



Transfer Payment Program Performance Measurement Framework

Guidance Document

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Background and Context

An Enterprise Performance Measurement Framework

The Transfer Payment Program Performance Measurement Framework (TP PMF) is an enterprise performance framework that was developed to ensure that consistent performance measurement data is available to support evidence-based decision making and continuous improvement of Transfer Payment (TP) Programs. In so doing, the TP PMF also supports the modernization of transfer payment administration, and forms part of the province's response to the 2019 Auditor General recommendations on the oversight of time-limited discretionary programs (often referred to as grants).

In January 2021, the Transfer Payment Consolidation Operational Directive (TPC OD) was released. The TPC-OD provides direction on specific requirements to drive progress towards the goals of modernizing transfer payment administration. This includes requirements for implementing the TP PMF. **Compliance with the TPC-OD is mandatory.**

Objectives

To enable evidence-based decision making and public reporting on TP programs, the TP PMF will:

1. Collect timely, relevant, and consistent TP program performance data on the types of services offered by government across sectors;
2. Provide clear direction to ministries on the parameters of TP program performance and outcomes reporting; and,
3. Establish a standardized approach and process for collecting, sharing and reporting on TP programs and their impact.

The TP PMF is being rolled out in phases, beginning with time-limited and discretionary transfer payment programs.

How to use this document

This document provides background on both the TP PMF, as well as guidance for ministries to support implementation, which will occur at different times for different programs (See page 7 for additional details on Phase 1 applicability). As such, readers may find different sections more useful, depending on whether they are seeking to ensure compliance with the TP PMF for a new program, or preparing a response to the Implementation Planning Template for an existing program.

Contacts

For questions related to the TP PMF, please contact the Centre of Excellence Unit, Strategy and Continuous Improvement Branch at putting_outcomes_first@ontario.ca.

Overview of the TP PMF

The TP Performance Measurement Framework (TP PMF) sets out **minimum reporting expectations** for TP programs, including mandatory measures for new programs and existing programs that are relaunched. The TP PMF consists of three reporting pillars as outlined in the table below.

Table 1. TP PMF Reporting Pillars

	Reporting Pillar 1: Program Coverage	Reporting Pillar 2: Administration Costs	Reporting Pillar 3 Program Impact
Outcome	Transfer Payment (TP) program is reaching its intended beneficiaries and/or providing services to its intended population/region	Transfer Payment (TP) program is delivering value for money	Transfer Payment (TP) program is achieving its expected outcomes and intended impact. Outcomes identified by ministries will be aligned to sectors and outcome domains
Measure(s)	<ul style="list-style-type: none"> Number of end-beneficiaries served/reached <u>OR</u> Number of services/activities delivered 	<ul style="list-style-type: none"> Total program allocation <u>AND</u> Total dollars spent by the Transfer Payment Recipient (TPR) on program administration 	Determined by ministry for the program
Purpose	<ul style="list-style-type: none"> To what extent is the program/service reaching its intended beneficiaries and/or targets? To what extent is the program/service being delivered in the quantity planned? 	<ul style="list-style-type: none"> What does it cost for the TPR(s) to administer the services/program? What portion of the program budget supports the administration of the program? 	To what extent did the TP program achieve its expected short/intermediate and/or long-term outcomes, including impact on beneficiaries/end users?
Application	All in-scope TP Programs except for TP programs under review	All in-scope TP Programs except for TP programs under review	Exemptions for: <ul style="list-style-type: none"> TP programs under review ≤1 year duration (with no renewal) ≤ \$1M total program funding Not practically feasible to collect performance measures

Please Note: Program areas may choose to collect data to support both the performance measurement and performance management of their programs. For new and relaunched programs, ministries are encouraged to review data that is currently collected for each of their programs to assess opportunities to streamline reporting their requirements. Ministries may want to consider the following:

- Is the data business critical?
- Is there an opportunity to use the same data for the performance management and performance measurement of the program?
- Could the current measures be revised to meet performance measurement and performance management needs?

Ministries may wish to reach out to their performance measurement teams or contact TBS at putting_outcomes_first@ontario.ca for additional support with identifying such opportunities.

Phase 1 Applicability: Time Limited and Discretionary Programs

The TP PMF is being phased in over time, starting with **net new**, time-limited and discretionary programs and then **existing** time-limited and discretionary programs that are renewed/relaunched.

Table 2: Applicability of the TP PMF

Phase 1	Later Phases
Time-limited, discretionary Transfer Payment programs (see definitions below) <ul style="list-style-type: none"> - Net new - Existing (at relaunch or per TP PMF Implementation Plan) 	Transfer Payment programs of provincial agencies (i.e. programs delivered by agencies with a mandate to issue transfer payments) Ongoing Transfer Payment programs Entitlement Transfer Payment programs (except support payments)

Definitions

See below for definitions of Phase 1 programs.

- **Transfer Payment (TP) programs:** Programs that transfer funding to external parties, and that are broken down to a level of granularity so that they can meet the following two conditions:
 - I. Each TP program can be separated to identify separate program eligibility criteria (discretionary / entitlement) and TPAD transfer payment category (time-limited / ongoing / support) characteristics. For example, if a discretionary TP program has both time-limited and ongoing payments, it should be separated into two different programs.
 - II. TP programs should be separated to a level where **relevant** outcomes and performance measures can be developed to track progress against program objectives and provide valuable evidence to support a ministry’s case for the level of decisions being requested.
- **A time-limited transfer payment program** is a program where:
 - The activity has a specific end date;
 - Funding is discretionary;
 - The transfer payment recipient is assessed on the ability to achieve the results; and,

- The agreements must establish performance measures for transfer payment activity.
- **A discretionary program:** A discretionary program is a type of transfer payment where eligibility criteria are NOT defined in legislation, regulation or by-laws. Government has the authority over who is to receive the transfer and/or how much is to be transferred.
- **New TP programs:** New TP programs are defined as programs that are approved by Treasury Board/Management Board of Cabinet (TB/MBC) and are not related to an existing transfer payment program as identified in the ministry's most current Program Inventory (i.e. if a ministry disaggregates two existing "programs" into distinct programs to support alignment with the definition of time-limited and discretionary transfer payment programs outlined above, they are not considered new for the purposes of the TP PMF).
- **Existing TP programs:**
 - A transfer payment program that exists within a ministry's Program Inventory
 - Any additional funding approved for existing transfer payment activities (e.g. to meet increased demand for services) identified within a ministry's Program Inventory.
 - A transfer payment program that continues to have activity (i.e., report backs), even if there is no funding associated with it. "Inactive" programs that do not have any further activity (i.e. placeholder programs) are excluded from the definition of "existing" transfer payment program.
- **Relaunched TP programs:** For the purposes of the TP PMF, a relaunched program is an existing program that is relaunched to renew the terms and conditions of the program (e.g., where new applicants are accepted annually and/or new or former Transfer Payment Recipients are funded) OR an existing program that has ended and needs new TB/MBC approval.

Phase 1 Expectations and Effective Dates: New and Existing Programs

The TP PMF will be implemented on TPON. This will support TPON as the ‘one-stop-shop’ for all TP data and ensure a common unified approach for all transfer payment recipients. Additional information on how the TP PMF will be implemented on TPON can be found on page 28.

Summary of Requirements

Table 3 summarizes TP PMF **requirements** and **effective dates** for new and existing programs by TPON onboarding status. Additional detail is provided below.

Table 3: Requirements by program type and TPON onboarding status

Program Type & TPON Onboarding Status	TPC OD Ministry Data Extract*	TP PMF Implementation Plan	TP PMF Data Collected Via TPON	Full TP PMF Compliance
New time-limited and discretionary programs	N/A	N/A	Program start date	Program start date
Existing time-limited and discretionary programs already onboarded to TPON	N/A	June 30th of each year until programs are in compliance	TBD based on Implementation Plan**	TBD based on Implementation Plan
Existing time-limited and discretionary programs not yet onboarded to TPON	June 30th of each year until the programs have onboarded	June 30th of each year until programs are in compliance	TBD based on Implementation Plan**	TBD based on Implementation Plan

* Ministry data extract is separate and distinct from the TP PMF implementation plan. The ministry data extract will collect tombstone data on programs NOT yet onboarded to TPON (does not include performance data). The TP PMF implementation plan is expected for all existing TP programs that are in-scope for the TP PMF, regardless of TPON onboarding status.

** Dates identified in the TP PMF Implementation Plan must comply with existing direction for module usage outlined in the TPC OD.

Implementation of the TP PMF for New TP Programs

All net new, time-limited and discretionary TP programs must use a dynamic form to collect performance information in the TPON report back module. This includes specific performance information that supports the three reporting pillars of the TP PMF (please see “Guidance by Reporting Pillar” for more information on specific performance information to be collected by the ministry).

- For net new programs, requirements take effect immediately at program launch.

Implementation of the TP PMF for Existing programs

All existing, time-limited and discretionary programs must submit an Implementation Plan to TBS via MPBSD' TPONPAR one-window service no later than **June 30th of each year** until programs are in compliance with TP PMF requirements. The plan must provide expected timelines for full compliance for each in-scope program.

- As part of the Implementation Plan, Ministries will be asked to include the following key information:
 - 1) A list of all existing time-limited and discretionary transfer payment programs
 - 2) The expected renewal/relaunch date for the programs
 - 3) At least one performance measure that aligns with each of the required TP PMF reporting pillars (where available)
 - 4) The expected date of compliance for the development and collection of data for ALL applicable reporting pillars, including the date by which the program will transition to dynamic report backs.
- Please see "Instructions for Completing the TP PMF Implementation Planning Template" below for more information.

Ministries are encouraged to ensure that programs (and their TP agreements) are structured to allow for the collection of relevant and specific performance information that supports the TP PMF, as programs are relaunched/renewed.

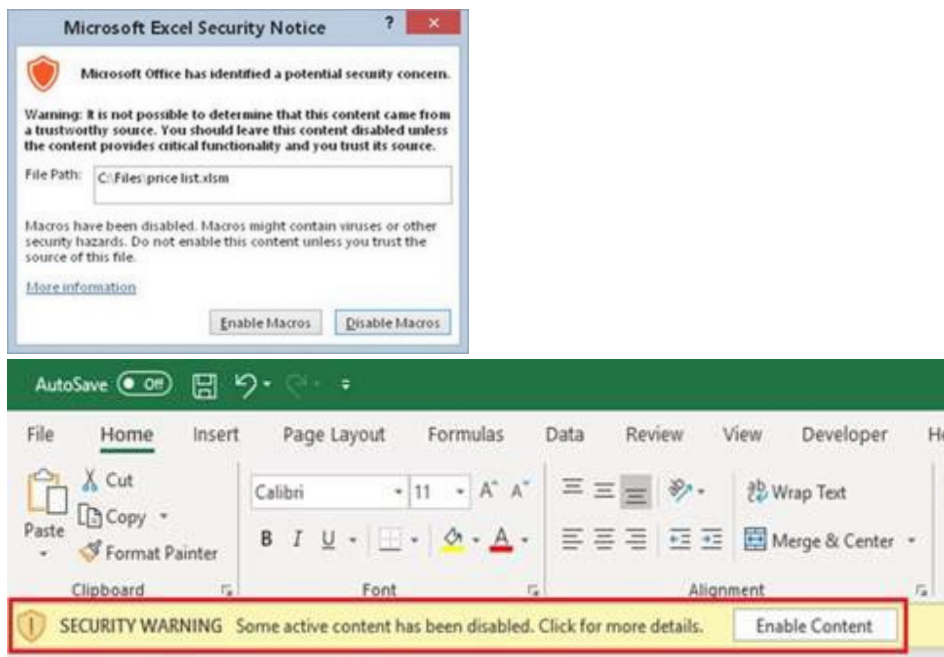
Instructions for completing the TP PMF Implementation Planning Template

As part of the initial roll out of the TP PMF, all existing, time-limited and discretionary programs must submit an Implementation Plan that provides expected timelines for full compliance with the TP PMF for each in-scope program.

An Excel template with pre-populated information will be provided to each ministry. The ministry should review this pre-populated information and edit accordingly (e.g., update program relaunch/renewal dates). The completed Implementation Plan must be submitted to TBS by **June 30th** via TPONPAR@Ontario.ca.

Getting Started

1. Please enable macros on the workbook by clicking “Enable Content” on the Security Warning to enable multi-select functionality in dropdowns.



2. Review the instructions in this Guidance Document and on **Tab 1** of the workbook.
3. Collect the following information before you begin entering data into the workbook.
 - TP Program Name and Number (as listed in the Program Inventory)
 - Expected renewal/relaunch dates for the programs
 - List of program goals/objectives/outcomes

- List of program measures being collected and/or reported on currently
- 4. Confirm your Ministry name on Row 3.
- 5. Enter the Date of Completion on Row 4.

<p>TP PMF Implementation Plan 2023-24</p> <p>Ministry:</p> <p>Date of Completion:</p>
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Transfer Payment Program Details (Columns A to I)

This section identifies the TP programs that the ministry identified in their 2022-23 Implementation Planning Template.

- A.** Validate the pre-populated program name as it appears in the TBS Program Inventory in column A, or enter the name, as required.
- B.** Validate the pre-populated Program Inventory number in column B, or enter the number, as required
- C.** Validate the program name/sub-program name provided by the ministry in their 2022-23 TP PMF Implementation Plan in column C, or enter the name, as required
- D.** Validate the program description in column D, update it as needed, or enter the description.
- E.** Validate the program classification in column E as identified in the Program Inventory, update it as needed or select the classification from the drop-down.
- F.** Update with total program allocation with the 2023-24 amount. It's been pre-populated with 2022-2023 value.
- G.** Validate the status of the program's transition to TPON, update it as needed, or select the status from the drop-down.
- H.** Update the expected renewal/relaunch date for the program (e.g., if the program renewed in 2022-23, please select the next renewal date for the program from the drop-down).
- I.** Enter a primary contact from your ministry's corporate area in column I. This will be the first point of contact for questions about the ministry's implementation plan.

Transfer Payment Program Details (In-scope programs = ALL existing time-limited, discretionary TP Programs)								
A	B	C	D	E	F	G	H	I
Program Name (As it appears in the TBS Program Inventory)	NEW Program Inventory Number	Program/Sub-Program Name (As provided by the ministry in their 2022-23 Implementation Plan)	NEW Program Description	NEW Program Classification (time-limited, ongoing, support) See tab 3 for definitions.	Total Program Allocation (2023-24) Total allocation should be consistent with what the ministry has reported in TBS program inventory	Status of TPON Transition (Onboarded, Forecasted, Out-of-scope)	Expected Renewal/Relaunch Date (Fiscal Year, Quarter)	NEW Primary contact in ministry corporate area
<i>Ministry entry or validation</i>	<i>Ministry entry or validation</i>	<i>Ministry entry or validation</i>	<i>Ministry entry or validation:</i>	<i>Ministry entry or validation: drop-down select one</i>	<i>Ministry entry or validation</i>	<i>Ministry entry or validation: drop-down select one</i>	<i>Ministry entry or validation: drop-down select one</i>	<i>Ministry entry (individual's) to be first point of contact for questions about the implementation plan)</i>
This row in an EXAMPLE Flowers for toddlers	P01111	Flowers for Toddlers	The flowers for toddlers program supports healthy child development and brings joy and happiness to children by	Time-limited	\$1.5M	Onboarded	2023-24, Q2	Name Branch Name@ontario.ca

Section 1: TP PMF Reporting Pillar 1- Program Coverage (Columns J to K)

Reporting Pillar 1 of the TP PMF will support the collection of consistent information on program coverage to better understand the extent to which programs are reaching their intended beneficiaries and/or delivering activities/services in the quantity planned.

- J.** Indicate if the program is currently undergoing a program review. If 'Yes', you can skip to column R. If 'No', go to column K.
- K.** Select **one or more** of the measures each program currently collects from the drop-down menu. Refer to **Appendix C** for definitions of End-beneficiaries and Services/Activities.
- L.** Provide a brief description of the measures identified in column K. If you selected 'Other' in column K, indicate what is being measured in column L.

J	K	L
Exclusion from TP PMF	Reporting Pillar 1: Program Coverage TP program is reaching its intended beneficiaries and/or providing services to its intended population/region	
Indicate if the program is currently undergoing a program review Ministry entry or validation: drop-down select one (Yes/No) *NOTE: If yes, please skip to COLUMN R	Indicate all the measures currently collected <ul style="list-style-type: none"> • # of beneficiaries served • # of services/activities delivered • Other • Not currently collected Ministry entry or validation: drop-down multi-select	Provide a brief description of the measure. If "other", indicate what is being measured Ministry entry or validation (100 character limit)

Section 2: TP PMF Reporting Pillar 2 - Program Cost (Columns M to N)

Pillar 2 of the TP PMF will support the collection of consistent information on program administration cost to better understand what it costs the **Transfer Payment Recipient(s)** to deliver the program (**NOT** the cost for the ministry program area to administer the funds) and to build capacity for assessment of value for money over time.

- M.** For Column M, please select **Yes/No/Admin costs not eligible** from the drop-down menu to indicate whether the program currently measures total dollars spent by Transfer Payment Recipients (TPR) on program administration. Select “admin costs not eligible” if administration costs are not an eligible program expense.
- N.** Provide a definition of administration costs, either at the ministry or program level, and spending limits (e.g., 10% of total allocation) where available.

M	N
Reporting Pillar 2: Program Cost TP program is delivering value for money	
Indicate if the program currently measures total dollars spent by the TPR on program administration? Ministry entry or validation: drop-down select one (Yes/No/Admin costs not eligible) Note: 'Admin costs not eligible' applies if administration costs are not an eligible program expense	Where applicable, provide a brief definition of how administration costs for a program is defined , either at the ministry or program level and spending limits where applicable (please indicate which). Ministry entry or validation (500 character limit)
Yes	Salaries of administration staff, office expenses, and advertising costs are acceptable administration costs. Total administration cost cannot exceed 20% of

Section 3: TP PMF Reporting Pillar 3 - Program Impact (Columns O to T)

Pillar 3 of the TP PMF will support the collection of information on program impact to better understand the extent to which programs are achieving their expected short, intermediate and/or longer-term outcomes, including impact on the intended end beneficiaries.

- O.** In Column O, indicate whether any exclusions apply to the program by selecting from the drop-down menu. If the program is excluded from reporting on Pillar 3, skip to Column R.
- P.** In Column P, identify the **intended outcome(s)** of the program. It is possible that programs may have multiple outcomes. **Each intended outcome should be entered on a separate row.** If there are no outcome statements for the program, enter N/A in this column.
- Q.** In Column Q, identify the **outcome measure(s)** that is used to monitor whether the program is progressing towards its intended outcome(s). Programs may have multiple outcome measures for each outcome. **Each outcome measure should be entered on a separate row.** Include any currently collected measures contributing to the program’s intended outcome(s). Do not include planned outcome measures that are not yet reported on or approved. If there are no outcomes measures for the program, enter “not currently collected” in this column.
- R.** In Column R, select the outcome sector that the program aligns with the most from the drop-down menu. Please see Appendix A for a list of sectors.
- S.** In Column S, select the outcome domain that the program aligns with the most from the drop-down menu. Please see Appendix A for a list of outcomes domains for each sector.
- T.** If you selected ‘Other’ in Column S, enter another domain that aligns with the program.

Please Note: When adding rows to capture multiple outcomes or measures for a given program, do not merge cells of information. If a value is the same across multiple rows, please copy the information in each cell.

O	P	Q	R	S	T
Reporting Pillar 3: Program Impact TP program is achieving its expected outcomes and intended impact.					
<p>Exclusion from reporting on pillar 3 (program impact), select one that applies:</p> <p>(1) Not excluded from reporting on program impact</p> <p>(2) Program is ≤ 1 year in duration</p> <p>(3) Total program funding allocation is ≤ \$1M</p> <p>(4) Other reasons approved by TBS</p> <p><i>Ministry entry or validation: drop-down select one</i></p> <p><i>*NOTE: If (2), (3), (4) applies, skip to COLUMN R</i></p>	<p>Identify the intended outcome(s) of the program. It is possible that programs may have multiple outcomes. Each intended outcome should be entered on a separate row. If there are no outcome statements for the program, enter N/A in this column.</p> <p><i>Ministry entry or validation (500 character limit for EACH intended outcome)</i></p>	<p>Identify the outcome measure(s) that are used to monitor whether the program is progressing towards its intended outcome. Each outcome measure should be entered on a separate row. If there are no outcome measures for th program, enter "Not currently collected"</p> <p><i>ministry entry (200 character limit)</i></p>	<p>Identify outcome sector the program aligns with the most/ that best reflects the primary purpose and objectives of the program.</p> <p><i>Ministry entry: drop-down select one</i></p>	<p>Identify outcome domain the program outcome aligns with the most. Consider the types of services provided, the client groups served, or the issues addressed by the program.</p> <p><i>Ministry entry: drop-down select one</i></p> <p><i>Note: You must select the outcome sector first</i></p>	<p>If "other" was selected for outcome domain, then enter a new domain that more accurately reflects the purpose and objectives of the program.</p> <p><i>Ministry entry (100 character limit)</i></p>
Not excluded from reporting on program impact	Children are happy to receive flowers	# of children who giggled upon receiving flowers	Education & Training	Community engagement and involvement	N/A

Section 4: TP PMF Implementation (Columns U to W)

This section asks for details on the ministry’s implementation plans for existing TP programs.

- U.** In column U, please select the expected date by which the program will start collecting data for ALL applicable reporting pillars under the TP PMF. Please refer to the Pillar checklists within this document to confirm that the program is collecting all the required data elements for each applicable reporting pillar **before** selecting “already implemented”.
- V.** In column V, please select the expected date by which the program will begin using the TPN dynamic form in the report back module to collect TP PMF performance measurement data. Please refer to the Pillar checklists within this document to confirm that the program is collecting all of the required data elements for each applicable reporting pillar **before** selecting “already implemented”.
- W.** Ministries should consult and collaborate with MPBSD to determine a reasonable timeline for implementation. Indicate “Yes/No” if MPBSD was consulted.

U	V	W
TP PMF Implementation Timelines		
Identify the expected date the program will start collecting data for <u>ALL applicable reporting pillars under the TP PMF</u> . See <u>Pillar Checklists in the TP PMF Guidance Document</u> for additional detail on required data elements for each pillar. If program is currently collecting ALL relevant data elements as per the Pillar checklists, then select “Already implemented” Ministry entry or validation: drop-down select one	Identify the expected date the program <u>will begin using a dynamic form in the report back module of TPN</u> to collect the TP PMF performance measures. See <u>Pillar Checklists in the TP PMF Guidance Document</u> for additional detail on required data elements for each pillar. If the program is currently collecting all of the mandatory TP PMF data elements in a dynamic form, then select “Already implemented”. Ministry entry or validation: drop-down select one	Has MPBSD (TP Ontario Branch) been consulted on these timelines? Ministries are required to consult with MPBSD on timelines for transition to dynamic report back forms in TPN. Ministry entry or validation: drop-down select one (Yes/No)
Already implemented for applicable pillars	2022-23, Q2	Yes

Phase 1 Guidance by Reporting Pillar

The TP PMF sets out three reporting pillars for TP programs. Details on the purpose and requirements for each pillar in Phase 1 are outlined below, and in Appendix A.

	Reporting Pillar 1 Program Coverage	Reporting Pillar 2 Administration Cost	Reporting Pillar 3 Program Impact
Outcome	TP program is reaching its intended beneficiaries and/or providing services to its intended population/region	TP program is delivering value for money	TP program is achieving its expected outcomes and intended impact.
Which programs are in scope?	All time-limited and discretionary TP programs except for programs under review	All time-limited and discretionary TP programs, except for programs under review	All time-limited and discretionary TP programs, except for: <ol style="list-style-type: none"> 1. Programs under review 2. Programs ≤1year duration (with no renewal) 3. ≤ \$1M total funding 4. Not practically feasible to collect performance measures*
What measures are required?	<ul style="list-style-type: none"> • Number of end-beneficiaries served/reached OR <ul style="list-style-type: none"> • Number of services/activities delivered 	<ul style="list-style-type: none"> • Total dollars spent by the TPR on program administration 	Determined by the ministry for the program

* TBS approval is required for this exclusion.

Pillar 1: Program Coverage

Purpose

Reporting Pillar 1 of the TP PMF will support the collection of consistent information on program coverage to better understand the extent to which programs are reaching their intended beneficiaries and/or delivering activities/services in the quantity planned.

Mandatory requirements

Two measures of program coverage have been developed to reflect the diverse nature of programs that are funded within and across ministries. Ministries should determine which of the two measures below best reflects the nature and objectives of their program. **Ministries are expected to select one of the Pillar 1 measures to report on for each program.**

1) Number of end-beneficiaries served/reached

- For the purposes of the framework, **end-beneficiaries** are the **ultimate recipients** of the services/goods/outputs. Where a program provides services to a non-specific region/community, consider identifying the region/community of impact.
- The end-beneficiary may or may not be the same as transfer payment recipient. When determining the end-beneficiary for a program, ministries should reflect on the objectives of the program and who the program is intended to support/benefit.
- For example:
 - i. Funding is provided to a municipality/service manager, who then flows funds to a number of community agencies to deliver the program. If the objective of the program is to deliver community housing supports to individuals, the end beneficiary would be the recipients of those services and not the municipality/service manager or the community agencies.
 - ii. Funding is provided to school boards but students are the end beneficiaries when viewed through lens of program objectives, therefore the number of students may be the appropriate measure.

OR

2) Number of services/activities delivered

- For the purposes of the framework, **services/activities** are what is funded via a transfer payment. They have a clear purpose, support a ministry program, and are connected to the achievement of a public policy objective.
- Examples:
 - i. What the Recipient does to produce tangible program results/outputs (e.g., actions taken, processes and/or, tools and technologies developed etc.).
 - ii. A service provided by a Transfer Payment Recipient could be an activity (e.g., # of events, workshops delivered, number of companies supported, technologies funded)

Application

All time-limited and discretionary TP programs are required to respond to this pillar. Ministries are expected to select one of the two measures that best reflects the nature of the program.

Pillar 1: Checklist of Data Elements at Implementation:

- 1) As part of the ministry's program development process, there should be clear identification of the intended beneficiaries for the TP program or what service/activity will be delivered. There should also be clear alignment of the measure with the objectives of the TP program.
- 2) Ensure **data is being collected** to track whether the program is reaching its intended beneficiaries or delivering its planned activities/services. This includes the collection of the following:
 - a) **Measure:** identify what is being measured for program coverage
 - # of end-beneficiaries OR
 - # of services/activities delivered
 - b) **Measurement unit:** identify unit of measurement for the measure e.g. # of participants, businesses, training.
 - c) **Description of the measure:** provide a description of what is being measured.
 - d) **Baseline value and date:** value for the measure at the start of the program which is used for comparison with later data. Include the date of the baseline measure.
 - e) **Target value and date:** A target value is the stated value for a planned result to be achieved within a stated time, against which actual results can be compared. The target value should be the same unit of measurement as the baseline value and the trend value(s). Target date is when the expected target result is expected.
 - f) **Trend/Current value and date:** A trend value is the measure of results. It allows for observation of changes over time. The trend value(s) should be the same unit of measurement as the baseline value and the target value. Trend date refers to when the trend data is measured.
 - g) **Data source:** identify the source of data used to report on program coverage.
 - h) **Frequency of data collection:** Indicate how often the data is available for reporting. Ideally it should be available at least annually.

Pillar 2: Program Administration Cost

Purpose

Pillar 2 of the TP PMF will support the collection of consistent information on program administration cost to better understand what it costs the **Transfer Payment Recipient(s)** to deliver the program (**NOT** the cost for the ministry program area to administer the funds), and to build capacity for assessment of value for money over time.

Pillar 2 will also support a better understanding of the treatment of administrative expenditures that are associated with the delivery of TP programs. This includes asking ministries to provide definitions or guidelines (where applicable) that are currently used to determine admissible administration costs. TBS will use this information to explore the feasibility of standardizing guidelines around administrative expenditures in the longer-term, in consultation with ministry partners.

Mandatory Requirements

Ministries will be expected to collect and report on **one mandatory measure** for Pillar 2: Total dollars spent by the Transfer Payment Recipient on program administration

Ministries are expected to define and report administration costs based on their current policy/guidelines/practice, which identify and describe the treatment of administrative expenditures directly related to the delivery of the program.

Ministries should ensure that they are collecting all the information necessary to support reporting of program administration cost. If program administration cost is captured as a percentage of total program funding, ministries should provide both the percentage and dollar amount.

In some cases, Transfer Payment Recipients may split administrative dollars across various programs. In these cases, ministries are encouraged to make their best efforts to measure administrative costs associated with each program. This could be done, for example, by splitting the Recipients' administrative costs equally amongst all programs or splitting it based on the proportionate share of funding the recipient receives from each program.

As part of the TP PMF Implementation Plan, ministry will be asked to provide a definition of administration cost. Ministries should refer to existing guidelines on admissible and inadmissible administrative expenditures, where applicable/available. Where no guidelines exist, please explain the current practice for how administration costs are treated.

Examples of Program Administration Costs

Administration costs are costs associated with administering/managing a program that can logically be assigned to that program. They do not include costs that support the direct delivery of a service to a client/beneficiary, such as supervision of direct care staff or frontline workers. Some examples are listed below for illustration:

- salaries/benefits of management staff who spend all or a portion of their time dedicated to administrative functions. Staffing costs where staff performs both administration and direct program delivery functions should be pro-rated accordingly. Pro-rating should be based on an estimate of staff time devoted to administrative or program delivery activity;
- costs of staff that support program delivery (e.g., human resources, finance, legal etc.), purchased professional services that are not directly client related, including all costs incurred in purchasing professional services (e.g., fees for administrative or legal work, audit or bookkeeping fees, costs to develop or maintain information systems);
- office expenses, including computer costs, telephone, printing/copying, stationary, postage and courier, office equipment rental and repairs, periodicals, journals and microfilming;
- advertising costs related to the recruitment of staff;
- financing and fundraising costs;
- insurance including the cost of fire, theft, damage, as well as bonding and liability;
- insurance for staff, board members and volunteers; and
- fees paid to professional associations.

Application

All time-limited and discretionary programs are required to respond to Pillar 2, except in case where administration costs are not considered an eligible program expense.

Pillar 2: Checklist of Data Elements at Implementation:

- 1) Ensure relevant **data is being collected** to track program administration costs for all new TP programs and for all relaunched programs. This includes the following:
 - a) **Measure:** this refers to the total dollar spent by the TPR(s) on program administration. If the ministry uses a percentage allowance for administration cost, please provide both the percentage and dollar amount (i.e. % x total dollars)
 - b) **Measurement unit:** this should be in dollars
 - c) **Description:** provide a brief definition of admissible administration cost for the program
 - d) **Total program allocation:** provide total approved allocation (as per the TPAs that make up the program).
 - e) **Total estimated amount for administration:** provide estimated/budgeted amount in \$ to be used for administration of the program.
 - f) **Date of Estimated Amount:** Should reflect the start date of the program. Please enter the estimated date as (mm/dd/yyyy).
 - g) **Final amount for administration costs:** This is the cumulative amount spent on administration as part of the final financial report back from TPR(s) for the program (e.g. Q4(s) or audited financial statement(s)).
 - h) **Date of Final amount:** The date of final amount should reflect the date of the final financial report(s) for the program.
 - i) **Annual amount for administration costs (for multi-year programs):** This is applicable to multi-year programs that may have multiple years of financial reporting.
 - j) **Date of annual amount reported:** This is applicable to multi-year programs that may have multiple years of financial reporting.
 - k) **Data source:** This should be the TPRs' financial reports but if not, please indicate the source of data.
 - l) **Frequency of Data collection:** This should be annually at minimum.
- 2) Provide definition/guidelines used to identify administration cost or current practice for tracking administration cost in the TP PMF Implementation Planning Template.

Pillar 3: Program Impact

Purpose

Pillar 3 of the TP PMF will support the collection of information on program impact to better understand the extent to which programs are achieving their expected short, intermediate and/or longer-term outcomes, including impact on the intended end beneficiaries.

Outcomes and Outcome Measures

Given the diversity of programs that are funded within and across ministries, there are no common measures identified for Pillar 3. Ministries are expected to identify the most relevant outcomes and measures for their programs. **Ministries are strongly encouraged to work with their performance measurement and evaluation teams to support the development or refinement of outcomes and outcome measures for all new programs or in advance of the renewal/relaunch of an existing program.** Ministries may also reach out to the Strategy and Continuous Improvement Branch for additional guidance on the development of outcome measures for their programs at putting_outcomes_first@ontario.ca.

Identifying and measuring program outcomes

When identifying program outcomes, the focus should be on outcomes that are directly related to the goal of the program and aligned with the activities delivered. The outcomes should be clearly aligned to ministry KPIs and government priorities. Ministries should consider the following questions when determining outcomes and outcomes measures for their programs:

- What does the program aim to achieve and what is the intended measurable outcome(s)?
- What measures will help us understand the extent to which the program is making progress towards achieving the intended outcome(s)?
- If the target for the measure is achieved, how will that help satisfy the priorities established by the ministry?
- Can the measure(s) be clearly linked to a ministry level KPI?

Measuring the outcomes/ impact of a program does not require proving that the outcome was caused by the program. It may be difficult to **attribute** outcomes to a particular program as there are many contextual factors that influence an outcome. For this reason, it is acceptable, and may be more appropriate to consider a contributory relationship, where the program can be said to have made a noticeable **contribution** to the identified outcomes.

Additional resources on performance measurement, including the development of logic models, can be found in **Appendix D**.

Please Note: Ministries should ensure that existing programs meets the conditions of the TP program definition (see page 7). In cases where a program has multiple sub-programs/TPON categories with different objectives and outcomes, the ministry may benefit from separating the program into several smaller programs. Existing programs are also strongly encouraged to work towards at least one common measure for all sub-programs/TPON categories that can be rolled up to track and report on progress towards the overall programs outcome(s). The time and effort required to undertake this work should be reflected in the ministry's implementation plans.

Sectors and Outcome Domains

In addition to identifying outcomes and outcomes measures, ministries are expected to 'map' their programs to one sector and outcome domain that reflects the *primary* purpose and objectives of the program.

Sectors and outcome domains were developed through a comprehensive review of ministries' Multi-Year Planning Submissions, the Program Inventory and KPI Inventory, and a review of performance measures used in other jurisdictions for similar sectors. They were validated through consultation sessions with ministries to ensure their relevance and alignment to the full range of ministry funded programs.

See **Appendix A** for a list of outcome domains identified for each sector.

- Business, Jobs and Economy
- Education and Training
- Health
- Justice
- Environment and Resources
- Human and Social Services
- Other Public Interest

For example:

Sectors	Outcome Domains	Outcome	Outcome Measure(s)
Ministry selects from pre-defined list of sectors E.g., Business Jobs & Economy	Ministry selects from pre-defined list of outcome domains for the selected sector E.g., Economic Growth/Recovery and Job Development	Ministry identified	Ministry identified

Key considerations for mapping programs to sectors and outcome domains

- A program should be mapped to the sector and the outcome domain that aligns most closely with the primary purpose and objectives of the program. Consider the types of services provided, the client groups served, or the issues addressed by the program.
- A program should be mapped to only one sector and outcome domain.
- Not all programs within a ministry must fall under the same sector or domain.

Application

All time-limited and discretionary TP programs are required to respond to Pillar 3 unless they meet at least one of the exclusion criteria outlined below.

Exclusions for Pillar 3

Exclusions only apply to Pillar 3. Ministries who meet the exclusion criteria for Pillar 3 are still required to report on Pillars 1 and 2.

- 1) Programs are of one-year duration or less, **with no annual renewal**
- 2) Total program funding is equal to or less than \$1M
- 3) It is not practically feasible for a program to report on outcomes. **Note:** Programs seeking approval for exclusion criterion 3 are required to consult with the Centre of Excellence Unit within TBS to discuss the rationale for exclusion. Ministries can send an email to putting_outcomes_first@ontario.ca to request a meeting.

Pillar 3: Checklist of Data Elements at Implementation:

Ensure the following data elements are collected for reporting on program impact.

- a) **Target Sector:** Identify funding sector for the program. All sub-programs (i.e., TPON program categories under the program) should align to the same sector.
- b) **Outcome Domain:** Identify the program's primary outcome domain.
- c) **Outcome Statement:** Briefly describe the desired outcome or change the program is trying to achieve. The outcome identified by ministry should reflect the objectives of the TP program.
- d) **Outcome Measure:** Identify the measure used to track progress for the above outcome statement
- e) **Measurement Unit:** indicate the unit of measure for the outcome measure
- f) **Description of the measure:** provide a brief description of what is being measured
- g) **Baseline Value and Date:** value for the measure at the start of the program/agreement which is used for comparison with later data. Include the date of the baseline measure.
- h) **Target Value and Date:** A target value is the stated value for a planned result to be achieved within a stated time, against which actual results can be compared. The target value should be the same unit of measurement as the baseline value and the trend value(s). Target date is when the expected target result is expected.
- i) **Trend Value and Date:** A trend value is the measure of results. It allows for observation of changes over time. The trend value(s) should be the same unit of measurement as the baseline value and the target value. Trend date is when the trend data was measured.
- j) **Data Source:** identify the source of data used to report on program impact.
- k) **Frequency of Data Collection:** Indicate how often the data is available for reporting. Ideally it should be available at least annually.

Implementing the TP PMF on TPON

Identifying and collecting TP PMF performance information in TPON

The TP PMF establishes requirements related to the collection of program performance measures at the TP program level (see page 7 for definition of TP program). Table 4 below describes how the TP program definition rolled out in 2022-23 MyP aligns with the TPON data hierarchy and how the TP PMF will be applied in TPON.

Table 4

Ministry Name	TPON program level	TPON program category name
Ministry A	Program 1	Category 1a
		Category 1b
		Category 1c
		Category 1d
		Category 1e

All data collected at the category level (1a-1e) will be rolled up to the TPON program level for reporting.

The TP PMF will collect performance data at the TPON program level.

For new and relaunched programs, the TPON program name should be the same as the program name identified in the Program Inventory.

To increase access to and use of performance information for decision making, data must be collected in TPON through dynamic forms for all **new** programs.

By creating a dynamic form for report backs, program reporting requirements will be mapped directly into the TPON system and made available to TPRs for reporting through the report back module.

- **Expectations for New Programs**
 - Net new programs are expected to work with the TP Ontario Branch at MPBSD, as part of the onboarding process to develop a dynamic form for **report backs**, including the mandatory TP PMF performance measures, and data elements outlined in the Pillar checklists on pages 20, 23, and 27.
 - Where ministries are seeking TB/MBC approval of new transfer payment programs, an MPBSD approved plan to onboard the program onto TPON must be in place. Please see the TPC-OD for additional guidance on requirements for new programs.
- **Expectations for Existing programs:**
 - For existing programs, the expectation to use the dynamic form in TPON to identify and collect performance information is being phased in over time.

- As part of their implementation plans, ministries are asked to identify the expected date by which all existing programs will transition to dynamic form reporting.
- Additionally, for in-year requests for funding for an existing transfer payment program, the ministry will be asked to provide confirmation of when the program will be onboarded onto TPON's dynamic form reporting (with endorsement from MPBSD), as part of their business case for TB/MBC.

Operationalizing TP PMF requirements in TPON

MPBSD will support ministry implementation of the TP PMF requirements for **new** TP programs during the onboarding process. MPBSD will work with ministries to collect TP PMF data through dynamic forms, ensuring that the information is housed in TPON and can be reported as required.

For **existing and/or renewed/relaunched** programs, MPBSD will work with ministries according to their respective TP PMF implementation plan and timelines to help ensure PMF requirements are captured in subsequent reporting/contracting cycles.

Where ministries are seeking TB/MBC approval of new transfer payment programs, they should work with MPBSD before/after approval on how to set up the TP PMF requirements as part of the onboarding process. It is recommended that program areas contact the TP Ontario Branch at least 6 to 8 weeks prior to the start date of the program.

TP PMF Data Use

The TP PMF will support the use of program level performance information to improve the system of decision-making and reporting and drive continuous improvement of TP programs and services.

Ministry Data Use

Ministries are strongly encouraged to use TP PMF measures and other relevant program level performance measures to support ministry decisions. For example, program level data can be used to support:

- Program management and ongoing assessment of TP program performance;
- Identification of programs for review/evaluation.
- Identification and refinement of ministry level KPIs to ensure that funded programs will support progress on ministry level indicators and ministry identified strategic priorities; and,
- Identification of opportunities to integrate transfer payment agreements to reduce administrative burden for Transfer Payment Recipients.

Ministries will also be expected to include TP PMF measures and data (once it is available) to support their submissions to Treasury Board/Management Board of Cabinet.

Central Reporting

Ministries are expected to enter TP PMF data into TPON only, for all new transfer payments. Once available, TP PMF data may be extracted from TPON to support the development of ministry dashboards which will be used to track and report on progress of the TP PMF and the modernization of transfer payment administration more broadly.

TBS will make every effort to provide ministries with the opportunity to review these summaries, respond to the findings and seek necessary internal approvals, as required, prior to its use. Ministries will also be given the opportunity to validate any data included in ministry dashboards before they are shared and used for progress reporting.

Public Reporting

Auditor General recommendation 12 on the oversight of time-limited and discretionary grants outlines the need for ministries to monitor the impact of program funding and provide greater transparency on program outcomes, including public reporting of results achieved. To respond to this recommendation, TBS is exploring options for publicly reporting TP program outputs and outcomes, in the longer term. A phased approach will

be taken for public reporting and ministries will be consulted on all plans and proposed timelines.

Appendix A: Performance Measurement Framework

Table 1. TP PMF Reporting Pillars

	Reporting Pillar 1	Reporting Pillar 2	Reporting Pillar 3
Objective	Program Coverage	Program Administration Cost	Program Impact
Outcome	TP program is reaching its intended beneficiaries and/or providing services to its intended population/region	TP program is delivering value for money	TP program is achieving its expected outcomes and intended impact. Outcomes identified by ministries will be aligned to sectors and outcome domains
Measure(s)	<ul style="list-style-type: none"> Number of end-beneficiaries served/reached <u>OR</u> Number of services/activities delivered 	<ul style="list-style-type: none"> Total program allocation <u>AND</u> Total dollars spent by the TPR on program administration 	Determined by ministry for the program
Purpose	<ul style="list-style-type: none"> To what extent is the program/service reaching its intended beneficiaries and/or targets? To what extent is the program/service being delivered in the quantity planned? 	<ul style="list-style-type: none"> What does it cost for the TPR(s) to administer the services/program? What portion of the program budget supports the direct administration of the program? 	To what extent did the TP program achieve its expected short/intermediate and/or long-term outcomes, including impact on beneficiaries/end users?
Application	All in-scope TP Programs except for TP programs under review	All in-scope TP Programs except for TP programs under review	Exemptions for: <ul style="list-style-type: none"> TP programs under review ≤1 year duration (with no renewal) ≤ \$1M total funding Not practically feasible to collect performance measures

Table 2: Sectors and Outcome Domains for Reporting Pillar 3

Reporting Pillar 3	
Sectors	Outcome domains
Business, Jobs & Economy	<ul style="list-style-type: none"> • Economic Growth/Recovery & Job Development • Innovation & research
Education & Training	<ul style="list-style-type: none"> • Learning and employment readiness • Modernization of education system • Community engagement and involvement • Meeting the needs of marginalized groups
Health	<ul style="list-style-type: none"> • Access to health services & supports • Integration of health care/services for Ontarians • Quality of care • Supporting public health in Ontario
Justice	<ul style="list-style-type: none"> • Enhanced support for community & public safety • Modernization of the justice system • Meeting legislated requirement (e.g., duty to consult)
Environment & Resources	<ul style="list-style-type: none"> • Environmental science & monitoring • Responsible & sustainable resource development • Conservation & protection of Ontario's natural resources
Human & Social Services	<ul style="list-style-type: none"> • Strong individuals, families & communities • Basic needs & safety • Economic security & independence • Social inclusion & engagement • Health
Other Public Interest	<ul style="list-style-type: none"> • Occupational health & safety • Supporting culture & heritage • Capital Infrastructure

Appendix B: Definitions

Activities: An activity funded via a transfer payment has a clear purpose, supports a ministry program, and is connected to the achievement of a public policy objective (e.g. a service delivered by a TPR, could be considered an activity).

End-beneficiaries: The ultimate recipients of the services/goods/outputs, which may or may not be the same as transfer payment recipients. Where a program provides services to non-specific region/community, consider identifying the region/community of impact.

Outcomes: These are changes that can be observed and measured. Outcomes can be immediate as in the case of short-term outcomes, intermediate-term or long-term, and may include changes in knowledge, attitudes, behaviour or the conditions people experience. Note that there are alternative ways of framing the sequence of outcomes – focusing more on the influence (i.e., immediate, intermediate, ultimate).

Outputs: The tangible results of the activities. This may include the number of direct products or services of program initiatives (e.g. number of inspections) and the number of people benefiting from the activities (e.g. number of home care clients).

Performance Management: Performance management is the overarching process that deals with the performance of a program.

Performance Measure: A performance measure provides a numeric result that indicates whether a government or organization is achieving success or whether more work is needed (effectiveness). Further to this, government programs are funded because there is an understanding that these investments are working toward achieving government priorities, with the most cost-effective approach (efficiency). Measuring performance verifies that this is happening, and indicators provide the evidence.

Performance Measurement: Performance measurement is a subprocess of performance management that focuses on the identification, tracking and communication of performance results by the use of performance measures.

Program Administration Cost: TBS is exploring opportunities to standardize guidelines for administrative costs in consultation with ministries partners, in the longer-term.

As there is currently wide variation in how ministries identify eligible administration cost, ministries are asked to determine administration costs that best align with their ministries' policy/guidelines for the initial implementation of the TP PMF.

Project Budget: Total funding approved for the TP program. This may be the sum of funding to all TPAs supporting the delivery of the program.

Target: This is a clear and concrete statement of planned results to be achieved within a particular time frame.

Transfer Payment: TPAD defines Transfer Payments as a mechanism used by the Ontario government to fund activities that benefit the public and are designed to achieve public policy objectives. Transfer payments are transfers of money to individuals (e.g. transfer payment recipients of disability support payments), external organizations (e.g. public hospitals, school boards, not-for-profit corporations) or to other governments (e.g. municipalities, First Nations) for which the Ontario government does not:

- receive goods or services directly in return, as would occur in a purchase or sales transaction;
- expect to be repaid in the future, as would be expected in a loan; or
- expect a direct financial return, as would be expected in an investment

TPAD also sets out three categories of transfer payments: ongoing, time-limited, and support payments. **However, the TP PMF only applies to time-limited and discretionary programs.**

Transfer Payment Agreement: A signed document required for the management and oversight of all transfer payment activities that clearly identifies the rights, responsibilities and obligations for both the recipient and the accountable ministry. Ministries must have a signed agreement in place with a recipient before a transfer payment is provided.

Transfer Payment (TP) programs: Programs that transfer funding to external parties, and that are broken down to a level of granularity so that they can meet the following two conditions:

- III. Each TP program can be separated to identify separate program eligibility criteria (discretionary / entitlement) and TPAD transfer payment category (time-limited / ongoing / support) characteristics. For example, if a discretionary TP program has both time-limited and ongoing payments, it should be separated into two different programs.
- IV. TP programs should be separated to a level where **relevant** outcomes and performance measures can be developed to track progress against program objectives and provide valuable evidence to support a ministry's case for the level of decisions being requested.

Transfer Payment Recipient: An individual or entity that is legally capable of contracting (e.g. a corporation) that has received a transfer payment from the Ontario government.

TP Program Categories (time-limited, ongoing, support)

- Time-Limited Transfer Payment: Payment that has a specific end date (e.g., September 2025). Funding decision is discretionary.
- Ongoing Transfer Payment: A payment that does not have a specific end date (e.g., operational funding to hospitals). Funding decision may or may not be discretionary. It may be required by legislation or regulation.
- Support Transfer Payment: Is a payment that may or may not have a specific end date. Recipient of the funds is also typically the direct beneficiary and is assessed on eligibility only and the agreement does not establish performance measures. Funding decision may or may not be discretionary. It may be required by legislation or regulation.
- For further information on TP program categories and examples, please refer to the Transfer Payment Accountability Directive.

TP Program Eligibility (discretionary, entitlement)

- Entitlement: A type of transfer payment with eligibility criteria defined in legislation, regulations or by-laws; the government must make the transfer payment if the recipient meets eligibility criteria.
- Discretionary: A type of transfer payment where eligibility criteria is NOT defined in legislation, regulation or by-laws. Government has the authority to decide whether to provide funding or not.

Appendix C: Resources

To support the Government's commitment to evidence-based decision making, TBS is exploring additional ways to build capacity for performance measurement and evaluation across the enterprise.

Existing resources

A number of resources have been developed on Inside OPS by the Strategy and Continuous Improvement Branch at TBS to support the development and reporting of outcomes, including, but not limited to:

- [A Guide to Outcome-based Performance Measurement in the OPS](#)
- [Logic Model Fact Sheet](#)
- [Performance Measurement Fact Sheet](#)

Additional Supports

For additional support on performance measurement and evaluation, please send an email to putting_outcomes_first@ontario.ca.