



SHAREHOLDER'S LETTER OF EXPECTATIONS

BETWEEN

**THE MINISTER OF HEALTHY LIVING AND SPORT
(AS REPRESENTATIVE OF THE SHAREHOLDER,
THE GOVERNMENT OF BRITISH COLUMBIA)**

AND

**THE CHAIR OF THE BC GAMES SOCIETY
(AS REPRESENTATIVE OF THE CORPORATION)**

PURPOSE

This Letter of Expectations between the Shareholder and Corporation is an agreement on their respective roles, responsibilities and on corporate mandate including high level strategic priorities, public policy issues and performance expectations¹. This Letter is reviewed and updated annually. The Letter is the basis for the development of the Corporation's Service Plans and Annual Service Plan Reports. This Letter applies equally to both parties. The Letter does not create any legal or binding obligations on the parties and is intended to promote a co-operative working relationship.

¹ The Province of British Columbia's Crown Agency Accountability System (CAAS) (http://www.gov.bc.ca/cas/attachments/shareholders_expectations_manual.pdf) establishes guiding principles for the governance of Crown corporations. The CAAS identifies roles and responsibilities for the Shareholder and Crown corporations, and provides for a Shareholder's Letter of Expectations (Letter) to be jointly developed.

CORPORATION ACCOUNTABILITIES

Government has provided the following mandate direction to the BC Games Society:

- To oversee provincial competitive sport events that will serve as preparation for higher-level competition and play an integral role in the British Columbia sport delivery system; and
- To provide opportunities for British Columbians to participate in sport and physical activity and celebrate the spirit of community.

To achieve this mandate direction, and in response to the Shareholder's general direction, frameworks and principles, the Corporation will:

- ensure that the Corporation's priorities reflect government's goals of building a strong economy; job creation; infrastructure and private sector investment; First Nations reconciliation; and climate action initiatives;
- conduct its affairs to achieve its mandate and the performance expectations of the Shareholder, including establishing and implementing corporate strategies, policies, programs, plans and financial outcomes consistent with the Shareholder's general direction and with the principles of integrity, efficiency, effectiveness, and customer service;
- conduct its operations and financial activities in a manner consistent with the legislative, regulatory and policy framework established by the Shareholder;
- prepare Service Plans with clearly articulated goals, strategies, performance measures and targets, and Annual Service Plan Reports that describe progress toward achieving those goals, strategies, performance measures and targets and post both documents on its website;
- display annual *Financial Information Act* – Statement of Financial Information and Executive Compensation Disclosure Schedules, a Remuneration for Appointees to Crown Agency Boards Schedule and Corporate Governance Disclosure in an easily accessible website location;
- develop and implement strategies to manage financial and performance risks identified in the Service Plan;
- provide the Shareholder with reports and other information that would enable the Shareholder to carry out its responsibilities; and
- inform the Shareholder immediately if the Corporation is unable to meet the performance and financial targets identified in its Service Plan.

The Shareholder also sets broad policy direction to ensure the Corporation's operation and performance is consistent with government's strategic priorities and Fiscal Plan, as such the Corporation will:

- comply with the Shareholder's requirements to make the Public Sector carbon neutral by 2010, including: accurately defining, measuring, reporting on and verifying the greenhouse gas emissions from the Corporation's operations; implementing aggressive

measures to reduce those emissions and reporting on these reduction measures and reduction plans; and offsetting any remaining emissions through investments in the Pacific Carbon Trust, which will invest in greenhouse gas reduction projects outside of the Corporation's scope of operations;

- support the Healthier Choices Initiative, ensuring that all vending machines located in facilities owned or leased by the Corporation have food products which meet the Shareholder's Nutrition Guidelines for Vending Machines in Public Buildings;
- ensure the Shareholder is advised in advance of the release of any information requests by the Corporation under the *Freedom of Information and Protection of Privacy Act*; and
- ensure any debit/credit card payment services provided to the public are in compliance with the international Payment Card Industry (PCI) Data Security Standards, by the October 1, 2010 deadline.
- for Corporations subject to the *Public Sector Employers Act*, ensure the Corporation's membership in the Crown Corporation Employers' Association is in good standing;
- annually assess the Board appointment process to ensure that succession results in a balance of renewal and continuity of Board membership, and provide the results of this assessment to the Shareholder for consideration;
- ensure that Board appointments to Crown corporation subsidiaries have been approved by Cabinet; and,
- comply with government's requirement that lobbyists not be engaged to act on behalf of the Corporation in its dealings with government.

In addition, the Shareholder directs the Corporation to take the following specific actions:

In delivering its core mandate:

- Continue to plan for and operate, in alternate fiscal years, a BC Summer Games and a BC Winter Games;
- Continue to ensure financial sustainability and enhancement of the Society through maintaining and expanding corporate partnerships;
- Continue to negotiate memoranda of understanding with participating provincial sport organizations and strategic multi-sport organizations to develop athletes, coaches, officials and volunteers;
- In support of good communication, the Board will provide opportunities to engage the Minister of Healthy Living and Sport in dialogue throughout the year; and
- Provide the Minister of Healthy Living and Sport with a copy of the annual performance expectations for the President and Chief Executive Officer.

In contribution to the BC sport system:

- In partnerships with the BC Disability Games Society, and the Northern BC Winter Games Society, continue to plan, prepare and implement the BC Disability Sports Games and the Northern BC Winter Games;
- Continue to provide event management services to the BC Seniors Games through a service agreement;
- Continue to align BC Summer and Winter Games with Canadian Sport for Life goals and objectives;

- Contribute to the tracking of athletes, coaches and volunteers through the sport system as they move from the BC Games to Team BC and other competitive opportunities;
- As a partner in the BC Sport Alliance, contribute to long-term sustainability plans and efforts to support increases excellence and participation goals of the sport system; and
- Collaborate with sport system partners to promote sport opportunities for Aboriginal, multi-cultural groups and others traditionally under-represented in sport.

In support of Ministry and Government goals:

- Continue to be a promoter of ActNow BC through appropriate awareness opportunities including brand placement, food service that aligns with ActNow BC guidelines, promotion of registration on the ActNow BC website to volunteers, participants and their families; and
- The Society, in its transfer under agreements with BC Summer and Winter Games Societies, will include and monitor requirement that “Guidelines for Food and Beverages Available at Sport Events in BC” be implemented for Provincially-funded Games.
- Work to increase province-wide competitor participation in provincial sports events, and track progress in improving participation.

SHAREHOLDER'S RESPONSIBILITIES

The Shareholder is responsible for the legislative, regulatory and public policy framework in which Crown corporations operate. In order to meet these responsibilities and support achievement of government's performance expectations, the Shareholder will:

- establish, review, revise and communicate any changes to the Corporation's mandate;
- establish and communicate the general and Crown-specific financial frameworks under which the Corporation operates (borrowing, investment, and payment to the Shareholder);
- issue performance management guidelines, including guidelines for Service Plans and Annual Service Plan Reports (<http://www.gov.bc.ca/cas/publications/index.html>);
- review, provide feedback and final approval of the Corporation's Service Plans and Annual Service Plan Reports;
- provide broad policy direction and confirmation of general frameworks/principles to the Corporation, within which the Corporation may establish/apply specific policies/processes;
- advise the Corporation of government's strategic priorities, decisions and public policy and any performance objectives and expectations that may impact the Corporation; and
- issue directives or orders or sponsor submissions on behalf of the Corporation that may be required to seek decisions or policy direction by the Executive Council or its committees, in order to facilitate the Corporation fulfilling its mandate and achieving the performance targets outlined in its Service Plans.

The Shareholder has developed policies for Ministries and Crown corporations for Capital Asset Management (<http://www.fin.gov.bc.ca/tbs/camf.htm>) and Remuneration Guidelines for Appointees to Crown Agency Boards (<http://www.gov.bc.ca/cas/publications/index.html>). The Shareholder has also issued the Best Practice Guidelines – BC Governance and Disclosure Guidelines for Governing Boards of Public Sector Organizations

<http://www.lcs.gov.bc.ca/brdo/governance/index.asp>). During the term of this Letter, the Shareholder may provide additional policy direction to the Crown agency sector, and will communicate such direction, including implementation expectations, to the Corporation as decisions are made.

The Shareholder will also, on a continuing basis, monitor the achievement of the goals, objectives, performance and financial targets, and risk assessments identified in the Corporations' Service Plans.

Specific to the Corporation, the Shareholder:

- Approves the Corporation's mandate to:
 - Oversee provincial competitive sport events that will serve as preparation for higher-level competition and play an integral role in the British Columbia sport delivery system;
 - Provide opportunities for British Columbians to participate in sport and physical activity and celebrate the spirit of community; and
 - Through the Minister of Healthy Living and Sport, will participate in regular dialogue with the Board throughout the year.

AREAS OF SHARED ACCOUNTABILITY:

Communications

It is agreed by both the Shareholder and the Corporation that, to ensure effective and efficient day-to-day communications and relationship building, representatives for both parties will be tasked with implementing the contents of this Letter and keeping the Minister Responsible and the Board of Directors informed of progress in a timely fashion.

Reporting

The Shareholder and the Corporation are committed to transparency and accountability to the public. The Shareholder has put in place a public reporting structure which is set out in the *Budget Transparency and Accountability Act*, the *Financial Administration Act*, and the *Financial Information Act*. The Shareholder has provided the Corporation with an Information Requirements and Events Calendar which sets out financial and performance reporting requirements (<http://www.gov.bc.ca/cas/publications/index.html>). The Corporation agrees that it will meet these financial and performance reporting requirements. If government determines that changes to the reporting requirements are necessary, the Shareholder will communicate these to the Corporation.

It is agreed by the parties that there will be advance discussion and review of key documents such as Service Plans, Quarterly Financial Reports and Annual Service Plan Reports. These discussions will be completed sufficiently in advance of deadlines to ensure the opportunity for effective and timely input by the Shareholder.

In addition to these financial and performance reporting requirements, the Corporation agrees to provide information to the Shareholder related to risks and opportunities anticipated in achieving financial forecasts and performance targets.

The parties agree that, as a matter of course, each will advise the other in a timely manner of any issues that may materially impact the business of the Corporation and/or the interests of the Shareholder.

It is agreed that the Corporation will post the most recent signed copy of the Shareholder's Letter of Expectations on its website. Crown Agencies Secretariat will also post a signed copy of the Letter on its website.

Review and Revision of this Letter

The Minister of Healthy Living and Sport is accountable for undertaking reviews of this Letter and monitoring its implementation. The Crown Agencies Secretariat is responsible for co-ordinating the overall process for preparing Letters of Expectation, and may assist the Minister in undertaking reviews of this Letter and monitoring its implementation. If deemed necessary by either party, the Shareholder and the Corporation will discuss any issues and may agree to amend this Letter on a more frequent than annual basis.



Honourable Ida Chong, FCGA
Minister of Healthy Living and Sport

February 10, 2010
Date



Frank Lento
Chair, BC Games Society

February 10, 2010
Date

cc. Honourable Gordon Campbell
Premier

Allan Seckel
Deputy Minister to the Premier and Cabinet Secretary

Graham Whitmarsh
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Grant Main
Deputy Minister
Ministry of Healthy Living and Sport

Kelly Mann
President Chief Executive Officer
BC Games Society

Vacant
Chief Executive Officer
Crown Agencies Secretariat