

GOVERNANCE AGREEMENT

THIS AGREEMENT MADE THIS 19th DAY OF JUNE, 2017.

BETWEEN

**MINISTER RESPONSIBLE FOR THE *PUBLIC LOTTERIES ACT*
("THE MINISTER")**

AND

**YUKON LOTTERY COMMISSION
AS REPRESENTED BY THE CHAIR & CHIEF EXECUTIVE OFFICER ("THE
CHAIR") OF THE YUKON LOTTERY COMMISSION ("THE COMMISSION")**

**BEING THE PARTIES (COLLECTIVELY REFERRED TO AS "THE PARTIES") TO THE
GOVERNANCE AGREEMENT ("THIS AGREEMENT")**

WHEREAS:

- A. the *Public Lotteries Act* (Yukon) creates the Yukon Lottery Commission, and assigns it responsibility for the conduct and management of interjurisdictional lotteries;
- B. the *Public Lotteries Act* (Yukon) assigns the Yukon Lottery Commission responsibility for the disbursement of interjurisdictional lottery revenue, subject to regulations;
- C. a regulation of the *Government Organization Act* (Yukon) assigns the Minister of the Yukon Liquor Corporation with responsibility for the *Public Lotteries Act* (Yukon);
- D. the *Public Lotteries Act* (Yukon) requires the Minister to appoint a chair of the Commission who is also the chief executive officer;
- E. the *Public Lotteries Act* (Yukon) requires the Minister to make provision for a secretary and other administrative support services for the Commission;
- F. the Parties have concluded an agreement with the Western Canada Lottery Corporation delegating certain responsibilities for the conduct and management of lottery schemes in Yukon to the Western Canada Lottery Corporation;
- G. the Parties wish to respond to a 2008 Government of Yukon internal audit recommending the clarification of roles and responsibilities of key actors involved in interjurisdictional lotteries and disbursement of interjurisdictional lottery revenue; and

- H. the Parties wish to improve and strengthen their relationship to ensure the effective conduct and management of interjurisdictional lotteries and disbursement of interjurisdictional lottery revenue.

NOW THEREFORE the Parties agree to the following:

1. ROLES & RESPONSIBILITIES

- 1.1. The following section identifies the role of the key actors involved in interjurisdictional lotteries and the disbursement of interjurisdictional lottery revenue in Yukon.
- 1.2. Annex A (attached) lists responsibilities specific to each key actor identified below as agreed to by the Parties and forms part of this Agreement.

Yukon Lottery Commission

- 1.3. The Commission conducts and manages interjurisdictional lotteries in Yukon and invests profits from interjurisdictional lotteries in arts, sport and recreation in accordance with applicable government legislation, regulations and policy.

Chair & Chief Executive Officer

- 1.4. The Chair plays a leadership role in the affairs of the Commission by managing and overseeing the Commission's activities, and acts as the Commission's primary point of contact with the Minister.

Minister of the Yukon Liquor Corporation

- 1.5. The Minister, on behalf of the Government of Yukon, is responsible to the Yukon Legislative Assembly for the *Public Lotteries Act* and the Commission, and provides the Commission with a Secretary and Administrative Support Services in accordance with the *Public Lotteries Act* to assist the Commission with advancing its mandate.

Secretary to the Commission

- 1.6. The Secretary is appointed to serve at pleasure as the deputy head responsible for the staff assigned under the *Public Service Act* to provide Administrative Support Services to the Commission.

Administrative Support Services

- 1.7. Administrative Support Services provided by the Minister are divided into two categories: core services and shared services.
- 1.8. Core services are the Government of Yukon employees who support the day-to-day operations of the Commission, while shared services are made

available to the Commission on an as needed basis in relation to human resources, finance, policy, and communications, etc.

- 1.9. Administrative Support Services are described in greater detail in Annex B – Service Agreement attached to this Agreement. Annex B also establishes performance standards for Administrative Support Services.
- 1.10. The provision of Administrative Support Services is made subject to the *Public Service Act* (Yukon).

General Manager

- 1.11. The General Manager reports to and is delegated certain responsibilities by the Secretary to manage Administrative Support Services performing a core function (Core Services), and serves as a liaison with other parts of the Government of Yukon as part of the General Manager's responsibility for implementing the Commission's direction.

2. GOVERNANCE & ACCOUNTABILITY FRAMEWORK

Relationship

- 2.1. The Minister, Chair and Vice-Chair (or an alternate Commission Member) will meet periodically to discuss matters related to the conduct and management of interjurisdictional lotteries, disbursement of interjurisdictional lottery revenue, lottery schemes, and any other matter they wish to discuss.
 - 2.1.1. The Minister may invite, at his or her discretion, the Secretary to participate in these meeting.
- 2.2. The Commission may invite the Minister and/or Secretary to meetings and events of the Commission.
- 2.3. The Minister may request updates from the Chair and Commission on any matter related to the Commission's activities.
- 2.4. The Chair will ensure the Minister has reasonable advance notice of the intentions of the Commission on major issues within the Commission's authorities.
- 2.5. The Minister will ensure the Chair has reasonable advance notice of the intentions of the Government of Yukon on major issues and initiatives within the Government's authorities respecting lottery schemes.
- 2.6. Where necessary, the Chair and Vice-Chair (or an alternate Commission Member) will make themselves available as witnesses representing the Commission before committees of the Yukon Legislative Assembly.

Annual Plan

- 2.7. Prior to the beginning of each fiscal year, the Commission will prepare an Annual Plan setting out the chief objectives of the Commission, and actions to achieve the objectives.
- 2.8. Upon completion of the Annual Plan, the Commission will meet with the Minister to discuss:
- 2.8.1. the Commission's objectives for the upcoming fiscal year;
 - 2.8.2. the Government's priorities for interjurisdictional lotteries, lottery schemes, and investments in arts, sport and recreation; and
 - 2.8.3. performance measures used to determine whether the Commission's objectives are being achieved.

Budget

- 2.9. Following the completion of the Annual Plan, the Commission will prepare a budget setting out a forecast of revenues and expenditures for the upcoming year required to implement the annual plan.

Audit

- 2.10. The Commission will take the steps necessary to ensure its financial statements are audited annually by an independent auditor, qualified to perform public audits in Yukon.

Annual Report

- 2.11. Following completion of the audit, the Commission will prepare an Annual Report, containing, but not limited to, the following:
- 2.11.1. a summary of the year's accomplishments;
 - 2.11.2. upcoming annual objectives;
 - 2.11.3. how the objectives contribute to the completion of the Commission's strategic plan;
 - 2.11.4. activities to be pursued to achieve the objectives;
 - 2.11.5. performance measures to ascertain whether objectives have been achieved; and
 - 2.11.6. audited financial statements of the Commission.
- 2.12. Once it is finalized, the Chair will submit the Annual Report to the Minister.

2.13. Upon receipt of the Annual Report, the Minister may table the Annual Report in the Yukon Legislative Assembly.

2.14. The Chair and Vice-Chair will make themselves available to the Minister for the tabling of the Annual Report in the Yukon Legislative Assembly.

3. PUBLIC COMMUNICATIONS

3.1. The Parties commit to working collaboratively on public communications in relation to matters going beyond the routine business of interjurisdictional lotteries and disbursement of interjurisdictional lottery revenue (e.g. celebrating interjurisdictional lottery milestones).

3.2. The Chair will inform the Minister of any public announcements or press releases prior to their release that could affect the business of the Government of Yukon.

3.3. The Minister will inform the Chair of any public announcements or press releases prior to their release that could affect the business of the Commission.

3.4. The Parties may establish working-level communication procedures to supplement the practices identified in this section.

4. APPLICABLE LEGISLATION & POLICIES

4.1. To ensure the Commission has an adequate understanding of the territorial legislative and policy framework applying to the operations of the Commission, the Parties agree to undertake a joint review of the framework, according to a timeframe determined by the Parties, to develop a list of territorial legislation and policies applying to the Commission and its activities.

4.2. The Parties will consider whether a policy's application remains practical given the present circumstances of the Commission.

4.3. Where the Parties are of the view that a policy applying to the Commission should no longer apply, the Government of Yukon will take steps to amend that policy so that it no longer applies to the Commission.

5. MISCELLANEOUS

5.1. To promote the effective management of the Commission, the Parties agree to limit the number of members appointed to the Commission to 8 members.

- 5.2. The Commission will advise the Minister of the skills and qualifications needed by the Commission prior to a decision of the Minister to appoint or reappoint Commission Members to ensure the Commission consists of a membership that is qualified and appropriately diverse.
- 5.3. The Secretary will ensure the interests of the Commission are represented during the development of Government of Yukon initiatives that may affect the operations of the Commission (e.g. new contract rules initiated by the Department of Highways and Public Works).

6. NOT LEGALLY BINDING

- 6.1. The Parties acknowledge that this Agreement is intended to be a non-binding memorandum of understanding and does not create any legal rights or obligations.

7. REVIEW AND TERMINATION

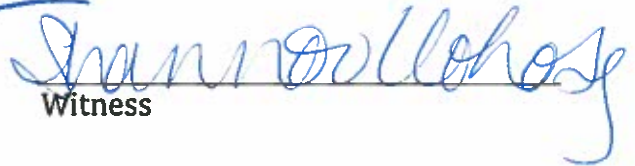
- 7.1. The Parties will review this Agreement annually.
- 7.2. Either Party may terminate this Agreement by giving not less than 30 days written notice.

Signed at Whitehorse, Yukon, this 19th day of June, 2017.

GOVERNMENT OF YUKON




John Streicker
Minister responsible for the
Public Lotteries Act



Witness

YUKON LOTTERY COMMISSION



Heather Campbell
Chair & Chief Executive Officer
Yukon Lottery Commission



Witness

ANNEX B

SERVICE AGREEMENT

BETWEEN

THE YUKON LOTTERY COMMISSION
AS REPRESENTED BY THE CHAIR & CHIEF EXECUTIVE OFFICER (“THE
CHAIR”) OF THE YUKON LOTTERY COMMISSION (“THE COMMISSION”)

AND

**THE PRESIDENT OF THE YUKON LIQUOR CORPORATION (“THE
PRESIDENT”)**

BEING THE PARTIES (“THE PARTIES”) TO THE SERVICE AGREEMENT (“THIS
AGREEMENT”)

WHEREAS:

- A. The Minister with responsibility for interjurisdictional lotteries and the Yukon Lottery Commission have concluded a Governance Agreement with the aim of strengthening the governance of interjurisdictional lotteries and the disbursement of interjurisdictional lottery revenue in Yukon;
- B. Annex A attached to the Governance Agreement lists the responsibilities of key actors involved in the management and conduct of interjurisdictional lotteries and disbursement of interjurisdictional lottery revenue;
- C. The Minister is responsible for providing a Secretary and Administrative Support Services to the Yukon Lottery Commission to assist the Yukon Lottery Commission with the advancement of its mandate;
- D. The President of the Yukon Liquor Corporation is the Secretary, pursuant to an Order-in-Council authorized by the *Public Service Act*, and is responsible for implementing the obligation of the Minister to provide Administrative Support Services to the Yukon Lottery Commission;
- E. The Parties wish to clarify the services constituting Administrative Support Services;
- F. The Parties wish to establish performance standards for the delivery of the services provided by Administrative Support Services.

NOW THEREFORE the Parties agree as follows:

1. TERM

This Agreement shall be effective on the date of execution.

2. DEFINITIONS

“Administrative Support Services” means the services provided by the Minister pursuant to Section 9 of the *Public Lotteries Act* (Yukon).

“Client” means the Commission as recipient of services under this Agreement.

“Core Services” means the Administrative Support Services consisting of Government of Yukon employees who assist with the day-to-day operations of the Commission.

“Shared Services” means the Administrative Support Services provided to the Commission on an as needed basis in relation to finance, policy, communications, and human resources.

“Secretary” means the Deputy Head (President) of the Yukon Liquor Corporation.

3. GOVERNANCE

- 3.1. This section sets out the authorities and accountabilities of the Commission, as the chief recipient and Client of services, and Administrative Support Services, as the provider of these services.
- 3.2. The Commission establishes direction for matters within its sphere of authority in relation to the conduct and management of interjurisdictional lotteries and the disbursement of interjurisdictional lottery revenue.
- 3.3. The Secretary is accountable for Administrative Support Services and is responsible for ensuring that Administrative Support Services meet the performance standards established by this Agreement.
- 3.4. The General Manager is assigned duties by the Secretary related to managing Core Services and implementing the direction given by the Commission.

4. FINANCIAL TERMS

- 4.1. This section identifies the terms of payment for services provided by Administrative Support Services to the Commission.
- 4.2. Section 17 of the *Public Lotteries Act* (Yukon) and Section 5 of the *Public Lottery Regulations* (Yukon) provide that expenses resulting from the

management of interjurisdictional lotteries may be paid from the Yukon Lottery Commission Fund.

- 4.3. The Commission has responsibility for addressing expenses related to Commission operations, Commission Members, and Core Services.
- 4.4. The Parties wish to recognize the Commission's ongoing investment in arts, sport and recreation programming delivered by the Government of Yukon as the contribution of the Commission toward the costs of Shared Services.

5. LEGISLATIVE/POLICY FRAMEWORK & SIGNING AUTHORITIES

- 5.1. This section provides a description of the legislative/policy framework and the process for establishing policy governing the signing authorities of the Commission.

Legislation

- 5.2. Territorial legislation applying to the Commission is listed in Annex C of this Agreement. [Annex C will be finalized once the Parties complete a review of the legislation, regulations and policies applying to the work of the Commission.]

Policies

- 5.3. Territorial policies applying to the Commission are listed in Annex C of this Agreement. [Annex C will be finalized once the Parties complete a review of the legislation, regulations and policies applying to the work of the Commission.]

Signing Authorities

- 5.4. The Commission will establish a policy governing signing authorities as soon as practicable.
- 5.5. Following its adoption, the Commission will submit the policy to the Minister for information.

6. SERVICE SCOPE & DESCRIPTION

- 6.1. This section identifies and defines the scope of services that may be provided to the Commission from time-to-time by Core Services and Shared Services.
- 6.2. The Parties intend that services will be provided in a respectful and professional manner, in accordance with the following principles:
 - 6.2.1. Client Focused: services address the specific needs of the Commission;

- 6.2.2. Timeliness: services are delivered according to mutually agreed to timeframes;
- 6.2.3. Transparent Communication: services provided are based on frequent and open communications between the Commission, as Client, and the Secretary and Administrative Support Services, as service provider.

Table 1 – Administrative Support Services Defined

Service Area	Service Description	Core and/or Shared
Financial Management	Commission Budget	Core
	Variance Reports	Core
	Manage Budget System	Core
	General Ledger Account Reconciliation	Core
	Cheque Requisition Preparation	Core
	Section 30 Verification	Core
	Cheque Requisition Data Entry	Shared
	Produce Journal Vouchers	Core
	Journal Voucher Verification	Core/Shared/DoF ¹
	Financial Statement Preparations	Core
	Audit	Core
Policy/Program	Manage development, delivery and evaluation of programs used to disburse funds in arts, sport and recreation	Core
	Briefing Notes <ul style="list-style-type: none"> • Commission Briefing Notes • Ministerial Briefing Notes 	Core Core/Shared
	Cabinet Submissions	Core/Shared
	Management Board Submissions	Core/Shared
	Legislative Development	Core/Shared
	Commission Submissions	Core ²
	Policy Development	Core/Shared
	Research & Analysis	Core/Shared as requested
	Annual Report, Annual Plan, Strategic Plan	Core
	Legislative Monitoring	Shared
Communications & Public Engagement	Communication Strategies	Core/Shared as requested
	Events Management	Core/Shared as requested
	Correspondence <ul style="list-style-type: none"> • Commission Correspondence • Ministerial Correspondence 	Core Core/Shared
	Speech writing <ul style="list-style-type: none"> • Commission Chair/CEO • Minister 	Core Shared, support - Core

¹ Function under review.

² Where there are implications for other government departments, Shared Services will work with Core Services to coordinate input and sharing of information.

Service Area	Service Description	Core and/or Shared
	Press Releases, Media Advisories, Press Conferences	Core/Shared ³
	Advertising, marketing (going beyond WCLC promotion of games) & public awareness campaigns	Core
	Issues Management (public domain) <ul style="list-style-type: none"> • Interjurisdictional Lotteries Issues (primarily WCLC responsibility) • Fund Disbursement Issues 	Core with Shared support for local matters only Core/Shared as requested
	Media Monitoring	Shared
Operations	Manage application process for retailers seeking to become lottery ticket centres	Core
	Provide ongoing support to retailers belonging to the retail network	Core
	Manage the Agreement with WCLC on behalf of the Commission and the Government	Core
	Records management and training	Core
	Serve as the primary contact for the Commission	Core
Information Technology	IT support & trouble shooting	Shared ⁴
Corporate	ATIPP requests	Core
	Privacy Impact Assessments	Core
	Risk Management Assessments	Core
	Liaise with Executive Council Office and Management Board Secretariat	Shared in consultation with Core
Human Resources	Recruitment	Core/Shared
	Disability Management	Core/Shared
	Administration of payroll, benefits & compensation, including timesheet and leave processing	Shared
	Employee Health & Safety	Core/Shared
	Labour & Employee Relations	Core/Shared
	Facilitate review & approval of position descriptions	Shared
	FTE management & classification assistance	Shared
	Process staff training & professional development requests	Shared

6.3. The Parties recognize that while the Human Resources function is integral to the operation of Administrative Support Services, the function is not a 'service' provided directly to the Commission.

³ WCLC is responsible for announcements regarding major winners and other provisions set out in the WCLC agreement. The Commission is responsible for all other matters related to local interjurisdictional lotteries and disbursement of lottery revenue.

⁴ IT support is provided to the Commission and Core Services by Community Services through an agreement between Shared Services and Community Services.

- 6.4. The Commission receives the same corporate services generally provided to other government departments and agencies (such as mail service and records management).

7. SERVICE STANDARDS

- 7.1. The Parties agree that the services provided to the Commission by Administrative Support Services should meet certain performance expectations through the adoption of service standards.
- 7.2. A service standard is a measurable level of performance that clients can expect under normal circumstances.⁵
- 7.3. This Agreement establishes three types of service standards:
- 7.3.1. **Access:** Outlines the ease and convenience the Client should experience when attempting to access a service. Where the Commission requests a service, Administrative Support Services will endeavour to respond within two-working days to contact the Commission to discuss the scope and nature of the project;
- 7.3.2. **Timeliness:** Identifies the timeframe the Client should expect to receive a service once the service has been accessed. The Commission and Administrative Support Services will agree to a timeline in which to complete the service or task;
- 7.3.3. **Accuracy:** The Client will receive a service that is up to date, generally free of errors and complete, which responds to the specific needs of the Client.
- 7.4. There may be unforeseen circumstances that require significantly more time to render a service than originally anticipated. In these circumstances, Administrative Support Services will discuss a possible revision to the timeframe with the Commission.
- 7.5. Where Administrative Support Services is unable to provide a service or provide a service in a timeframe acceptable to the Commission, the Parties will discuss a plan for completing the service.

8. MONITORING

- 8.1. The Secretary is responsible for monitoring Administrative Support Services to assess whether the standards established by this Agreement are being met.

⁵ Source: Treasury Board Secretariat, Government of Canada, <http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=25750>

- 8.2. The Parties agree that Client satisfaction will be measured at regular intervals.
- 8.3. For the first 3-years of this Agreement, the Secretary, Chair and Vice-Chair will meet every second quarter to discuss the provision of services under this Agreement.
- 8.4. During the fourth quarter, the Secretary, Chair and Vice-Chair will conduct a review of the performance of Administrative Support Services based on the responsibilities set out in Annex A and the service standards established by this Agreement.
- 8.4.1. Prior to the meeting with the Secretary, the Chair will prepare a set of questions to be circulated to Commission Members designed to solicit their feedback on the performance of Administrative Support Services.
- 8.5. Where services fail to meet the standards established by this Agreement on a consistent basis, the Parties may develop a service improvement plan, setting out steps required to remedy the service deficiency.

9. CONTRACT SERVICES

- 9.1. The Parties agree that Administrative Support Services will not provide all services required by the Commission.
- 9.2. From time-to-time the Commission may wish to obtain services through contract for work related to:
- governance;
 - policy development;
 - evaluations;
 - reports respecting advice to the Minister;
 - annual reports;
 - marketing and communications; and
 - legal services⁶.
- 9.3. The role of Administrative Support Services in these instances is to facilitate contractual arrangements between the Commission and a consultant in accordance with applicable territorial laws and policies.

10. DISPUTES

- 10.1. Where a dispute arises in relation to a service provided by Administrative Support Services, the Chair, Vice-Chair, and Secretary will meet to:

⁶ The Commission is subject to the Government of Yukon *Outside Counsel Policy*.

- 10.1.1. review the issues that gave rise to the dispute;
 - 10.1.2. identify options for the dispute's resolution; and
 - 10.1.3. proceed with the implementation of a recommended option to resolve the dispute.
- 10.2. The Parties will meet following implementation of the recommended option to ensure the matter has been resolved to the satisfaction of the Parties.

11. AMENDMENT

- 11.1. This Agreement may be amended in writing at any time with the mutual consent of the Parties.
- 11.2. Amendments will be implemented as follows:
 - 11.2.1. The Party proposing the change will submit in writing to the other Party the proposed amendments to any clause in this Agreement.
 - 11.2.2. The other Party will review the proposed amendments, and the Chair, Vice-Chair and Secretary or their respective delegates will discuss any contentious issues.
 - 11.2.3. Both Parties will sign the amendments.
 - 11.2.4. In the event a dispute arises that cannot be resolved, the dispute resolution provisions will apply.

12. REVIEW

- 12.1. The Parties will review this Agreement at the end of each fiscal year.

13. GENERAL

- 13.1. This Agreement forms a part of and is to be read with the Governance Agreement dated June 19TH, 2017.

Signed and executed at Whitehorse, Yukon, this 19th day of June, 2017.

YUKON LOTTERY COMMISSION



Heather Campbell
Chair & Chief Executive Officer
Yukon Lottery Commission



Witness

GOVERNMENT OF YUKON



Matt King
Secretary
Yukon Lottery Commission



Witness