



MUNICIPAL
PROPERTY
ASSESSMENT
CORPORATION

QUALITY ASSURANCE COMMITTEE TERMS OF REFERENCE

Purpose

The Quality Assurance Committee oversees our operations to promote a culture of quality throughout the organization. The Committee advises the Board of Directors of any concerns related to MPAC's core business of assessment, quality-related risks and internal controls. The Committee also provides oversight to the Quality Service Commissioner.

Quality is articulated in MPAC's Mission: *"To serve Ontario property taxpayers together with provincial and municipal stakeholders through accurate and timely property assessments and a commitment to service excellence and efficiency."*

Composition

1. The Quality Assurance Committee shall consist of a minimum of five (5) and a maximum of eight (8) directors of the Board. The Chair and Vice-Chair may (but are not required to) serve on the Quality Assurance Committee.
2. Members of the Quality Assurance Committee shall not be drawn solely from any one municipal, taxpayer or provincial representative group.
3. Each member of the Quality Assurance Committee shall serve at the pleasure of the Board, and only so long as the member is a Director.
4. The Quality Assurance Committee shall annually elect, from among its members, a Chair to preside over the meetings and fulfill the Position Description of the Quality Assurance Committee Chair.
5. MPAC shall provide a Corporate Secretary (Executive Director, Board Governance) to, among other responsibilities, take minutes at Quality Assurance Committee meetings, and shall provide any other resources to the Quality Assurance Committee that the Committee deems appropriate in order to fulfill the Committee's Terms of Reference.

Meetings

6. The Quality Assurance Committee shall meet at least four (4) times per year.
7. Unless otherwise determined by the Board, a majority of the total members of the Committee, but not fewer than three (3), shall constitute a quorum for the transaction of business of Committee meetings.
8. The Quality Assurance Committee shall maintain minutes of its meetings in which shall be recorded all actions taken by the Committee. Such minutes shall be forwarded to the Board and inserted in the Minute Book of MPAC.
9. Meetings of the Quality Assurance Committee shall be held at the Pickering Office of MPAC or at any other place in Ontario as specified in the notice calling the meeting.
10. At each regularly scheduled meeting of the Quality Assurance Committee, members shall meet in a Closed session with, the Quality Service Commissioner. Twice annually, or as otherwise deemed necessary by the Quality Assurance Committee, members of the Quality Assurance Committee shall meet in a Closed session with the Corporate Audit and Risk Officer.

Responsibilities

Leadership

11. The Quality Assurance Committee shall provide objective, strategic guidance/advice on quality issues identified by, in no particular order, Management, the Quality Service Commissioner, the Corporate Audit and Risk Officer, Board members, customers or other stakeholders.
12. a) The scope of the Quality Service Commissioner Work Plan as it relates to MPAC's core business and broader quality-related risks and controls shall not be restricted. Without limiting the unrestricted assurance purview and mandate of Internal Audit Services, and with the intent of coordinated coverage and the minimizing of duplication, the Quality Service Commissioner and the Corporate Audit and Risk Officer shall take all reasonable steps to ensure coordinated assurance over risks and internal control testing across the Quality Service Commissioner Work Plan and the Internal Audit Work Plan, respectively. The Quality Service Commissioner shall present such coordinated assurance to the Quality Assurance Committee.

- b) The Quality Assurance Committee shall review an annual risk-based Work Plan for the Office of the Quality Service Commissioner and make recommendations to the Board for consideration and approval.
13. Upon the review and recommendation of the Quality Assurance Committee, the Board shall consider and approve the mandate, resources (amount and type) and budget of the Quality Service Commissioner, and shall approve the appointment, performance review and compensation of the Quality Service Commissioner.
14. The Quality Assurance Committee shall receive periodic reports from the Quality Service Commissioner addressing:
- a. department responsibilities and staffing;
 - b. whether the Office of the Quality Service Commissioner has had full access to MPAC's books, records and personnel relating to quality;
 - c. progress on the Quality Service Commissioner Work Plan, including any significant changes to it;
 - d. significant review findings, including issues as to the adequacy of internal control over quality and any procedures implemented in light of significant control deficiencies;
 - e. any significant internal quality issues; and,
 - f. the performance and independence of the Quality Service Commissioner function.
15. The Board of Directors shall have the sole authority to appoint or dismiss the Quality Service Commissioner.
16. The Quality Assurance Committee shall receive, review and discuss and transmit to the Board for their information, findings and reports produced by the Quality Service Commissioner. Such reports shall identify findings, results of tests of internal controls, and recommendations. Where action plans are required to mitigate quality risks, ensure compliance, and strengthen internal controls that are identified by Quality Service processes, such action plans and their implementation by senior and operating management are to be reviewed by and reported to the Quality Assurance Committee at each regularly scheduled meeting.

17. The Quality Assurance Committee shall receive and review all reviews related to the taking of all necessary steps and actions to ensure that MPAC performs the duties assigned to it under the *Assessment Act* or any other Act and assigned to property assessors under any other Act (as per s.9 (1) of the *MPAC Act*), and ensuring compliance with the policies, procedures and standards established by the Minister of Finance for the provision of assessment services by MPAC (s. 10 of the *MPAC Act*).
18. The Quality Assurance Committee shall resolve any disagreements between the Quality Service Commissioner and Management.
19. The Quality Assurance Committee shall, every four (4) years, oversee an independent external review or a Quality Service Commissioner self-assessment with independent validation of the operations and effectiveness of the Quality Services function to ensure that the Office of the Quality Service Commissioner is in compliance with best industry practices.
20. At least one (1) Director shall be a member of each of the Quality Assurance Committee and the Audit Committee.

Performance Management

21. The Quality Assurance Committee shall review the Operations Snapshot outlining the performance management/measurement framework, focusing on the selection and achievement of the annual corporate Key Performance Objectives.
22. The Quality Assurance Committee shall review on a quarterly basis, the performance of MPAC as presented in the Strategic Balanced Scorecard Key Performance Objectives and the Operations Snapshot reports, including the reporting out of MPAC's risk areas and the associated mitigation activities by the Corporate Audit and Risk Officer, and the testing of internal controls over the material quality-related risks by the Quality Service Commissioner and internal controls and assurance provided by Internal Audit Services.
23. The Quality Assurance Committee shall review annually, with Management and the Quality Service Commissioner, the adequacy of MPAC's internal controls relating to the core assessment business and make inquiries about any significant control weaknesses that may materially impact MPAC.

Property Taxpayer, Municipal and Stakeholder Interaction

24. The Quality Assurance Committee shall review the outputs associated with research undertaken with property taxpayers, municipalities and stakeholders including surveys of customer satisfaction, MPAC brand and reputation, and focus groups to inform marketing and stakeholder engagement strategies. The Quality Assurance Committee shall report thereon to the Board.
25. The Quality Assurance Committee shall review the objectives, risks and results of major property taxpayer, municipal and stakeholder communications, marketing and engagement initiatives and shall report thereon to the Board.
26. The Quality Assurance Committee shall recommend to the Board for consideration and approval a Communication Policy for MPAC.
27. The Quality Assurance Committee shall review procedures for the receipt, retention and treatment of complaints relating to assessment matters that have been investigated by the Quality Service Commissioner, and review the results of the investigation and treatment of these complaints.

Continuous Improvement

28. The Quality Assurance Committee shall review quality management and continuous improvement initiatives (such as Strategic Projects Updates).
29. The Quality Assurance Committee may request the Quality Service Commissioner to perform special studies or reviews in matters of interest or concern to the Quality Assurance Committee or the Board.

Other Responsibilities

30. The Quality Assurance Committee shall review, immediately, any submission from the President and Chief Administrative Officer, or the Quality Service Commissioner, concerning any actual or suspected fraudulent or illegal acts with respect to MPAC's statutory responsibilities under the *Assessment Act*, and any other Act, and the Quality Assurance Committee shall oversee any such action taken to resolve or mitigate such fraudulent or illegal acts.

31. The Quality Assurance Committee shall receive regular updates on the implementation of major information technology projects and take all reasonable steps to ensure that the necessary steps have been taken to meet time and budgetary goals.
32. The Quality Assurance Committee, in consultation with the Audit Committee as necessary, shall review the risks of major information technology projects, and the impact of the implementation of information systems and technology, including privacy and cyber security, and take all reasonable steps to ensure that MPAC benefits from the technology to the fullest extent practicable.
33. Any corporate administrative items not specifically mentioned in a Committee's Terms of Reference shall be the responsibility of the Quality Assurance Committee.
34. The Quality Assurance Committee may be delegated other responsibilities by the Board.

Resources

35. In no particular order, the President and Chief Administrative Officer, Quality Service Commissioner and Corporate Audit and Risk Officer shall have direct communication with the Quality Assurance Committee Chair at any time, and shall attend all Quality Assurance Committee meetings.
36. Other members of the Executive or senior Management may be asked to attend meetings of the Quality Assurance Committee as the Committee deems appropriate.
37. The Quality Assurance Committee shall review the need for any resources beyond those identified above. Such additional resources shall be provided by MPAC as deemed appropriate by the Quality Assurance Committee in fulfilling these Terms of Reference.

Committee Operations

38. The Quality Assurance Committee shall prepare annually a Quality Assurance Committee Work Plan to ensure that the foregoing responsibilities and priorities are scheduled and fully addressed. The Work Plan shall be presented to the Board for consideration and approval.

39. The Quality Assurance Committee shall evaluate at least every two (2) or three (3) years the adequacy of these Terms of Reference and recommend any proposed changes to the Governance and Human Resources Committee for consideration and recommendation to the Board of Directors for approval.
40. The Quality Assurance Committee shall, at least annually, review its compliance with these Terms of Reference and evaluate its overall effectiveness and shall report thereon to the Board.
41. Following each Quality Assurance Committee meeting, the Quality Assurance Committee Chair shall report to the Board on the activities, findings, due diligence, and any recommendations of the Quality Assurance Committee.

Procedures

42. Subject to any restrictions imposed by the Board or MPAC's By-laws, the Quality Assurance Committee may periodically fix its own rules of procedure.
43. The Quality Assurance Committee shall meet in separate, non-management Closed sessions with internal personnel or outside advisors, as needed or appropriate.
44. The Quality Assurance Committee shall meet in separate, non-management In Camera sessions at each regularly scheduled meeting.
45. The Quality Assurance Committee shall have sole authority to retain, oversee, compensate and terminate independent advisors to assist the Committee in its activities.
46. The Quality Assurance Committee shall receive adequate funding from MPAC for independent advisors and ordinary administrative expenses that are needed or appropriate for the Committee to carry out its duties.
47. The Quality Assurance committee shall, in consultation with the Board Chair, retain, oversee, compensate and terminate, as appropriate, independent advisors to assist any individual Quality Assurance Committee member as necessary.
48. The Quality Assurance Committee shall carry out any other appropriate duties and responsibilities assigned by the Board.

To honour the spirit and intent of applicable law as it evolves, the authority to make minor technical amendments to these Terms of Reference is delegated to the Executive Director, Board Governance, who shall summarize and report any minor amendments to the Governance and Human Resources Committee annually for information. The Governance and Human Resources Committee shall review any material change(s) to these Terms of Reference at its next regularly scheduled meeting, and recommend such change(s) to the Board for consideration and approval.

For Reference:

Closed session: A session with Board members only and internal personnel or outside advisors, as needed or appropriate.

In Camera session: A session with Board members only.

A **material** change to a governance document is a substantive or fundamental change. It includes, but is not limited to: a proposed change to a role, right, responsibility, or reporting relationship.

An **administrative** change to a governance document is non-substantive. It includes, but is not limited to: a definition, the use of adjectives, an elaboration, a footnote, the use of examples, consolidation of an administrative change in another document for consistency, or the use of technical or clarifying language.

An administrative change does not fundamentally alter any existing role, right, responsibility or reporting relationship.

HISTORY

Amendments:	As of July 14, 2020
Board Received Date:	December 12-13, 2018 (Administrative Amendments)
Committee Review Date:	November 6, 2018 (Governance and Human Resources Committee)
Board Approval Dates:	June 20-21, 2017 June 11, 2015 December 12, 2013 March 21, 2013 November 29, 2012 March 26, 2011 December 3, 2004