner, using a rigorous peer assessment process. Grant applications are evaluated on artistic merit and impact, administrative viability and contribution to the arts and public in Ontario.
- OAC's grants to individual artists contribute directly to artists' incomes, provide recognition and validation of professional practice, and help make careers possible – as well as enabling the creation and production of work. As **the only provincial agency in Ontario that supports individual artists**, OAC protects a significant portion of its granting budget for direct support to 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 arts organizations with operating funding to support the creativity, vitality and health of Ontario's arts organizations. Operating grants provide organizations with stability and some degree of predictability, which allows for long-term planning and an appropriate level of risk-taking.
- OAC also closely monitors the health and vitality of the arts sector as a whole. One sign of a healthy sector is the constant emergence of new activities and organizations, 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. At the same time, OAC's rigorous assessment process also identifies organizations that are no longer as vital as they once were, contributing to their communities or their art form, and OAC may reduce or eliminate funding altogether to such organizations. In this way, OAC directly supports the ongoing health, growth, renewal and regeneration of Ontario's arts ecosystem.

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

- In 2014-15, OAC awarded 3,563 grants to individuals and organizations in 204 communities.
- In 2014-15, OAC grants directly supported arts activity in all 107 ridings and all 49 counties in Ontario.

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

- About 44,260 public arts activities were offered by OAC's annually-funded arts organizations in 2012-13, reaching audiences and attendees totaling 21.8 million.
- In addition, OAC's annually-funded arts organizations offered over 62,800 arts education activities in 2012-13, reaching 4.6 million participants of all ages – including 2.4 million children or youth.
- Over 70,000 Ontarians volunteered 1.8 million hours with OAC annually-funded arts organizations in 2012-13 – a value equivalent to \$28.3 million worth of hourly labour.
- 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 programs.

Preserving and showcasing Ontario's cultural and heritage resources

- **Cultural Diversity:** OAC provided over \$4.1 million in support to culturally diverse artists and arts organizations in 2014-15.
- **Aboriginal Arts:** OAC has created an Aboriginal Arts Development Plan to support and engage aboriginal communities throughout Ontario. In 2014-15, OAC provided \$2.9 million in support to Ontario's Aboriginal artists and arts organizations.
- **Francophone Arts:** OAC supports francophone communities – including culturally diverse francophone immigrants – in all regions across the province. In 2014-15, OAC provided \$3.5 million in support to francophone artists and arts organizations in Ontario.
- **Cultural Resources:** In 2014-15, 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: Develop an Arts Policy Framework to help maximize the economic benefits of arts and culture to individuals and communities

Priority: Work with Ontario artists, educators and communities to develop an Ontario Culture Strategy, so that we are better able to tell our stories and help a new generation tap their artistic potential

- Due to OAC's strong connections with and knowledge of Ontario's artists and the professional not-for-profit arts sector, OAC is extremely well-placed to assist the Ministry in the development of its Arts Policy Framework and Ontario Culture Strategy.
- OAC has played a leadership role in arts education for the past 52 years, in the belief that engaging new generations is integral to a healthy arts sector. OAC provided its first arts education project grants in 1963 and, since then, has continually prioritized arts education activity. In 1973, OAC implemented Canada's first visiting artists in classroom program, which continues today as the Artists in Education Program. In 2008, OAC launched the Artists in Residence – AIR (Education) Program, which supports year-long residencies in partnership with Ontario school boards and educators.
- OAC's Outreach section facilitates relationships with communities across Ontario and builds connections between the arts and other sectors, such as education, social services, tourism, business and health.
- Collecting and sharing stories about the diversity of Ontario artists and their work is a key strategy of OAC's new strategic plan.

Priority: Coordinating the province's involvement in the 2015 Pan and Parapan American Games

- OAC supported Ontario's role in the 2015 Pan and Parapan American Games (PPAG) by including PPAG links on OAC's website, highlighting the cultural component of the PPAG in OAC communications, and accepting applications for PPAG-related projects through OAC's existing project programs. In addition, a number of organizations receiving OAC operating grants engaged in PPAG-related initiatives as part of their ongoing 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.

OAC's 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. 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. Through the many advisors, arts experts and community representatives who sit on panels and juries, and assess applications for funding, OAC is responsive to, and has the confidence of, the Ontario arts community.

The Director & CEO is appointed by the Board and is assisted in his responsibilities by a senior leadership team consisting of a Director of Granting, Director of Communications, Director of Research, Policy & Evaluation, Director of Finance & Administration, and Director of Human Resources.

Ontario Arts Council Board of Directors as of January 15, 2015:

	Member	Location	Term
1	Rita Davies, Chair	Toronto	July 22, 2015 to July 21, 2018
2	Marie-Élisabeth Brunet	Ottawa	April 24, 2013 to April 23, 2016
3	Verlyn Francis	Toronto	June 2, 2013 to June 1, 2016*
4	Judith Gelber	Toronto	March 4, 2015 to March 3, 2018
5	David General	Oshweken	January 4, 2014 to January 4, 2017*
6	Harvey A. Slack	Ottawa	May 27, 2015 to May 26, 2018*
7	Janet E. Stewart	London	September 8, 2014 to September 7, 2017
8	Sean White	Windsor	August 25, 2015 to August 24, 2018
9	Vacant		
10	Vacant		
11	Vacant		
12	Vacant		

(* indicates second 3-year term)

OAC Strategic Directions

Vital Arts and Public Value – A Blueprint for 2014-2020

OAC's Strategic Plan

In April 2013, OAC embarked on a strategic planning process which led to OAC's new strategic plan, *Vital Arts and Public Value*, being approved by OAC's Board of Directors in February 2014. The new plan, which was launched publicly in September 2014, contains many of the principles and underlying values of OAC's previous Strategic Plan. However, knowing that the environment has changed for OAC, for the arts sector, and for society and the economy in general, OAC developed the new plan following intensive research and stakeholder consultation, which included over 1,800 Ontarians who responded to a comprehensive online questionnaire.

OAC chose the word 'vital' to reflect the qualities most essential to a healthy arts sector, including artistic merit, relevance, impact, risk-taking and effectiveness. The new plan provides a coherent, values-based blueprint for OAC in the years ahead. *Vital Arts and Public Value* also encompasses OAC's Equity Plan, which focuses on Leadership, Inclusiveness, Responsiveness, and Diversity.

The plan focuses on the **two themes** of OAC's mandate:

- To serve both the **arts community** and the **public**.

The **four goals** of the plan are to:

- Invest in Ontario's vital artists and arts organizations
- Strengthen skills and share knowledge
- Support public engagement in the arts
- Build public awareness of the value of the arts

Goal 1 – Invest In Ontario's Vital Artists and Arts Organizations

Underlying OAC's mandate as a public funder of artists and arts organizations is our responsibility to ensure the long-term sustainability – and vitality – of Ontario's arts sector. This includes recognizing the diverse and changing nature of the arts sector and embracing the need for OAC funding to reflect and support this evolution. In doing so, OAC's role is to find a balance across the many and varied needs of the sector, in a way that contributes to a vital, flourishing and sustainable arts sector. In support of this goal, OAC has identified strategies that will support existing artists and arts organizations who continue to be active and vital contributors and, at the same time, nourish emerging artists and arts organizations and support new ways of working, creating, producing and presenting art.

Strategies:

- Ensure the distribution of OAC's funding reflects the current and evolving state of Ontario's professional arts sector and society.
- Provide fair and equitable access to OAC funding programs and processes, with particular emphasis on OAC's identified priority groups.

- Reallocate funding to ensure balance between existing and emerging arts activity, promoting both renewal and stability.
- Support new ways of creating and working, as well as new organizational models.
- Support opportunities for artists and arts organizations to present their work locally, nationally and internationally.
- Within programs that provide operating funding, prioritize the most vital arts organizations.

Goal 2 – Strengthen Skills and Share Knowledge

Strengthening skills, building capacity and sharing knowledge among Ontario’s artists and arts organizations will help meet OAC’s vision of a resilient and healthy arts sector. This is increasingly important in today’s environment of rapid change, competing challenges and emerging opportunities, including new technologies and ways of working. The community consultations undertaken as part of the development of this strategic plan reinforced the sector’s needs for professional development, capacity building and increased connections among artists and arts organizations. In support of this goal, OAC has identified strategies that reaffirm its role in addressing these needs and our role as a convener in bringing the arts community together to share information, build relationships and encourage collaboration.

Strategies:

- Ensure artists and other arts professionals have access to learning opportunities.
- Enhance capacity of arts organizations, in particular new and emerging organizations.
- Convene, connect and promote collaboration within the arts community.

Goal 3 – Support Public Engagement in the Arts

Ontario’s quality of life is enriched by arts experiences that are widely available, diverse and of high quality. These societal benefits are greatest when more people engage directly in the arts. To achieve this goal, artists and arts organizations need to further develop and deepen their relationships with audiences in innovative ways – particularly in response to changing demographics (such as an aging population and increased cultural diversity) and the new ways that people, especially young people, are seeking to engage with the arts. Arts education for learners of all ages also plays an important role in building engagement. In support of this goal, OAC has identified strategies that connect people to arts experiences, build audiences and support public participation in the arts.

Strategies:

- Support opportunities for the public to experience the arts throughout the province.
- Support activities that increase, broaden and diversify arts participation and audiences, including attendees, visitors, viewers, listeners and readers.
- Encourage arts organizations to include board members, staff and volunteers from OAC’s identified priority groups.
- Facilitate arts education and learning for people of all ages.

Goal 4 – Build Public Awareness of the Value of the Arts

The public benefit that results from supporting Ontario’s arts sector is a fundamental part of OAC’s mandate as a provincial government agency. However, in today’s complex and fast-changing environment, the value of the arts to society often gets lost. There is a need to

highlight the strong contribution of Ontario's dynamic arts sector in terms of intrinsic impacts, quality of life, economic growth, attracting tourism and investment, social cohesion and community building. In addition, there is a need for increased awareness that public funding makes possible the wide range of artistic activity enjoyed by Ontarians across the province. OAC's leadership role in building public awareness of the value of the arts was reinforced and affirmed in the community consultations undertaken as part of the development of the strategic plan. In support of this goal, OAC has identified strategies that promote awareness of Ontario's rich artistic identity, document the value of the arts and demonstrate the reach and impact of public funding of the arts.

Strategies:

- Promote Ontario's identity through the arts.
- Collect and share stories about the diversity of artists and their work.
- Gather, analyze and share research on the contribution of the arts to Ontario.
- Demonstrate the crucial benefit of public funding of the arts to Ontarians.

During the fall of 2014, OAC conducted 17 Town Hall meetings to present the new strategic plan to Ontarians, answer questions about it, and receive informal feedback. The tour was a great success, with an average of approximately 40-50 participants per session (and several much larger).

Overview of Granting Programs and Activities – Current and Future

For more than five decades, OAC has fostered stability and growth in Ontario's arts communities. In 2014-15, OAC received 12,245 applications and awarded 3,563 grants totaling \$52.1 million; 2,215 were grants to individual artists and 1,348 were grants to arts organizations, in 204 communities across Ontario.

OAC's programs serve a broad array of disciplines, practices and communities in every corner of the province. OAC is committed to ensuring equitable access for all Ontarians, with particular emphasis on the following priority groups: Aboriginal artists, artists and arts organizations located in regions across Ontario, artists of colour, Deaf artists and artists with disabilities, francophone artists, and new generation artists. OAC's services are available in English and French.

OAC Current Programs

OAC programs are organized into 12 main program areas, defined by the arts sectors they serve:

- Aboriginal Arts
- Arts Education
- Arts Service Organizations
- Community-Engaged Arts
- Dance
- Francophone Arts
- Literature
- Media Arts
- Music
- Theatre
- Touring and Residencies
- Visual Arts

In addition, specialized programs support professional development of individual artists, organizational capacity building and targeted funding for OAC 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 principles. **Arm's length** defines OAC's relationship with government, while **peer assessment** defines its relationship with the arts community.

The arm's length relationship with government means that OAC has authority to establish its own priorities, policies and programs and, in particular, to make all individual 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 funding decisions that turn out to be contentious or unpopular with some people.

Peer assessment is an effective and internationally recognized decision-making mechanism whereby artists and other arts professionals (and, in some cases, community representatives) participate by 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. OAC's peer assessment process is governed by policies and procedures, including stringent conflict of interest policies, all of which are clearly and consistently communicated and applied.

Types of Support

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

Advisors evaluate applications for all **operating** funding based on specific criteria in two categories: Artistic Quality & Contribution, and Organizational Effectiveness. Each of these two categories has equal weight in assessment. Applications are reviewed by a peer panel and then scored and ranked. Ranking determines whether the grant amount, compared to an organization's previous grant level, is decreased, maintained or, in rare cases, increased. **Project** programs are peer assessed according to fewer criteria (usually artistic merit, impact and viability). Applications to project programs are scored by the peer jury and ranked. The number of applications funded is determined by the program budget. In OAC's most highly competitive project programs, the ratios of projects we are able to fund, compared to applications received, are as low as 12:100. For programs developed to support priority initiatives, the success ratio can be much higher.

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

Granting Programs and Initiatives

Program Re-design and On-Line Granting

In order to insure the maximum effectiveness and efficiency of Granting Program delivery, OAC has undertaken an analysis of the current structure of granting programs. As part of this analysis, OAC commissioned interviews of 16 other arts granting agencies around the world to capture trends for change and their motivations. In 2015-16, OAC is building a plan for the re-design of assessment groupings for a number of its programs, without stepping away from core tenets of peer assessment and discipline-based assessment. Final plans for the re-design will be completed in early in 2016, with full implementation in 2017. An example of the type of re-design the exercise will deliver is that currently the Music section has seven separate project programs (Popular Music, Choirs and Vocal Groups, Opera Projects...), each serving specific types of activity. These could be streamlined to twice-annual, more general Music Project program deadlines.

OAC is moving forward with the development and implementation of a new on-line granting system and contact management data base. Internal use will begin early in 2016, with plans in place for the first granting programs to go live to the public in April 2016.

Funding Framework

To ensure ongoing vitality of the field, in the context of stable or diminished resources, guiding principles in **operating programs** promote **renewal** and, where possible, reward excellence, while remaining committed to OAC's strategic priorities. In 2015-16, all operating grants were reduced to 95% of their 2014-15 grant amounts. These across-the-board reductions allowed OAC to close a budget gap that had emerged after six years with no increases to the base budget, but they also provided for the creation of two new funds: one to support emerging new organizations, and the other to allow for modest increases to some of the most highly-assessed organizations – OAC's first operating grant increases in six years.

After the five percent adjustment, in programs entering Year 1 of a three-year granting cycle, funds were reallocated through assessment (see below). For programs in Years 2 and 3 of a multi-year cycle, grants were held at the 95% level.

In 2015-16, the ranking system **for organizations in Year 1 only**, was applied as follows:

- "A" level organizations are eligible to be increased to a maximum of 105% of their new base grant, depending on various factors, including whether or not they are from the priority groups identified in the new strategic plan, and/or current funding level relative to similar organizations
- "B+" level organizations are eligible to be increased to a maximum 100%, depending on the same factors
- "B" level organizations are maintained at the new base grant (95% of their 2014-15 grant)
- "C" level organizations receive modest reductions below the new base grant (based on a standardized matrix)
- "D" level organizations receive larger reductions.

Funds resulting from "C" and "D" reductions are redirected to fund new activity; both new operating grants and projects.

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. From 2009-10 to 2016-16 – the period in which OAC's base budget has not been increased – more than 118 organizations have been added to the operating stream. The ongoing impact of adding these organizations totals over \$2.2 million per year. New organizations waiting to apply in the next Year 1 of an operating program can generally find a fit with OAC project programs to which they can apply in the interim.

2016-17 Operating Program Schedule:

LAUNCHING MULTI-YEAR	MULTI-YEAR 2	MULTI-YEAR 3	ANNUAL OPERATING
Choral Organizations	Arts Education Organizations	Aide à la diffusion artistique	Block Grants to Book Publishers
Dance Organizations	Arts Service Organizations	Arts visuels, arts médiatiques et métiers d'art	
Literary Festivals and Organizations	Community Arts Councils	Media Arts Organizations	
Opera	Community-Engaged Arts Organizations	Orchestras	
Public Art Galleries	Édition (2 yr)	Presenter/Producer	
Théâtre	Magazines - Operating	Visual Arts: Artist-Run Centres and Organizations	
Theatre Organizations	Major Organizations		
	Multi and Inter-Arts Organizations		
	Organismes francophones de service aux arts		

Granting Program Re-design

In addition to OAC's move to on-line granting, we are undertaking a review and re-design of OAC granting program architecture to ensure the maximum effectiveness and accessibility for applicants as well as efficiency and streamlining of delivery. This exercise will be completed in 2015-16 and will begin implementation in 2016-17 as it is integrated into the completed on-line granting system. Full delivery of programs under a new structure will be in 2017-18.

Anchors program became 'Major Organizations'

After considerable analysis and discussion, OAC developed a new **Major Organizations** program, that was launched in 2015-16, which includes the following organizations:

- Canadian Opera Company
- Harbourfront Centre
- National Ballet of Canada
- National Ballet School
- Ottawa Bluesfest
- Royal Conservatory of Music
- Shaw Festival
- Stratford Festival
- Toronto International Film Festival (TIFF)
- Toronto Symphony Orchestra

The 10 listed above are all large, complex organizations (with annual budgets of at least \$15 million), that are of national or international significance and profile, and are major employers of artists and other arts professionals. They also have high-profile boards of directors and large audience bases.

The new 'Majors' program replaces the previous 'Anchors' program that also funded 10 organizations (but included Canadian Stage, which now has a budget of approximately \$8 million, and did not include Ottawa Bluesfest, which now has a budget of more than \$15 million). Under analysis, the former Anchors program was seen by some to be somewhat arbitrary as to which large organizations were funded through this program and which were not. It was also seen by some to be unfair as the Anchors were only partially peer assessed, and were not scored. All other operating applicants are subject to full assessment in which their score is a determining factor in their grant amount.

The biggest difference with the new program is that the Majors are now fully assessed and scored through peer assessment, and are subject to the same increases/decreases as all of OAC's 550 operating organizations.

The Majors have a two-tiered peer assessment process, comprising:

Tier 1 –assessment within the discipline, but no score (i.e., the Majors are compared to smaller organizations in their artistic sector)

Tier 2 – scored at a separate panel for the 10 Major Organizations only (i.e., the Majors are compared to each other). This panel is provided with a written summary of the first assessment. In recognition of OAC's significant and ongoing investment in the Major Organizations (\$11 million/year), OAC's expectations for Major Organizations are somewhat higher than other operating organizations. In particular, Majors are expected to share resources and mentor smaller organizations, as well as help meet OAC's strategic priorities.

As a result of the 2015-16 peer assessment process, two Major organizations had a funding increase (TIFF and Stratford), and three were decreased (Ottawa Bluesfest, Royal Conservatory of Music and Toronto Symphony Orchestra).

This year's assessment of the Majors noted the absence of equity plans and initiatives in most of these organizations. OAC is investigating the possibility of creating a small granting pool of funds to incent and support these leadership organizations to create and implement equity plans over the next three years.

Audience Engagement

In the Fall of 2015, OAC entered into an agreement with the Ontario Women's Directorate to deliver the new **Creative Engagement Fund to Stop Sexual Violence and Harassment in Ontario**. This project program will be an important tool to help the government deliver on its action plan. Ontario arts organizations and artists will work with experts in the prevention of sexual violence and harassment on one- to three-year projects that will engage communities and individuals and help them change attitudes and take action on these important social issues. OAC's unparalleled expertise, particularly in terms of peer-assessment-based decision-making, made it a natural partner for the Ontario Women's Directorate on this program.

One of the objectives of OAC's Strategic Plan is to support artists and arts organizations to build actively engaged audiences. OAC has demonstrated its commitment to helping arts organizations develop audience engagement through publishing the 2011 *Ontario Arts Engagement Study*. A key approach to growing public participation in the arts has been to encourage long-term relationships between arts presenters, arts organizations and audiences in Ontario. As an example, *Ontario Dances*, now in its eighth 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 professional Ontario 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 language theatre companies in Ontario. These pilot programs were established with budgets of \$200,000 each over two years, funded by OAC reserve funds. Based on the successes of the first two years OAC maintained the investment through a third year (subject to the same 5% across-the-board reductions as other OAC programs). With no increase to OAC's base budget, the future of these initiatives will depend on available funds.

A third initiative designed to increase public participation in the arts is a pilot program, started in 2011-12, called **Aboriginal Presenters in the North: Music Events**. The aims of the pilot program were 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. The program was funded for a fourth year in 2014. Based on the impact of this small but important program, plans are for the program to continue.

Aboriginal Arts Development Plan

Aboriginal Music Strategy

Following a 2013 community consultation with Aboriginal musicians and industry representatives, the next stage of OAC's Aboriginal Music Strategy was the creation of an Aboriginal Music Market Development Plan. OAC's Aboriginal Arts and Music sections worked in collaboration with Alan Greyeyes, a nationally-renowned Aboriginal music industry consultant, to create the plan. This is intended to be a blueprint for OAC, with a strong focus on market and creative development for Aboriginal musicians in Ontario. The plan identifies industry access points for Aboriginal musicians to showcase and develop industry connections, and maps existing Indigenous market development initiatives along with potential national and international partners for program development. As the Canada Council for the Arts is increasing its focus on Aboriginal Arts and market development, OAC is working closely with these colleagues for maximum benefit and effectiveness.

This year, OAC will complete an Aboriginal Arts Protocols video as a tool to be used by all artists and arts organizations working to partner with and engage Aboriginal organizations and audiences. The video will add to the growing list of media tools available on OAC's website.

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

- Completing and disseminating the Aboriginal Arts Protocols video
- 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.

Arts Education Initiatives

Artists in Residence – Education (AIR-E)

In 2015-16, OAC maintained its partnerships with 18 school boards representing each Ontario region with a Canada-Ontario Agreement on French Language Services (CANON) contribution, implementing a program sustainability funding strategy, and reallocating OAC funds from other arts education programs and special initiatives.

Program enhancements for 2015-16 include the support of school boards to collaborate with local arts organizations, continued development of a program framework for school board partners to understand the different stages of partnership, and the development of local community networks focused on supporting arts education. Kenora, North Bay (French and English), Sudbury (French and English) continue to build on last year's work and London, Toronto and Kingston started new initiatives in 2015-16. For 2016-17, OAC anticipates several communities, including Hamilton, York Region and Ottawa, to activate a local network on arts education sustainability that brings together the education and cultural sectors.

All development to the AIR-E program website has been put on hold until OAC's current corporate IT plans are completed in 2016. In 2016-17, AIR-E program will see improvements to AIR-E website resources.

The Royal Conservatory Artist Educator Foundations Course

From 2007-2015, OAC and RCM reached 26 communities across the province and 820 artists, the majority of whom did not have a previous funding relationship with the Ontario Arts Council. In 2015-16, The Royal Conservatory took a hiatus from offering professional development to artists. With this break, OAC is conducting an evaluation of the needs of artists for pedagogical/community-facilitation skills and research on opportunities for pedagogical/community-facilitation training for artists in Ontario.

To support this evaluation, a survey was sent out in September 2015 to past participants of the RCM Artist Educator Foundations course. OAC will analyze the data to identify specific training needs of artists to determine an effective and sustainable new model for training. Initial survey findings:

- 199 artist educators who had taken the RCM Artist Educator course completed this survey
- Responses were received from all regions of the province and for every year that the course was offered
- 45.5% of respondents report working more as a paid artist educator in community settings since taking the course.

In 2015-16, OAC is investing in regional development of training models, including a Northeastern model serving Manitoulin, Sudbury and North Bay. In 2016-17, OAC will be testing new models for training artist educators including regionally-developed models.

Support to Francophone Artists and Organizations

From 2011 through 2013, the Department of Canadian Heritage (PCH) contributed to an OAC pilot program **supporting grants to francophone visual artists**. In 2014, with no PCH funding, OAC committed to sustaining the program, though at a reduced overall level, for one more year. In 2014-15, a new partnership was struck with PCH through the Official-Languages Support Program Community Cultural Action Fund. OAC and PCH have each committed a total of \$270,000 over four years, from 2014-15 through 2017-18, to build capacity for Francophone visual arts organizations and Francophone visual artists in Ontario. This builds on the success of the earlier support to individuals by creating stronger organizations that connect artists and their work to larger communities.

OAC has renewed an exchange agreement with the Conseil des arts et des lettres du Québec (CALQ) to co-fund Ontario/Quebec artists' residencies from 2015-16 through 2017-18. These opportunities build careers through creative exchange and network-building.

For the past two years, OAC has offered professional development sessions for culturally diverse Francophone music and literature artists. This year's event will offer development opportunities for culturally diverse Francophone visual artists. It is anticipated that 50 artists will attend.

Support to Local, Regional and Rural Arts Activities

In 2015-16, OAC will begin a Northern Arts program evaluation aimed at measuring the impact of this nine-year old program that funds artists and organizations in Ontario's Northeast, Northwest and Far North. These applicants are eligible to apply to OAC's Northern Arts program, as well as all other programs. The evaluation will extend beyond the Northern Arts program and will look at a broader range of program and service support to the north, including the roles of OAC's two Northern Consultants, one based in Sudbury and one based in Thunder Bay. This evaluation has been planned to take place for the past two years, but staffing changes have delayed the undertaking.

Outreach and Development

The Outreach and Development section was established to deliver on OAC's strategic goal of improving outreach and access to programs and services.

The Outreach and Development section coordinates OAC's development initiatives in collaboration with other OAC staff to ensure that support and services are made available to all Ontario artists and arts organizations, with particular emphasis on priority groups. As mentioned above, 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 is currently being filled through a part-time contract while options for the best structure to serve the diverse needs of the area are explored. From October 2015 to October 2016, Darlene Naponse, an established Aboriginal Arts professional, will further develop and strengthen OAC services in the Northeast.

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 priority group artists and organizations through partnerships, infrastructure development, liaison and professional development opportunities.
- OAC continues to facilitate relationships and connections among artists and arts organizations, and with the education, health and social services sectors. In 2015-16, OAC re-focused its Community and Multidisciplinary Arts program and created the Community-Engaged Arts program to better serve artists and organizations partnering with these previously mentioned sectors.
- OAC continues to produce print and an increasing number of 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. OAC's website now includes the following video tools:
 - "New to OAC" – for first-time applicants
 - American Sign Language video of "Vital Arts and Public Value" – OAC's new strategic plan
 - "Preparing Effective Support Material for Visual Arts and Craft Grant Applications"
 - "Preparing Effective Support Material for Performing Arts Applications"
 - "Disability Arts at the OAC"
 - "Shapeshifters" – profiles of Ontario Aboriginal artists and organizations
 As well as numerous podcasts focusing on frequently asked questions about various OAC granting programs.
- OAC's commitment to building awareness of and access to professional Community Arts began with two years of support to a contract with Windsor Arts Council for a model of local arts development with a part-time regional Community Arts Animator. This continued with two years in Kingston and now Mississauga. The plan for 2016-17 is to similarly invest in the Barrie area.
- OAC will continue to work with the Maytree Foundation/DiverseCity to develop tools and opportunities to help arts organizations further enhance cultural diversity on governance boards.

Access and Outreach for Deaf Artists and Artists with Disabilities – OAC will continue to develop supports and services in response to the needs of Deaf artists and artists with disabilities.

- In 2015-16, OAC created its first Deaf and Disability Arts Program to support projects by artists who are Deaf or have a disability. The program creation was informed by a report commissioned from Tangled Arts and Disabilities.
- In September 2015, OAC entered into a one-year contract with its first Equity, Diversity & Accessibility Coordinator contract staff position. This new colleague will guide policy development, staff education and training on related issues, and will work to continually improve overall accessibility of OAC programs and services.
- A designated Deaf and Disability Arts Access budget also provides support to Deaf artists and artists with disabilities in completing grant applications, and for extra costs associated with access or disabilities in successful project applications. OAC has made a commitment to increase the number of peer jurors and advisors serving on assessment panels. For 2015-16, the target set was for each granting area to include at least one assessor who is Deaf or has a disability, and we are on track to meet this.
- Through a partnership with Ryerson University's Inclusive Media and Design Centre, OAC developed a video as an online resource for Deaf artists and artists with disabilities.
- OAC has committed to professional development for staff on issues around disability arts.

Access – OAC will improve access to OAC granting programs by:

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

Partnerships – In implementing its new strategic plan, 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.
- Working with the province’s Arts Service Organizations to promote dialogue between arts service organizations (ASOs) and other organizations serving Ontario’s arts communities regarding mutually beneficial ideas including approaches to professional development, resource sharing, training, advocacy, etc.
- OAC has partnered with the Metcalf Foundation, Trillium Foundation, Toronto Arts Council and Canada Council for the Arts to invest in a three-year pilot project for a Shared Charitable Platform model for the arts. This will explore a new way of working that will benefit smaller, emerging organizations and explore efficient and effective models for lean administrative structures, shared overhead expenses, and increased ability to fundraise by being able to issue charitable receipts.

National and International Market Development

OAC has developed a Market Development Fund proposal with the aim of helping the government deliver its goals in a number of key areas, including economic development, job creation, strengthening the Ontario brand, and making Ontario more internationally competitive.

In advance of the proposed Market Development Fund to support Ontario artist and arts organizations to increase their national and international markets, OAC has already invested in a \$20,000 pilot project grant to Harbourfront Centre to support Ontario’s presence at CINARS, a renowned biennial international marketplace in Montreal. In November 2014, Harbourfront presented eight Ontario productions to international buyers at CINARS. Participating artists and groups attested to their success in connecting with international buyers in this marketplace due to Harbourfront’s program of mentoring, development of pitches, and networking, all made possible with the support of OAC’s investment.

For 2015-16, OAC has created a modest \$40,000 market development fund to provide strategic investments to assist Ontario artists and arts organizations in reaching new markets. To date, Ontario’s Francophone musicians have been supported to attend the Festival international de la Chanson de Granby (Quebec arts marketplace), and Ontario dancers and dance organizations reached international programmers with an industry showcase held at the new Fall for Dance North event held in Toronto in September, 2015.

2016 Listing of OAC Programs and Deadline Dates

ABORIGINAL ARTS

Aboriginal Artists in Communities	Feb. 17 + Sep. 15
Aboriginal Arts Projects	Feb. 17 + Sep. 15
Aboriginal Presenters in the North: Music Events	Feb 2 + Dec. 1**

ACCESS AND CAREER DEVELOPMENT

May 3

ARTS EDUCATION

Aboriginal Artists in Schools	Jan. 15
Arts Education Projects	Mar. 1 + Oct. 4
Artists in Education	Jan. 15
Arts Education Organizations	Apr. 1

ARTS SERVICE ORGANIZATIONS

Arts Service Organizations	Feb. 2
Arts Service Projects	Mar. 1

AWARDS

Ontario Arts Council Aboriginal Arts Award	Feb. 17
Premier's Awards for Excellence in the Arts	Dec. 1

CHALMERS

Chalmers Arts Fellowships	Jun. 15
Chalmers Professional Development Grants	Jun. 1

COMMUNITY ARTS COUNCILS

Apr. 1

COMMUNITY-ENGAGED ARTS

Artists in the Community/Workplace	Mar. 1 + Oct. 4
Community-Engaged Arts Organizations	Apr. 1

COMPASS

Mar. 1, Jul. 5 + Nov. 1

DANCE

Aboriginal and Culturally Diverse Dance Training	Sep. 15
Dance Initiatives	Apr. 1 + Oct. 4
Dance Organizations	Feb. 17
Ontario Dances	Mar. 15

DEAF AND DISABILITY ARTS

Deaf and Disability Arts Projects	Sept. 15
Deaf and Disability Arts – Materials and Supplies Assistance	
Applications accepted by OAC from September to February 2017	

ARTS FRANCOPHONES

Aide à la diffusion artistique	Apr. 1
Aide à la diffusion artistique – projets	Apr. 1 + Sept. 15.
Artistes visuels et des métiers d'art	Sept. 1
Arts visuels, arts médiatiques et métiers d'art :	
Organismes et centres d'artistes	Apr. 15
Avance médias	Oct. 4
Chanson et musique	June 15 + Dec. 1
Création littéraire	Dec. 1.
Édition	Feb. 17
Jets de théâtre	Apr. 15 + Oct. 18
Organismes francophones de service aux arts	Feb. 17
Projets d'édition	Feb. 17
Projets de service aux arts francophones	Mar. 2
Théâtre	Apr. 15

LITERATURE

Block Grants to Book Publishers	Feb. 2
Literary Festivals and Organizations	Mar. 15
Literary Festivals and Organizations Projects	Mar. 15
Magazines – Operating	Jun. 1
Magazines – Projects	Jun. 1
Word of Mouth	Dec. 1
Writers' Reserve	
Applications accepted by recommenders from September to January 2017	
Writers' Works in Progress	Feb. 17, Jun. 15 + Oct. 18
Writers' Works in Progress – Comic Arts	Dec. 1
Writers' Works in Progress – Northern Competition	Dec. 1

MAJOR ORGANIZATIONS

Apr. 1

MEDIA ARTS

Exhibition Assistance	
Applications accepted by recommenders from June to January 2017	
Media Arts Organizations	Mar. 1
Media Arts Projects	Mar. 1 + Sep. 15

Media Artists

Emerging	Nov. 1
Mid-Career and Established	Apr. 15 + Oct. 4

MULTI AND INTER-ARTS

Multi and Inter-Arts Organizations	Apr. 1
Multi and Inter-Arts Projects	Mar. 15 + Oct. 18

MUSIC

Choirs & Singing Groups	Feb. 17
Choral Organizations	Feb. 17
Classical Music Recording	Oct. 4
Music Commissioning	Oct. 4
Opera	Feb. 2
Opera Projects	Feb. 2
Orchestras	Mar. 15
Orchestras Projects	Mar. 15
Popular Music	Jun. 15 + Dec 6
Presenter/Producer	Apr. 1 + Nov. 1
Presenter/Producer Projects	Apr. 1 + Nov. 1

NORTHERN ARTS

May 17 + Nov. 15

CREATIVE ENGAGEMENT FUND TO STOP SEXUAL VIOLENCE AND HARASSMENT IN ONTARIO

Dec. 1

THEATRE

Playwright Residency	Apr. 1
Theatre Creators' Reserve	
Applications accepted by recommenders from September to January 2017	
Theatre Organizations	Mar. 15
Theatre Organizations – Summer Theatres Only	Nov. 1
Theatre Projects	Feb. 2 + Aug. 3

TOURING

National and International Touring	Feb. 17 + Sep. 15
National and International Residency	Apr. 1 + Oct. 4
Ontario Arts Presenters	Feb. 17 + Sep. 15
Ontario Touring	Feb. 17 + Sep. 15

VISUAL ARTS

Aboriginal Curatorial Projects	Oct. 4
Culturally Diverse Curatorial Projects	Oct. 4
Public Art Galleries	Jun. 1
Public Art Galleries Projects	Jun. 1
Visual Artists	
Emerging	Nov. 22
Mid-Career	Sep. 15
Established	May 3
Visual Arts:	
Artist-Run Centres and Organizations	Mar. 1
Visual Arts Projects	Jun. 15 + Dec. 15

CRAFT

Craft Projects: Connections	Oct. 18
Craft Projects: Creation and Development	Oct. 18
<i>The following two programs offer grants for visual artists and craft artists:</i>	

Exhibition Assistance	
Applications accepted by recommenders from June to January 2017	
Aboriginal Artists – Materials and Supplies Assistance	
Applications accepted by recommenders from July to February 2017	

LEGEND

(new) New program
** New date

Resources Needed to Meet Goals and Objectives

In order for OAC to carry out the activities outlined in this plan, we believe that our current base funding must, at minimum, be maintained at its current level of \$60 million (see Appendix 1 – Financial Forecast Summary), as well as the existing FTE staff count of 64.82 employees, including temporary, contract and special project positions (see Appendix 2 – FTE Forecast).

Should our funding be increased, we will of course be able to go above and beyond what has been outlined in this plan in pursuit of our strategic goals.

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. In fact, OAC's strategic plan identifies gathering, analyzing and sharing research on the contribution of the arts to Ontario as a key strategy to address the goal of building public awareness of the value of the arts. Ontario Arts Council research supports OAC's own work, as well as assisting the planning and advocacy efforts of artists and arts organizations across Ontario.

The Research unit 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 either completed or underway in 2015-16:

- Undertaking a range of specific internal analyses as part of implementing OAC's new strategic plan.
- Beginning to identify and explore research initiatives in support of the strategic plan, with a focus on the economic and social contribution of Ontario's artists and not-for-profit arts organizations.
- Supporting the live streaming of *Reframing Cultural Policy Dialogue*, a symposium organized by *The Arts Advocate* in June 2015, to allow the participation of arts sector representatives across Ontario. Over 630 people across Canada participated in the symposium via the live stream.
- Continuing to partner with the Canada Council for the Arts 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 final component is a survey to explore the social impact of dance organizations. It is currently in the field, with analysis and report planned for 2016.
- Continuing to partner with the Department of Canadian Heritage (PCH) and the Canada Council for the Arts to co-fund the *Statistical Insights on the Arts* (SIA) series, and with the Canada Council to co-fund the *Arts Research Monitor* – two important vehicles for getting research findings into the hands of the arts community. This year's SIA reports include an analysis of recent arts program graduates along with the educational backgrounds of working artists, and a profile of arts and culture volunteers and donors.
- Building on an earlier SIA report on Canada's artists, OAC requested additional data on Ontario arts occupations from the National Household Survey (NHS) and Labour Market Survey on the economic and demographic profile of Ontario artists. The NHS data also provides OAC with benchmark data to track our progress vis-a-vis priority groups and other strategic indicators.
- Continuing participation with PCH and others, as a partner on the Culture Statistics Strategy.
- Participating in the activities and consultations that form part of the Ministry of Tourism, Culture & Sport's development of an Ontario Culture Sector Strategy, and Arts Policy Framework.

In addition, OAC's Research unit is involved in developing approaches to track OAC's progress on both its equity plan and new strategic plan – including the identification of revised corporate performance measures.

In 2016-17, OAC plans to continue to partner with PCH and Canada Council for the Arts on the *Statistical Insights on the Arts* series, and the *Arts Research Monitor*.

OAC will also continue as member of the consortium on the Culture Statistics Strategy to support continuation of the Cultural Satellite Account economic impact data.

Research initiatives focusing on the economic and social contribution of Ontario's artists and not-for-profit arts organizations will be a continued focus. The identification of other specific research initiatives for 2016-17 will be informed by the strategic plan – including initiatives focused on demonstrating the public benefit and value of public funding of the arts.

Program Evaluation

Report on 2015-16

- Northern Arts - Evaluation of the Northern Arts program, along with the related Regional Consultant roles, is ongoing in 2015-16.

Plans for 2016-17

- Northern Arts – evaluation will be completed. Any changes to granting programs or regional services will be proposed following the evaluation.
- Arts Education Programs – OAC will begin to develop a framework for evaluation of elements of Arts Education programs and services.

Risk Identification, Assessment and Mitigation Strategies

OAC has recorded on its **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 identified by the Ministry, with an assessment of likelihood and impact, mitigation strategies in place and the overall risk assessment. Risk owners have also been identified to ensure that the identified risks are properly managed.

The Governance Committee of the Board of Directors annually review the assessment worksheet prepared by management and make changes, if required, to ensure that issues that have occurred over the past year are properly reflected in the worksheet. The committee has agreed that this material will be part of the orientation for new board members and that the register will be updated continuously as circumstances change throughout the year. Updates or changes to the worksheet are brought forward to the board for approval on a regular basis.

Please see attachment 'Appendix 3 – OAC Risk Assessment Worksheet'.

Environmental Scan

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

EXTERNAL ISSUES/FACTORS

The individual and cumulative impact of the issues noted below will be increased obligations or demands on artists and arts organizations, resulting in upward pressures on their costs (or a concomitant decreased in activity). Overall, the arts sector is being "stretched thin", while trying to respond to new needs and opportunities. This may raise expectations for increased support that OAC is not able to meet within its current funding framework. Within this context, the "wild card" presented by the recent election of the Liberal government in Ottawa, along with other significant changes underway at the federal level, make for a very uncertain environment for Ontario's arts sector, and therefore for OAC.

Issues/Trends Affecting Ontario's Arts Sector

Based largely on information arising during the assessment process on the 2015-16 OAC operating grant applications, the following issues/factors are affecting the operations of Ontario's professional, not-for-profit arts sector.

Economic Environment

Arts organizations of all sizes continue to report negative impacts due to the sluggish economy. Organizations report ongoing challenges in generating adequate revenue from ticket sales, fundraising activities and individual donors, as well as increasing competition with other arts organizations and other sectors for corporate/private sector support. In addition, large organizations note the continuing negative impact of low interest rates on investment income, as well as the two-sided impact of the low Canadian dollar – which, on one hand, has helped US ticket sales, but on the other hand has increased payments made to artists in other currencies (primarily the US dollar). Adding to the sense of uncertainty, a number of large and mid-sized organizations will be negotiating new collective agreements in the upcoming three-year period. Other specific pressures on revenue relate to impacts of the Temporary Foreign Workers Program and the new copyright regime, both of which are discussed below.

Many organizations identify resulting pressures on staff, volunteers and resources – saying they are "stretched thin". In response, many are working to diversify their revenue sources. However, they often have to adapt or reduce their programming due to a lack of support, resulting in a negative impact on the artistic development of the sector. Similarly, this fragile fiscal environment often prevents organizations from taking risks when it comes to putting together their programming, sometimes resulting in conservative choices in the artists or work presented. In extreme cases, revenue crises have resulted in organizations ceasing operations entirely. Recent examples are Orchestra London (which cited the loss of an expected large donation as a factor) and Opera Lyra in Ottawa (which indicated that all revenue streams were

below expectation). Taken together, these factors lead to increased pressure for secure, stable funding from OAC.

Changing Operating Models

These increasing challenges in raising earned and private sector revenues, coupled with reduced or flat-lined public sector support, is resulting in a rethink of entire models of operation within some parts of the sector. For example, the City of London is exploring options for a sustainable orchestra model and, in the meantime, former musicians of Orchestra London are offering occasional concerts and recently launched an online survey to explore options for maintaining orchestral music as part of the local cultural scene.

Other areas are experiencing fundamental change in their revenue models due to more general shifts in their operating environments. For example, fewer dance companies operate with full-time dance ensembles, with dance collectives or project-based companies emerging as alternatives. Another example is the book publishing sector, whose revenue model is shifting rapidly in a changing retail environment – which for smaller or more specialized firms in particular is increasingly based on publisher-run online stores, and offline retail outside of traditional bookstores (e.g. pop-up short-term bookstores, event sales, other types of retail stores). Consolidation and loss of some Canadian distribution networks is also a concern for book publishers.

As part of its strategic plan, OAC is identifying strategies to support the new organizational models being explored by the arts sector. On the other hand, in several sectors this year new and emerging organizations flagged their interest in joining the traditional stream of OAC operating support. With a flatlined budget, it's an ongoing challenge for OAC to find a balance of support between the sector's continuing interest in operating support and its exploration of new organizational models.

Partnerships and Collaboration

Arts organizations are engaging in new collaborative initiatives – both as an economical way to share resources in the context of restricted budgets, and to pursue artistic or other goals. One example is partnerships among two or more public art galleries to present exhibitions that are toured to each venue, with the substantial catalogue costs shared by partner organizations. Another example is the RISER Project led by Why Not Theatre, which partners with other established companies, including the Theatre Centre, in a collaborative model for performance production, offering indie companies space, mentorship and technical tools.

Partnerships are on the rise between Toronto-based community-engaged arts organizations and regional arts and non-arts groups, including a growing number of training and mentorship opportunities being offered in regional communities by Toronto companies, with Toronto companies also being invited to provide community residencies throughout the province. Collaborations are also increasing among literary festivals: The International Festival of Authors offered Harbourfront Centre as the new venue for Word on the Street and runs its touring program in partnership with local presenters whenever possible; VERSeFest in Ottawa also operates as an informal shared platform for local literary organizations. Convening, connecting and promoting collaboration within the arts community is one of the strategies identified in OAC's strategic plan.

Technology

Technological change continues to present both opportunities and challenges for Ontario's arts sector.

Public art galleries are investing in online tools to share their collections; a number are creating collection databases, which involve increasing staff capacity to photograph works, clear copyrights and manage digital assets. Similarly, performing arts organizations continue to explore the potential of technology to re-envision their art form and reach new (often younger) audiences.

It is anticipated that online and digital learning will feature increasingly in the Ontario Ministry of Education's priorities, including as a potential emphasis in the next review cycle of the province's arts curriculum (likely to be scheduled for 2018-19). This development will have an impact on the many artists and arts organizations engaged in school-based arts education, requiring a shift in approach, potentially affecting how organizations select and train artists over the next few years, and providing increased opportunities for artists who do (or can) incorporate digital tools in their practice.

As noted, book and magazine publishers are facing fundamental changes in their operating environments, generally related to technology. For magazines, the traditional revenue model based on newsstand sales leading to subscriptions and generating advertising revenue is diminishing in importance – particularly for many cultural magazines. Magazines are faced with finding new ways to meet their readers and providing a coherent online experience. With internet use shifting to devices like smartphones and tablets, magazines are adapting their websites to small mobile screens. Several navigated this transition this year, but making the significant technological upgrades is a challenge for many publications. Online-only periodicals have fewer opportunities to generate earned revenues. OAC's new Magazines – Projects program will support new publishing activity in this area.

All of these forays into new technologies will require additional human and financial resources along with training to build the capacity of staff. Grappling with these issues puts increased pressure on operating budgets (and grants) and creates a need for OAC to consider how existing programs are responding to technological change across the sector.

Facilities/Infrastructure

Facility-based organizations across all disciplines report a range of challenges including a need for capital to upgrade ventilation and lighting systems in aging inefficient buildings and to respond to accessibility standards, as well as decreasing rental revenues. For artists and organizations without their own facilities, access to adequate and affordable rehearsal, performance and exhibition space remains a large issue.

Projects for new or expanded facilities are underway in several sectors – often as collaborative, multi-functional initiatives involving several organizations. While these projects will result in much-needed new art spaces, they are long and costly undertakings that put intense pressure on the staff and resources of the organizations involved. For example, Ottawa's La Nouvelle Scène performing arts venue is facing cost overruns, and taking much longer to complete than originally expected, leaving several Francophone theatre companies homeless.

Succession and Renewal

Succession and renewal remains an issue, with the prospective retirement of a significant number of established leaders posing a serious challenge across the sector. Some areas are already seeing a high turnover in leadership positions without an adequate pool of qualified successors from which to draw. Succession planning, including professional development and mentorship opportunities, is a key need for renewal of the sector.

International Market Development and Touring

Arts organizations across a variety of sectors have identified international touring and market development as an important strategy to help expand and diversify revenue streams, increase work opportunities for Ontario's artists, build Ontario's global presence, and strengthen the province's overall trade and business opportunities. Raising revenues for touring poses a challenge for some organizations as they have tapped out local donors and corporate sponsorship to fund their home season of activity and are hard pressed to find additional dollars to assist with touring-related costs. They report the need for increased resources to capitalize on these opportunities – including financial support and access to strategic information.

Similarly, rapidly changing digital technologies are offering potential new international markets to Ontario artists and arts organizations. However, many of them currently lack the connections or capital to take advantage of these opportunities to get their artistic product into this expanding marketplace.

Policy/Legislative Environment – Federal

Copyright and Payment of Artists

Expansion of the definition of fair dealing in the *Copyright Modernization Act*, along with the educational sector's broad interpretation of the Act, has resulted in decreases in revenues to writers and publishers from reprography licensing. Legal action currently underway may reverse the educational sector's interpretation, but it will be several years before cases currently before the courts are definitively resolved. Musicians (and record companies) will benefit via royalties from a June 2015 amendment to the Copyright Act that extends the term of protection for performers and makers of sound recordings from 50 to 70 years. This will bring Canada more in line with its major trading partners, and the move is generally believed to be related to the term negotiated in the Trans-Pacific Partnership (TPP) agreement.

In February 2015, CARFAC (Canadian Artists' Representation/Le Front des artistes canadiens) and RAAV (Le Regroupement des artistes en arts visuels) – the associations that represent Canada's professional visual artists – reached their first labour agreement with the National Gallery of Canada. The agreement sets out mandatory minimum fees and working conditions offered to artists by the gallery. Additionally, artists will be compensated for professional services offered to the gallery, including preparation and installation of an exhibition, and providing lectures and public presentations. The agreement and the standards it sets is expected to have implications for other galleries.

Temporary Foreign Workers Program

Changes made in June 2014 to the Temporary Foreign Workers Program (TFWP) legislation, a program that assesses and approves the entry of foreign workers into Canada, have increased costs and administrative burden for performing arts organizations that engage foreign artists

(such as dancers, singers, choreographers, and conductors). The revisions to the legislation included more scrutiny of the justification for hiring foreign workers, increased fees for securing a Labour Market Impact Assessment (LMIA) from \$275 to \$1,000 per worker per work period, the establishment of differential median wages per province, and a commitment to pay foreign nationals 18% above each province's median wage.

The major impact of these TFWP revisions on arts organizations is the cost and administrative burden related to the LMIA requirements. In addition, the set median wages are typically out-of-sync with the salaries of Ontario's professional not-for-profit performing arts organizations. For example, the set wage in Toronto under the TFWP is based on commercial theatre rates. Furthermore, organizations that tour across Canada must pay their foreign workers different provincial rates within a single touring engagement. The TFWP also puts Ontario arts organizations at a disadvantage compared to foreign organizations that tour in Canada, which are not subject to TFWP and typically pay lower fees.

Organizations including members of the Performing Arts Alliance and the Canadian Actors Equity Association called for revisions to avoid the unintended consequences of the changes in the TFWP. In December 2015, the government of Canada announced a Labour Market Impact Assessment exemption for the performing arts disciplines of dance, opera, orchestra and live theatre. At time of writing, this exemption was to be limited to foreign nationals hired by organizations receiving multi-year operating support from the Canada Council for the Arts, or support by parliamentary appropriation. This exemption will greatly reduce, but not eliminate, the financial and administrative burden of the TFWP on Ontario arts organizations.

Let's Talk TV

Canadian Radio-Television Commission (CRTC) decisions arising from its Let's Talk TV hearings are expected to negatively impact Ontario artists and other content producers. In particular, the following decisions are being criticized by some sector participants as decreasing opportunities for Canadian creators:

- Elimination of Canadian content requirements in daytime for traditional channels from the current daytime quota of 55%, and setting a base of 35% for specialty channels.
- While the amount of dollars spent on Canadian programming must remain at current levels, investment is being encouraged in larger productions, with the anticipated result of fewer programs. There is concern that funds will be diverted away from smaller independent programming (including documentaries) and from existing programs such as MUCHFact and Video Advantage Program (VAP) that support the creation of Canadian music videos and provide support and profile to emerging artists.
- The proposed creation of two pilot projects that would be exempt from the standard Canadian content certification process is of concern to some in the sector, including directors and actors/performers. Specifically, each pilot would recognize as Canadian content: (1) live action drama or comedy productions based on Canadian-authored "best-selling" novels; and (2) productions with budgets of at least \$2 million per hour that involve at one Canadian producer, one Canadian performer and a Canadian screenwriter.
- No change in Digital Media Exemption Order (DMEO) – in other words, the CRTC's failure to require Over-the-Top (OTT) broadcasting services like Netflix to contribute to Canadian broadcast sector means no new money for Canadian content from internet service providers. Sector participants such as ACTRA had asked CRTC to require a fixed percentage of OTT

services' libraries be dedicated to Canadian programming and that providers also begin contributing to independent production funds.

- “Pick and pay” and elimination of “genre protection” will likely result in failure of some specialty channels – which is anticipated to mean job losses and less Canadian programming. In August, a group of 11 organizations representing the Canadian music sector, including composers', songwriters' and musicians' associations, made a submission to the CRTC in response to an application by Bell Media's Much and M3 specialty channels and Corus Entertainment's Country Music Television, to immediately convert these channels to a service category that would reduce their required Canadian programming levels.
- Removing CRTC's support for Terms of Trade is feared to likely result in a significant reduction in the diversity of programming, and the elimination of smaller, regional independent producers who will lack the clout to bargain with large broadcasters in the absence of Terms of Trade. In April, the Canadian Media Production Association (CMPA) announced it was seeking leave to appeal in federal court the CRTC's decision to eliminate Terms of Trade.

A December 2015 report co-authored by Nordicity and Peter H. Miller suggested that the regulatory changes outlined in the Let's Talk TV announcements would lead to a loss of over 15,000 Canadian jobs and take \$1.4 billion annually from the economy by 2020. The authors call on the government to review these policies. The report was commissioned by ACTRA, The Canadian Media Guild, Directors Guild of Canada, Friends of Canadian Broadcasting, and Unifor.

It's unclear how the new Liberal government will respond to the CRTC's position on these issues.

Standing Committee on Canadian Heritage Reviews of the Feature Film Industry in Canada

The House of Commons Standing Committee on Canadian Heritage recently undertook reviews of (1) the feature film industry and (2) dance in Canada.

The Committee issued its report on the feature film industry in Canada in June 2015. The report included 11 recommendations including support for the marketing of Canadian film productions in Canada and abroad, commitment to training programs in the audiovisual sector in collaboration with the provinces, examination of the problem of federal tax credit dilution, (“the grind”), and simplification of administrative burden for feature film subsidies. In a supplementary opinion, the Liberal caucus added four additional recommendations: To recognize Telefilm Canada's crucial role in any Canadian film policy for the 21st century; to study the possibility of moving ahead the payment date of tax credits to facilitate the closing of financing arrangements and improve the quality of government-assisted films; to explore ways to foster the promotion of Canadian films; and to ensure that reliable data be available regarding film distribution via over-the-top services.

The Committee also issued its report on dance in Canada in June 2015. The report included seven recommendations relating to continued support for dance through existing federal programs, the need for career transition and injury support for professional dancers, reducing administrative burdens relating to the hiring of foreign dance professionals, and the development of new markets both locally and internationally.

To date, there has been no response from the government to either report – not surprising given that the writ was dropped shortly after the reports’ release. It’s unclear what will happen to the reports, or their recommendations, under the new Liberal government.

Policy/Legislative Environment – Ontario

Ontario Culture Strategy

The development of Ontario’s first Culture Strategy presents an important opportunity for the province’s professional artists and arts organizations to help shape the government’s culture policies and programs.

Bill 17 – Protecting Child Performers Act, 2015

This Bill received Royal Assent in the provincial legislature in May 2015, and is expected to come into force February 5, 2016. The Act, which encompasses child performers in the live and recorded entertainment industries, enshrines into law language around specific issues relating to child performers already in ACTRA and Equity agreements, but the legislation enshrines these current protections.

Not-for-Profit Issues

Issues affecting not-for-profit organizations in general, including Ontario’s arts organizations include:

- The delay of two years before Ontario’s *Not-for-Profit Corporations Act* (ONCA) takes effect. The not-for-profit community continues to seek transition support for the sector;
- The *Police Record Checks Reform Act*, which received Royal Assent on December 3, 2015, will provide greater clarity and consistency on the information released in a police record check and protections of rights and personal information. Fees, timelines and administrative barriers relating to requesting of police checks, as well as clarity on the circumstances in which the different levels of police checks should be used, are outstanding issues that may be addressed in the regulations under the *Act*.
- Complying with the *Accessibility for Ontarians with Disabilities Act* (AODA) will increase costs and workload for not-for-profit organizations.

Funding Environment

The recent election of the Liberal federal government has the potential to significantly change the arts funding environment. For example, the Liberal party’s election platform on culture included the following promises: to double the Canada Council for the Arts’ investment from \$180 million to \$360 million; to restore the Promart and Trade Routes international cultural promotion programs, to invest “significantly more” in cultural infrastructure through their previously announced infrastructure investment, and to increase funding for the CBC, Telefilm Canada and the National Film Board. The new Minister of Canadian Heritage Mandate Letter included these initiatives among the “top priorities” identified by the Prime Minister.

Another major development on the funding front is the Canada Council for the Arts’ announcement in January 2015 of a new funding model based on six non-disciplinary programs: Explore and Create; Engage and Sustain; Supporting Artistic Practice; Arts Across Canada; Arts Abroad; and Creating, Knowing and Sharing: The Arts and Culture of First Nations, Inuit and Métis Peoples. Full details of the specifics of the programs are yet available. Implementation of

the new funding program will begin in 2017. Members of the arts sector are taking a “wait and see” approach for the most part, though concerns are being expressed about protecting the peer assessment process, disciplinary expertise, and current funding envelopes for existing programs/sectors. In any case, the result is an uncertain environment for Ontario’s arts sector. These changes are also expected to directly affect OAC’s operations. For example, the two agencies have in the past coordinated their multi-year funding cycles within each discipline.

Members of the Canadian Arts Coalition continue to call for increased funds at the federal level for international touring and market development of international arts markets as a way to strengthen trade and business opportunities. Any new programs or funds at the federal level to support international touring or market access will place commensurate pressure on OAC to contribute resources to ensure that Ontario artists and arts organizations can take full advantage of the partial funding available from other sources.

The previous federal government announced two programs to support projects related to Canada’s 150th Anniversary in 2017: The Canada 150 Fund and the Canada 150 Community Infrastructure Program (CIP150). Both programs may support activities in Ontario’s arts sector, however tight turnarounds and concerns about project eligibility may limit support to the arts. The Canada 150 Fund was announced on April 23, 2015 to support opportunities for Canadians to participate in celebrations that “contribute to building a sense of pride and attachment to Canada.” It has three components: Signature and Anchor Initiatives (both national in scope with a May 29, 2015 deadline for expressions of interest) and Community Celebrations (local, regional and provincial in scope, with no deadline).

The tight turnaround for the first two components received criticism. The first Signature Initiative was announced on June 25, 2015 – support of the Rendez-vous 2017 Tall Ships Regatta. There have been no further government funding announcements for this program since the writ was dropped.

The CIP150 program was launched on May 15, 2015 and is being delivered by regional development agencies. FedDev Ontario is delivering the program in southern Ontario with an allocation of \$44.4 million over two years. In Northern Ontario, the CIP150 is being administered by FedNor with \$5.2 million over two years. Criticisms have been levied about the different deadlines and rules on types of eligible projects across the various agencies, as well as short turnarounds in some regions (e.g. for FedDev Ontario, the intake period was from May 15 to June 9). While FedDev Ontario’s website notes that more than 380 projects have been approved in southern Ontario, there are no consolidated results announcements posted to date.

It’s unclear whether there will be any changes or shifts in focus of these programs in light of a potential new vision for the 2017 celebrations on the part of the new Liberal government.

INTERNAL ISSUES/FACTORS

Strategic /Policy/Performance

As previously noted, OAC launched its new strategic plan, [*Vital Arts and Public Value: A Blueprint for 2014 to 2020*](#), in October 2014. The plan provides a framework to guide OAC activities, funding programs, and services for the years ahead. As planned, OAC’s funding framework for 2015-2016 saw all project program funding envelopes reduced by 5%, and all organizations

receiving operating grants reduced to 95% in 2015-16, with potential increases (or further decreases) applying only to those organizations when they are in Year 1.

Markets

Investment returns in current equity markets will affect the amount of income available over time for the restricted and endowment funds, in particular grants and fellowships through the Chalmers' program.

Governance/Organizational

There are currently four vacant positions on OAC's 12-person board, with two more vacancies set to occur in the first half of 2016.

Legal/Compliance

Implementation of the Accessibility for Ontarians with Disabilities Act (AODA) concerning websites is resulting in additional costs and workload for OAC. In addition, an updated OAC website is required in order to enable the Nova portal to accept online applications, and other changes which will be required to comply with WCAG 2.0 Level AA. New accountability directives from government concerning public disclosure of travel expenses for Board members and senior staff have resulted in additional costs and workload.

Freedom of Information and Protection of Privacy Act (FIPPA)

OAC will become subject to FIPPA in 2016-17, and it is anticipated this will result in increased workload and cost for OAC.

Operational /Service Delivery/Information Technology

OAC's transition to the Nova online grants management system, and other changes in OAC's approach to information technology will have significant impacts on both employees and applicants. This multi-year project will transform how OAC does business and ultimately result in a better experience for applicants who have found paper-based applications processes cumbersome and time-consuming. Nova is expected to be rolled out early in 2016-17. To what extent this technology change will lead to changes in staff roles and responsibilities and/or the need for departmental restructuring has yet to be determined.

Workforce and Labour Relations Issues

The OAC and AMAPCEO Collective Agreement was ratified in February, 2015 after three years of bargaining. As this is OAC's first-ever collective agreement, it has led to a cultural shift for the organization.

OAC's long-time Director of Finance & Administration will retire at the end of January 2016. Although ample time has been allotted to search for a replacement, it is anticipated that this will be a significant transition for the organization. OAC has also created a new position of Associate Director of Granting, which is expected to be filled by January 2016. This too will be a significant transition for OAC.

New Office Space

Another cultural shift of the organization is anticipated after OAC moves to smaller offices at the end of 2015, as the move will see the majority of OAC staff who currently have private offices moving to open-concept workstations.

Human Resources

OAC's employees play a very significant role in its positive reputation with stakeholders. OAC's ability to achieve its mandate, vision, beliefs and values is due in large part to the experience, thoughtfulness, professionalism and engagement of OAC staff and board, and the respect in which they are held by the arts community.

Several larger projects in the last fiscal year have required significant staff involvement and investment of time, such as a move to new premises after 52 years in the same building, implementation of a first-ever collective agreement, and development and implementation of Nova, OAC's new online grants management and CRM system. Ensuring the success of these large projects has required OAC to reallocate resources and in some cases hire additional staff.

Major changes such as these require significant preparation, as well as adequate time for adjustment and evaluation, all of which means increased demands on the Human Resources unit. This includes: revision or creation of new policies; review and updating of job descriptions and responsibilities; implementation of organizational design changes; and hiring, retaining and reallocating staff resources, as needed, to meet OAC's evolving needs.

Areas of Priority in 2016-17

OAC's first collective agreement with the Association of Management, Administrative and Professional Crown Employees of Ontario (AMAPCEO)

OAC and AMAPCEO ratified a first-ever collective agreement on February 4, 2015 after three years of bargaining, which began in September 2012. AMAPCEO represents all OAC staff, excluding those who work in management and/or in a confidential capacity with respect to labour relations. OAC is currently undergoing various shifts in its way of working in order to address the agreed upon terms. The implementation of a first collective agreement has also required an increased amount of administration on the part of Human Resources in developing new procedures, and reporting information to AMAPCEO.

Organizational effectiveness and design

Once Nova is fully implemented in 2016-17, the new technology will greatly impact the way OAC does its work internally, as many activities that are currently manual will become automated. It will provide increased efficiencies by eliminating paper-driven processes, thereby allowing staff to focus on more value-added, client-driven engagement. To what extent this technological change will lead to changes in staff roles and responsibilities and/or the need for departmental restructuring has yet to be determined, but will be a focus for 2016-17.

Equity & Accessibility

OAC's Equity Plan guided decision-making throughout the planning, research and content of OAC's most recent strategic plan, and its influence can be seen in many of the goals and strategies outlined in the plan. Examples of this are the following strategies:

- Provide fair and equitable access to OAC funding programs and processes, with particular emphasis on OAC's identified priority groups.
- Encourage arts organizations to include board members, staff and volunteers from OAC's identified priority groups.
- Collect and share stories about the diversity of artists and their work.

One of the major outcomes of the Equity Plan and the Strategic Plan is the inclusion of Deaf artists and artists with disabilities as a new priority group, joining the five existing priority groups. OAC has already implemented several initiatives to provide greater support to artists with disabilities in the creation of accessibility support funds, and a projects program specifically for Deaf and Disability Arts.

OAC will be implementing a Deaf and Disability Arts and Access Advisory Group in 2016-17, to allow OAC to consult on its accessibility and funding initiatives and services to Deaf artists and artists with disabilities.

OAC has also hired an Equity, Diversity & Accessibility Coordinator for a one-year fixed-term contract until September 2016, to guide and support the ongoing implementation of activities identified in the Equity Plan. This role reports to Human Resources but works closely with all of Directors and other key leads in the organization to initiate and support OAC's ongoing commitment to equity, diversity and accessibility.

Recruitment

With the ongoing development and implementation of Nova, OAC has required additional temporary IT expertise, which has been a focus of recruitment in 2015-16 and will be for 2016-17. In addition, OAC has created a new role of Associate Director of Granting, which will be hired by January 2016. This new role will be managing granting support staff and will also be responsible for granting policies, processes and procedures. Other hiring will continue to focus on filling vacant positions as they occur.

Compensation & Benefits

OAC will continue to implement merit increases in accordance with OAC and AMAPCEO collective agreement for bargaining staff, which is a minimum of 2.5% for eligible staff with a very good rating. Non-union staff are evaluated and receive merit increases similar to that of unionized staff. There are no planned shifts to OAC's compensation plan for 2016-17. OAC continues to provide healthcare benefits administered by Great-West Life Assurance, through its association as an agency of the provincial government. OAC's plan is similar to OPS's Management and Excluded Plan, but OAC has maintained paramedical services and does not have a healthcare spending account.

Staff Complement

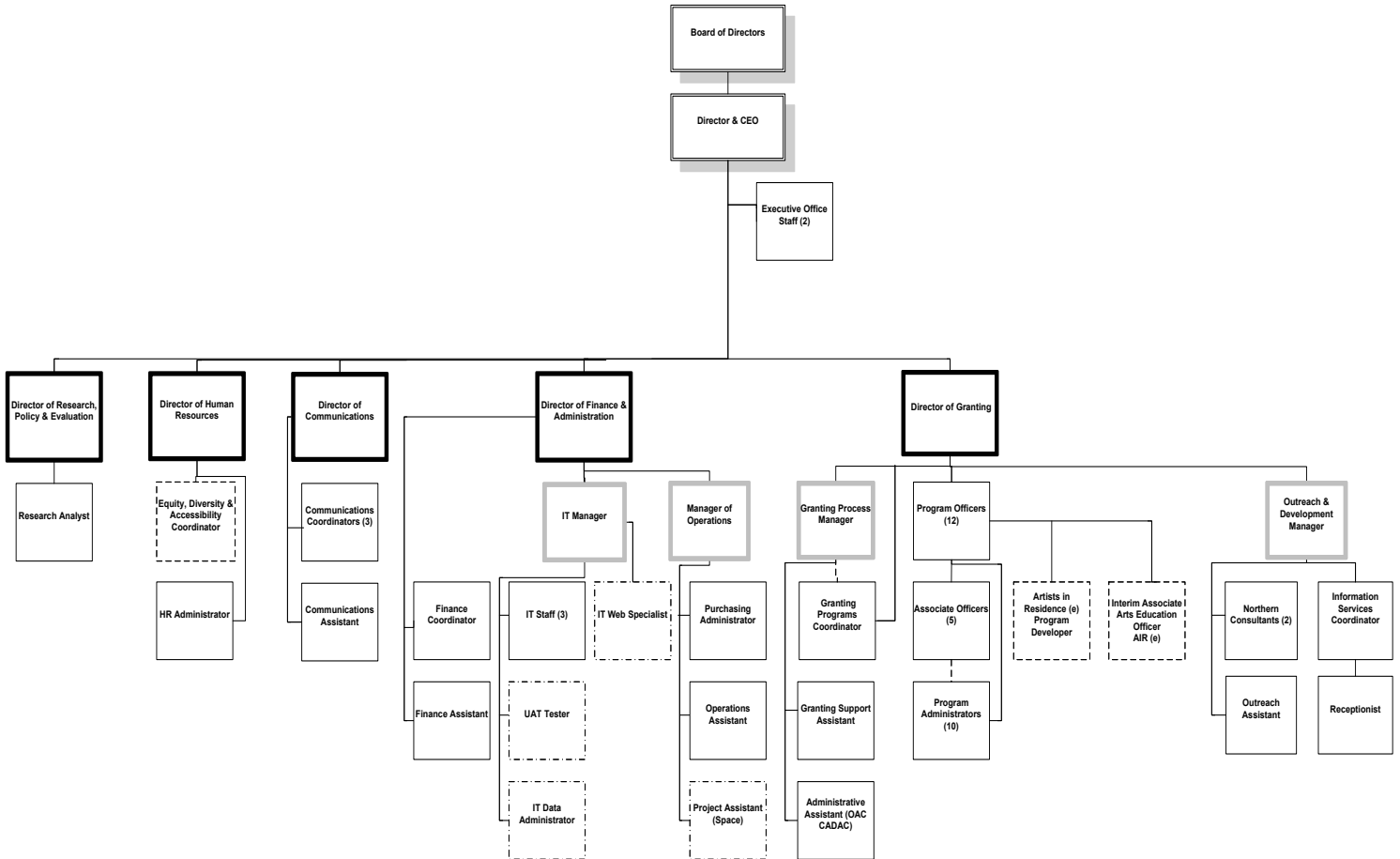
The following organizational chart indicates the total number of permanent and temporary employees, expressed as full-time equivalents, as at October 2015.

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

OAC has the following staff categories (with current budgeted headcount numbers provided in parentheses); Senior Management (6), Management (2), Unionized (57) and Non-Unionized (2). With a Full-Time Equivalent of 64.82 employees. The Unionized staff include administrative support staff as well as arts professionals, such as our Program Officers. Included in these numbers are 7 special project positions that are necessary for our move, implementation of Nova, to support AIR (education) and our equity plan initiatives.

OAC Organizational Chart

Ontario Arts Council – Organization Chart



= Special Project Position

Total FTE Count = 64.82

October 2015

OAC Performance Measures

In the context of the new strategic plan, OAC is currently reviewing its performance measures with the goal of reaffirming or revising measures that are relevant in the current environment. This review process is scheduled to be completed in 2015-16, with tracking of new performance measures to follow. In the meantime, from OAC's current performance measures framework, which includes 17 different indicators in total, OAC will continue to focus on the following key performance measures and related indicators that remain relevant to OAC's goals in 2015-16:

- Support the lives, careers and work of Ontario artists by protecting direct grant dollars to individual artists.
- Support the creativity, vitality and health of Ontario's arts organizations by providing stable operating funding to arts organizations.
- Support renewal that contributes to a healthy arts sector by making room to support new organizations in OAC's operating support programs.
- Help ensure that Aboriginal, francophone, culturally diverse, new generation and regional artists/arts organizations are recognized for the value they provide by supporting these priority groups through a competitive, peer assessment granting process.
- Demonstrate organizational accountability and effectiveness by committing to administrative costs of no more than 11 percent of OAC's total budget.

The most recent results for each of these performance measures are in Appendix 4 – OAC Performance Measures.

Information Technology

OAC's Information Technology plan is intended to: guide future IT investments; support business improvement opportunities; enable service excellence; identify and address technology risk; and provide an efficient and modern technology environment.

The Plan is guided by OAC's overall strategic direction. It leverages component applications and architecture standards consistent with the spirit and intent of the Government of Ontario Information Technology Directive to minimize cost, optimize solution acuity and future-proof all applications.

Technical Risk

- *Aging Systems* – Five critical business applications and systems have been classified as medium to high risk due to being end-of-life software which is no longer supported by vendors.
- *Hardware* – Some key hardware is reaching its end-of-life cycle, and both sustainment and on-going supportability are a risk.

Information Technology Upgrades and Improvements

OAC continues to maintain and upgrade its critical software applications systems in order to support its business. OAC's business applications continue to be very reliable and OAC has experienced 99% uptime year over year.

Information technology projects planned for 2016-17 include:

- **OAC Financial Application Systems (Microsoft Great Plains) Upgrade and Integration**
 - The OAC financial system has been upgraded from Microsoft Great Plains 2010 to Microsoft Dynamics 2015 in 2015-16 to prepare the system for integration with Nova. The financial systems upgrade enabled OAC to mitigate impending software support risk and enhance services such as electronic funds transfer for grant recipients, and procurement services for vendors.
 - The second phase of the upgrade which will include integration of the financial system with Nova, to be completed in 2016-17.
- **File & Document Management System Upgrade**
 - Upgrade OAC Files & Document Management system to mitigate risk due to end-of-life technology and leverage new technology to enable secure remote access to corporate files and documents while outside the office.
- **Intranet Services Upgrade**
 - Upgrade OAC intranet site to mitigate risk to critical services such as translation services, catering, hotel booking, and other procurement services. The intranet's

underlying technology (SharePoint) needs to be upgraded to allow for integration with the new Windows Server 2012 system, and avoid major disruption to OAC critical services.

- **Website Content Refresh and Upgrade**
 - Upgrade website content to be compliant with Ontario's accessibility standards for websites. The current website is at its end-of-life and is no longer supported by the vendor. In addition, the current site does not comply with the Ontario accessibility standards for website as set out in the AODA Act.
 - The website content refresh will provide:
 - A fully accessible site that satisfies the requirements under AODA and section 12 & 14 of the IASR (*Integrated Accessibility Standards Regulations*)
 - A website that is WCAG level AA compliant
 - Integration with the Nova online application processing system.
- **Hardware - Windows Computer Desktops Upgrade**
 - Upgrade OAC Windows computer desktop systems that have passed their end-of-life and are no longer capable of running required business applications.
 - New computer desktops will satisfy workstation space planning requirements in OAC's new office premises, with a more compact, energy-efficient system that provides greater mobility for staff.

Other Notable Technology Innovations

- **Implementation and Deployment of OAC Mobility Management Services to:**
 - Provide secure access to OAC corporate resources (e.g. documents and files) via mobile devices such as iPads.
 - Continue to protect OAC's systems, networks and information from unauthorized access.
- **Implementation and Deployment of Microsoft Office 365 Cloud Applications**
 - To enable users to access their documents securely anywhere, from any device while travelling on business. Office 365 is Microsoft's Office applications in the cloud rather than on a desktop. Users are able to access their data securely on their desktops or mobile using a web browser instead of expensive installation services.
- **Implementation of Deployment of OAC Web Conferencing Services**
 - While face-to-face meetings are often necessary, OAC encourages employees to use virtual meeting technologies where appropriate. In particular, OAC will use web collaboration and videoconferencing as a greener and more cost effective alternative to travel.

Nova

- Nova, an electronic grants management and customer relationship solution, is expected to launch to the public in the second half of 2016. It will enable grant applicants to apply, receive results and update their profiles information online.
- As part of this initiative, OAC is simplifying:
 - Granting program design, in consultation with impacted communities, to further improve effectiveness of programs and consistency between related programs
 - Applicant navigation of granting programs and other available funding
 - The end-to-end application process, including application forms.
- These improvements will:
 - Improve the applicant's overall experience
 - Speed up time for granting results in many cases
 - Enable OAC staff to focus less on administrative duties, and more on higher-value customer service.

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 des écoles publiques de l'Est de l'Ontario
- Conseil scolaire catholique du Nouvel-Ontario
- Conseil scolaire catholique Providence
- Conseil scolaire de district catholique Centre-Sud
- Conseil scolaire de district catholique de Centre-Est de l'Ontario
- Conseil scolaire de district catholique Franco-Nord
- Conseil scolaire public du Grand-Nord de l'Ontario
- Conseil scolaire public du Nord-Est de l'Ontario
- Durham District School Board
- Keewatin-Patricia District School Board
- Kenora Catholic District School Board
- Limestone District School Board
- London District Catholic School Board
- Near North District School Board
- Rainbow District School Board
- Thames Valley District School Board
- Toronto District School Board
- York Region District School Board

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 for a 30-hour course. OAC is involved in selecting the locations throughout the province for this course, and for determining where French language sessions are required.

Throughout the 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 at some of the locations where the course is offered.

In 2015-16, the Royal Conservatory took a hiatus from offering professional development to artists. With this break, OAC is conducting an evaluation of the needs of artists for pedagogical/community-facilitation skills and research on opportunities for pedagogical/community-facilitation training for artists in Ontario.

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 this program on behalf of OAC, and a contract is in place to ensure compliance with TPAD.

Theatre Connects/Connexions Théâtres

Modeled after OAC's successful Ontario Dances program, Theatre Connects, and its parallel francophone program Connexions Théâtres, fosters connections between theatre companies, arts presenters, audiences who attend performances, and the public who participate in workshops and demonstrations. OAC has partnered with Ontario Presents and Réseau Ontario to manage this initiative.

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 may not be familiar, and to begin developing relationships with them.

OAC publishes guidelines and regulations for recommenders in all three recommender programs. These requirements include assessment criteria, recognition of OAC priority groups 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 relevant OAC Officer, based on a review of the previous year's grant recommendations and recommenders' final reports.

There are 165 approved recommenders participating in three third-party programs in 2014-15 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 generally receive operating or project funding from OAC.

In all cases, approved applications are forwarded to OAC by the recommender once the decision to award a grant has been made.

Current third-party granting programs include:

Literature, Writers' Reserve – annual budget \$901,500

- This program provides grants of \$1,500 to \$5,000 to assist 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 41 recommenders in 2014-15. 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 2014-15 had followed the program guidelines with respect to recommendations made in the previous year.

Theatre, Creator's Reserve – annual budget \$398,000

- This program assists Ontario-based professional theatre creators and informal collectives of creators, by funding them to create work. Applications are made to and funding decisions are made by Ontario theatre companies. There are 52 theatre recommenders in 2014-15.

Visual Arts, Exhibition Assistance – annual budget \$448,500 (includes an amount specified 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 a public exhibition. Grants are made through third-party recommenders (public art galleries, artist-run centres and arts service organizations) throughout the province. There were 72 recommenders in 2014-15. Artists must apply directly to a recommender located in the zone in which they live.

Communications

Goals and priorities

Working within the framework of OAC's five-year Strategic Plan *Vital Arts and Public Value*, 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 unit 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, including 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. Regular letters describing local activities taking place in individual ridings are sent to MPPs from OAC's Chair approximately every eight to 10 weeks, as well as an annual rollup letter outlining all OAC-funded activities in each MPP's riding.

The communications protocol with MTCS has now been in place for three years. 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 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 in the Ridings or Arts Day at Queen's Park (AD@QP)

OAC plans to host the next Arts Day at Queen's Park in November 2016.

Vital Arts and Public Value: A Blueprint for 2014 -2020

While OAC's new strategic plan was launched in the fall of 2014, many of the strategies are still just beginning to be implemented. OAC's communications activities will be deeply implicated in many of the strategies that begin to evolve. However, Goal 4: *Build public awareness of the*

value of the arts is where OAC's communications activities will play a central role. Future interactive capabilities will be added to OAC's website to support this activity.

Nova

The roll-out plan for Nova, OAC's new Electronic Grants Management/Customer Relationship Management (EGM/CRM) System, will probably be the biggest focus for communications activities in 2016/17. Moving Ontario's artists and arts organizations to online grant applications in 2016-17, will have major internal and external communications implications for OAC. In addition to the application portal, OAC's is enhancing its website to meet the Access for Ontarians with Disabilities Act (AODA).

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.

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.

Ontario Culture Days

Ontario Culture Days successfully received charitable status in 2015 and is now pursuing other sources of funding to keep up with the huge demand and growth over the past six years. With approximately 1600 activities in September 2015, Ontario once again counted almost half of the country's total CD events (not including Quebec).

Ontario Culture Days is currently pursuing funding for its Youth Arts Ambassador program (YAAP). The pilot program is to provide direct financial support to each participating artist over a two-year period, including artists' fees for creation and mentoring, production and travel support. Ontario CD has invited artists to submit expressions of interest. The plan is to launch the two-year pilot project from April 2016 to March 2018 if funding is secured.

Eligible YAAP applicants must:

- Be an Ontario emerging professional artist (as defined by the Ontario Arts Council) in one or more disciplines (visual, performing, multi/integrated, media, literary, community arts or crafts)

- have a strong desire to develop a community-engaged practice without necessarily having specific community arts experience in a professional context
- Be under 30 years of age
- Be active in their arts and culture community
- Be prepared to register an activity in Ontario during the 2016 Culture Days weekend (September 30 to October 2, 2016)

In recognition of this important annual event, OAC will continue its Culture Days commitment through 2016 with \$40,000 to support the Ontario Culture Days Animator/Coordinator position.

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 with forecasts to 2018-19 and an FTE Forecast are included as Appendices 1 and 2 (page 57-58).

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; 2015-16 was the seventh year at this level of funding. Additional funding of \$600,000 was received in 2012-2013 and 2013-2014 (applicable to granting programs in 2013-14 and 2014-15).
- Additional funds were received as part of the \$27 million Arts Investment Fund program over three years: \$11 million 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.
- Ontario has launched a \$2.25 million Creative Engagement Fund, which will partner Ontario artists and advocates to help prevent sexual violence. They will challenge norms and change attitudes about sexual violence and harassment through artistic projects. This Fund is administered by the Ontario Arts Council on behalf of the Ontario Women’s Directorate over the next three years.
- OAC prepares a balanced operating budget annually with a general target allocation of 86% towards grants and programs, 12% for administrative expenses and 2% for services.
- In addition, a budget is prepared to use the surplus strategically. For 2015-2016, OAC has budgeted for several projects. These include the following:
 - Nova project completion of the build phase and implementation phase - \$409,000
 - Artists in Residence (Education) AIR-E - \$100,000 (carryover from previous year);
 - Theatre Audience Development initiatives – year 3 of the pilot - \$180,000
 - Website changes to accommodate the portal for electronic applications and AODA - \$218,000
 - Market development initiatives - \$95,000
 - Culture Days - \$80,000 (for 2015 and for 2016)
 - Equity Plan - \$70,000
 - Records management and phase I for FIPPA Compliance \$40,000
 - Other - \$318,000
- 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, 2015 was \$727,000.
- 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 \$375,000 for 2015-16. Investment income is much more difficult to predict but does not significantly affect the operating fund activities, although it does affect the restricted

funds. Of the accumulated re-measurement gains at March 31, 2015, 97% of the \$6.8 million are for 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 officers / managers for their review and to signal any budget issues.
- OAC's capital assets consist of computer hardware, software, leasehold improvements, and furniture and office equipment. The current net book value is \$1,021,000. Assets under development (for Nova) account for \$916,000 at March 31, 2015. With Nova becoming operational in 2016-17, we will begin amortization in 2016-17.

Office Space/Lease

After more than 50 years in the same building at 151 Bloor Street West, Toronto, OAC's lease was coming due. For that reason, OAC decided to investigate a move to new premises that would lead to cost savings. In addition to seeking a reduced rental rate, OAC's current offices are approximately 19,000 sq. ft., with nearly half of the 62 staff having private offices. It was felt that an open office (work station) environment would allow for a reduction in overall space requirements to approximately 16,000 sq. ft.

In coordination with Infrastructure Ontario, an RFP for brokerage services was issued in October, 2014. Avison Young was selected to lead OAC through the space search phase which began in November 2014. OAC's space requirements included:

- Location – Proximity to public transit, affordable hotels, car and bike parking, variety of restaurants, Queen's Park, and cultural venues
- Space Requirements – 16,000 sq. ft. on one floor; efficiency/utilization of floor plate; natural light; good space condition; power supplied and services to the building
- Building requirements – AODA readiness; quality/landlord; branding/image
- Environmental – Standards achieved; certification; recycling/waste management program; air handling systems
- Access and Security – guard on premises; 24 hour secure access.

Avison Young presented OAC with 10 potential buildings in the first round for evaluation, which included OAC's current building at 151 Bloor Street W. Subsequently, OAC senior management evaluated all of the shortlisted buildings with Avison Young and arrived at the final decision to start negotiations with Credit Suisse, the owner of 121 Bloor Street East, which had submitted a proposal with a very attractive combination of lowest rent, and sizeable tenant improvement allowance, while meeting all of the criteria set out above. After eight months of negotiations, the lease was executed in August 2015.

In early 2015, OAC moved forward with the design phase by hiring Straticom. The office space layout was completed in August 2015. OAC realized a 20% reduction in space allocation after adopting the space standards outlined in the Realty Directive, Space Policy, even though OAC is not subject to this policy. The principles are similar to those outlined in the Workplace

Environmental Guidelines (WEG) that guides the design of new office space within the Ontario Government.

The construction tender process has now been completed and work began on October 19, 2015. The construction phase is scheduled to be completed in early December with a planned move-in date of January 4, 2016.

The construction costs / leasehold improvement are being covered by the landlord's inducement package, as well as funds set aside by the Board of Directors in an Internally Restricted Fund. In addition, OAC received seven month's free rent as part of the inducement package. OAC has received very competitive pricing for build-out of the space, as well as significant savings for 62 workstations through the Government's Vendor of Record program for Furniture and Furniture Systems.

APPENDIX 1

Financial Forecast Summary

AGENCY: Ontario Arts Council	FINANCIAL FORECAST SUMMARY						
	2013-14	2014-15	2015-16	2015-16	2016-17	2017-18	2018-19
	ACTUAL	ACTUAL	BUDGET	PROJECTED ACTUAL	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	59,937,400
MTCS (CANON - French Language Services)	111,265	117,300	100,000	100,000	100,000	98,000	-
Other (Office of Francophone Affairs - Cultural Development)			75,000	75,000	75,000	75,000	-
Other (Ontario Women's Directorate)				75,000	75,000	75,000	-
1> TOTAL PROVINCIAL FUNDING	60,648,665	60,054,700	60,112,400	60,862,400	60,862,400	60,860,400	59,937,400
OTHER GOVERNMENT							
(specify program name, government & funding period)							
2> TOTAL OTHER GOV'T FUNDING	-	-	-	-	-	-	-
SELF GENERATED REVENUES							
Investment Income	475,600	459,770	325,000	325,000	300,000	300,000	300,000
Other (specify source e.g. fund transfers, reserve/restricted funds):							
Fund administration	57,095	63,229	61,230	61,230	60,000	60,000	60,000
Recovery of prior years' grants	91,364	81,689	50,000	50,000	50,000	50,000	50,000
Miscellaneous	85,289	58	50,000	100,000	50,000	50,000	50,000
3> TOTAL SELF GENERATED	709,348	604,746	486,230	536,230	460,000	460,000	460,000
4> TOTAL REVENUE: 1+2+3	61,358,013	60,659,446	60,598,630	61,398,630	61,322,400	61,320,400	60,397,400
EXPENDITURES							
Grants / other programs	53,111,103	53,204,148	52,048,368	52,723,368	52,700,000	52,700,000	51,925,000
Services	846,465	993,061	1,263,779	1,263,779	1,100,000	1,000,000	1,000,000
Administration							
Salaries & Benefits	4,864,209	5,110,510	5,620,763	5,620,763	5,733,178	5,847,842	5,689,799
Occupancy / Lease	487,832	518,850	727,000	727,000	741,540	756,371	771,498
Travel	177,104	160,693	159,250	159,250	160,000	160,000	160,000
Communications	313,263	293,285	235,570	235,570	240,000	240,000	240,000
Other	1,077,157	776,254	543,900	618,900	597,682	566,187	561,103
5> TOTAL EXPENDITURES	60,877,133	61,056,801	60,598,630	61,348,630	61,272,400	61,270,400	60,347,400
Net Income Surplus/(Deficit): 4-5	\$480,880	-\$397,355	\$0	\$50,000	\$50,000	\$50,000	\$50,000
Amortization of deferred capital contributions	-	-	-	-	-	-	-
Amortization of capital assets	116,489	75,118	250,000	250,000	250,000	250,000	250,000
Net Income Surplus/(Deficit) After Amortization	364,391	-\$472,473	-\$250,000	-\$200,000	-\$200,000	-\$200,000	-\$200,000
Net assets (deficit), beginning of year	4,915,245	1,655,686	1,718,072	1,718,072			
Interfund transfers	-	3,623,950	200,000	200,000	200,000	200,000	
Net assets (deficit), end of year	1,655,686	1,718,072	1,668,072	1,718,072			

Notes:

Invested in Capital Assets	793,572	1,020,995
Unrestricted	726,080	526,299
Accumulated remeasurement gains	136,034	170,778
	1,655,686	1,718,072

APPENDIX 2

AGENCY: Ontario Arts Council							
	2013-14	2014-15	2015-16	2015-16	2016-17	2017-18	2018-19
	ACTUAL	ACTUAL	FORECAST	REFORECAST	FORECAST		
FTEs							
Total FTEs	60	61	61	64.82*	64.82	64.82	64.82

*Note: OAC's permanent staff count has not changed, however, the jump in FTE positions shown in the chart is due to a change in method of counting FTEs; OAC previously included only permanent staff in this count, however starting with the 2015-16 reforecast and moving forward, all positions, including temporary, contract and special project positions will be reflected.