

## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 28, 2014**

Item 16, Report No. 1, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on January 28, 2014.

#### **16 VAUGHAN BUSINESS ENTERPRISE CENTRE (VBEC) CURRENT AND ADDITIONAL YOUTH ENTREPRENEURSHIP PROGRAMS**

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Director of Economic Development, dated January 14, 2014:

##### **Recommendation**

The Director of Economic Development in consultation with the Executive Director, Office of the City Manager recommends:

1. THAT the City Clerk be authorized to execute an agreement with the Ministry of Economic Development, Trade and Employment (MEDTE) for the purposes of implementing the Starter Company Program (the "Program") to provide guidance and support to new and growing youth-owned businesses.

##### **Contribution to Sustainability**

Green Directions Vaughan embraces a Sustainability First principle and states that sustainability means we make decisions and take actions that ensure a healthy environment, vibrant communities and economic vitality for current and future generations. Under this definition, activities related to economic development contribute to the sustainability of the City.

##### **Economic Impact**

MEDTE will provide additional funding to VBEC in the amount of \$95,000 over two years (\$47,500 per year) to provide the Provincial Starter Company Program. The funding will provide the necessary revenue to make this additional program cost neutral to the City.

##### **Communications Plan**

Should Council endorse the agreement with MEDTE, Staff will undertake a marketing and communications plan for the Program, in concert with MEDTE and the ONE Network.

##### **Purpose**

The purpose of this report is to seek Council approval to enter into an agreement with MEDTE to provide the Starter Company Program through VBEC for a period of two years.

##### **Background - Analysis and Options**

Fostering entrepreneurship can be a lifelong endeavour. However, creating programs directed toward our youth population, teaches skills that can be carried over to their school career as well as influence their professional development and career choices. Today's youth are creative, energetic, talented and connected to social and economic issues. By supporting and channeling their ideas, the City can benefit from the social and business enterprises created by young people (e.g. idea generation, business and career independence, willingness to assume risks, employment generation, etc.).

Since its inception in 2001, VBEC has developed and offered business skills training for youth. Leveraging its partnership with the MEDTE, as well as private sector partners, VBEC delivers programs tailored to the specific needs of youth. These programs range from school outreach, business plan challenges, co-op education placements, mentoring, etc.

## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 28, 2014**

#### **Item 16, CW Report No. 1 – Page 2**

Currently each year, VBEC delivers three programs for youth:

- Summer Company;
- Biz Teen Camp and
- Riviera Parque Culinary Program

#### **Summer Company**

Summer Company, an annual program sponsored by MEDTE and offered through the Small Business Centres across the province give students aged 15 to 29, up to \$3,000 in grant funding to develop and run their own summer business over a 8-12 week period each summer. Students submit business plans to VBEC and MEDTE for Summer Company entry into the program. Once accepted into the program, students receive \$1,500 from MEDTE and upon completion of the program, MEDTE releases the remaining funds, up to another \$1,500 if the student has successfully completed associated learning and program initiatives throughout the 8-12 weeks. In addition, the profits generated by the student's company remain with the student.

This program offers practical experience in operating a business, teaching business planning, finance, sales, marketing, accounting and service/product delivery. VBEC assists the students to develop their business concept and complete a business plan. Throughout the summer, VBEC arranges for local business owners to mentor students on a one-on-one basis. Students are required to attend a full-day training session at the onset of the program. Bi-weekly meetings with a VBEC consultant, and participate in VBEC seminars and workshops.

In 2013, 14 students were accepted into Summer Company, and at its conclusion, they collectively earned \$85,000 in revenues. Four of the students have decided to continue operating their business. Since its inception 12 years ago, 90 students have successfully completed the Summer Company program through VBEC.

#### **Biz Teens Camp**

For the third consecutive year, VBEC in cooperation with the Recreation and Culture Department, offered "Biz Teens Camp" through the City's Summer Camp programs. The Biz Teens Camp was held at the Rosemount Community Centre. Biz Teen Camps fills a void for youth aged 12 to 14 years, with a non-traditional camp experience.

With the onset of the internet and social media, as well as television programs, there is much greater exposure to start-up business ventures than ever before. Students are more likely to begin thinking about starting a business at a younger age. During the week long camp the participants learned how to create a simple business plan and then are provided the opportunity to put what they learn into practice. This past summer, the group decided to sell cupcakes at City Hall. The goal of the one-week camp program is to learn about core business concepts, such as pricing, costs of goods sold, operating expenses, branding, marketing, product/service differentiation, and creating a competitive edge in a fun and exciting environment.

Biz Teens Camp increased its camper intake by 20 percent, from 15 campers in 2012 to 18 campers in 2013. It is expected that Biz Teens Camp will be offered again in 2014.

#### **Riviera Parque Culinary Program**

The Riviera Parque Culinary Program began in September 2010, and is offered multiple times per year. There are two major components to the program:

1. Business fundamentals geared towards the culinary industry.
2. The practical learning experience completed through cooperative education.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 28, 2014

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Through a partnership between VBEC, restaurant owners, culinary schools and Riviera Parque, high school students receive practical learning experience by working directly within a culinary environment. Students also benefit from receiving small business training on entrepreneurship through VBEC in an instructional classroom setting.

During these sessions, students are taught the fundamentals of business planning. Students have the opportunity to learn how to evaluate a good business idea, the steps required to start a business, the different structures of business, insurance issues, tips on finding a business location, taxation, marketing, branding, financial, operational, management and administrative aspects of business, all specifically with a focus on the restaurant/hospitality sector.

Students are required to have a mentor for financial and business advice. VBEC consultants offer meaningful mentorship and are a valuable resource to the students as they set out to build their business plan.

Students finish with a thorough understanding of the expectations that are required from the culinary industry. Instruction from VBEC equips them with the knowledge that business success requires hard work but more importantly a good business plan will bring an understanding of the responsibilities of owning and operating their own business.

Furthermore, VBEC continues to assist the students on an on-going basis. In the past, a number of students have taken advantage of VBEC seminars focused on accounting, marketing or other fundamental business concepts.

To date, approximately 35 students have participated and two thirds of these students have continued their education at the college level in the culinary industry.

#### **Provincial Youth Strategy**

In October 2013, the Province of Ontario announced a two-year, \$295-million Youth Strategy to address the issue of youth employment and skills development. The Youth Strategy (Attachment 1) is a four-point plan which includes:

- **Youth Employment Fund** (Ministry of Training, Colleges, and Universities) - \$195 million to provide unemployed youth facing barriers to employment with four to six month placements – training and work experience to help them succeed at future long-term employment.
- **Youth Entrepreneurship Fund** (MEDTE) - \$45 million to provide high school outreach activities designed to spark interest in entrepreneurship and provide mentorship, seed capital, financing and commercialization support to students.
- **Youth Innovation Fund** (MEDTE) - \$30 million to boost employment for graduate and post-graduate students in high-demand areas of science, technology, engineering and math by providing internships at innovative companies.
- **Youth Skills Connections** (MEDTE) - \$25 million to develop a partnership with industry, not-for-profits and educators to identify skills gaps and bridge them with targeted training programs that lead to employment.

#### **Starter Company Program**

Under the Youth Entrepreneurship Fund, administered by MEDTE, the Province will provide funding of up to \$5,000 per youth in start-up capital, mentorship and incubation; available through the Starter Company Program delivered by Small Business Enterprise Centres within the ONE Network. VBEC as part of the ONE Network has the opportunity to deliver the Starter Company program beginning in January 2014 for a period of two years.

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VBEC will provide training and mentoring of young adults aged 18 to 29 years to launch small businesses. MEDTE will provide each young adult in the Program with \$5,000. The Ministry has confirmed that the total number of participants receiving the grant through VBEC is set at a maximum of 20 over the course of the Program.

The final number of grants available to VBEC youth clients is determined by an adjudication process carried out by the local grant administrator, which is expected to be the York Small Business Enterprise Centre (YSBEC). In addition to VBEC, YSBEC is expected to adjudicate on behalf of six other centres.

The Province's investment could have a significant impact on youth development, employment and entrepreneurship beyond the direct inputs. As observed through the Summer Company program, VBEC's youth clients reach beyond the program time limits, creating long-term businesses, generating sustained income and employing not only the owner-operator but other youth, as well.

A draft Agreement (Attachment 2) from MEDTE is attached. With Council approval, staff will work with the City's Legal, Clerks and Finance Departments to finalize and execute the Agreement.

**Relationship to Vaughan Vision 20/20/ Strategic Plan**

This report is consistent with the Vaughan Vision 20/20 Goal 1: Plan and Manage Growth and Economic Vitality.

**Regional Implications**

A copy of this report and Council Extracts will be forwarded to the York Small Business Enterprise Centre for their information and action.

**Conclusion**

The City's 10-year Economic Development Strategy, *Building a Gateway to Tomorrow's Economy* identifies Vaughan as an incubator of entrepreneurial and economic activity for the economic region. The Youth Entrepreneurship Programs administered through the Vaughan Business Enterprise Centre allows Vaughan's young entrepreneurs the opportunity to experience business at an early stage. Advice and guidance from local business community members and VBEC consultants inspires our future generations to consider entrepreneurship as a viable career choice, enhancing and shaping economic growth in Vaughan.

The Starter Company Program provides for a higher level of service to local youth allowing for year-round access to mentorship and business training resources; and delivers upon the City's goal of Service Excellence.

**Attachments**

Attachment 1 – Making an Impact: Youth Jobs Strategy

Attachment 2 – Draft Agreement: Starter Company Program

**Report prepared by:**

Dolores Rotondo, Small Business Consultant/Manager, VBEC

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

## **COMMITTEE OF THE WHOLE – JANUARY 14, 2014**

### **VAUGHAN BUSINESS ENTERPRISE CENTRE (VBEC) CURRENT AND ADDITIONAL YOUTH ENTREPRENEURSHIP PROGRAMS**

#### **Recommendation**

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### **Attachments**

Attachment 1 – Making an Impact: Youth Jobs Strategy

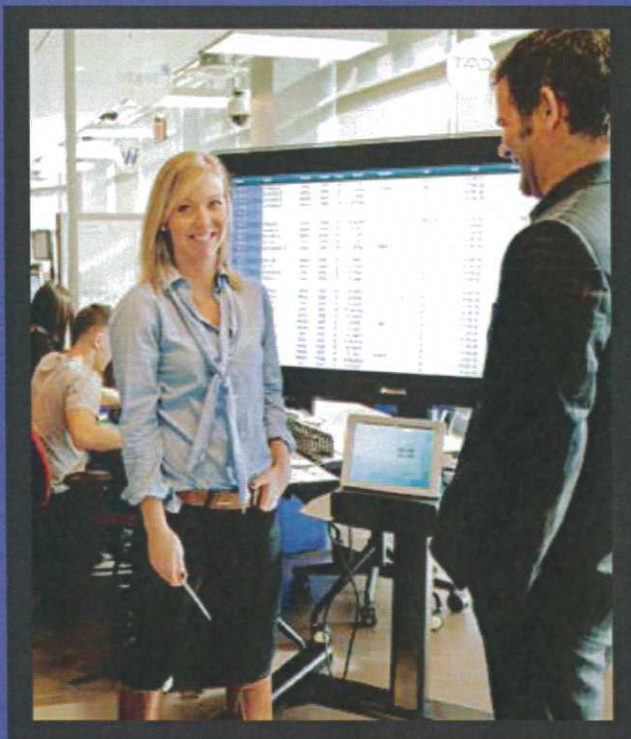
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### **Report prepared by:**

Dolores Rotondo, Small Business Consultant/Manager, VBEC

Respectfully submitted,

Jennifer Ladouceur  
Director of Economic Development



# MAKING AN IMPACT YOUTH JOBS STRATEGY

## PART OF ONTARIO'S PLAN FOR JOBS & GROWTH

Ontario's youth are among the best educated, most diverse and digitally connected in the world.

Our investments in education, social development and innovation helped them weather the recent economic downturn better than their counterparts in many developed countries.

Yet the unemployment rate for Ontario youth remains unacceptably high and more than double that of workers aged 25-64. For young people facing multiple barriers to employment – Aboriginal youth, recent immigrants, visible minorities, and young people with disabilities – the rates are even higher.

Our future prosperity depends on giving young people the right skills, experiences and supports they need to succeed in today's global economy.

That is why we've developed an unprecedented \$295 million Youth Jobs Strategy that aims to help young Ontarians develop their career skills, find employment, or be their own boss.

And to help tackle this challenge and ensure success, we're partnering with employers, educators, industry, labour and not-for-profits.

*Ontario is helping 30,000 more young people from across the province find work, build job skills or start their own businesses – with new funds, programs and online tools.*

## ONTARIO'S ECONOMIC ADVANTAGE

Ontario's young people start with some definite advantages.

Thanks to a public school system that's recognized globally as a top performer, and universities and colleges that consistently rank among the best in the world, our young people are well educated. In fact, 83 percent of high school students graduate from high school and over 69 percent get a post-secondary degree.

They're also diverse – they come from as many as 200 different ethnic backgrounds – and they've grown up with the Internet. With friends and contacts all over the world, their thinking and world view are innately global.

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***Ontario's Summer Company program has launched more than 5,000 summer businesses that have turned thousands of Ontario students into entrepreneurs.***

They live in a province that's home to leading companies in every sector, from aerospace to life sciences, automotive to telecommunications, and all of these companies are looking to hire bright, hard-working young people with the right skills.

Finally, Ontario's youth have access to a growing number of practical educational and career opportunities. The Ontario Youth Apprenticeship Program offers high school students cooperative education credits through work placements in skilled trades. Future Entrepreneurs introduces students to entrepreneurial thinking and skills and Summer Company gives them the chance to start and run their own summer businesses.

Through our universities and colleges, there are extensive co-op and internship programs, as well as business incubators and accelerators. There's also the Ontario Network of Entrepreneurs (ONE), a one-stop shop for young entrepreneurs planning, launching or building a company.

Our new Youth Jobs Strategy will equip them for jobs or entrepreneurship, by giving them even more targeted opportunities and resources.

***"Being part of VeloCity (a start-up incubator at the University of Waterloo) was invaluable. It gave me two partners who helped develop my business idea, refine it and launch it. It also gave me an entrée into the Waterloo business community."***

***Rezart Bajraktari, co-founder Giftah, an online gift card marketplace,***

## OUR STRATEGY

Our goal is clear: to get more young people working, either through employment or by starting their own businesses.

To accomplish it we're providing them with the tools, experiences and entrepreneurial support they need.

### 1. Work experience

One of the most common barriers young people face when looking for a job is a lack of job experience.

To assist them with gaining that experience we have developed:

- **Ontario Youth Employment Fund** (\$195 million). The fund will provide unemployed youth facing barriers to employment with four to six month placements – training and work experience that will help them succeed at future long-term employment. The goal, over two years, is to place 25,000 youth in job opportunities by providing incentives to employers to help cover wages and training costs for new hires, and assistance to youth for costs like transportation, tools and related training.
- **Ontario Youth Innovation Fund** (\$30 million). Designed to boost employment for graduate and post-graduate students in the high-demand areas of science, technology, engineering and math by providing internships at innovative companies, the fund will also create more campus-linked business accelerators to help these high-performing students launch startups.

### 2. Skills for the 21st century

Giving young people work experience will get them in the door, but if they don't have the right skills, they won't last long at the job.

To identify what skills are in high demand – and help our young people acquire them – we're introducing the:

- **Youth Skills Connection Fund** (\$25 million). A partnership with industry, not-for-profits and educators, the program will identify skills gaps and bridge them with targeted training programs that lead directly to employment.

***The Conference Board of Canada reports that Ontario's skills gap affects a number of important sectors, including manufacturing; health care; professional, scientific and technical services; and financial industries.***

"This past summer I've had the experience of a lifetime opening up a small cafe in my home town. It's unbelievable how many great connections that you can make. Summer Company really opened my eyes to all the different aspects of business that come with owning your own."

**Breana Quevillon, Cobalt, Ontario**  
**Breana's Railway Café**



***Students should graduate post-secondary education with some work experience, skills and the critical thinking and analytical ability to confront the challenges of the future.***

### **3. Entrepreneurial support**

Many of the business ideas that have revolutionized the global economy – Facebook, eBay and Google to name a few – have come from young entrepreneurs. We want to make sure that the growing number of young Ontarians who are choosing entrepreneurship get the mentorship and support they need to take their ideas and turn them into winning businesses, whether they're high-tech enterprises or main street businesses.

To help young people go from being job-seekers to job-creators, we've developed:

- **Ontario Youth Entrepreneurship Fund** (\$45 million). It will provide high school outreach activities designed to spark interest in entrepreneurship, and it will provide mentorship, seed capital and financing, and commercialization support for the growing number of students with good business ideas.

We're also partnering with the Ontario Network of Entrepreneurs to provide market intelligence and network support to help young entrepreneurs take their startups to the next level.

### **4. Streamlined access to resources**

Our new Youth Jobs Strategy aims to put young Ontarians of all abilities and backgrounds to work by equipping them with the right resources.

And there's no time to lose. The skills and education requirements for today's workplace are changing dramatically and, together with educators and business, we need to respond quickly with the programs and supports our young people need to get and keep a good job, or start and grow a successful business.

Our future – and theirs – depends on it.

To help young people and employers access these programs, Ontario has launched a website ([ontario.ca/YouthJobs](http://ontario.ca/YouthJobs)) where youth can use a quick search tool to get a customized list of programs available to them. The site also provides resources for employers looking to strengthen their workforce by hiring skilled youth.



**For more information on the  
Youth Jobs Strategy, please visit:**

[www.ontario.ca/YouthJobs](http://www.ontario.ca/YouthJobs)

**THE AGREEMENT** effective as of the 7th day of October, 2013.

**B E T W E E N:**

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO  
as represented by the Minister of Economic, Development  
Trade and Employment**

**(the "Province")**

**- and -**

**THE CORPORATION OF THE CITY OF VAUGHAN**

**(the "Recipient")**

**BACKGROUND:**

The Recipient intends to undertake the Program which is intended to create community based mentoring networks and training activities across Ontario to provide guidance and support to new and growing youth-owned businesses in their communities.

The Recipient has applied to the Province for funds to assist the Recipient in carrying out the Program and the Province wishes to provide such funds.

**CONSIDERATION:**

In consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the Parties agree as follows:

**ARTICLE 1  
INTERPRETATION AND DEFINITIONS**

**1.1 Interpretation.** For the purposes of interpretation:

- (a) words in the singular include the plural and vice-versa;
- (b) words in one gender include all genders;
- (c) the background and the headings do not form part of the Agreement; they are for reference only and shall not affect the interpretation of the Agreement;
- (d) any reference to dollars or currency shall be to Canadian dollars and currency; and
- (e) "include", "includes" and "including" shall not denote an exhaustive list.

1.2 **Definitions.** In the Agreement, the following terms shall have the following meanings:

**"Agreement"** means this agreement entered into between the Province and the Recipient and includes all of the schedules listed in section 28.1 and any amending agreement entered into pursuant to section 34.2.

**"BPSAA"** means the *Broader Public Sector Accountability Act, 2010* (Ontario), including any directives issued pursuant to that Act.

**"Budget"** means the budget attached to the Agreement as Schedule "B".

**"Effective Date"** means the date set out at the top of the Agreement.

**"Eligible Expenditures"** means those expenditures required to implement the Program as more particularly described in Schedule "F" which are incurred by the Recipient after the Effective Date and prior to the Expiry Date.

**"Event of Default"** has the meaning ascribed to it in section 14.1.

**"Expiry Date"** has the meaning ascribed to in section 3.1.

**"Force Majeure"** has the meaning ascribed to it in Article 26.

**"Funding Year"** means:

- (a) in the case of the first Funding Year, the period commencing on the Effective Date and ending on the following March 31; and
- (b) in the case of Funding Years subsequent to the first Funding Year, the period commencing on April 1 following the end of the previous Funding Year and ending on the following March 31.

**"Funds"** means the money the Province provides to the Recipient pursuant to the Agreement.

**"Indemnified Parties"** means her Majesty the Queen in right of Ontario, her ministers, agents, appointees and employees.

**"Maximum Funds"** \$95,000.

**"Notice"** means any communication given or required to be given pursuant to the Agreement.

**"Notice Period"** means the period of time within which the Recipient is required to remedy an Event of Default, and includes any such period or periods of time by which the Province considers it reasonable to extend that time.

**"Parties"** means the Province and the Recipient.

**"Party"** means either the Province or the Recipient.

**“Program”** means the undertaking described in Schedule “A”.

**“Reports”** means the reports described in (i) Schedule “A” under the heading “Detailed Description of Program Activities” and (ii) Schedule “D”.

**“Timelines”** means the Program schedule set out in Schedule “A”.

## **ARTICLE 2 REPRESENTATIONS, WARRANTIES AND COVENANTS**

2.1 **General.** The Recipient represents, warrants and covenants that:

- (a) it is, and shall continue to be for the term of the Agreement, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- (b) it has, and shall continue to have for the term of the Agreement, the experience and expertise necessary to carry out the Program;
- (c) unless otherwise provided for in the Agreement, any information the Recipient provided to the Province in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Recipient provided it and shall continue to be true and complete for the term of the Agreement;
- (d) it shall comply with the terms and requirements of Schedule “I” - Communications Protocol;
- (e) it is in compliance with all applicable federal and provincial laws and regulations and all municipal by-laws, and does not know of or have reasonable grounds to know of, any fact that could result in or give rise to non-compliance with any such laws, regulations or by-laws; and
- (f) The Recipient shall provide all services to the public under the Program in accordance with the *French Language Services Act* (Ontario), by taking appropriate measures in that regard, including among other things, providing signs, notices and other information on such services and communicating with the public to make it known to members of the public that such services are available in French at the choice of a member of the public. In this regard, subject to the Province’s satisfaction, the Recipient shall, among other things that the Province may require from time to time, ensure that:
  - (i) the portions of the Recipient’s website relating to the Program are available in French;
  - (ii) all public documents relating to the Program are available in French;
  - (iii) bilingual (English/French) signs are posted as needed;

- (iv) it has developed a protocol for providing francophone clients with services in French; and by no later than May 1 of every year during the Term, it shall submit a written report to the Province regarding its provision of French language services and how it is meeting the requirements of this section 2.1(d). The report shall be in a form and content satisfactory to the Province.

**2.2 Execution of Agreement.** The Recipient represents and warrants that:

- (a) it has the full power and authority to enter into the Agreement; and
- (b) it has taken all necessary actions to authorize the execution of the Agreement.

**2.3 Governance.** The Recipient represents, warrants and covenants that it has, and shall maintain, in writing, for the period during which the Agreement is in effect:

- (a) a code of conduct and ethical responsibilities for all persons at all levels of the Recipient's organization;
- (b) procedures to ensure the ongoing effective functioning of the Recipient;
- (c) decision-making mechanisms;
- (d) procedures to provide for the prudent and effective management of the Funds;
- (e) procedures to enable the successful completion of the Program;
- (f) procedures to enable the timely identification of risks to the completion of the Program and strategies to address the identified risks;
- (g) procedures to enable the preparation and delivery of all Reports required pursuant to Article 7; and
- (h) procedures to deal with such other matters as the Recipient considers necessary to ensure that the Recipient carries out its obligations under the Agreement.

**2.4 Supporting Documentation.** Upon request, the Recipient shall provide the Province with proof of the matters referred to in this Article 2.

### **ARTICLE 3 TERM OF THE AGREEMENT**

**3.1 Term.** The term of the Agreement shall commence on the Effective Date and shall expire on March 31, 2016 (the "Expiry Date") unless terminated earlier pursuant to Article 12, Article 13 or Article 14.

**ARTICLE 4**  
**FUNDS AND CARRYING OUT THE PROGRAM**

**4.1 Funds Provided.** The Province shall:

- (a) provide the Recipient up to the Maximum Funds for the purpose of carrying out the Program;
- (b) provide the Funds to the Recipient in accordance with the payment schedule attached to the Agreement as Schedule "C";
- (c) deposit the Funds into an account designated by the Recipient provided that the account:
  - (i) resides at a Canadian financial institution; and
  - (ii) is in the name of the Recipient.

**4.2 Limitation on Payment of Funds.** Despite section 4.1:

- (a) the Province is not obligated to provide any Funds to the Recipient until the Recipient provides the insurance certificate or other proof as provided for in section 11.2;
- (b) the Province is not obligated to provide instalments of Funds until it is satisfied with the progress of the Program;
- (c) the Province is not obligated to provide instalments of Funds until it has received the reports described in Schedule "D", as applicable, in a form and content acceptable to the Province;
- (d) any disbursement of Funds to the recipient shall be subject to applicable provisions of the Province's *Travel, Meal and Hospitality Expenses Directive*, as amended from time to time, and a summary of which is contained in Schedule "H" hereto;
- (e) the Province may adjust the amount of Funds it provides to the Recipient in any Funding Year based upon the Province's assessment of the information provided by the Recipient pursuant to section 7.1; and
- (f) if, pursuant to the provisions of the *Financial Administration Act* (Ontario), the Province does not receive the necessary appropriation from the Ontario Legislature for payment under the Agreement, the Province is not obligated to make any such payment, and, as a consequence, the Province may:
  - (i) reduce the amount of the Funds and, in consultation with the Recipient, change the Program; or
  - (ii) terminate the Agreement pursuant to section 13.1.

- 4.3 **Use of Funds and Program.** The Recipient shall:
- (a) carry out the Program:
    - (i) in accordance with the terms and conditions of the Agreement; and
    - (ii) in compliance with all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules and by-laws related to any aspect of the Program;
  - (b) use the Funds only for the purpose of carrying out the Program; and
  - (c) spend the Funds only in accordance with the Budget.
- 4.4 **No Changes.** The Recipient shall not make any changes to the Program, the Timelines and/or the Budget without the prior written consent of the Province.
- 4.5 **Interest Bearing Account.** If the Province provides Funds to the Recipient prior to the Recipient's immediate need for the Funds, the Recipient shall place the Funds in an interest bearing account in the name of the Recipient at a Canadian financial institution.
- 4.6 **Interest.** If the Recipient earns any interest on the Funds:
- (a) the Province may deduct an amount equal to the interest from any further instalments of Funds; or
  - (b) the Recipient shall pay an amount equal to the interest to the Province as directed by the Province.
- 4.7 **Maximum Funds.** The Recipient acknowledges that the Funds available to it pursuant to the Agreement shall not exceed the Maximum Funds.
- 4.8 **Rebates, Credits and Refunds.** The Recipient acknowledges that the amount of Funds available to it pursuant to the Agreement is based on the actual costs to the Recipient, less any costs (including taxes) for which the Recipient has received, will receive, or is eligible to receive, a rebate, credit or refund.

## **ARTICLE 5**

### **ACQUISITION OF GOODS AND SERVICES, AND DISPOSAL OF ASSETS**

- 5.1 **Acquisition.** Subject to section 32.1, if the Recipient acquires supplies, equipment or services with the Funds, it shall do so through a process that promotes the best value for money.
- 5.2 **Disposal.** The Recipient shall not, without the Province's prior written consent, sell, lease or otherwise dispose of any asset purchased with the Funds or for which Funds were provided, the cost of which exceeded **\$10,000** at the time of purchase.

## **ARTICLE 6 CONFLICT OF INTEREST**

- 6.1 **No Conflict of Interest.** The Recipient shall carry out the Program and use the Funds without an actual, potential or perceived conflict of interest.
- 6.2 **Conflict of Interest Includes.** For the purposes of this Article, a conflict of interest includes any circumstances where:
- (a) the Recipient; or
  - (b) any person who has the capacity to influence the Recipient's decisions, has outside commitments, relationships or financial interests that could, or could be seen to, interfere with the Recipient's objective, unbiased and impartial judgment relating to the Program and the use of the Funds.
- 6.3 **Disclosure to Province.** The Recipient shall:
- (a) disclose to the Province, without delay, any situation that a reasonable person would interpret as either an actual, potential or perceived conflict of interest; and
  - (b) comply with any terms and conditions that the Province may prescribe as a result of the disclosure.

## **ARTICLE 7 REPORTING, ACCOUNTING AND REVIEW**

- 7.1 **Preparation and Submission.** The Recipient shall:
- (a) submit to the Province at the address provided in section 18.1, all Reports in accordance with the timelines and content requirements set out in (i) Schedule "A" under the heading "Detailed Description of Program Activities", and (ii) Schedule "D", or in a form as specified by the Province from time to time;
  - (b) submit to the Province at the address provided in section 18.1, any other reports as may be requested by the Province in accordance with the timelines and content requirements specified by the Province;
  - (c) ensure that all Reports and other reports are completed to the satisfaction of the Province; and
  - (d) ensure that all Reports and other reports are signed on behalf of the Recipient by an authorized signing officer.
- 7.2 **Record Maintenance.** The Recipient shall keep and maintain:
- (a) all financial records (including invoices) relating to the Funds or otherwise

to the Program in a manner consistent with generally accepted accounting principles; and

- (b) all non-financial documents and records relating to the Funds or otherwise to the Program.

7.3 **Inspection.** The Province, its authorized representatives or an independent auditor identified by the Province may, at its own expense, upon twenty-four hours' Notice to the Recipient and during normal business hours, enter upon the Recipient's premises to review the progress of the Program and the Recipient's expenditure of the Funds and, for these purposes, the Province, its authorized representatives or an independent auditor identified by the Province may:

- (a) inspect and copy the records and documents referred to in section 7.2; and
- (b) conduct an audit or investigation of the Recipient in respect of the expenditure of the Funds and/or the Program.

7.4 **Disclosure.** To assist in respect of the rights set out in section 7.3, the Recipient shall disclose any information requested by the Province, its authorized representatives or an independent auditor identified by the Province, and shall do so in a form requested by the Province, its authorized representatives or an independent auditor identified by the Province, as the case may be.

7.5 **No Control of Records.** No provision of the Agreement shall be construed so as to give the Province any control whatsoever over the Recipient's records.

7.6 **Auditor General.** For greater certainty, the Province's rights under this Article are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

## **ARTICLE 8 CREDIT**

8.1 **Acknowledge Support.** Unless otherwise directed by the Province, the Recipient shall, in a form approved by the Province, acknowledge the support of the Province in any publication of any kind, written or oral, relating to the Program.

8.2 **Publication.** The Recipient shall indicate, in any of its publications, of any kind, written or oral, relating to the Program, that the views expressed in the publication are the views of the Recipient and do not necessarily reflect those of the Province.

## **ARTICLE 9 FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY**

9.1 **FIPPA.** The Recipient acknowledges that the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Province in connection with the Program or otherwise in

connection with the Agreement may be subject to disclosure in accordance with that Act.

## **ARTICLE 10 INDEMNITY**

- 10.1 **Indemnification.** The Recipient hereby agrees to indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings, by whomever made, sustained, incurred, brought or prosecuted, in any way arising out of or in connection with the Program or otherwise in connection with the Agreement, unless solely caused by the negligence or wilful misconduct of the Province.

## **ARTICLE 11 INSURANCE**

- 11.1 **Recipient's Insurance.** The Recipient represents and warrants that it has, and shall maintain for the term of the Agreement, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out a program similar to the Program would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than two million dollars (\$2,000,000) per occurrence. The policy shall include the following:
- (a) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipient's obligations under, or otherwise in connection with, the Agreement;
  - (b) a cross-liability clause;
  - (c) contractual liability coverage; and
  - (d) a 30 day written notice of cancellation, termination or material change.
- 11.2 **Proof of Insurance.** The Recipient shall provide the Province with certificates of insurance, or other proof as may be requested by the Province, that confirms the insurance coverage as provided for in section 11.1. Upon the request of the Province, the Recipient shall make available to the Province a copy of each insurance policy.

## **ARTICLE 12 TERMINATION ON NOTICE**

- 12.1 **Termination on Notice.** The Province may terminate the Agreement at any time upon giving at least 30 days Notice to the Recipient.
- 12.2 **Consequences of Termination on Notice by the Province.** If the Province terminates the Agreement pursuant to section 12.1, the Province may:
- (a) cancel all further instalments of Funds;

- (b) demand the repayment of any Funds remaining in the possession or under the control of the Recipient; and/or
- (c) determine the reasonable costs for the Recipient to wind down the Program, and:
  - (i) permit the Recipient to offset the costs determined pursuant to section 12.2(c), against the amount owing pursuant to section 12.2(b); and/or
  - (ii) subject to section 4.7, provide Funds to the Recipient to cover the costs determined pursuant to section 12.2(c).

### **ARTICLE 13 TERMINATION WHERE NO APPROPRIATION**

- 13.1 Termination Where No Appropriation.** If, as provided for in section 4.2(e), the Province does not receive the necessary appropriation from the Ontario Legislature for any payment the Province is to make pursuant to the Agreement, the Province may terminate the Agreement immediately by giving Notice to the Recipient.
- 13.2 Consequences of Termination Where No Appropriation.** If the Province terminates the Agreement pursuant to section 13.1, the Province may:
- (a) cancel all further instalments of Funds;
  - (b) demand the repayment of any Funds remaining in the possession or under the control of the Recipient; and/or
  - (c) determine the reasonable costs for the Recipient to wind down the Program and permit the Recipient to offset such costs against the amount owing pursuant to section 13.2(b)..
- 13.3 No Additional Funds.** For purposes of clarity, if the costs determined pursuant to section 13.2(c) exceed the Funds remaining in the possession or under the control of the Recipient, the Province shall not provide additional Funds to the Recipient.

### **ARTICLE 14 EVENT OF DEFAULT, CORRECTIVE ACTION AND TERMINATION FOR DEFAULT**

- 14.1 Events of Default.** Each of the following events shall constitute an Event of Default:
- (a) in the opinion of the Province, the Recipient breaches any representation, warranty, covenant or other material term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:
    - (i) carry out the Program;

- (ii) use or spend Funds; and/or
- (iii) provide, in accordance with section 7.1, Reports or such other reports as may have been requested pursuant to section 7.1(b);
- (b) the Recipient's operations, or its organizational structure, changes such that it no longer meets one or more of the applicable eligibility requirements of the program under which the Province provides the Funds;
- (c) the Recipient makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or is petitioned into bankruptcy, or files for the appointment of a receiver;
- (d) the Recipient ceases to operate; and
- (e) an event of Force Majeure that continues for a period of 60 days or more.

**14.2 Consequences of Events of Default and Corrective Action.** If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

- (a) initiate any action the Province considers necessary in order to facilitate the successful continuation or completion of the Program;
- (b) provide the Recipient with an opportunity to remedy the Event of Default;
- (c) suspend the payment of Funds for such period as the Province determines appropriate;
- (d) reduce the amount of the Funds;
- (e) cancel all further instalments of Funds;
- (f) demand the repayment of any Funds remaining in the possession or under the control of the Recipient;
- (g) demand the repayment of an amount equal to any Funds the Recipient used, but did not use in accordance with the Agreement;
- (h) demand the repayment of an amount equal to any Funds the Province provided to the Recipient; and/or
- (i) terminate the Agreement at any time, including immediately, upon giving Notice to the Recipient.

**14.3 Opportunity to Remedy.** If, in accordance with section 14.2(b), the Province provides the Recipient with an opportunity to remedy the Event of Default, the Province shall provide Notice to the Recipient of:

- (a) the particulars of the Event of Default; and
- (b) the Notice Period.

14.4 **Recipient not Remediating.** If the Province has provided the Recipient with an opportunity to remedy the Event of Default pursuant to section 14.2(b), and:

- (a) the Recipient does not remedy the Event of Default within the Notice Period;
- (b) it becomes apparent to the Province that the Recipient cannot completely remedy the Event of Default within the Notice Period; or
- (c) the Recipient is not proceeding to remedy the Event of Default in a way that is satisfactory to the Province,

the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections 14.2(a), (c), (d), (e), (f), (g), (h) and (i).

14.5 **When Termination Effective.** Termination under this Article shall take effect as set out in the Notice.

## **ARTICLE 15 FUNDS AT THE END OF A FUNDING YEAR**

15.1 **Funds at the End of a Funding Year.** Without limiting any rights of the Province under Article 14, if the Recipient has not spent all of the Funds allocated for the Funding Year as provided for in the Budget, the Province may:

- (a) demand the return of the unspent Funds; or
- (b) adjust the amount of any further instalments of Funds accordingly.

## **ARTICLE 16 FUNDS UPON EXPIRY**

16.1 **Funds Upon Expiry.** The Recipient shall, upon expiry of the Agreement, return to the Province any Funds remaining in its possession or under its control.

## **ARTICLE 17 REPAYMENT**

17.1 **Debt Due.** If:

- (a) the Province demands the payment of any Funds or any other money from the Recipient; or
- (b) the Recipient owes any Funds or any other money to the Province, whether or not their return or repayment has been demanded by the Province, such Funds or other money shall be deemed to be a debt due and owing to the Province by the Recipient, and the Recipient shall pay or

return the amount to the Province immediately, unless the Province directs otherwise.

- 17.2 **Interest Rate.** The Province may charge the Recipient interest on any money owing by the Recipient at the then current interest rate charged by the Province of Ontario on accounts receivable.
- 17.3 **Payment of Money to Province.** The Recipient shall pay any money owing to the Province by cheque payable to the "Ontario Minister of Finance" and mailed to the Province at the address provided in section 18.1.

## **ARTICLE 18 NOTICE**

- 18.1 **Notice in Writing and Addressed.** Notice shall be in writing and shall be delivered by email, postage-prepaid mail, personal delivery or fax, and shall be addressed to the Province and the Recipient respectively as set out below, or as either Party later designates to the other by Notice:

**To the Province:**

The Ministry of Economic  
Development, Trade and  
Employment

56 Wellesley Street West  
Toronto, Ontario  
M7A 2E7

**Attention: Madge Linton,**  
Manager (A), Entrepreneurship &  
Youth Partnerships

Fax: (416) 325-6538

Email: youthpartnerships@ontario.ca

**To the Recipient:**

The Corporation of the City of Vaughan

2141 Major Mackenzie Drive,  
Vaughan, Ontario  
L6A 1T1

Jennifer Ladouceur  
Director of Economic Development and  
Technology

Fax: (905) 771-2406

Email: Jennifer.Ladouceur@vaughan.ca

- 18.2 **Notice Given.** Notice shall be deemed to have been received:

- (a) in the case of postage-prepaid mail, seven days after a Party mails the Notice; or
- (b) in the case of email, personal delivery or fax, at the time the other Party receives the Notice.

- 18.3 **Postal Disruption.** Despite section 18.2(a), in the event of a postal disruption:

- (a) Notice by postage-prepaid mail shall not be deemed to be received; and
- (b) the Party giving Notice shall provide Notice by email, personal delivery or by fax.

**ARTICLE 19  
CONSENT BY PROVINCE**

- 19.1 **Consent.** The Province may impose any terms and/or conditions on any consent the Province may grant pursuant to the Agreement.

**ARTICLE 20  
SEVERABILITY OF PROVISIONS**

- 20.1 **Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of the Agreement shall not affect the validity or enforceability of any other provision of the Agreement. Any invalid or unenforceable provision shall be deemed to be severed.

**ARTICLE 21  
WAIVER**

- 21.1 **Waivers in Writing.** If a Party fails to comply with any term of the Agreement, that Party may only rely on a waiver of the other Party if the other Party has provided a written waiver in accordance with the Notice provisions in Article 18. Any waiver must refer to a specific failure to comply and shall not have the effect of waiving any subsequent failures to comply.

**ARTICLE 22  
INDEPENDENT PARTIES**

- 22.1 **Parties Independent.** The Recipient acknowledges that it is not an agent, joint venturer, partner or employee of the Province, and the Recipient shall not take any actions that could establish or imply such a relationship.

**ARTICLE 23  
ASSIGNMENT OF AGREEMENT OR FUNDS**

- 23.1 **No Assignment.** The Recipient shall not assign any part of the Agreement or the Funds without the prior written consent of the Province.
- 23.2 **Agreement to Extend.** All rights and obligations contained in the Agreement shall extend to and be binding on the Parties' respective heirs, executors, administrators, successors and permitted assigns.

**ARTICLE 24  
GOVERNING LAW**

- 24.1 **Governing Law.** The Agreement and the rights, obligations and relations of the Parties shall be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement shall be conducted in Ontario.

**ARTICLE 25  
FURTHER ASSURANCES**

- 25.1 **Agreement into Effect.** The Recipient shall do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

**ARTICLE 26  
CIRCUMSTANCES BEYOND THE CONTROL OF EITHER PARTY**

- 26.1 **Force Majeure Means.** Subject to section 26.3, Force Majeure means an event that:

- (a) is beyond the reasonable control of a Party; and
- (b) makes a Party's performance of its obligations under the Agreement impossible, or so impracticable as reasonably to be considered impossible in the circumstances.

- 26.2 **Force Majeure Includes.** Force Majeure includes:

- (a) infectious diseases, war, riots and civil disorder;
- (b) storm, flood, earthquake and other severely adverse weather conditions;
- (c) lawful act by a public authority; and
- (d) strikes, lockouts and other labour actions,

if such events meet the test set out in section 26.1.

- 26.3 **Force Majeure Shall Not Include.** Force Majeure shall not include:

- (a) any event that is caused by the negligence or intentional action of a Party or such Party's agents or employees; or
- (b) any event that a diligent Party could reasonably have been expected to:
  - (i) take into account at the time of the execution of the Agreement; and
  - (ii) avoid or overcome in the carrying out of its obligations under the Agreement.

- 26.4 **Failure to Fulfil Obligations.** Subject to section 14.1(e), the failure of either Party to fulfil any of its obligations under the Agreement shall not be considered to be a breach of, or Event of Default under, the Agreement to the extent that such failure to fulfill the obligation arose from an event of Force Majeure, if the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of the Agreement.

## **ARTICLE 27 SURVIVAL**

- 27.1 **Survival.** The provisions in Article 1, any other applicable definitions, sections 4.6(b), 5.2, 7.1 (to the extent that the Recipient has not provided the Reports or other reports as may be requested by the Province to the satisfaction of the Province), 7.2, 7.3, 7.4, 7.5, 7.6, Articles 8 and 10, sections 12.2, 13.2, 13.3, 14.1, 14.2(d), (e), (f), (g) and (h), Articles 16, 17, 18, 20, 24, 27, 28, 30, 31 and 34, and all applicable cross-referenced provisions and schedules shall continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement.

## **ARTICLE 28 SCHEDULES**

- 28.1 **Schedules.** The Agreement includes the following schedules:
- (a) Schedule "A" - Program Description and Timelines;
  - (b) Schedule "B" - Budget;
  - (c) Schedule "C" - Payment;
  - (d) Schedule "D" - Reporting Requirements;
  - (e) Schedule "E" - Financial Certificate;
  - (f) Schedule "F" - Request for Disbursement;
  - (g) Schedule "G" - Eligible Expenditures;
  - (h) Schedule "H" - Summary of the *Travel, Meal and Hospitality Expenses Directive*;
  - (i) Schedule "I" - Communications Protocol;
  - (j) Schedule "J" - Auditor's Certificate.

## **ARTICLE 29 COUNTERPARTS**

- 29.1 **Counterparts.** The Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

## **ARTICLE 30 JOINT AND SEVERAL LIABILITY**

- 30.1 **Joint and Several Liability.** Where the Recipient is comprised of more than one entity, all such entities shall be jointly and severally liable to the Province for the

fulfillment of the obligations of the Recipient under the Agreement.

### **ARTICLE 31 RIGHTS AND REMEDIES CUMULATIVE**

- 31.1 **Rights and Remedies Cumulative.** The rights and remedies of the Province under the Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

### **ARTICLE 32 BPSAA**

- 32.1 **BPSAA.** For the purposes of clarity, if the Recipient is subject to the BPSAA and there is a conflict between any of the requirements of the Agreement and the requirements of the BPSAA, the BPSAA shall prevail.

### **ARTICLE 33 FAILURE TO COMPLY WITH OTHER AGREEMENTS**

- 33.1 **Other Agreements.** If the Recipient:
- (a) has failed to comply (a "Failure") with any term, condition or obligation under any other agreement with Her Majesty the Queen in right of Ontario or a Crown agency;
  - (b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;
  - (c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and
  - (d) such Failure is continuing, the Province may suspend the payment of Funds for such period as the Province determines appropriate.

### **ARTICLE 34 ENTIRE AGREEMENT**

- 34.1 **Entire Agreement.** The Agreement constitutes the entire agreement between the Parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and agreements.
- 34.2 **Modification of Agreement.** The Agreement may only be amended by a written agreement duly executed by the Parties.

The Parties have executed the Agreement on the dates set out below.

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO**  
**as represented by the Minister of Economic Development,**  
**Trade and Employment**

\_\_\_\_\_  
Sam Boonstra  
Director, Entrepreneurship Branch

\_\_\_\_\_  
Date

**THE CORPORATION OF THE CITY OF VAUGHAN**

By: \_\_\_\_\_

\_\_\_\_\_  
Date

Jennifer Ladouceur  
Director, Economic Development and Technology

I have authority to bind the Recipient.

## **SCHEDULE "A"**

### **PROGRAM DESCRIPTION AND TIMELINES**

#### **Summary**

The Recipient will undertake the "Starter Company program" (the "Program"), which will provide mentoring, training and capital for youth to start, grow or buy a small business in the Vaughan area. For the purposes of the Program, "youth" are defined as those between 18 and 29 years of age.

#### **Program Requirements**

The Recipient will deliver the Program through the Vaughan Small Business Enterprise Centre.

The Vaughan Small Business Enterprise Centre is a unit of the Economic Development and Technology of the City of Vaughan

The Recipient is responsible for the day-to-day operations and is ultimately responsible for the functioning and accountability of the Vaughan Small Business Enterprise Centre.

The Program will provide:

- Training and business skills development to help youth prepare to run their own business;
- Advice and mentorship from local business leaders to help get the business up and running;
- Experience running a business that will better position youth to obtain more traditional financing, such as a bank loan, if required; and
- Where applicable/eligible, a micro-grant to kick-off a new business or expand an existing business.

The Recipient is responsible for:

- Adapting the Program framework to respond to local needs and opportunities for young entrepreneurs;
- Administration of a Community Mentoring Network including mentor recruitment, training, networking events, tracking of mentoring relationships, reporting etc.;
- Coordination, assessment, and tracking of monthly mentoring meetings;
- Ensuring that an appropriate conflict of interest strategy is established and implemented for all mentors;
- Promoting the Program, including outreach to vulnerable youth;
- Recruitment, intake and training of applicants to ensure Program targets are met;

- Assistance in the creation of a learning plan, business plan and business milestones/goals, plus other supports for participants within the Program;
- Ensuring that the applicants recommended for funding are of the best quality;
- Collection of status reports from participants, plus reporting on and tracking of participant progress within the Program; and
- Reporting of businesses started, job creation data and other identified performance measures.

### Program Targets

The Recipient intends to meet the following targets by the Expiry Date.

	2013/14	2014/15	2015/16	2016/17	2017/18	Total
<b>Number of Applicants</b>	8	30	25			63
<b>Total Number of Youth Entering the Program/Receiving Training/Mentoring</b>	3	14	11			28
<b>Total Number of Youth Receiving Grants</b>						
<b>Number of Businesses Started</b>	2	10	8			20
<b>Number of Jobs Created</b>	2	12	11			25

Note: applicant intake ends in 2015/16

A detailed description of the activities to be undertaken by the Recipient in connection with the Program is outlined in the chart below:

Detailed Description of Program Activities		
Description	Key Activities	Related Reporting Requirements *Subject to Timelines in Schedule "D".
<b>Application Process and Program Intake</b>	<ul style="list-style-type: none"> <li>The Recipient will accept candidates into the program on a continuous basis with set dates for presentations to the Regional Grant Committee.</li> <li>The entire application process and ongoing progress will be documented and tracked using the Client Information Package consisting of: <ul style="list-style-type: none"> <li>Eligibility Checklist</li> <li>Initial assessment period</li> <li>Training Period</li> <li>Submission to Regional Grant Committee</li> </ul> </li> <li>The Recipient will submit a standard recommendation form to the Regional Grant Committee a week in advance of the monthly Regional Grant Committee meeting. The recommendation form will include an executive summary and the applicant's completed business plan for committee to review.</li> <li>The Recipient will refer youth entrepreneurs that do not meet the requirements of the Starter Program to other provincial programs that meet their needs.</li> </ul>	<p>Annual reporting on the development and implementation of the program, including the application process, program intake process, participant tracking process, referral process to the Program's Regional Grant Administrator (RGA) and a referral strategy for all youth who have applied. This includes vulnerable youth, such as, but not limited to the following:</p> <ul style="list-style-type: none"> <li>Francophone,</li> <li>Aboriginal,</li> <li>Youth facing multiple barriers, and/or</li> <li>Youth in high needs areas.</li> </ul> <p>The Recipient will populate the fields in ECR as identified in Schedule "D".</p>

Detailed Description of Program Activities		
Description	Key Activities	Related Reporting Requirements *Subject to Timelines in Schedule "D".
	<p>Youth that are unsuccessful because of their business ideas will be given the opportunity to access other York Small Business Enterprise Centre's services to further train them. unsuccessful applicants may be referred to include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Other provincially funded youth entrepreneurship programs</li> <li>• Local Community Future Development Corporation</li> <li>• Canadian Youth Business Federation</li> <li>• Local Employment Agencies</li> <li>• Community partners with expertise in dealing with barriers, if appropriate</li> </ul> <p>The Recipient will ensure that the entire application process and ongoing progress will be documented and tracked in the Client Information Package. Optional sessions will be tracked to determine client needs and motivation.</p> <p>Attendance will be taken at each core training session. The Recipient will develop a progress checklist to determine whether applicants have completed the work from previous session.</p>	

Detailed Description of Program Activities		
Description	Key Activities	Related Reporting Requirements *Subject to Timelines in Schedule "D".
<p><b>Marketing and Promotion, and Recruitment</b></p> <p><b>Develop and distribute Marketing and Promotional Material to Youth Organizations</b></p>	<ul style="list-style-type: none"> <li>▪ The Recipient will market and promote the program across Vaughan. The promotion and marketing of the program will be undertaken in a number of channels, including: <ul style="list-style-type: none"> <li>• Through a separate section on Recipient's website</li> <li>• Leveraging existing social media channels</li> <li>• Organizing information sessions for prospective participants</li> <li>• Through printed materials and brochures distributed to community partners (e.g., Chambers of Commerce, Boards of Trade, Business Associations, etc.)</li> <li>• Local newspaper ads</li> <li>• Community outreach to youth organizations, business support groups, employment agencies, libraries, etc.</li> <li>• Presentations to schools and educational institutions, school boards</li> <li>• Participation in trade shows, community events</li> <li>• Youth entrepreneur trade show (Starter Company, Summer Company)</li> <li>• Direct message to past Summer Company participants and Vaughan Business Enterprise Centre (VBEC) clients under 30</li> <li>• E-mail blast to VBEC database announcing the new program</li> </ul> </li> </ul>	<p>Annual reporting on the development and implementation of marketing and promotional, and recruitment strategies for all youth who have applied. This includes vulnerable youth, such as, but not limited to the following:</p> <ul style="list-style-type: none"> <li>• Francophone,</li> <li>• Aboriginal,</li> <li>• Youth facing multiple barriers, and/or</li> <li>• Youth in high needs areas.</li> </ul> <p>The Recipient will populate the fields in ECR as identified in Schedule "D".</p>

Detailed Description of Program Activities		
Description	Key Activities	Related Reporting Requirements *Subject to Timelines in Schedule "D".
	<ul style="list-style-type: none"> <li>• Press release announcing the new program</li> <li>▪ The Recipient will reach out to and accommodate diverse groups including youth facing multiple barriers and/or living in high needs communities by leveraging existing community organizations dealing with youth facing barriers, such as York Region Community Housing and by connecting with, and promoting programs directly to: <ul style="list-style-type: none"> <li>• Welcome Centres</li> <li>• Municipal Youth Coordinators</li> <li>• School boards/schools</li> <li>• Youth Action Committees and Councils</li> <li>• Shelters/community living areas</li> <li>• Cultural community groups and associations</li> </ul> </li> </ul>	
<b>Mentoring: Mentors to Support Youth</b>	<ul style="list-style-type: none"> <li>▪ The Recipient will engage the following sources to develop the Community Mentoring Group: <ul style="list-style-type: none"> <li>• Existing Summer Company or Recipient's other programs mentors.</li> <li>• Past event and training session speakers</li> <li>• Local business community leaders and organizations, such as the Chambers of Commerce</li> <li>• Local organizations that work with youth at risk, such as the Young Men Christian Association and libraries.</li> </ul> </li> </ul>	<p>Annual reporting on all key mentoring activities and requirements including the number of:</p> <ul style="list-style-type: none"> <li>• Mentors recruited,</li> <li>• Training sessions that occurred, and</li> <li>• Mentoring meetings and workshops conducted.</li> </ul> <p>The key activities noted above are for all youth who have applied. This includes vulnerable youth, such as, but not limited to the following:</p>

Detailed Description of Program Activities		
Description	Key Activities	Related Reporting Requirements *Subject to Timelines in Schedule "D".
	<ul style="list-style-type: none"> <li>▪ All recruited mentors understand and meet the program requirements; understand their roles, responsibilities, commitment and business planning and operations.</li> <li>▪ In the event that an application for a participant under 18 year old is accepted into the program, the Recipient will ensure that any mentors in contact with the applicants will be required to have a police check.</li> </ul> <p>The Recipient will:</p> <ul style="list-style-type: none"> <li>▪ Provide additional training, if required, to address the needs of applicants with barriers through York Region's Human Resources department or external trainer. <ul style="list-style-type: none"> <li>• Leverage existing community organizations and partners that deal with clients with barriers to implement existing training programs.</li> <li>• Leverage existing community organizations and partners that deal with clients with barriers to implement existing training programs.</li> </ul> </li> <li>▪ The Mentoring Group will meet once every month for the duration of the Starter Company program (two year period) and conduct one-on-one mentoring on an as needed basis.</li> <li>▪ To manage oversight and documentation, the Youth Program Consultant will be present at each of these monthly mentoring meetings and will take notes at the meetings.</li> </ul>	<ul style="list-style-type: none"> <li>• Francophone,</li> <li>• Aboriginal,</li> <li>• Youth facing multiple barriers and/or</li> <li>• Youth in high needs areas.</li> </ul> <p>The Recipient will populate the fields in ECR as identified in Schedule "D".</p>

Detailed Description of Program Activities		
Description	Key Activities	Related Reporting Requirements *Subject to Timelines in Schedule "D".
	<ul style="list-style-type: none"> <li>Participants will fill out a monthly action plan at each meeting to ensure attendances and will be required to report to the Recipient at least once before the next mentoring meeting.</li> <li>To manage turnover of mentors, the Recipient will maintain a backup list of mentors.</li> </ul>	
<b>Program Operations</b>	<ul style="list-style-type: none"> <li>The Recipient will hire a Youth Consultant on a contract basis. The Youth Consultant will focus primarily on the delivery of Youth Entrepreneurship Programs, including Starter Company and Summer Company.</li> <li>The hire Youth Consultant will assist in providing support for the applicants, mentors in the program, targeted marketing and with event management.</li> </ul>	<p>Annual reporting on Program operations.</p> <p>The Recipient will populate the fields in ECR as identified in Schedule "D".</p>
<b>Training</b>	<ul style="list-style-type: none"> <li>The core training will last four weeks and comprised of many sessions. The sessions will be up to three hours in length, with assigned homework and reviews in: <ul style="list-style-type: none"> <li>Market Research</li> <li>Marketing Plan (Product, Price, Place, Promotion)</li> <li>Financial Plan</li> <li>Operations</li> </ul> </li> <li>The Recipient will supplement training with webinars, seminars and one-on-one consultations.</li> </ul>	<p>Annual reporting on all training activities including participant training and mentor training for all youth. This includes vulnerable groups, such as, but not limited to the following:</p> <ul style="list-style-type: none"> <li>Francophone,</li> <li>Aboriginal,</li> <li>Youth facing multiple barriers, and/or</li> <li>Youth in high needs areas.</li> </ul>

Detailed Description of Program Activities		
Description	Key Activities	Related Reporting Requirements *Subject to Timelines in Schedule "D".
	<ul style="list-style-type: none"> <li>▪ All participants will be notified of the milestones they need to complete before the end of each core session before they move on to the next session.               <ul style="list-style-type: none"> <li>• This will include submission of target market details and market research, advertising plan, risk plan and cash flow projections.</li> <li>• All milestones together will comprise the completed business plan.</li> </ul> </li> <li>▪ Participants will create their business plans based on the modules thought during the core Sessions, which are based on standard business plan template. Business plan targets and milestones for the business plan will be pre-determined in consultation with the participants.</li> <li>▪ Program completion targets and milestones will be determined based on common criteria, such as sales target, business registration complete and insurance purchased and will be agreed upon by the Participant, Youth and Small Business Consultants, and the Regional Grant Committee.</li> <li>▪ The Recipient will train and ensure that all staff supporting the delivery of the youth programs are qualified to perform their roles.</li> </ul>	<p>The Recipient will populate the fields in ECR as identified in Schedule "D".</p>

Detailed Description of Program Activities		
Description	Key Activities	Related Reporting Requirements *Subject to Timelines in Schedule "D".
	<ul style="list-style-type: none"> <li>▪ To ensure that mentors understand their roles, they will be provided with a set of Starter Company guidelines that will be reviewed and discussed with the Program Consultant. <ul style="list-style-type: none"> <li>• A mandatory orientation meeting will be arranged with all mentors before the start of the monthly mentoring meetings.</li> <li>• Mentors will be required to attend a mandatory "How to be an Effective Mentor Training Session."</li> </ul> </li> <li>▪ All mentors will be required to read and sign off on the "Conflict of Interest Guidelines."</li> </ul>	

#### Milestones and Timelines

The Recipient will carry out the activities to meet the program targets set out in the chart above and report on activities and progress on the program to meet reporting specifications in Schedule "D" below substantially in accordance with the timelines set out below and specified in Schedule "D"

**Project Start Date:** October 7, 2013

**Project End Date:** March 31, 2016

**SCHEDULE "B"**

**BUDGET**

## **SCHEDULE "C"**

### **PAYMENTSCHEDULE**

<b>PAYMENT DATE OR MILESTONE</b>	<b>AMOUNT OF MAXIMUM FUNDS</b>
<b>Upon both Parties signing the Agreement and receipt by the Province of the insurance certificate required under section 11.2 to the Agreement</b>	<b>60% (TBD)</b>
<b>Receipt and acceptance by Province of first Annual Report (June 30, 2014)</b>	<b>No Payment Attached to first Annual Report</b>
<b>Receipt and acceptance by Province of second Annual Report (June 30, 2015)</b>	<b>30% (TBD)</b>
<b>Receipt and acceptance by Province of Final Program Report and Audit Report (June 30, 2016)</b>	<b>10% (TBD)</b>

## **SCHEDULE "D"**

### **REPORTING REQUIREMENTS**

<b>Name of Report</b>	<b>Due Date</b>
1. Monthly Report (in Enterprise Centre Reporting (ECR) – as identified by the Province )	By the 10 <sup>th</sup> business day of each month.
2. Proof of Insurance Certificate	Upon signing of Agreement and annually (on or before the 7 <sup>th</sup> day of April) to show coverage for each fiscal year.
3. Submission of Recipient's Financial Certificate	June 30, 2014 and June 30, 2015
4. First Year (2013-14): Annual Report and Submission of Recipient's Conflict of Interest Guidelines	June 30, 2014
5. Second Year (2014-15): Annual Report	June 30, 2015
6. Final Program Report and Audit Report	June 30, 2016
7. Such additional reports as the Province may specify from time to time	On a date or dates specified by the Province.

### **REPORT DETAILS**

For Each Annual Report shall include the following items:

- A completed request for disbursement substantially in the form set out in the Schedule "F" and any other details that may be requested by the Province.

#### **Annual Reports**

The Annual Report will be in a template to be provided by the Province and in an electronic format that is suitable for printing, employing office automation software (e.g. MS Office).

The Annual Reports will require the following information:

#### **a) Narrative Report:**

- A general description of the operations of the program in the past year:
  - Application and program intake process
  - Composition of mentoring group
  - Follow-up with mentors and with participants
  - Frequency of meetings
  - Description of training and counselling activities
- Successes – aspects which were successful and worked well
- Improvements planned for subsequent year(s)

- Marketing efforts including accommodations (if any) for youth facing multiple barriers
- Marketing and promotional materials and recruitment
- Survey results from mentors and participants
- Confirmation of compliance with the *French Language Services Act*.

b) Financial Report

- Actual funds spent as compared to the Budget attached as Schedule "B" to the Agreement with any variances identified,
- The Financial Reporting and Satisfactory Progress Certificate, in the form attached as Schedule "E" hereto, signed by the Chief Financial Officer, the Board chair or equivalent if applicable, and a budget forecast for subsequent fiscal year(s).

**1. The Annual Report will set out:**

- i. actions undertaken to the date of the Report and how they relate to the objectives of the Program;
- ii. any Program milestones, achieving program targets, achieved within the reporting period;
- iii. how Program objectives / expectations have been met or an explanation of why they have not been met and what actions are being taken in this regard;
- iv. any variances from the Program timelines, the reasons for such variances and the strategy used to correct the variances and achieve the Program objectives;
- v. a statement confirming that the Recipient is in compliance with the terms and conditions of the Agreement; and
- vi. whether or not the Program as described in the Agreement can be completed.
- vii. an interim accounting of all Program expenditures to date signed by the Chief Financial Officer, the Board chair or equivalent, if applicable, or as otherwise agreed to by the Province confirming actual Program expenditures and providing an explanation for any variances from the Budget forecast;
- viii. a budget forecast for subsequent year(s) which includes an accounting of any other funding for this Program received by the Recipient, the identification of the funding organization, the amount and the specific aspect of the Program that the additional funding is supporting as well as a statement confirming that there is no overlap of funding from Province and from any other organization/level of government; and
- i. whether or not the Program as described in the Agreement can be completed.

**2. The Final Program Report will:**

- i. discuss Program objectives / expectations, confirming that Program objectives / expectations were met, or if not, why they were not, setting out lessons learned;
- ii. include a final accounting of all Program expenditures signed by the Chief Financial Officer, the Board chair or equivalent if applicable, or as otherwise agreed to by the Province confirming actual Program expenditures and providing an explanation for any variances from the Budget;
- iii. include an accounting of any unspent Funds and an explanation as to why there are remaining Funds;
- iv. include a final accounting of the other funding received by the Recipient for this Program , the identification of the funding organization/level of government, the amount and the specific aspect of the Program that the additional funding supported as well as a statement confirming that there has been no overlap of funding from the Province and from any other organization/level of government; and
- v. include a statement signed by the authorized official at the Recipient confirming Recipient compliance with the terms and conditions of the Agreement.

**3. Audit Report**

- i. Project Audit – The Recipient will provide the Province with an Auditor's certificate by June 30, 2016 in the form of Schedule "J".

**4. Other Reports:**

- i. The Province will specify the timing and content of any other Reports that may be required by the Province.

**SCHEDULE "E"**  
**FINANCIAL CERTIFICATE**

<b>FINANCIAL REPORTING AND SATISFACTORY PROGRESS</b>
--

**Organization Name:** \_\_\_\_\_  
**Project Name:** \_\_\_\_\_  
**Period Start Date:** \_\_\_\_\_ dd-mmm-yy  
**End Date:** \_\_\_\_\_ dd-mmm-yy

I, \_\_\_\_\_, \_\_\_\_\_ of  
(Name of Officer) (Title)  
\_\_\_\_\_ hereby certify that to the best

to my knowledge, information and belief and after making all appropriate  
examinations and enquiries, the financial information reported for the  
period \_\_\_\_\_ to \_\_\_\_\_  
(dd-mmm-yy) (dd-mmm-yy)

is accurate and complete, and is in compliance with all relevant sections  
of the Agreement between Her Majesty the Queen in Right of Ontario and  
dated \_\_\_\_\_  
(dd-mmm yy)

**Signed:** \_\_\_\_\_ **Dated:** \_\_\_\_\_  
(dd-mmm-yy)

## SCHEDULE "F"

### REQUEST FOR DISBURSMENT

**TO:** The Ministry of Economic Development, Trade and Employment

**FROM:**

**RE:** Request for Funds for the Period Ending: \_\_\_\_\_

<b>A</b> Amount previously received this fiscal year:	\$
<b>B</b> Amount requested:	\$
<b>C</b> Actual Interest earned on Funds this fiscal year to date:	\$
<b>D</b> Total received and requested year-to-date plus Interest:	\$

I, of (the "Recipient") hereby certify that:

1. the unexpended and uncommitted balance of Funds as at **< DATE >** is \$,
2. after making all appropriate examinations and enquiries, the Institution is in compliance with the terms and conditions of the agreement (the "Agreement") with Her Majesty the Queen in right of Ontario dated effective **<DATE >** and there have been no material changes made to the Program or Budget, as such terms are defined in the Agreement;
3. the reported revenues and expenditures for the period ending \_\_\_\_\_ are accurately reported and that all Funds were spent in accordance with the Terms of the Agreement; and,
4. the amount requested herein as an advance in Funds will be incurred on behalf of the Recipient solely for Eligible Expenditures.

Dated this day of \_\_\_\_\_ 2013.

Signed: \_\_\_\_\_

## SCHEDULE "G"

### ELIGIBLE EXPENDITURES

#### Eligible and Ineligible Expenditures

Eligible Program expenditures must be directly related to the Program and not of a nature which would have been incurred by the Recipient in the normal course of business. Documentation for all expenditures must be kept on file for audit purposes. Ontario reserves the right to make a determination on the eligibility of expenditures submitted for reimbursement. In the event of any interpretation issues regarding the eligibility, valuation or other matter regarding expenditures, the decision of the Province shall be final and determinative. Expenses not described in the categories set out in this document require prior written approval of the Province in order to be considered eligible expenditures.

#### Eligible Expenditures

Examples of expenditures include, but are not limited to:

- Project administration and overhead (not to exceed 10% of Program budget)
  - Travel costs to attend business meetings within Ontario related to contract administration or to attend meetings that the Ministry or Ontario convenes or supports, all of which shall be subject to the *Travel, Meal and Hospitality Expenses Directive*.
  - Professional fees, including legal and audit fees, directly related to and required for the management of the project or to conduct the work of the project. Costs are not to exceed demonstrated fair market value.
  - Telecommunication fees including connectivity charges directly related to and required for the management of the Program.
  - Staff training costs directly related to delivery of the Program.
- Development, Marketing and Delivery Expenditures
  - Training delivery and participant support costs directly related to the development and delivery of the Program, all of which shall be subject to the *Travel, Meal and Hospitality Expenses Directive*.
  - Salaries of project staff which are pro-rated to the time spent on the delivery of the Program.
  - Travel costs to meet with potential partners or stakeholders within Ontario required in the development of the Program.
  - Marketing materials and related communication costs if directly related to the Program.
  - Information and marketing session costs required to attract Program participants. Facility and equipment rental fees and utilities used to support the Program, and not of a nature which the proponent would incur in the normal course of business, and which are demonstrably incremental to the Program.

- Costs related to work performed by companies or individuals that contribute to the Program. Consulting or other services directly related to the Program must be costed at demonstrated fair market value or less.
- Honoraria to professionals directly related to the development and delivery of the Program
- Other components that the recipient may include in its Program, depending on the nature of the Program:
  - Support mechanisms to aid in overcoming participation barriers faced by vulnerable Youth facing multiple barriers to employment. Participation barriers may include:
    - Dependent care, transportation, tools and uniform costs.
    - Loss of income assistance and social assistance benefits.
    - Cost/time of conducting criminal record checks.

### **Ineligible Costs**

The Province's funding cannot be used towards the following costs:

- Costs related to the development of the Program application.
- Costs not directly associated with the delivery of the Program or directly required to meet the deliverables of the Program.
- Administrative salaries, except for project management costs covered under Program administration and Program delivery.
- Out-of-province travel costs for Program staff.
- Capital expenses, including but not limited to, land, buildings, leasehold improvements.
- Costs related to activities outside of the Program.
- Stipends for project participants.
- Costs incurred prior to the Effective Date as stated in the Agreement.
- Expenses or fees payable to organizations located outside of Ontario.
- Annual membership fees to associations.
- Debt reduction charges

## SCHEDULE "H"

### SUMMARY OF THE TRAVEL, MEAL AND HOSPITALITY EXPENSES DIRECTIVE

#### TRAVEL - ALL EXPENSES MUST BE DIRECTLY RELATED TO THE PROGRAM

**Airplane:** Air travel is permitted if it is the most practical and economical way to travel.

- Economy (coach) class is the standard option for ticket purchase
- Please purchase your ticket as early as possible to access the most reasonable fares

**Train:** Travel by train is permitted when it is the most practical and economic way to travel.

- Coach class economy fare is the standard
- Please purchase your ticket as early as possible to access the most reasonable fares

**Vehicle:** Travel by vehicle is permitted when road transportation is the most practical, economical way to travel:

- Kilometres are claimed at \$0.40 per kilometre in the south and \$0.41 per kilometre in the north

**Taxi Fares:** Reimbursement of taxicab fares should be made only under the following conditions:

- When other means of transportation are not available
- When weather conditions warrant
- For health and safety considerations
- When transport of work-related baggage or parcels is required
- For group travels when cost effective
- Maximum claimable gratuity (tip) is 10%

**Hotels:** Reimbursement of hotel costs is permitted when these costs are the most practical, economical way to accommodate the person:

- Typically hotels costs should be for \$150/night or less – the hotel room cost should be economical for the community in which the hotel is being booked
- A basic, economical hotel room is the standard option
- Booking hotel suites or larger/more deluxe rooms should not be permitted
- When a block of hotel rooms is made available for an event, conference etc. at a reduced rate, rooms at higher rates should not be covered
- If another hotel or room is booked when a conference/event block of rooms was available, only costs up to the conference rate should be covered. It is up to the claimant to book the hotel room at the reduced rate within a reasonable timeline to get the rate.

- Hotel expenses charged should be for the hotel room alone. Phone calls, room service, internet charges, movie charges, parking, other service charges etc. should not be “bundled” into the hotel room rate. The exception being any food costs that are offered as a deal within a room rate. For example, a hotel “Bed & Breakfast” option where the cost of the room and breakfast are economical.

#### **MEAL RATES IN CANADA INCLUDING TAXES AND GRATUITIES**

- \$8.75 Breakfast
- \$11.25 Lunch
- \$20.00 Dinner

#### **Please Note:**

- When a meal is provided as part of a conference or other event, the costs of an alternative meal other than the conference or event meal should not be covered.
- No alcohol costs can be claimed and should not be covered as part of meal or travel costs.
- Reimbursement should be for restaurant/prepared food only. Groceries should not be covered.
- Room service meals while staying at a hotel should not be covered.

#### **Submitting Claims & Records**

All travel claims must be maintained for financial records by the claimant and the organization paying the travel claim:

- Claimants should submit original, itemized receipts with all claims (credit card slips are not sufficient).
- All claims should be supported by original itemized receipts. “Original itemized receipts” refers to a receipt that lists the items purchased and the individual prices for each item on the receipt.
- For more information on the Government of Ontario *Travel, Meal and Hospitality Expenses Directive*, April 1, 2012, please see:  
[http://www.mgs.gov.on.ca/en/Spotlight2/STDPROD\\_080798.html](http://www.mgs.gov.on.ca/en/Spotlight2/STDPROD_080798.html)

## **SCHEDULE "I"**

### **COMMUNICATIONS PROTOCOL**

1. The Recipient shall provide to the Province, prior to release, an electronic copy of all reports, announcements, brochures, audiovisual materials, internet materials, advertising and publicity, including design or other public communication or publication.
2. The Recipient shall advise the Province's staff (to be designated by the Province) of any upcoming (positive or negative) announcements or advertising campaigns related to the Recipient's Program activities (e.g. news release, news conference, awards, bankruptcies, etc.) and, at the Province's option, provide the Province with the opportunity to participate or be present at these announcements. The Recipient will provide the Province with a minimum of ten (10) business days prior oral or written notice of such announcements or advertising campaigns.
3. The Recipient will not make any public announcement related to the Recipient's Program activities until the Province has been notified of the announcement.
4. The Recipient will respond to requests by the Province for information about any public announcement as soon as possible and in any event will provide an initial response within twenty-four (24) hours.
5. The Recipient will acknowledge that the Recipient is a member of the Ontario Network of Entrepreneurs ("ONE") by using the official ONE logo, in accordance with the ONE Brand Standards Guide provided by the Province.

## **SCHEDULE "J"**

### **AUDITOR'S CERTIFICATE**

**TO:**

Attention:

**CC:** Ministry of Economic Development, Trade and Employment ("Ontario")

Entrepreneurship Branch  
Ministry of Economic Development, Trade and Employment/Ministry of Research  
and Innovation  
56 Wellesley Street West – 5<sup>th</sup> Floor  
Toronto, Ontario, M7A 2E7

Attention: Manager, Entrepreneurships Partnerships Unit

**RE:** **Agreement between Her Majesty the Queen in right of Ontario as represented by the Minister of Economic Development, Trade and Employment ("Ontario") and \_\_\_\_\_ (the "Recipient") dated effective October 7, 2013 (the "Agreement")**

Except as otherwise defined herein, all capitalized terms shall have the meanings given to them in the Agreement.

We have audited the accompanying Schedules (the "Schedules") which comprise a summary of the financial and program reporting provisions of the Agreement and other explanatory information, relating to the Certificate dated *[insert date]* for the period *[\*]* to *[\*]*. The Schedules have been prepared by management of the Recipient based on the Final Program Audit Report (Schedule "D") provisions of the Agreement.

#### **Management's Responsibility for the Schedules**

Management is responsible for the preparation of the Schedules in accordance with the Final Program Report requirements of the Agreement, and for such internal control as management of the Recipient determines is necessary to enable the preparation of the Schedules that is free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on the Schedules based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedules.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misinformation of the Schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Management's preparation of the Schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Recipient's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the Schedules for the period ● to ● is prepared, in all material respects, in accordance with the Final Program Report provisions of the Agreement.

## **Basis of Accounting Restriction on Distribution and Use**

Without modifying our opinion, we draw attention to the note to the Schedules, which describe the basis of accounting. The Schedules are prepared to assist the Recipient to comply with the financial and program reporting provisions of the Agreement. As a result, the Schedules may not be suitable for another purpose. Our report is intended solely for the Recipient and Ontario and should not be distributed to or used by parties other than the Recipient and Ontario.

**DATED:** \_\_\_\_\_

*Signed*  
*Chartered Accountant*