

From: **MTCS Correspondence (MTCS)** <MtrMclCo@ontario.ca>
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Subject: Response from the Honourable Eleanor McMahon, Minister of Tourism, Culture and Sport
To: "cathy@theonn.ca" <cathy@theonn.ca>

1090MC-2016-297

September 16, 2016

Ms. Marg Stanowski
Chair
Ms. Cathy Taylor
Executive Director
Ontario Nonprofit Network
cathy@theonn.ca

Dear Ms. Stanowski and Ms. Taylor:

Thank you for your correspondence regarding my appointment as Minister of Tourism, Culture and Sport. I appreciate your kind words of support as I assume this important portfolio.

I look forward to the many exciting opportunities ahead for my ministry as we continue our efforts to build strong communities across the province that are exciting, creative and healthy places to live, work and play.

I appreciate your comments on the funding framework for the Ontario Trillium Foundation (OTF). Our government is proud of OTF's role in helping to build healthy and vibrant communities across our province through its investments to nonprofit and charitable organizations. I would like to assure you that as we plan for the 2017-2018 year, we will consider all aspects of this ministry's key businesses to determine how best to deliver services more efficiently, get the best value for every taxpayer dollar and ensure key government commitments are achieved.

With regard to your comments about OTF funding for Ontario150 initiatives, as you know, all municipalities and their agencies have been invited to apply to the one-time application-based programs of the Ontario150 initiative alongside nonprofit organizations, registered charities, and Indigenous communities.

I would like to note that the Ontario150 Partnership Program places a particular focus on cross-sector collaboration and includes businesses and business associations as eligible applicants to further engage the private and social enterprise communities. Projects must be of a non-commercial nature and priority will be given to businesses who partner with other eligible applicants, including nonprofit organizations.

The Ontario150 application-based programs are complementary to Canada 150 programs, creating multiple opportunities to leverage federal funding. Leveraging that

funding through the Ontario150 programs will enable many nonprofit and charitable organizations to undertake new or enhanced activities that might otherwise be unaffordable. The Canada 150 Community Infrastructure Program in particular provides a maximum of 50 percent of funding and prioritizes projects that leverage 66.6 percent or more. The Canada 150 Fund also strongly encourages applicants to secure other cash or in-kind sources of funding.

Matching funding was incorporated as part of the design of the Ontario150 programs to ensure applicant organizations are committed to the success and cost-effective completion of the project. It also allows for a greater number of projects to be funded across the province while ensuring the funding recipients' capacity to complete projects within the timelines of the program. As you note in your letter, funding from government sources can be combined to support up to 90% of the total project costs.

Regarding the practice of 'budget testing', the government has a responsibility to ensure that funding recipients have governance structures and accountability processes to properly administer and manage public funds and to provide the services for which they have been funded.

The use of funding tiers based on an organization's operating budget allows organizations with smaller budgets and potentially smaller capacity to request and manage appropriate amounts of money. Recognizing the compressed timelines for sesquicentennial projects, these one-time programs incorporate funding tiers to ensure successful delivery in 2017 and that intended outcomes are achieved.

I appreciate your feedback and will take the Ontario Nonprofit Network's concerns about future funding programs into consideration. I appreciate the invaluable work done by Ontario's nonprofit sector in strengthening communities, and I look forward to working with you and your members to enrich the lives of the people of this province. Together, we can support job creation, create economic opportunities and ensure quality of life for the people of Ontario.

All my best,

Eleanor McMahon
Minister