

Ministry of Education

**2023-24 Ontario Child Care and
Child and Family Programs
Business Practice, Service and
Funding Guideline**

First Nations and Child Care Transfer
Payment Agencies

April 2023

Table of Contents

SECTION 1: INTRODUCTION	5
SECTION 2: BUSINESS PRACTICES	6
OVERVIEW OF THE CONTRACT MANAGEMENT PROCESS	6
CONTRACTING	6
FINANCIAL REPORTING	7
PAYMENT	10
POLICY FOR LATE FILING	11
FINANCIAL FLEXIBILITY	12
BASIS OF ACCOUNTING	15
SECTION 3: CHILD CARE SERVICE, FUNDING ELIGIBILITY AND REQUIREMENTS	17
A370/A371 – CHILD CARE REGULAR FEE SUBSIDIES	17
A375 – HEALTH AND SAFETY (REPAIRS AND MAINTENANCE)	20
A377 – SPECIAL NEEDS RESOURCING	26
A392 – WAGE SUBSIDY	30
A394 – PAY EQUITY UNION SETTLEMENT	33
A404 – CHILD CARE TRANSFORMATION	34
A405 – CHILD CARE SUPERVISOR NETWORK – CAPACITY FUNDING	37
A406 – WAGE ENHANCEMENT/HOME CHILD CARE ENHANCEMENT GRANT	42
A407 – ADMINISTRATION FUNDING FOR WAGE ENHANCEMENT/HOME CHILD CARE ENHANCEMENT GRANT	49
A515 – SMALL WATER WORKS	50
BASE FUNDING FOR LICENSED HOME CHILD CARE	51
CHILDREN’S RECREATION PROGRAMS	52
CHILD CARE DATA ELEMENTS	57
SECTION 4: ONTARIO WORKS CHILD CARE	73
PURPOSE	73
ALLOCATIONS	73
ELIGIBLE EXPENDITURES	73
ONTARIO WORKS FORMAL CHILD CARE	74
ONTARIO WORKS INFORMAL CHILD CARE	74
COST-SHARING REQUIREMENTS	74
FINANCIAL FLEXIBILITY	75
REPORTING REQUIREMENTS	76
REQUIRED DOCUMENTATION	76

FILE RETENTION	76
ONTARIO WORKS FORMAL CHILD CARE DATA ELEMENTS:	77
ONTARIO WORKS INFORMAL CHILD CARE DATA ELEMENTS:.....	78
SECTION 5: FIRST NATIONS CHILD AND FAMILY PROGRAMS	79
PURPOSE.....	79
ALLOCATIONS	79
PEDAGOGICAL FRAMEWORK FOR CHILD AND FAMILY PROGRAMS	79
CORE SERVICES.....	80
SERVICE DELIVERY METHODS	81
OPTIONAL PROGRAMS AND SERVICES	82
REGISTERED EARLY CHILDHOOD EDUCATOR STAFFING REQUIREMENTS.....	84
ADDITIONAL CHILD AND FAMILY PROGRAM REQUIREMENTS	86
ELIGIBLE EXPENDITURES.....	87
INELIGIBLE EXPENDITURES	90
REPORTING REQUIREMENTS.....	90
REQUIRED DOCUMENTATION	91
FILE RETENTION	91
SERIOUS OCCURRENCE PROTOCOL.....	92
DATA ELEMENTS	93
APPENDIX A: REVIEW (AUDIT) ENGAGEMENT REPORT REQUIREMENTS	98
APPENDIX B: INELIGIBLE EXPENDITURES	105
APPENDIX C: RESOURCES	107

Highlights of Changes

The table below reflects the important changes made to the 2023-24 Ontario Child Care and Child and Family Programs Business Practice, Service and Funding Guideline. The information outlined below is only meant to be a guide and does not capture all changes.

SECTION	DESCRIPTION OF CHANGES MADE
Mental Health Support for Child and Family Programs	Added: New funding to support mental health initiatives for Child and Family Programs.
Child Care and Early Years Workforce Funding	Removed: Section 6 Child Care and Early Years Workforce Funding as the one-time federal investment through the Canada-Ontario Early Childhood Workforce Agreement ended on March 31, 2023.
Throughout guideline	Removed: Language referencing supports for the sector to address impacts of the COVID-19 pandemic, and the ministry monitoring the situation.

SECTION 1: INTRODUCTION

The Ministry of Education is pleased to release the 2023-24 Ontario Child Care and Child and Family Programs Business Practice, Service and Funding Guideline (“guideline”) for First Nations and Child Care Transfer Payment Agencies.

The guideline outlines the parameters under which the ministry will flow child care and child and family program funding to First Nations and Transfer Payment Agencies, and describes the requirements of the funding. The guideline aligns with the legislation that governs the provision of child care and early years in Ontario, including the *Child Care and Early Years Act, 2014* and the *Early Childhood Educators Act, 2007*, as well as the regulations under each Act.

SECTION 2: BUSINESS PRACTICES

OVERVIEW OF THE CONTRACT MANAGEMENT PROCESS

Since 2021-22, child care and child and family program funding began to flow through a five-year Transfer Payment Agreement with schedules that may be replaced without the requirement of a signature once the initial agreement is signed.

The contract management process consists of three stages: contracting, financial reporting, and payment.

In accordance with the Government of Ontario's Transfer Payment Accountability Directive, and consistent with the principles of prudent fiscal management, funds must be flowed to transfer payment recipients based on the fiscal year indicated on the budget schedule:

- When the agreement is signed and processed (in the first year of the five-year agreement); or,
- after an updated budget schedule is provided to the recipient and the 30-day time period within which the recipient has the right to terminate the agreement has passed.

CONTRACTING

The agreement, which identifies funding levels and service expectations, is distributed to First Nations and Transfer Payment Agencies by email. The 2021-22 to 2025-26 agreement covers the fiscal period of April 1, 2021 to March 31, 2026. **Please note:** Signed agreements are not required for subsequent years (e.g., Years 2-5) following signature in Year 1 (2021-22). Only Schedules B-F will be issued in subsequent years of the five-year agreement. Please retain these updated schedules with your signed agreement.

The agreement between the ministry and First Nations/Transfer Payment Agencies:

- sets out expectations, terms and conditions of funding to support good governance, value for money, and transparency in the administration of transfer payment funds;
- documents the respective rights, responsibilities, and obligations of the ministry and the First Nations/Transfer Payment Agencies; and
- includes specific, measurable results for the money received, reporting requirements, and any corrective action the government is entitled to take if agreed upon results are not achieved.

Email communication between First Nations/Transfer Payment Agencies and the ministry should occur using an email address that is from the First Nation's or Transfer Payment Agency's registered domain. This method of communication reassures senders and

receivers of the email that they are corresponding in a more secure environment. An example of an acceptable e-mail using a registered domain is yourname@yourfirstnation.ca.

FINANCIAL REPORTING

The Reports Schedule of the agreement identifies the ministry's submission requirements for the current fiscal year. First Nations and Transfer Payment Agencies are required to provide the following submissions with respect to the 2023-24 fiscal year to the ministry as per the following cycle:

Submission Type	Due Date
Wage Enhancement Application Form (if applicable)	November 30, 2023 ¹
Financial Statements – Education Finance Information System (EFIS) or Attestation	July 31, 2024

First Nations and Transfer Payment Agencies with an **allocation below \$500,000** must submit its financial report to the ministry through an attestation form. The Financial Accountability and Data Analysis Branch will provide instructions to First Nations and Transfer Payment Agencies for the Financial Statements submission upon release of the attestation form. A brief overview of the Financial Statements submission through an attestation form can be found below.

First Nations and Transfer Payment Agencies with an **allocation of \$500,000 or above** must submit its financial report to the ministry (i.e., Financial Statements) through EFIS. The Financial Accountability and Data Analysis Branch will provide detailed instructions to First Nations and Transfer Payment Agencies for the financial statement submission upon release of the submission in EFIS. A brief overview of the Financial Statements submission through EFIS can be found below.

Financial Statements: Attestation – Allocations below \$500,000

In the Financial Statements submission, the First Nation or Transfer Payment Agency provides their actual expenditures and service data for the year. The Financial Statements submission is a reconciliation of the First Nation's or Transfer Payment Agency's annual funding allocation against actual expenditures once the year-end results are reported. It is due approximately four months following the March 31 year-end date (July 31, 2024) and must include the following elements:

1. Audited Financial Statements of the First Nation or Transfer Payment Agency that covers all programs provided by the First Nation or Transfer Payment Agency, including child care and/or child and family programs;

¹ Only applicable to First Nations with licensed child care programs that require an updated allocation in 2023-24. See [Section 3, Wage Enhancement/Home Child Care Enhancement Grant](#), for details.

2. A post audit management letter issued by the external auditors. If such a letter is not available, written confirmation with the rationale is required.
3. A schedule of child care and/or child and family program revenues and expenses funded by the Ministry of Education. This information may be provided through the following formats:
 - Included as a note to the audited Financial Statements (part of #1 above);
 - Included as a schedule to the audited Financial Statements (part of #1 above); or
 - Included as part of a separate audit or review engagement report².

If the schedule of child care and/or child and family program revenues and expenses do not reconcile to the attestation revenues and expenses, a reconciliation must be prepared by the auditors to reconcile the difference(s).

4. An attestation form verifying the First Nation's or Transfer Payment Agency's compliance with the terms of the agreement for the fiscal year in which the agreement applies.

If a First Nation's or Transfer Payment Agency's audited Financial Statements will not be available by July 31, 2024, the following steps should be taken:

1. Contact your Financial Analyst and your Early Years Advisor to advise them that the year-end reporting requirements cannot be met. The correspondence should include the estimated date of when the ministry can expect the audited Financial Statements as well as other year-end reporting requirements.
2. Submit the attestation form by July 31, 2024 based on the best information available at that time and recognize that it may change following the completion of the audit.
3. Submit a copy of the audited Financial Statements and other remaining requirements as soon as they are available.
4. Contact your Financial Analyst and copy your Early Years Advisor should a change be required to the previously submitted attestation form following the audit of the First Nation or Transfer Payment Agency.

Financial Statements: EFIS – Allocations \$500,000 or over

In the Financial Statements submission, the First Nation or Transfer Payment Agency provides their actual expenditures and service data for the year. The Financial Statements submission is a reconciliation of the First Nation's or Transfer Payment Agency's annual funding allocation against actual expenditures once the year-end results

² The review engagement report allows for the independent verification of data reported within the Attestation form. Sample templates are provided in Appendix A(c).

are reported. It is due approximately four months following the March 31 year-end date (July 31, 2024) and must include the following elements:

1. Audited Financial Statements of the First Nation or Transfer Payment Agency that covers all programs provided by the First Nation or Transfer Payment Agency, including child care and/or child and family programs.
2. A post audit management letter issued by the external auditors. If such a letter is not available, written confirmation with the rationale is required.
3. A schedule of child care and/or child and family program revenues and expenses funded by the Ministry of Education. This information may be provided through the following formats:
 - Included as a note to the audited Financial Statements (part of #1 above);
 - Included as a schedule to the audited Financial Statements (part of #1 above);
 - Included as part of a separate audit or review engagement report³.

If the schedule of child care and/or child and family programs revenues and expenses does not reconcile to the EFIS revenues and expenses, a reconciliation must be prepared by the auditors to reconcile the difference(s).

4. A Recipient Active EFIS submission.

If a First Nation's or Transfer Payment Agency's audited Financial Statements will not be available by July 31, 2024, the following steps should be taken:

1. Contact your Financial Analyst and your Early Years Advisor advising them that the year-end reporting requirements cannot be met. The correspondence should include the estimated date when the ministry can expect the audited Financial Statements as well as other year-end reporting requirements.
2. Submit a Recipient Active EFIS submission by July 31, 2024, based on the best information available at that time and recognize that it may change following the completion of the audit.
3. Submit a copy of the audited Financial Statements and other remaining requirements as soon as they are available.
4. Contact your Financial Analyst and copy your Early Years Advisor should a change be required to the Recipient Active EFIS submission following the audit of the First Nation or Transfer Payment Agency.

³ The review engagement report allows for the independent verification of data reported within EFIS. Sample templates are provided in Appendix A(c).

Variance Analysis

Variance analysis explanations will be required for significant variances in the Financial Statements submission compared to the previous year. First Nations and Transfer Payment Agencies will be contacted by their Financial Analyst to discuss significant variances, including the reason for variances and the potential or actual impacts on staff and services, and may be asked to provide an action plan as part of financial reporting.

If additional in-year funding is announced following the receipt of the signed agreement, a modified variance reporting methodology will be introduced to allow First Nations and Transfer Payment Agencies to report on variances based on the revised funding allocation and increased expenditures.

PAYMENT

Budget Schedule

The Budget Schedule identifies the ministry's allocation to First Nations and Transfer Payment Agencies for the fiscal year. The budget schedule will be updated and provided to First Nations and Transfer Payment Agencies on an annual basis. As with all new schedules, if the recipient does not agree with all or any new schedules, the recipient may terminate the agreement immediately by giving notice to the Province within 30 days of the Province providing the new schedules.

Payment Mechanics

Monthly cash flow percentages as indicated in the table below may initially be based upon the prior year's Budget Schedule. Once a new five-year agreement has been signed and processed by the ministry, monthly cash flows in subsequent years of the agreement will be based on the new budget schedule after:

1. The time period to which the new budget schedule relates commences, and;
2. The time period from when the schedule was made available to the First Nation or Transfer Payment Agency and processed by the ministry.

The Payment Schedule of the agreement identifies monthly cash flow percentages.

Month	Percentage	Month	Percentage
April	8.3%	October	8.3%
May	8.3%	November	8.3%
June	8.4%	December	8.4%
July	8.3%	January	8.3%
August	8.3%	February	8.3%
September	8.4%	March	8.4%

In-Year Funding Adjustments

The monthly cash flow will be updated after both the time period for which an amended 2023-24 Budget Schedule commences, and the amended 2023-24 Budget Schedule is made available to the First Nation or Transfer Payment Agency and processed by the ministry.

Adjustments based on Financial Statements Submission

Upon submission of the Financial Statements (EFIS or Attestation), any difference between the total amount paid to date and the entitlement calculated in the Financial Statements will be adjusted through cash flow to the First Nation or Transfer Payment Agency. This adjustment will be made once the Financial Analyst completes a review of the Financial Statements.

Any funding owed to the ministry by the First Nation or Transfer Payment Agency will be deducted from future monthly payments.

The First Nation or Transfer Payment Agency is not required to issue a cheque to the ministry for the recoverable funding, unless requested by the ministry. The ministry may request payment with a cheque if more than three months or 25 per cent of the annual total allocation will be recovered.

POLICY FOR LATE FILING

The ministry acknowledges that most First Nations and Transfer Payment Agencies provide signed service agreements, updated financial submissions and related information on time. The intent behind the late filing process outlined below is to ensure the ministry has the information required to demonstrate accountability for public funds. The ministry will continue to support our First Nation and Transfer Payment Agency partners with timely filing of financial submission requirements through regional outreach, coaching and resources. The ministry will also follow-up with First Nations or Transfer Payment Agencies impacted by the policy to discuss any challenges with providing the information and to offer support. Late filing policies of financial submissions are implemented as follows:

Policy for late filing of financial submissions (EFIS or Attestation) includes:

- Financial reporting (Financial Statements – EFIS or Attestation);
- Queries related to financial reporting; and
- Financial documentation (e.g., Audited Financial Statements, Review Engagement Reports).

Where a First Nation or Transfer Payment Agency has not filed any submission after the filing deadline, the ministry will take the following action until the submission has been received:

- If the submission is not received by the ministry within 30 days after the filing deadline, the ministry will inform the First Nation or Transfer Payment Agency that the submission is overdue.
- After 31 days, cash flow may be reduced by 50 per cent of their monthly payment until the submission is received.

Upon receipt of the late submission, the ministry will reinstate the normal monthly payment process and will include in the monthly payment the total amount withheld up to that point.

The ministry reserves the right to suspend funding (in-year or in the subsequent year(s)). Should a First Nation or Transfer Payment Agency have any outstanding financial submissions, responses to queries or financial documentation, the ministry may exercise its discretion by not providing funding in the subsequent fiscal year until the financial submissions, responses to queries and financial documentation have been received.

FINANCIAL FLEXIBILITY

Funding to First Nations and Transfer Payment Agencies flows under detail codes (e.g., A370 - Regular Fee Subsidies), which are codes that describe each type of child care funding. The Budget Schedule of the agreement outlines the detail code(s) and the amount of associated funding.

The ministry is continuing to provide enhanced financial flexibility to enable First Nations to spend their child care and child and family program funding to help offset eligible costs associated with child care. If, after maximizing this flexibility and other federal/provincial supports, where available, and further resources are still required, the ministry may provide additional funding to support First Nations in meeting licensing and enhanced health and safety requirements required for child care through the annual Health and Safety funding process.

In-Year Flexibility

First Nations and Transfer Payment Agencies have in-year flexibility to realign funds between detail codes, in accordance with the financial flexibility criteria outlined below, to meet service needs in their communities and address volume and caseload pressures. First Nations or Transfer Payment Agencies must identify the realignment of funding in their applicable financial reporting submissions.

To exercise financial flexibility, First Nations and Transfer Payment Agencies must meet the following criteria:

- **Program/Policy Direction and Priorities** - services must be delivered in the most effective, efficient, and affordable manner with a view towards improving client and service outcomes. Service levels must be consistent with community priorities.

- **Funding Policies and Guidelines** - permanent realignments between detail codes cannot be made. Any flexibility between detail codes is only effective for the current fiscal year.

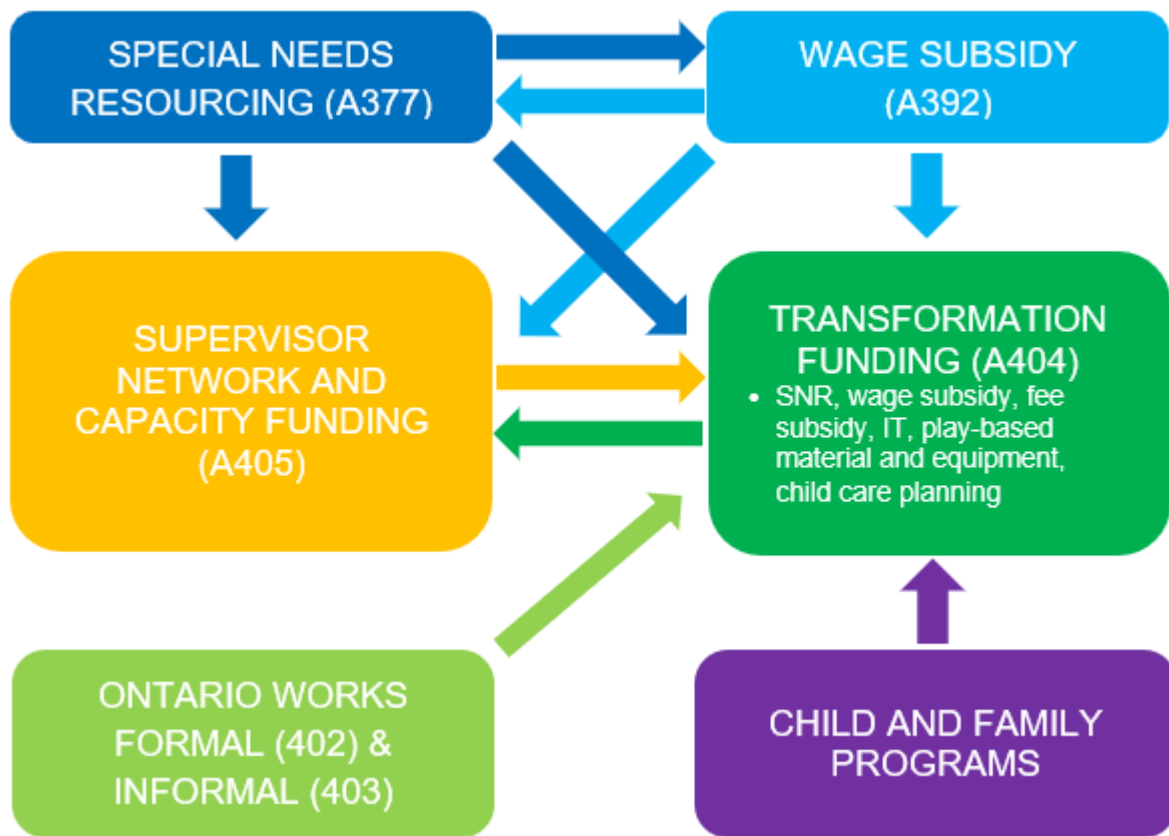
Funding between detail codes can be realigned as follows:

- Funds may be transferred from Special Needs Resourcing (A377), Wage Subsidy (A392), Ontario Works Formal (A402)/Informal (A403), Child Care Supervisor Network – Capacity Building Funding (A405) and Child and Family Programs to Child Care Transformation Funding (A404);
- Funds may be transferred between Special Needs Resourcing (A377) and Wage Subsidy (A392);
- Funds may be transferred from Child Care Transformation Funding (A404) to Child Care Supervisor Network – Capacity Building Funding (A405);
- Funds may be transferred from Special Needs Resourcing (A377) to Child Care Supervisor Network – Capacity Building Funding (A405); however, the reverse is not permitted;
- Funds may be transferred from Wage Subsidy (A392) to Child Care Supervisor Network - Capacity Building Funding (A405); and
- Funds may be transferred between Ontario Works Formal (A402) and Ontario Works Informal (A403).

Please Note:

- Special needs resourcing is a priority for the ministry to ensure the inclusion of children with special needs in licensed child care settings at no additional cost to parents/guardians. This means that prior to the transfer of special needs resourcing funding, First Nations must ensure that all special needs resourcing requirements for children in licensed child care are met.
- Wage Subsidy is a priority for the ministry to enhance staff stability and improve affordability of child care for families. This means that prior to the transfer of Wage Subsidy funding, First Nations must ensure that all wage subsidy requirements of eligible staff in a licensed child care centre or home child care agency have been met.
- There are multiple eligible expenses under Child Care Transformation (A404). First Nations may decide on how to spend this allocation on the eligible expenses to meet community priorities.

The illustration below outlines in-year funding flexibility.



Detail Codes with no Financial Flexibility:

Funds **cannot** be transferred out of or into the following detail codes:

- Child Care Regular Subsidies (A370/A371)
- Health and Safety (Repairs and Maintenance) (A375)
- Pay Equity Union Settlement (A394)
- Wage Enhancement/Home Child Care Enhancement Grant (A406)
- Administration for Wage Enhancement/Home Child Care Enhancement Grant (A407)
- Small Water Works Child Care (A515)
- Base Funding for Licensed Home Child Care

BASIS OF ACCOUNTING

First Nations and Transfer Payment Agencies are required to report their revenues and expenditures using the modified accrual basis of accounting in their Financial Statements submissions. This basis of accounting is also guided by other policies and guidelines.

Modified Accrual Basis of Accounting

The modified accrual basis of accounting requires the inclusion of short-term accruals of normal operating expenditures in the determination of operating results for a given time period. Short-term accruals are defined as payable usually within 30 days of year-end.

The modified accrual basis of accounting does not recognize non-cash transactions such as amortization, charges/appropriations to reserves or allowances as these expenditures do not represent an actual cash expenditure related to the current period⁴.

Under modified accrual accounting, expenditures that would be amortized under full accrual accounting must be recognized as expenditures in the budget year the goods or services are received.

Expenditures made once a year (e.g., insurance) must be recorded in one of the following two methods:

- a. Expenditures will be charged to the period in which they are paid; or
- b. The part of the expenditure that applies to the current year will be expensed in that year.

Either method of accounting for expenditures made once a year is acceptable; however, the selected method must be consistent from year to year.

Ineligible Expenditures

Expenditures deemed reasonable and necessary for the provision of services subsidized by the ministry are eligible in the calculation of the funding entitlement. These expenditures must be supported by acceptable documentary evidence.

All expenditures arising from transactions not conducted at arm's length from the First Nation or Transfer Payment Agency (e.g., transactions in which both parties to the transaction may not be acting independently of each other due to a previous relationship) are ineligible unless transacted at fair market value.

⁴ Non-cash transactions include: provisions for pension expenses; provisions for unused sick leave and wage settlements; provisions for repairs or replacements; provisions for bad debts; retainer fees for legal services; and provisions for amortization. However, related payments are eligible.

Expenses that do not directly support the provision of **child care** and **child and family programs** are ineligible and include the following:

- Interest expenses incurred on operating loans
- Professional organization fees paid on behalf of staff for membership in professional organizations
- Property tax expenses
- Fundraising expenses
- Donations to charitable institutions or organizations
- Bonuses, gifts including gift cards that are not used within the program delivery and honoraria⁵
- Capital loans
- Mortgage financing
- Reserve Funds

For further information on ineligible expenditures, please see [Appendix B](#).

File Retention

First Nations and Transfer Payment Agencies shall retain service and financial records for a period of seven years.

⁵ Honoraria for elders, knowledge keepers, etc. are eligible expenses under child care and child and family programs.

SECTION 3: CHILD CARE SERVICE, FUNDING ELIGIBILITY AND REQUIREMENTS

This section of the guideline applies to all First Nations and Transfer Payment Agencies that receive child care funding and sets out the ministry's expectations, terms and conditions for provincial funding and the corresponding services.

A370/A371 – CHILD CARE REGULAR FEE SUBSIDIES

PURPOSE

Child care plays a key role in helping to promote healthy child development and well-being. It is also an essential support for many parents, helping them to balance the demands of career and family while participating in the workforce or pursuing education or training.

ALLOCATIONS

Child Care Fee Subsidy funding is available through detail code A370 and A371 - Child Care Regular Fee Subsidies, and A404 - Child Care Transformation. This allocation is available in the Budget schedule of the service agreement, if applicable.

ELIGIBLE EXPENDITURES

First Nations may use Child Care Regular Fee Subsidies funding to provide access for eligible families whose children attend licensed child care centres and licensed home child care directly operated or purchased by First Nations.

Please note: Under the former *Day Nurseries Act*, parents of children with special needs could be eligible for fee subsidies for children under 18 years of age. While the *Child Care and Early Years Act, 2014* defines a child as under the age of 13 years, the government has taken steps to support continuity of care for children with special needs. Parents of children with special needs who were in receipt of a service or received financial assistance (subsidized child care) before August 31, 2017 will be allowed to continue to receive assistance until that child turns 18, provided that they meet other eligibility criteria that are unrelated to age. For example, if a person with special needs started to receive financial assistance at age 12 on August 30, 2017, he/she is eligible to continue receiving that financial assistance until he/she turns 18 in the year 2023. This means that these adolescents will not experience a financial assistance disruption based on their age.

Operating costs for transportation may be included in fee subsidies if they are part of the licensed child care program or home child care budget.

Costs such as the purchase of a bus or capital builds are not eligible expenditures.

COST-SHARING REQUIREMENTS

Child Care Regular Fee Subsidies (A370) is cost shared with 80 per cent provided by the province and 20 per cent by the First Nation. Funding is flowed under the *Child Care and Early Years Act, 2014*.

For example, the following must be spent by a First Nation in order to receive the full allocation:

	Ministry Share	First Nation Share	Total Costs Incurred ⁶
A370 Child Care Regular Fee Subsidies (80/20 Cost Share)	\$10,000	\$2,500	\$12,500

First Nations Newly Funded in 2016-17 and Onwards

For First Nations newly funded in 2016-17 and onwards that did not previously receive federal funding contributions, ministry funding is flowed under the *Child Care and Early Years Act, 2014*. Please refer to the Child Care Regular Fee Subsidies (A371) program description schedule of your service agreement for more information.

FINANCIAL FLEXIBILITY

Fee subsidy funding cannot be moved to any other detail codes.

REPORTING REQUIREMENTS

First Nations are required to report financial and service data to the ministry related to Child Care Regular Fee Subsidies expenses. First Nations will provide this information as part of their year-end Financial Statements submission (EFIS or Attestation Form).

In addition to total expenses, First Nations are required to report on the Child Care Regular Fee Subsidies data elements outlined in this guideline. These data elements include:

- average monthly number of infants benefiting from subsidized child care;
- average monthly number of toddlers benefiting from subsidized child care;
- average monthly number of preschoolers benefiting from subsidized child care;
- average monthly number of kindergarten children benefiting from subsidized child care;
- average monthly number of school age children benefiting from subsidized child care; and
- cumulative number of children benefiting from subsidized child care.

⁶ If the cost incurred by the First Nation is less than \$12,500, the amount of funding the First Nation receives from the ministry will decrease.

Please see the Data Elements subsection below for additional details on reporting requirements.

REQUIRED DOCUMENTATION

First Nations shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations shall retain service and financial records for a period of seven years.

A375 – HEALTH AND SAFETY (REPAIRS AND MAINTENANCE)

PURPOSE

Health and Safety (Repairs and Maintenance) funding is to support licensed child care centres and home child care agencies in meeting licensing requirements under the *Child Care and Early Years Act, 2014*. It is the ministry's expectation that child care service providers will continue to comply with the ministry's licensing requirements under the *Child Care and Early Years Act, 2014* as well as health and safety practices, the upkeep of equipment, property repairs and maintenance.

ELIGIBLE EXPENDITURES

Health and Safety (Repairs and Maintenance) expenses are to support eligible First Nations with on-reserve licensed child care programs to fund repairs, minor renovations, furnishings and equipment. Major capital costs are not eligible expenditures. First Nations must apply for Health and Safety (Repairs and Maintenance) funding on an annual basis.

Once approved for Health and Safety (Repairs and Maintenance) funding, your allocation will be included on the Budget Schedule of your service agreement (or amended service agreement if applicable) and will be available through detail code A375 - Health and Safety (Repairs and Maintenance).

First Nations may use Health and Safety (Repairs and Maintenance) funding for the following types of expenses:

Food Preparation

Addition, repair or replacement of:

- Hand washing sink in the kitchen
- Dishwasher or hot water booster
- Major appliances

Washrooms

Addition, repair or replacement of:

- Fixtures (toilets/sinks)
- Partitions
- Flooring materials
- Change table

Major Systems

Addition, improvement, repair or replacement of:

- Leaking roof
- Building foundation
- Heating/cooling system

- Ventilation system
- Sump pump
- Emergency lighting
- Accessibility
- Windows or doors
- Asbestos removal or encapsulation
- Wiring upgrades

Play Area

Addition, repair or replacement of:

- Damaged walls/peeling paint
- Windows
- Damaged/worn flooring material or ceiling
- Damaged/worn outdoor play equipment/safety surfacing
- Fencing/gates/playground drainage
- Drinking water system
- Heating system

Code Compliance

- Ontario Fire Code orders/recommendations
- Ontario Building Code orders/recommendations
- Public Health Code orders/recommendations

Health and Safety funding for licensed home child care agencies may only be used to purchase portable items that improve health and safety for children. The portable nature of the equipment will enable the items to be transferred to another home child care provider, as required. Examples of portable safety items may include Canadian Standard Association approved infant equipment such as playpens, highchairs, safety gates, child safety locks, first aid kits and fire extinguishers.

Please Note:

- The above list is only a guide and not an exhaustive list.
- Health and Safety funding cannot be used for program expansion.

APPLICATION PROCESS

First Nation communities may apply for 2023-24 Health and Safety (Repairs and Maintenance) funding. While applications will continue to be accepted throughout the fiscal year, First Nation communities are encouraged to submit their applications for health and safety funding to the ministry as soon as possible.

Health and safety applications submitted to the ministry **must** include the three items listed below:

1. A completed copy of the **2023-24 Health and Safety Funding Request Form** (included in the service agreement package).

2. Proof of the estimated cost for each health and safety project:
 - **One quote** or proof of the estimated cost is required for each project with a total cost below \$10,000;
 - **Three quotes** or proof of the estimated costs are required for each project with a total cost above \$10,000;
 - Proof of purchase (receipt or invoice) is required for projects where the cost was covered by the First Nation on/after April 1, 2023.

3. A copy of independent documentation that supports the need for each health and safety project from one or more of the following sources:
 - Summary of Child Care Centre Licensing Requirements and Recommendations or Child Care/Home Child Care Licensing Checklist;
 - Health Canada Inspection Report;
 - Fire Inspection Report;
 - Building Inspection Report.

Once your application is complete, all the above can be emailed to tpa.edu.earlylearning@ontario.ca.

Please notify your Early Years Advisor by email or phone once you have submitted your health and safety funding application or copy the Advisor on the email when submitting your application.

The ministry recognizes that emergency health and safety requirements may arise at any point in time. Contact your Early Years Advisor should you require funding to address an emergency health and safety requirement.

AFTER SUBMITTING AN APPLICATION FOR HEALTH AND SAFETY (REPAIRS AND MAINTENANCE) FUNDING

As limited funding is available to address health and safety requirements, the ministry may be unable to provide funding for every request submitted. Approval of health and safety funding requests is based on priority situations as follows:

- a. It is a current licensing/fire/building/public health/safety issue identified in an inspection report;
- b. It could potentially become a licensing/fire/building/public health/safety issue;
- c. It is to enhance service/quality/other.

Applications for 2023-24 child care Health and Safety (Repairs and Maintenance) funding will be reviewed on an ongoing basis as they are received by the ministry.

The ministry will notify First Nations regarding the status of their health and safety application as soon as possible once it is received by the ministry.

If your First Nation applied and was approved for funding prior to the development of your service agreement, this amount would have been included on your original 2023-24 schedules. If your First Nation was approved for Health and Safety (Repairs and Maintenance) funding after this time, an approval letter as well as amended schedules will be sent to you by email.

EXPENDITURE REQUIREMENTS, INCLUDING TIMELINES, FOR HEALTH AND SAFETY (REPAIRS AND MAINTENANCE) FUNDING

Health and Safety funding can only be used to address health and safety requirements in licensed child care centres and/or licensed home child care homes. Per the approval letter and the Program Description Schedule of the service agreement, health and safety projects must be completed by March 22, 2024. In addition, any health and safety funding received for the 2023-24 fiscal year must be spent by March 22, 2024.

Health and Safety funding can only be used to cover costs incurred between April 1, 2023 and March 22, 2024.

PAYMENT REQUIREMENTS FOR HEALTH AND SAFETY (REPAIRS AND MAINTENANCE) FUNDING

One-time Health and Safety (Repairs and Maintenance) funding flows under detail code A375 - Health and Safety as it appears in the Program Description Schedule and Budget Schedule of your child care service agreement/amended agreement.

Approved Health and Safety (Repairs and Maintenance) funding flows to your First Nation in two separate payments. First Nations that receive approval for 2023-24 Health and Safety (Repairs and Maintenance) funding are required to submit the following documents before the ministry can provide each health and safety payment:

- Payment 1: 75 per cent of the total approved Health and Safety funding amount will flow upon receipt and processing of the signed five-year agreement by the ministry or after an updated 2023-24 Budget Schedule that includes the funding is made available to the First Nation and has been processed by the ministry.

- Payment 2: 25 per cent of the total approved health and safety funding amount will flow upon receipt and processing of the completed “Statement of Conformity and Attestation Form” by the ministry indicating that the approved project(s) have been completed. If the expenditure on a health and safety project is less than the approved funding amount, the ministry will adjust your 25 per cent payment to reflect this underspending.

The Statement of Attestation and Conformity Form for Health and Safety (Repairs and Maintenance) funding (included in the service agreement package) is due to the ministry by March 22, 2024. First Nations are encouraged to submit this form as soon as their projects are completed to ensure receipt of the second payment in a timely manner.

Health and Safety funding, payments of 75 per cent and 25 per cent, will flow to First Nations as part of the monthly child care payments. The timing of these payments will depend either on when the ministry receives and processes your signed agreement or provides the revised Budget Schedule and the First Nation provides the completed Statement of Conformity and Attestation Form. If the Statement of Conformity and Attestation Form for Health and Safety (Repairs and Maintenance) funding is received after May 1, 2024, any remaining funding will be provided following a review of the 2023-24 Financial Statements (EFIS or Attestation Form).

Any questions regarding the ministry’s 2023-24 Health and Safety funding process can be directed to your Early Years Advisor.

FINANCIAL FLEXIBILITY

There is no flexibility associated with Health and Safety funding and the related allocation must be used for approved projects only.

REPORTING REQUIREMENTS

First Nations are required to report financial and service data to the ministry related to Health and Safety (Repairs and Maintenance) expenses. First Nations will provide this information as part of their year-end Financial Statements submission (EFIS or Attestation Form).

In addition to total expenses, First Nations are required to report on the Health and Safety (Repairs and Maintenance) data element outlined in the subsection below. This data element includes:

- The number of licensed programs funded for repairs and maintenance.

Please see the [Data Elements](#) subsection below for additional details on reporting requirements.

REQUIRED DOCUMENTATION

First Nations shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations shall retain service and financial records, including all supporting documentation related to health and safety projects, for a period of seven years. The ministry may request, at any time, documentation (e.g., contracts, invoices, receipts) related to approved health and safety projects.

A377 – SPECIAL NEEDS RESOURCING

PURPOSE

Special Needs Resourcing (SNR) funding is to support the inclusion of children with special needs in licensed child care settings, including licensed home child care at no additional cost to parents/guardians.

ALLOCATIONS

SNR funding is available through detail code A377 - Special Needs Resourcing and A404 - Child Care Transformation. These allocations are available in the Budget Schedule of the child care agreement, if applicable.

ELIGIBLE EXPENDITURES

Services and supports purchased through SNR funding are for children with special needs up to 13 years of age to support attendance in a licensed child care centre or home child care (licensed).

Please note that the *Child Care and Early Years Act, 2014* defines “child” as a person who is younger than 13 years old. However, families of children with special needs who are in receipt of a service or received financial assistance (subsidized child care) before August 31, 2017 will be allowed to continue to receive assistance until that child turns 18, provided that they meet other eligibility criteria that are unrelated to age (see O. Reg. 138/15 made under the *Child Care and Early Years Act, 2014*). For example, if a person with special needs started to receive financial assistance at age 12 on August 30, 2017, he/she is eligible to continue receiving that financial assistance until he/she turns 18 in the year 2023. This means that these adolescents will not experience a financial assistance disruption based on their age.

First Nations may use SNR funding for the following expenses:

- Hiring or acquiring the services of a resource teacher/consultant or additional program staff where necessary (including salary, benefits and training) to support the inclusion of children with special needs;
- Providing professional learning opportunities to support staff in licensed child care settings, (i.e., child care centres, licensed home child care, before and after school programs) working with children with special needs and parents/families to support inclusion; and/or
- Purchasing or leasing specialized/adaptive equipment and supplies to support children with special needs. Specialized equipment may be specific to an individual child or may be used by more than one child and retained as a program resource.

Resource teachers/consultants can be hired directly by First Nations or their services can be secured through a contract with an external agency specializing in supporting children with special needs. Resource teachers/consultants typically provide a wide range of supports for children with special needs in licensed child care. These supports may include providing child care staff with program adaptation strategies, developing individual program plans, conducting developmental screens, providing referrals to community agencies, providing information and resources for parents and obtaining specialized equipment as required.

At a minimum, the ministry requires that resource teachers/consultants hold a diploma in Early Childhood Education (ECE) from an Ontario College of Applied Arts and Technology ECE program, or from an institution recognized by the College of Early Childhood Educators, are registered with the College of Early Childhood Educators, have additional training/experience/education related to working with children with special needs, and hold a first aid certificate. Additional requirements for resource teachers/consultants directly employed by child care licensees are outlined in section 55 of O. Reg. 137/15 made under the *Child Care and Early Years Act, 2014*.

Resource teachers/consultants may support several children in multiple child care locations located within the community and can also provide professional learning experiences to individuals working with children with special needs in licensed child care settings.

The principles of service delivery for Special Needs Resourcing include:

1. Inclusion: All children are able to actively and meaningfully participate in licensed child care and early years programs and are supported to form authentic, caring relationships with their peers and educators (e.g., a class-wide approach which doesn't separate or exclude children with individualized 1:1 treatment/actions).
2. Capacity Building: Research demonstrates that supporting educator capacity to increase their skills and knowledge helps address the needs of all children in their programs and fosters effective inclusive practices.
3. Integrated Supports: Children and families benefit from the intentional efforts of educators who collaborate and make relevant, timely referrals and connections to other programs and services to support their needs.
4. Foundational Conditions: Ontario's pedagogy for the early years (*How Does Learning Happen?*) articulates a strength-based view of children, families and educators supported by four foundations that are essential for all children to grow and flourish: Belonging, Well-Being, Engagement, and Expression.

First Nations may also consider the following in the delivery of Special Needs Resourcing:

- Reflective and responsive to individual, family and community strengths and needs.
- Accountable to the individual, family, and community.
- Sensitive to the social, linguistic, and cultural diversity of families and First Nation communities.
- Staffed by individuals with the appropriate range of skills and abilities necessary to respond effectively to the needs of children, their families and program staff.

FINANCIAL FLEXIBILITY

First Nations may exercise financial flexibility to offset SNR expenses by transferring funds, in their financial submissions, from A392 - Wage Subsidy to A377 - Special Needs Resourcing. First Nations may also expense Special Needs Resourcing under A404 - Child Care Transformation; funds do not need to be moved in or out of the Child Care Transformation detail code.

Special Needs Resourcing funding (A377) may be transferred into, but not out of, Capacity Building Funding (A405).

Please Note: SNR is a priority for the ministry to ensure the inclusion of children with special needs in licensed child care settings at no additional cost to parents/guardians. This means that prior to the transfer of SNR funding, First Nations must ensure that all SNR requirements for children in licensed child care are met.

INELIGIBLE EXPENDITURES

Funding may not be used to support direct specialized services. This includes programs and services offered by regulated health professionals working within their scope of practice (e.g., occupational therapy, audiology and speech language pathology, physiotherapy). This also includes early intervention and screening programs and services that are funded by other ministries and/or levels of government.

REPORTING REQUIREMENTS

First Nations are required to report financial and service data to the ministry related to SNR expenses. First Nations will provide this information as part of their year-end Financial Statements submission (EFIS or Attestation Form).

In addition to total expenses, First Nations are required to report on the SNR data elements outlined below in this guideline. These data elements include the:

- average monthly number of children (up to and including kindergarten) receiving services funded through SNR;
- average monthly number of school-aged children receiving services funded through SNR;
- number of full-time equivalent (FTE) staff providing services funded through SNR;
- number of children served, up to and including age 12; and,
- number of children served age 13-18.

Please see the Data Elements subsection below for additional details on reporting requirements.

REQUIRED DOCUMENTATION

First Nations shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations shall retain service and financial records for a period of seven years.

A392 – WAGE SUBSIDY

PURPOSE

Wage Subsidy funding is intended to increase the salary and non-mandatory benefits of staff employed in regulated child care settings.

ALLOCATIONS

Wage Subsidy funding is available through detail code A392 - Wage Subsidy and A404 - Child Care Transformation. These allocations are available in the Budget Schedule of the child care agreement, if applicable.

ELIGIBLE EXPENDITURES

Wage Subsidy funding is for eligible staff employed in a licensed child care centre or a home child care agency. These child care centres and home child care agencies must be licensed by the Ministry of Education in accordance with the *Child Care and Early Years Act, 2014*. First Nations may also use Wage Subsidy funding to increase payments to home child care providers contracted with a licensed child care agency.

First Nations have flexibility to determine how wage subsidies are distributed to staff within their child care programs. First Nations are encouraged to consider community priorities when determining how to distribute wage subsidies to their child care staff.

Some principles that First Nations may wish to consider in distributing wage subsidy funding include:

- Retaining qualified, stable staffing to increase reliability for parents;
- Supporting program quality to enable higher-quality, consistent services; and
- Distributing wage subsidies equitably and with transparency.

Child care staff are eligible to receive wage subsidy. First Nations are encouraged to allocate wage subsidies to staff that are in a permanent or contract position that is considered part of the child care program's regular staffing complement. The position can be full-time or part-time.

The following list provides examples of permanent positions typically found in a child care program that would be eligible for wage subsidy:

- Child Care Program Staff:
 - Child Care Supervisors;
 - Registered Early Childhood Educators (RECEs);
 - Home Child Care Providers and Home Visitors;
 - Director-approved Program Staff;
 - Program Staff without RECE qualifications.

- Child Care Non-Program Staff⁷:
 - Administrators or Finance Staff;
 - Clerical Staff;
 - Cooks;
 - Housekeeping and Janitorial Staff;
 - Bus Drivers.

The following list provides examples of non-permanent positions that may not be eligible for Wage Subsidy funding:

- Individuals working on a short-term project, such as developing a parent handbook;
- Students or staff whose salaries are covered by employment programs;
- Individuals paid on a fee for service basis, such as an individual who provides accounting or janitorial services; or
- Individuals that receive an honorarium e.g., elders or artists that occasionally visit the program.

FINANCIAL FLEXIBILITY

First Nations may exercise financial flexibility to offset Wage Subsidy expenses by transferring funds, in their financial submissions, from A377 - Special Needs Resourcing to A392 - Wage Subsidy should the funding not be required to meet community SNR needs. First Nations may also expense Wage Subsidy under A404 - Child Care Transformation; funds do not need to be moved in or out of this detail code.

Wage Subsidy funding (A392) may be transferred into, but not out of, Capacity Building Funding (A405).

Please Note: Wage Subsidy is a priority for the ministry to enhance staff stability and improve affordability of child care for families. This means that prior to the transfer of Wage Subsidy funding, First Nations must ensure that all wage subsidy requirements of eligible staff in a licensed child care centre or home child care agency have been met.

REPORTING REQUIREMENTS

First Nations are required to report financial and service data to the ministry related to Wage Subsidy funding. First Nations will provide this information as part of their year-end Financial Statements submission (EFIS or Attestation Form).

In addition to total expenses, First Nations are required to report on the wage subsidy data elements outlined in the subsection below. These data elements include:

⁷ Child care non-program staff would also include staff employed in a home child care agency head office.

- The number of full-time equivalent (FTE) program staff serving children 0-5 who receive Wage Subsidy funding;
- The number of full-time equivalent (FTE) program staff serving children 6-12 who receive Wage Subsidy funding; and
- The number of full-time equivalent (FTE) non-program staff who received Wage Subsidy funding.

Please see the Data Elements subsection below for additional details on reporting requirements.

REQUIRED DOCUMENTATION

First Nations shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations shall retain service and financial records for a period of seven years.

A394 – PAY EQUITY UNION SETTLEMENT

PURPOSE

To enable the Province to continue to support eligible organizations with the cost of implementing proxy pay equity.

ALLOCATIONS

Pay Equity Union Settlement funding is available through detail code A394 – Pay Equity. This allocation is available in the Budget Schedule of the child care agreement, if applicable.

ELIGIBILITY

As a result of the Memorandum of Settlement (2003), the province announced additional proxy pay equity funding for eligible non-profit service providers. In order to be eligible, child care programs were required to:

- Have a proxy order from the Pay Equity Commission;
- Have posted pay equity plan(s) based on proxy comparisons;
- Have current and/or outstanding proxy obligations; and
- Receive funding to provide child care.

EXPENDITURE REQUIREMENTS

The province will continue to flow funding as agreed upon in the Memorandum of Settlement to First Nations, reached on April 23, 2003, for the provision of pay equity funding to child care programs in First Nation communities. Service providers are required to continue to meet their pay equity obligations.

REPORTING REQUIREMENTS

First Nations are required to report financial data to the ministry related to Pay Equity Union Settlement funding. First Nations will provide this information as part of their year-end Financial Statements submission (EFIS or Attestation Form).

REQUIRED DOCUMENTATION

First Nations shall maintain service and financial records for each site where the above is being provided.

FILE RETENTION

First Nations shall retain service and financial records for a period of seven years.

A404 – CHILD CARE TRANSFORMATION

PURPOSE

Transformation funding is ongoing funding to support program viability and quality, and assists with the transformation of child care in First Nation communities.

First Nations are responsible for spending their Child Care Transformation funding in a way that best meets community needs and priorities. First Nations are encouraged to use the following guiding principles to inform transformation funding priorities:

- Transforming existing child care programs to enable increased access to higher-quality programs and services;
- Increasing convenience and reliability for parents; and
- Supporting programs that serve children with special needs.

ALLOCATIONS

Child Care Transformation funding is available through detail code A404 - Child Care Transformation. This allocation can be found in the Budget Schedule of the child care agreement, if applicable.

ELIGIBLE EXPENDITURES

Child Care Transformation funding may be used to cover expenses related to Fee Subsidy, Wage Subsidy, and Special Needs Resourcing (SNR). It may also be used to purchase play-based materials and equipment for child care programs, IT upgrades that help facilitate internet connectivity for child care business purposes as well as child care planning. The funding may also be spent on costs associated with enhanced health and safety measures.

Please refer to the following schedules for a description of these services:

- Fee subsidy - refer to detail code A370/A371 in the Program Description Schedule of the service agreement and of this guideline;
- Wage subsidy - refer to detail code A392 in the Program Description Schedule of the service agreement and of this guideline; and
- Special Needs Resourcing - refer to detail code A377 in the Program Description Schedule of the service agreement and of this guideline.

The following are further details on eligible expenses related to play-based materials and equipment, IT upgrades, and child care planning.

Play-based Material and Equipment

- Play-based material and equipment funding is intended to help child care licensees create enriching environments with materials that promote children's learning and development through exploration, play and inquiry consistent with the views, foundations and approaches of [How does learning happen?: Ontario's pedagogy for the early years | ontario.ca](#) .
- Funding may be used to create indoor and outdoor spaces that invite children to investigate, imagine, think, create, solve problems, collaborate, communicate, and make meaning from their experiences. Consider providing interesting and open-ended materials that children can use in many ways.
- Funding may be used to create environments that support children's connections to the natural world. Consider programs where they can engage in vigorous physical play in natural outdoor spaces and playgrounds that present manageable levels of challenge. Examples may include creating a natural playground space or adding a sandbox to the outdoor play area.
- Play-based material and equipment funding may also be used to purchase non-consumable supplies/equipment that supports the regular operation of the child care program (e.g., kitchen supplies).
- Play-based material and equipment funding may also be used for minor renovations, such as lowering sinks/countertops to provide easier access for children to wash their hands.

If you have any questions regarding the use of transformation funding for the purchase of play-based materials and equipment, please contact your Early Years Advisor.

IT Upgrades

- Transformation funding may be used to support the purchase of IT upgrades that supports modernization for business purposes.

Child Care Planning

- Funding may be used for planning related expenses, including staffing, research, data collection and analysis, and community engagement, that assist with the delivery of child care that is responsive to community needs, and support program viability and quality of licensed child care programs.

Costs such as the purchase of a bus or capital builds are not eligible expenditures. Child Care Transformation funding cannot be allocated to unlicensed settings.

FINANCIAL FLEXIBILITY

Child Care Transformation funding (A404) may be used for any of the expenses listed under eligible expenditures above. Child Care Transformation funding may also be transferred to Child Care Supervisor Network – Capacity Funding (A405) to assist First Nation communities invest in professional learning and development, networking and capacity building opportunities. This allocation can be found in the Budget Schedule of your 2022-23 child care service agreement.

REPORTING REQUIREMENTS

First Nations are required to report financial and service data to the ministry related to Child Care Transformation expenses. First Nations will provide this information as part of their year-end Financial Statements submission (EFIS or Attestation Form).

First Nations are required to report on their total transformation expenditures. In addition to expenses, First Nations are required to report on the Child Care Transformation data elements outlined in the subsection below. These data elements include the number of:

- children supported by transformation funding;
- children receiving SNR services up to age 12 funded through transformation;
- children receiving SNR services ages 13-18 funded through transformation;
- full-time equivalent (FTE) staff providing SNR services funded through transformation;
- full-time equivalent (FTE) program staff serving children 0-5 who receive wage subsidy through transformation funding;
- full-time equivalent (FTE) program staff serving children 6-12 who receive wage subsidy through transformation funding;
- full-time equivalent (FTE) non-program staff who received wage subsidy through transformation funding; and
- licensed child care programs that received funding for IT upgrades.

Please see the [Data Elements](#) subsection below for additional details on reporting requirements.

REQUIRED DOCUMENTATION

First Nations shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations shall retain service and financial records for a period of seven years.

A405 – CHILD CARE SUPERVISOR NETWORK – CAPACITY FUNDING

PURPOSE

The primary purpose of Child Care Supervisor Network – Capacity Funding is to support participation in First Nation Child Care Supervisor Networks and capacity building for Supervisors/staff to support the delivery of quality programs in First Nation licensed child care programs.

Capacity Funding is also intended to support professional learning opportunities that build the capacity of supervisors, program staff/caregivers, home visitors and home child care providers to support the provision of high-quality programs for children under 13 years of age in licensed child care settings. High-quality child care programs are child-centred and provide environments and experiences to engage children in active, creative and meaningful exploration and learning.

ALLOCATIONS

Child Care Supervisor Network – Capacity Funding is available through detail code A405 - Child Care Supervisor Network – Capacity Funding. This allocation can be found in the Budget Schedule of the child care agreement, if applicable.

ELIGIBLE EXPENDITURES

Child Care Supervisor Network – Capacity Funding may be used to cover any of the eligible expenses below for Supervisors/staff in licensed child care settings. This funding cannot be allocated to unlicensed settings.

Professional learning opportunities may be provided to child care supervisors, program staff, resource teachers/consultants, additional special needs resourcing (SNR) staff, cooks, home child care providers, home visitors, other staff or parent advisory committees/parent councils of licensed programs.

Note: While Child Care Supervisor Network – Capacity Funding is intended to support licensed child care programs, partnerships with other community organizations and initiatives such as child and family programs are encouraged to promote inter-professional learning opportunities.

First Nations and Transfer Payment Agencies are responsible for determining how this funding can be used to support the development of and participation in child care supervisor networks and capacity building for First Nation child care Supervisors and staff. First Nations and Transfer Payment Agencies are encouraged to work with their child care Supervisors to determine how the funding can be used to support quality programming in their child care programs.

Child Care Supervisor Network – Capacity Funding may be used for:

- Transportation, meal, and accommodation costs to attend supervisor meetings and network events⁸;
- Equipment and technology to support supervisor network meetings (e.g., teleconference lines and Adobe connect);
- Costs associated with the development and sharing of resources to support child care supervisors and child care programs; and/or
- Mentoring with First Nation Child Care Supervisor Network leaders.

First Nations and Transfer Payment Agencies may also direct funding to support:

- Professional learning opportunities that align with the *Child Care and Early Years Act, 2014* regulations and ministry policy (e.g., workshops, mentoring and coaching, in-person or virtual networking opportunities that support continuous learning through questions, reflection and dialogue);
- Program-related professional learning opportunities that align with the views and approaches outlined in *How Does Learning Happen? Ontario's Pedagogy for the Early Years*, which promotes reflective practice and collaborative inquiry, and support the regulatory requirements under the *Child Care and Early Years Act, 2014* (e.g., College of Early Childhood Educators leadership initiatives, post-diploma training programs etc.);
- Establishment of professional learning communities of practice to support early years program staff; and/or
- Professional learning opportunities related to child care program business administration (e.g., budgeting, leadership, human resource management, policy development, board governance, etc.).

Professional learning opportunities related to the health, safety, and well-being of children (e.g., nutrition, first aid, environmental health, communicable diseases, etc.):

- Relief/Release time and overtime to support staff in participating in professional development opportunities; and/or
- Travel costs to support attendance at professional learning opportunities.

⁸ First Nations and Transfer Payment Agencies are to refer to the [Ontario Public Service Travel, Meal and Hospitality Expenses Directive](#) effective January 1, 2020 as a guide.

Some guiding principles that First Nations and Transfer Payment Agencies may want to consider in determining how to spend this funding include:

- Supporting child care supervisors with opportunities to create and enhance First Nation Child Care Supervisor Networks;
- Increasing opportunities for child care supervisors to meet face-to-face to share knowledge, build relationships and learn from one another;
- Building capacity among child care supervisors and program staff; and,
- Supporting supervisors and licensed child care program staff in delivering high quality child care for children under 13 years of age.

Early Childhood Educators Qualifications Upgrade Program

The ministry funds the Early Childhood Educators Qualifications Upgrade Program (ECE QUP) which supports individuals working within the early years sector who have been accepted to an Ontario College of Applied Arts and Technology to pursue their Early Childhood Education (ECE) diploma and become eligible to apply for membership with the College of Early Childhood Educators. Support is provided through education grants, travel grants, training, and book allowances.

First Nation, Métis and Inuit communities have identified challenges recruiting and retaining qualified early childhood educators to deliver culturally responsive programs. In an effort to support staff in child care and early years settings in upgrading their skills, the ECE QUP prioritizes applicants living and/or working in these communities and has waived the six month work experience eligibility criteria.

The ECE QUP also includes a Leadership Grant Stream which was established to support professional learning opportunities for program staff (e.g., RECEs designated or aspiring to leadership positions and/or responsibilities).

For more information on the ECE QUP, please visit the program's website at <http://www.ecegrants.on.ca/>.

MINISTRY RESOURCES

The following Ministry of Education resources are available to support professional learning and have been developed to strengthen quality in early years settings:

- *How Does Learning Happen? Ontario's Pedagogy for the Early Years*;
- Introductory Guides to *How Does Learning Happen? Ontario's Pedagogy for the Early Years*;
- Think, Feel Act: Lessons from Research about Young Children research briefs and videos;
- Think, Feel, Act: Empowering Children in the Middle Years research briefs; and,

- *Building on How Does Learning Happen? Pedagogical Approaches to Re-opening Early Years and Child Care Programs in Ontario* to help providers and staff plan ways to engage with children while adhering to health and safety measures.

The ministry provides funding to the organizations below to support Indigenous professional learning strategies in First Nation communities. First Nations may wish to connect with these organizations to obtain resources, collaborate and plan complementary supports. For more information, you may contact:

- Firefly – supports professional learning for child care and early years staff in First Nation communities; and
- Ontario Aboriginal Head Start Association – supports professional learning for child care and early years staff.

FINANCIAL FLEXIBILITY

Funding may be used for any of the categories listed above under eligible expenditures. First Nations may transfer Child Care Transformation (A404) and Wage Subsidy (A392) funding allocations to Child Care Supervisor Network – Capacity Funding (A405) to assist First Nation communities in investing in professional learning and capacity building opportunities that will maintain or enhance child care program quality on reserve. This allocation can be found in the Budget Schedule of your service agreement, if applicable.

First Nations may transfer Wage Subsidy funding (A392) into, but not out of Capacity Funding (A405). Wage Subsidy is a priority for the ministry to enhance staff stability and improve affordability of child care for families. This means that prior to the transfer of Wage Subsidy funding, First Nations must ensure that all wage subsidy requirements of eligible staff in a licensed child care centre or home child care agency have been met.

First Nations may also transfer Special Needs Resourcing funding (A377) into, but not out of Capacity Funding (A405). SNR is a priority for the ministry to ensure the inclusion of children with special needs in licensed child care settings at no additional cost to parents/guardians. This means that prior to the transfer of SNR funding, First Nations must ensure that all SNR requirements for children in licensed child care are met.

REPORTING REQUIREMENTS

First Nations and Transfer Payment Agencies are required to report financial and service data to the ministry related to Child Care Supervisor Network – Capacity Funding expenses. First Nations will provide this information as part of their year-end Financial Statements submission (EFIS or Attestation Form).

In addition to total expenditure, First Nations and Transfer Payment Agencies are required to report on the Child Care Supervisor Network – Capacity Funding data element outlined in the subsection below. This data element includes:

- The number of child care staff who were supported by this funding to participate in network meetings or engage in professional learning opportunities.

Please see the Data Elements subsection below for additional details on reporting requirements.

REQUIRED DOCUMENTATION

First Nations and Transfer Payment Agencies shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations and Transfer Payment Agencies shall retain service and financial records for a period of seven years.

A406 – WAGE ENHANCEMENT/HOME CHILD CARE ENHANCEMENT GRANT

PURPOSE

Registered early childhood educators (RECEs) and other child care program staff play a key role during the critical years of a child’s development. However, there is a significant wage gap between RECEs working in the publicly funded education system and those in the licensed child care sector. This wage gap creates challenges in retaining qualified pedagogical professionals to deliver affordable, high-quality services.

The Ontario government has made an ongoing funding commitment to support a wage enhancement for eligible child care professionals working in licensed child care settings. The wage enhancement grant will help retain registered early childhood educators (RECEs) and child care program staff, and support access to stable, high-quality child care programs for children in Ontario. The wage enhancement is also intended to help close the wage gap between RECEs working in the kindergarten program and RECEs/other child care program staff working in licensed child care settings.

The wage enhancement grant supports an increase of up to \$2 per hour, plus 17.5 per cent benefits for eligible child care staff. In addition, the Home Child Care Enhancement Grant (HCCEG) supports an increase of up to \$20 per day for eligible home child care providers contracted by a licensed home child care agency.

GOALS

The goals of the wage enhancement are to:

- Close the wage gap between RECE wages in the education sector and licensed child care sectors;
- Stabilize licensed child care operators by helping them retain RECEs/child care staff; and
- Support greater employment and income security.

These goals support the ministry’s priorities to:

- Stabilize and transform the existing child care system to increase program reliability and choice for parents and support consistent, high-quality child care services to support children’s learning and development; and
- Support licensed home child care agencies and strengthen the licensed home child care system.

FUNDING ALLOCATIONS

A Wage Enhancement/Home Child Care Enhancement Grant (HCCEG) amount has been included in the Budget Schedule of the 2023-24 service agreement, if applicable. The mandatory requirement for wage enhancement applications was removed in 2018-19. Application forms will continue to be available to First Nations with staffing changes resulting in the Wage Enhancement entitlement exceeding the notional allocation and

requiring an amended 2023-24 service agreement, or to those that have not previously applied for wage enhancement/HCCEG, on a case-by-case basis. Wage enhancement application forms are available upon request from your Financial Analyst. First Nations that have staffing changes are required to submit a wage enhancement/HCCEG application to the ministry by **November 30, 2023**.

ELIGIBILITY

All licensed child care centres and home child care agencies that opened before March 31, 2023 are eligible to apply for wage enhancement/HCCEG funding for 2023-24. All newly opened, expanded or licensed child care centres and home child care agencies with staffing changes are eligible to apply for wage enhancement/HCCEG funding in the same year the program begins operations.

Wage Cap

As the intent of the wage enhancement is to close the wage gap between RECEs working in the publicly funded education sector, and RECEs, child care program staff and providers in licensed child care settings, the ministry has established an hourly wage maximum of **\$28.59 per hour** for centre-based staff and home visitors, or an equivalent rate of **\$28.59** per day for full time Home Child Care providers (the cap for part-time providers is **\$171.54**).

This wage cap aligns with the top of the funded Educator Salary Matrix for RECEs working in school boards in the kindergarten program expressed as an hourly wage. In 2023, the wage cap is based on the funded matrix for the 2021-22 school year.

Wage Enhancement: Child Care Centre Program Staff and Home Child Care Visitors

Note: Eligibility criteria is used to determine entitlement (based on 2022-23 entitlement) and to determine payments to staff in 2023-24. For licensees that open in the current fiscal year, please estimate the number of hours to be worked.

Full Wage Enhancement

To be eligible to receive the full 2023-24 wage enhancement of \$2 an hour plus 17.5 per cent in benefits, staff must:

- Be employed in a licensed child care centre or agency;
- Have an associated base wage, excluding prior year's wage enhancement, of \$26.59 or less per hour (i.e., \$2 below the wage cap of \$28.59); and
- Be in a position categorized as a child care supervisor, RECE, home child care visitor, or otherwise counted toward adult to child ratios under the *Child Care and Early Years Act, 2014*.

Child care program positions that are in place to maintain higher employee-child ratios than required under the *Child Care and Early Years Act, 2014*, and meet the eligibility outlined above, are also eligible for wage enhancement.

Partial Wage Enhancement

Where an eligible centre-based or home visitor position has an associated base wage rate, excluding prior year's wage enhancement, between \$26.60 and \$28.58 per hour, the position is eligible for a partial wage enhancement. The partial wage enhancement will increase the wage of the qualifying position to \$28.59 per hour without exceeding the cap.

- For example, if a RECE position has a base wage rate, excluding the previous year's wage enhancement, of \$27.18 per hour, the position would be eligible for wage enhancement of \$1.41 per hour.

Ineligible Positions (Non-Program Staff):

- Cooks, custodial and other non-program staff positions are not eligible for wage enhancement funding.
- SNR-funded resource teachers/consultants and supplemental staff are not eligible for wage enhancement funding.
- Staff hired through a third party (i.e., temp agency) are not eligible for wage enhancement funding.

The only exception to the above is if the position spends at least 25 per cent of their time in program to support ratio requirements; in which case the staff would be eligible for wage enhancement for the hours worked in the eligible position supporting ratio.

Home Child Care Enhancement Grant (HCCEG): Home Child Care Providers

Full Home Child Care Enhancement Grant

In order to be eligible to receive the full HCCEG of \$20 per day, home child care providers must:

- Hold a contract with a licensed home child care agency;
- Provide services to one child or more (e.g., the 'one' child or 'more' in care could be an agency placed child(ren) or a privately placed child(ren); excluding provider's own children);
- Provide full time services on average (6 hours or more a day); and
- Receive base daily fees, excluding prior year's HCCEG, of \$265.90 or less (i.e., \$20 below the cap of \$285.90).

Partial Home Child Care Enhancement Grant

In order to be eligible to receive the partial HCCEG of \$10 per day, home child care providers must:

- Hold a contract with a licensed home child care agency;
- Provide services to one child or more (e.g., the 'one' child or 'more' in care could be an agency placed child(ren) or a privately placed child(ren); excluding providers own children);
- Provide part time services on average (less than 6 hours a day); and
- Receive base daily fees, excluding prior year's HCCEG, of \$161.54 or less (i.e., \$10 below the cap of \$171.54).

Please note: Information on privately placed children must be considered when determining eligibility and payments for the HCCEG.

Supplemental Grant

The ministry will provide an additional supplemental grant of \$150 for each eligible centre-based FTE or home visitor FTE and \$50 for each eligible home child care provider. The supplemental grant allows First Nations some flexibility to provide and implement wage enhancement in a way that aligns with their regular operations.

The supplemental grant must be used to support staff, home visitors' and providers' hourly/daily wage or benefits.

It provides First Nations with the flexibility to cover salary shortfalls (e.g., due to increased hours in program, and/or new eligible staff/providers) and additional benefits, (e.g., vacation days, sick days, professional development days, and/or other benefits) once mandatory benefits are covered. Any funding that is not used for these purposes will be recovered.

APPLICATION PROCESS

In 2023-24, First Nations with newly opened, expanded or licensed child care centres and home child care agencies with staffing changes, or who have not previously applied for wage enhancement/HCCEG, are required to complete the wage enhancement/HCCEG application form to receive the wage enhancement entitlement of up to \$2 plus 17.5 per cent benefits, or up to \$20 for the HCCEG.

Please note the base hourly wage rate or home child care provider fees entered in the application form should exclude prior year's wage enhancement/HCCEG amount. Application forms are available upon request from your Financial Analyst. Please note completed and signed application forms are due to the ministry by **November 30, 2023**.

If the entitlement approved in the wage enhancement/HCCEG application form exceeds the allocation included in the 2023-24 service agreement, a revised Budget Schedule will be provided.

The ministry will fund 100 per cent of the approved wage enhancement/HCCEG requests up to the entitlement amount generated by the application process.

ELIGIBLE EXPENDITURES

Wage enhancement/HCCEG funding (including the supplemental grant) is an enveloped allocation. Wage enhancement/HCCEG funding must be directed solely to licensed child care staff and home visitors (that meet eligibility criteria) to increase wages and benefits, and to home child care providers (that meet eligibility criteria) to increase daily income. Wage enhancement/HCCEG funding cannot be used for any other expenses, including expansion, or reducing fees. Wage enhancement must be provided to eligible child care professionals in addition to their existing compensation and cannot be associated with quality assurance/program performance or merit processes.

First Nations may only use the funding for the intended purposes of:

- Increasing wages of eligible centre-based staff and home visitors by up to \$2 per hour plus 17.5 per cent benefits based on their current wage rate for all hours worked in program, including overtime hours;

Please note: the salary increase cannot exceed \$2 per hour in program and the wage cap of \$28.59 per hour. Operators may exceed 17.5 per cent for benefits if the supplemental grant is used to support additional benefit expenses.

- Providing a daily increase of up to \$20 for eligible licensed home child care providers based on current hours of service provided.

Please note: the daily wage increase cannot exceed \$20 and the daily cap of \$28.59 for full time providers and \$10 and the daily cap of \$171.54 for part time providers.

Benefits Funding and Flexibility

Benefits funding of 17.5 per cent supports licensees in meeting statutory benefit requirements.

Once all statutory benefits requirements are met, any remaining funding within 17.5 per cent can be used to fund other benefit expenses paid by the employer on behalf of the employee.

Any residual benefits funding can be used to support wage enhancement salaries per the above eligible expenditures. Please note this is one-way funding flexibility only, that is, salary funding cannot be used for benefits.

First Nations cannot transfer funds between their regular child care allocation and their wage enhancement allocation. Any funding not used for the intended purpose will be recovered by the ministry.

PROGRAM CLOSURE

Where a First Nation applies for wage enhancement/HCCEG and the centre closes mid-year, First Nations are to support payments to eligible staff and/or home child care providers for hours worked before the closure.

If the program closes prior to the First Nation applying for wage enhancement/ HCCEG, no funding should be transferred.

In cases of program transfers/amalgamations, the approved wage enhancement may be distributed to staff through the transferred/amalgamated program provided there are no substantial changes to either the program offered, or staff employed under the new arrangement, the transformation supports continuity of care and program viability, and the First Nation has mechanisms in place to ensure accurate information and accountability for the transfer of funding.

PAYMENTS TO STAFF AND PROVIDERS

Wage enhancement payments should be provided to eligible positions for each hour worked in 2023-24. First Nations have the flexibility to fund their current year's eligible positions, even if the position did not exist in 2022-23.

Similarly, HCCEG payments should be provided to eligible home child care providers for each day worked in 2023-24. Agencies have the flexibility to fund current year eligible providers, regardless of whether the provider had a contract with the agency in 2022-23. The compensation rate (partial or full) will be based on their current year average daily services.

The flexibility to provide wage enhancement/HCCEG to current staff and providers may cause a shortfall in funding for the year if First Nations choose to fund new positions or providers. If there is a shortfall in a First Nation's entitlement, the First Nation can use the supplemental grant to fund the additional time in program for new or existing staff. The supplemental grant can also be used to fund sick days, professional development days and/or additional benefits, but cannot exceed an increase of \$2 an hour plus benefits for staff and home visitors or \$20 a day for home child care providers.

Since one of the goals of this initiative is to close the wage gap, if an eligible staff member or home child care provider receives an increase to their hourly wage or daily fee (excluding prior year's wage enhancement/HCCEG amount) and their base wages/fees now exceed the wage cap in 2023-24, they are no longer eligible to receive wage enhancement/HCCEG funding.

If at any point a home child care provider stops serving children, the home child care agency must terminate the transfer of HCCEG funds to the provider.

Payment Method

First Nations are required to include wage enhancement in each staff pay cheque or HCCEG in each home child care provider fee transfer once funding is received and processed.

In addition, First Nations must notify staff or home child care providers of the amount provided to them through this initiative on staff pay cheques/home child care provider fee transfers, or through a separate letter, labeled as follows:

- Provincial child care wage enhancement; or
- Provincial home child care enhancement grant.

REPORTING REQUIREMENTS

First Nations will be required to report on the following expenses and service data elements in their Wage Enhancement Application Form, and Financial Statements submission (EFIS or Attestation Form):

Expenditures:

All expenditures below should include any funding from the supplemental grant.

- Actual total wage enhancement salaries and benefits paid out for staff, including home child care visitors, eligible for full and partial wage enhancement; and
- Actual total HCCEG paid out for fully and partially eligible home child care providers.

Service Data:

- Number of fully and number of partially eligible staff FTEs (including home visitors) eligible for wage enhancement;
- Number of fully and number of partially eligible home child care providers receiving HCCEG;
- Number of child care centres or sites receiving wage enhancement; and
- Number of home child care agencies receiving HCCEG.

Please see the Data Elements subsection below for additional details on reporting requirements.

REQUIRED DOCUMENTATION

First Nations shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations shall retain service and financial records for a period of seven years.

A407 – ADMINISTRATION FUNDING FOR WAGE ENHANCEMENT/HOME CHILD CARE ENHANCEMENT GRANT

PURPOSE

To support First Nations with the administration of the wage enhancement/HCCEG initiative, the ministry is providing funding for administration in 2023-24. This allocation is to be used to fund the administrative effort associated with the wage enhancement/HCCEG.

FUNDING ALLOCATIONS

Wage enhancement/HCCEG administration allocations are based on the amount of administration funding allocated in 2019-20. The allocation is included in child care service agreements.

Any unused 2023-24 wage enhancement administration funding will be recovered by the ministry.

ELIGIBLE EXPENDITURES

The wage enhancement administration allocation is to be used to fund the administrative effort associated with administering the wage enhancement/HCCEG. First Nations are encouraged to use this funding to include wage enhancement and HCCEG on regular payments to staff and providers. First Nations may also use this funding to support wage enhancement/HCCEG administration, such as, upgrading payment systems, internal payment processes, training for staff related to this initiative, and internal processes to track data and expenditures.

REPORTING REQUIREMENTS

First Nations will provide this information as part of their year-end Financial Statements submission (EFIS or Attestation Form).

- Total 2023-24 administration funds spent.

The wage enhancement/HCCEG administration grant provided in 2015-16 will **continue to be reported on because this was provided as a grant that could be carried forward**. Therefore, unused 2015-16 administration grant funding will not be recovered by the ministry. However, please note that unused administration funding provided to First Nations in 2023-24 will be recovered by the ministry.

REQUIRED DOCUMENTATION

First Nations shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations shall retain service and financial records for a period of seven years.

A515 – SMALL WATER WORKS

PURPOSE

Small water works funding supports costs related to small water systems for licensed child care centres.

ALLOCATIONS

First Nations that have historically received small water works funding have received an allocation in 2023-24. This funding is available through detail code A515 – Small Water Works. This allocation can be found in the Budget Schedule of the child care agreement, if applicable.

ELIGIBLE EXPENDITURES

Small water works funding is for licensed child care centres that are on small water systems. This funding should be used to support regular ongoing water testing and maintenance expenses, which are limited to the following expense categories – laboratory testing, chemicals, supplies/filters, courier costs, maintenance of water treatment equipment including replacement UV bulbs and training.

Costs related to the purchase and installation of systems and equipment are not eligible.

FINANCIAL FLEXIBILITY

Funding may be used for any of the categories listed above under eligible expenditures but cannot be moved to any other detail codes.

REPORTING REQUIREMENTS

First Nations are required to report financial and service data to the ministry related to small water works expenses. First Nations will provide this information as part of their year-end Financial Statements submission (EFIS or Attestation Form).

In addition to total expenditure, First Nations are required to report on the number of programs funded through small water works.

Please see the [Data Elements](#) subsection below for additional details on reporting requirements.

REQUIRED DOCUMENTATION

First Nations shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations shall retain service and financial records for a period of seven years.

BASE FUNDING FOR LICENSED HOME CHILD CARE

PURPOSE

The government provides operating funding to support a base funding model for licensed home child care (LHCC) agencies. The LHCC base funding supports the provision of stable, predictable funding to assist agencies with forecasting, planning, and actively recruiting more providers.

The goal of LHCC base funding is to reduce per diem charges and demonstrate that this reduction benefits both:

- providers, in the form of increased compensation; and
- parents, in the form of reduced fees.

ELIGIBLE EXPENDITURES

The LHCC base funding allocation is outlined in the Budget Schedule of the service agreement, if applicable. The allocation has been calculated based on \$6,900 per active home as reported in the 2019 Child Care Licensing System licensee survey.

The ministry provides First Nations with the ability to use LHCC base funding amongst licensed home child care expense categories such as a home visitor. LHCC funds not spent on licensed home child care will be recovered by the ministry.

First Nations must have a policy and approach in place for allocating LHCC funding in their communities.

REPORTING REQUIREMENTS

First Nations will provide this information as part of their year-end Financial Statements submission (EFIS or Attestation Form).

In addition to total expenditure, First Nations are required to report on the LHCC base funding data element outlined in the subsection below. These data element include:

- Number home child care agencies receiving funding; and,
- Total licensed capacity of all programs supported (cumulative).

Please see the [Data Elements](#) subsection below for additional details on reporting requirements.

REQUIRED DOCUMENTATION

First Nations shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations shall retain service and financial records for a period of seven years.

CHILDREN'S RECREATION PROGRAMS

This section is only applicable to communities using Fee Subsidies and Special Needs Resourcing (SNR) to subsidize funding for children's recreation programs.

PURPOSE

This section details the funding eligibility requirements for "children's recreation programs". All other current ministry protocols for the administration of Fee Subsidies and Special Needs Resourcing funding apply as well. Please see the Fee Subsidy and SNR sections of this guideline for further information.

ALLOCATIONS

The primary intent of child care funding is to support licensed child care. There is no separate allocation for children's recreation programs. Fee subsidy and SNR funds may be used to support children enrolled in children's recreation programs as follows:

- Funds flowed using detail code A371 Child Care Regular Fee Subsidies
- Funds flowed using detail code A377 Special Needs Resourcing
- Funds flowed using detail code A404 Child Care Transformation provided that they are spent on Fee Subsidies or SNR

Note that funds flowed using detail code A370 Child Care Regular Fee Subsidies may only be used to support children in licensed child care programs and not enrolled in children's recreation programs. This is because of the Canada-Ontario cost-sharing arrangements under the *Memorandum of Agreement Respecting Welfare Programs for Indians*.

ELIGIBILITY REQUIREMENTS

Section 1 of Ontario Regulation 138/15 under the *Child Care and Early Years Act, 2014* defines "children's recreation program" as a program that is operated by:

- a) An organization recognized under Regulation 797 of the Revised Regulations of Ontario, 1990 (Recreation Programs) made under the *Ministry of Tourism and Recreation Act* as a children's recreation service provider by a resolution passed by the local service system manager, municipality, school board or First Nation; or
- b) An authorized recreational and skill building program as defined under the *Child Care and Early Years Act, 2014* and its regulations (see paragraphs 1 to 4 of subsection 6 (4) of the *Child Care and Early Years Act, 2014* and the criteria set out in section 3.1 of Ontario Regulation 137/15 made under the *Child Care and Early Years Act, 2014*); or
- c) A member of the Ontario Camps Association.

Fee subsidies may be provided to children enrolled in one of three types of “children’s recreation programs” described above who are four years old or older (or turning four in the current calendar year and enrolled on or after September 1).

Authorized recreational and skill building programs

“Authorized recreational and skill building programs” are defined in the *Child Care and Early Years Act, 2014*. An “authorized recreational and skill building program” is one that:

- Operates once a day for no more than 3 hours on weekdays
- Promotes recreational, artistic, musical or athletic skills or provide religious, cultural or linguistic instruction
- Is not operated in a person’s home
- Is operated by one of the following:
 - A local service system manager, a municipality, school board, First Nation, or the Métis Nation of Ontario;
 - An organization that delivers Ontario’s After School Program funded by the Ministry of Heritage, Sport, Tourism and Culture Industries (MHSTCI);
 - A member of the YMCA Canada or a member of Boys and Girls Clubs of Canada;
 - Operated by a member of a provincial sport organization or multi-sport organization recognized by MHSTCI, where the program’s activities are related to the sport or sports promoted by the organization;
 - An organization that is recognized by Parks and Recreation Ontario as a HIGH FIVE accredited organization;
 - Operated by a Friendship Centre that is a member of the Ontario Federation of Indigenous Friendship Centres;
 - Operated by an MHSTCI agency or attraction (e.g., Royal Ontario Museum, Ontario Science Centre);
 - Authorized by the local service system manager to offer child care on their service area provided that the program can demonstrate to the local service system manager that it offers programming that supports the health, safety and well-being of children; or
 - Authorized by a First Nation to offer child care on their territory provided that the program can demonstrate to the First Nation that it offers programming that supports the health, safety and well-being of children.

Programs where the primary purpose is to promote skill-based sports and recreation are not considered child care and do not require a license. This exemption is set out in the *Child Care and Early Years Act, 2014*:

The care or supervision is provided as part of a program, the primary purpose of which is not to provide temporary care for or supervision of children but rather to promote recreational, artistic, musical or athletic skills or to provide religious, cultural or linguistic instruction. (Paragraph 7, Section 4(1) of the *Child Care and Early Years Act, 2014*)

These programs tend to be episodic programs and services of short duration and frequency. For example, this can include things such as:

- One-hour lessons (e.g., dance, music, swimming)
- Team sports (e.g., hockey practice and games)
- Club activities that are offered once or twice a week (e.g., Girl Guides, 4-H)

The ministry looks at six factors to determine whether a program's primary purpose is recreational or child care (i.e., frequency and duration; ages of children; programming content; transportation; the facilities, equipment and furnishings; and whether registration and administration is coordinated with one or more other programs).

To determine whether a program falls under the recreation exemption, please email: information.met@ontario.ca with a description of the program in relation to the factors noted above.

More information about determining a program's primary purpose can be found here: [Recreation programs: what parents and providers need to know | ontario.ca](#)

Camps

Pursuant to Ontario Regulation 138/15, parents of children in "camps" - as defined in paragraph 9 of subsection 4 (1) of the *Child Care and Early Years Act, 2014* – who also meet other eligibility criteria are by regulation eligible for fee subsidy.

Eligible Camps:

- Operate for no more than 13 weeks in a calendar year.
- Operate on days where instruction is not typically provided for pupils in schools.
- Are not operated at a person's home.
- Are members of the Ontario Camps Association.

Children with Special Needs: Age Eligibility Transition

Under the *Day Nurseries Act*, parents of children with special needs could be eligible for fee subsidies for children up to 18 years of age. While the *Child Care and Early Years Act, 2014* defines a child as under the age of 13 years, to support continuity of care, children with special needs who were in receipt of a service or received financial assistance before August 31, 2017 will be allowed to continue to receive assistance/services until they turn 18 years, provided that they meet other eligibility criteria that are unrelated to age (see Ontario Regulation 138/15). For example, if a person with special needs started to receive financial assistance at age 12 years on August 30, 2017, they are eligible to continue receiving that financial assistance until they turn 18 years in the year 2023. These provisions mean that these adolescents will not experience a financial assistance/service disruption based on their age. Please see section 28 of Ontario Regulation 138/15 for the provisions that speak to this transition approach.

Program Requirements

First Nations are required to have program requirements in place that support the health, safety and well-being of children enrolled in children's recreation programs with whom they are entering into a purchase of service agreement for the provision of fee subsidies and/or SNR. At a minimum these requirements should include standards related to the following health, safety and well-being provisions:

- 1) Liability Insurance
- 2) Safe Arrival and Departure of Children
- 3) Vulnerable Sector Check
- 4) Adult Supervision
- 5) Programming Quality Assurance (e.g., HIGH FIVE certification or Accredited by the Ontario Camps Association)

Children's recreation programs must also meet these requirements for First Nations to permit the provision of SNR to children enrolled in these programs. The programs may hire staff directly to provide SNR supports or First Nations should amend their service agreements accordingly if supports are provided through an SNR agency.

REPORTING REQUIREMENTS

First Nations are required to report on the following data elements as part of their year-end Financial Statements submission (EFIS or Attestation Form) only if they are supporting children in recreation programs with fee subsidies and/or special needs resourcing:

- Average monthly number of kindergarten children served – fee subsidies and children's recreation;
- Average monthly number of school-age children served – fee subsidies and children's recreation;
- Number of kindergarten children served – fee subsidies and children's recreation;
- Number of school-age children served – fee subsidies and children's recreation;
- Number of children served, 0 to 12 years – special needs resourcing;
- Number of children served, age 13-18 – special needs resourcing;
- Average monthly number of children served up to and including kindergarten – special needs resourcing; and
- Average monthly number of school-age children served – special needs resourcing.

Please see the Data Elements subsection below for additional details on reporting requirements.

REQUIRED DOCUMENTATION

First Nations shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations shall retain service and financial records for a period of seven years.

CHILD CARE DATA ELEMENTS

First Nations are responsible for reporting on all data elements associated with the funding allocated through their service agreement.

CHILD CARE REGULAR FEE SUBSIDIES – *CHILD CARE AND EARLY YEARS ACT*

DATA ELEMENTS:

Name: Average Monthly Number of Infants Served

Definition:

The average monthly number of infants benefiting from subsidized child care. Each infant is counted once every month. The number reported in each financial submission cycle is the year-to-date average (mean) of the number of infants benefiting from subsidized child care in each month. For infants, younger than 18 months of age. Each child will move up to the next age group according to their birth date.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Average Monthly Number of Toddlers Served

Definition:

The average monthly number of toddlers benefiting from subsidized child care. Each toddler is counted once every month. The number reported in each financial submission cycle is the year-to-date average (mean) of the number of toddlers benefiting from subsidized child care in each month. For toddlers, 18 months of age or older but younger than 30 months of age. Each child will move up to the next age group according to their birth date.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Average Monthly Number of Preschoolers Served

Definition:

The average monthly number of preschoolers benefiting from subsidized child care. Each preschooler is counted once every month. The number reported in each submission is the year-to-date average (mean) of the number of preschoolers benefiting from subsidized child care in each month. For preschoolers, 30 months of age or older but younger than 4 years of age. Each child will move up to the next age group according to their birth date.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Average Monthly Number of Kindergarten Children Served

Definition:

The average monthly number of kindergarten children benefiting from subsidized child care (includes JK and SK). Each child is counted once every month. The number reported in each financial submission cycle is the year-to-date average (mean) of the number of kindergarten children benefiting from subsidized child care in each month. For kindergarten children who are 44 months of age or older as of August 31st of each year, up to and including 6 years of age.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Average Monthly Number of School-Aged Children Served

Definition:

The average monthly number of school-aged children benefiting from subsidized child care (includes Junior age). Each child is counted once every month. The number reported in each financial submission cycle is the year-to-date average (mean) of the number of school-aged children benefiting from subsidized child care. For school-aged children who are 68 months or older but younger than 13 years of age (under 18 for children with special needs).

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Children Served

Definition:

The number of children benefiting from subsidized child care (Ontario Works and Transformation). Each child is counted only once in the fiscal year.

Data Type: Service Specific - Cumulative

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

HEALTH AND SAFETY (REPAIRS AND MAINTENANCE)

DATA ELEMENTS:

Name: Number of licensed programs funded for health and safety (repairs and maintenance)

Definition:

The number of licensed child care centres and/or home child care agencies that receive funding to address health and safety concerns or repairs and maintenance.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

SPECIAL NEEDS RESOURCING

DATA ELEMENTS:

<p>Name: Number of Children Served, 0 to 12 years – Special Needs Resourcing</p> <p>Definition: The number of children aged 0 to 12 with special needs receiving special needs resourcing. Each child is counted only once in the fiscal year.</p> <p>Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1) Allocation Below \$500,000: Financial Statements (Attestation)</p>
<p>Name: Number of Children Served, age 13-18 – Special Needs Resourcing</p> <p>Definition: The number of children aged 13-18 with special needs receiving special needs resourcing. Each child is counted only once in the fiscal year.</p> <p>Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1) Allocation Below \$500,000: Financial Statements (Attestation)</p>
<p>Name: Number of Full Time Equivalent (FTE) Staff – Special Needs Resourcing</p> <p>Definition: The number of resource teachers/consultants/additional staff responsible for the delivery of the service. Full time equivalent is based on a minimum of 35 hours per week.</p> <p>Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1) Allocation Below \$500,000: Financial Statements (Attestation)</p>
<p>Name: Average Monthly Number of Children Served up to and including Kindergarten – Special Needs Resourcing</p> <p>Definition: The average monthly number of children with special needs up to and including kindergarten receiving special needs resourcing. Each child is counted once every month. The number reported in each financial submission cycle is the year-to-date average (mean) of the number of children served each month.</p> <p>Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1) Allocation Below \$500,000: Financial Statements (Attestation)</p>

Name: Average Monthly Number of School-Aged Children Served – Special Needs Resourcing

Definition:

The average monthly number of school-aged children receiving special needs resourcing. Each child is counted once every month. The number reported in each financial submission cycle is the year-to-date average (mean) of the number of school-aged children receiving special needs resourcing. For school-aged children who are 68 months or older but younger than 18 years of age (for children with special needs).

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

WAGE SUBSIDY

DATA ELEMENTS:

Name: Number of FTEs Serving Age 0-5 – Wage Subsidy

Definition:

The number of full-time equivalent staff serving children between the ages of 0-5 years old in child care centres, home child care agencies, resource centres, and agencies providing special needs resourcing including home child care providers who receive wage subsidy funding. Full-time equivalent is based on a minimum of 35 hours per week.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS– Schedule 1.1)
Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of FTEs Serving Age 6-12 – Wage Subsidy

Definition:

The number of full-time equivalent staff serving children between the ages of 6-12 years old in child care centres, home child care agencies, resource centres, and agencies providing special needs resourcing including home child care providers who receive wage subsidy funding. Full-time equivalent is based on a minimum of 35 hours per week.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS–Schedule 1.1)
Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of FTE Non-Program Staff – Wage Subsidy

Definition:

The number of full-time equivalent non-program staff (including cooks, bus drivers, housekeeping, janitorial and clerical staff), in child care centres, home child care agencies, resource centres, and agencies providing special needs resourcing, who receive wage subsidy funding. Full-time equivalent is based on a minimum of 35 hours per week.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)
Allocation Below \$500,000: Financial Statements (Attestation)

CHILD CARE TRANSFORMATION

DATA ELEMENTS:

Name: Number of Children Served – Child Care Transformation Fee Subsidy

Definition:

The number of children receiving Child Care Transformation fee subsidies. Each child is counted only once in the fiscal year.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Children Served, 0 to 12 years – Child Care Transformation Special Needs Resourcing

Definition:

The number of children aged 0 to 12 with special needs receiving special needs resourcing. Each child is counted only once in the fiscal year.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Children Served, age 13-18 – Child Care Transformation Special Needs Resourcing

Definition:

The number of children aged 13-18 with special needs receiving special needs resourcing. Each child is counted only once in the fiscal year.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Full Time Equivalent (FTE) Staff – Child Care Transformation Special Needs Resourcing

Definition:

The number of resource teachers responsible for the delivery of the service. Full time equivalent is based on a minimum of 35 hours per week.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of FTEs Serving Age 0-5 – Child Care Transformation Wage Subsidy

Definition:

The number of FTE staff, serving children between the ages of 0-5 years old, in child care centres, home child care agencies, and agencies providing special needs resourcing, including home child care providers who receive wage subsidy funding. FTE is based on a minimum of 35 hours per week.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of FTEs Serving Age 6-12 – Child Care Transformation Wage Subsidy

Definition:

The number of FTE staff, serving children between the ages of 6-12 years old, in child care centres, home child care agencies, and agencies providing special needs resourcing, including home child care providers who receive wage subsidy funding. FTE is based on a minimum of 35 hours per week.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of FTE Non-Program Staff – Child Care Transformation Wage Subsidy

Definition:

The number of FTE non-program staff (including cooks, bus drivers, housekeeping, janitorial and clerical staff), in child care centres, home child care agencies, resource centres, and agencies providing special needs resourcing, who receive wage subsidy funding. FTE is based on a minimum of 35 hours per week.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Licensed Centres Funded – Child Care Transformation – IT Upgrades

Definition:

The number of licensed child care operators that receive Child Care Transformation funding to support IT upgrades that facilitate internet connectivity for business purposes.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

CHILD CARE SUPERVISOR NETWORK - CAPACITY FUNDING

DATA ELEMENTS:

Name: Number of Participants – Child Care Supervisor Network – Capacity

Definition:

The number of child care staff who receive funding to participate in network meetings or engage in professional learning opportunities.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

WAGE ENHANCEMENT/HOME CHILD CARE ENHANCEMENT GRANT

DATA ELEMENTS:

Name: Number of Fully Eligible and number of Partially Eligible staff FTEs, including home child care visitors eligible for Wage Enhancement

Definition:

The number of full-time equivalent staff working in licensed child care centres who have or will receive a full (\$2 per hour) or partial (< \$2 per hour) wage enhancement in 2023-24.

Frequency: Allocation \$500,000 and Above

Wage Enhancement Application Form (if applicable)
Financial Statements (EFIS – Schedule 4.3)

Allocation Below \$500,000: Wage Enhancement Application Form (if applicable),
Financial Statements (Attestation)

Name: Number of Child Care Centres or Sites Receiving Wage Enhancement

Definition:

The number of child care centres or sites receiving wage enhancement.

Frequency: Allocation \$500,000 and Above: Wage Enhancement Application Form (if applicable), Financial Statements (EFIS – Schedule 4.3)

Allocation Below \$500,000: Wage Enhancement Application Form (if applicable),
Financial Statements (Attestation)

Name: Number of Fully Eligible Home Child Care Providers Receiving HCCEG

Definition:

The number of home child care providers who have or will receive a full (\$20 per day) Home Child Care Enhancement Grant in 2023-24. A provider must provide services on average (6 hours or more) and receive base daily fees excluding prior year's HCCEG of \$26.59 or less (i.e., \$20 below the cap of \$28.59).

Frequency: Allocation \$500,000 and Above:

Wage Enhancement Application Form (if applicable),
Financial Statements (EFIS – Schedule 4.3)

Allocation Below \$500,000: Wage Enhancement Application Form (if applicable),
Financial Statements (Attestation)

Name: Number of Partially Eligible Home Child Care Providers Receiving HCCEG

Definition:

The number of home child care providers who have or will receive a partial (\$10 per day) Home Child Care Enhancement Grant in 2023-24. Partial enhancements are given to providers who serve part time services on average (less than 6 hours) and receive base daily fees excluding prior year's HCCEG of \$161.54 or less (i.e., \$10 below the cap of \$171.54).

Frequency: Allocation \$500,000 and Above:
Wage Enhancement Application Form (if applicable),
Financial Statements (EFIS – Schedule 4.3)

Allocation Below \$500,000: Wage Enhancement Application Form (if applicable),
Financial Statements (Attestation).

Name: Number of Home Child Care Agencies Receiving HCCEG

Definition:

The number of home child care agencies receiving HCCEG.

Frequency: Allocation \$500,000 and Above: Wage Enhancement Application Form (if applicable), Financial Statements (EFIS – Schedule 4.3)

Allocation Below \$500,000: Wage Enhancement Application Form (if applicable),
Financial Statements (Attestation)

SMALL WATER WORKS

DATA ELEMENTS:

Name: Number of licensed programs funded for Small Water Works

Definition:

The number of licensed child care programs (licensed centres and home child care agencies) receiving funding to support small water works testing.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

BASE FUNDING FOR LICENSED HOME CHILD CARE

DATA ELEMENTS:

<p>Name: Number of Home Child Care Agencies Receiving Funding</p> <p>Definition: The number of home child care agencies who receive funding to deliver licensed home child care.</p> <p>Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1) Allocation Below \$500,000: Financial Statements (Attestation)</p>
<p>Name: Total Licensed Capacity of All Programs Supported (cumulative)</p> <p>Definition: The total licensed capacity (i.e., spaces) of all home child care programs that receive base funding support.</p> <p>Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1) Allocation Below \$500,000: Financial Statements (Attestation)</p>

CHILDREN’S RECREATION PROGRAM –

**ONLY REQUIRED IF YOUR FIRST NATION IS SUPPORTING CHILDREN WITH FEE SUBSIDIES AND/OR SPECIAL NEEDS RESOURCING IN CHILDREN’S RECREATION PROGRAMS.*

DATA ELEMENTS:

<p>Name: Average Monthly Number of Kindergarten Children Served – Fee Subsidies and Children’s Recreation</p> <p>Definition: The number of kindergarten children enrolled in recreation programs receiving fee subsidies. Each child is counted once every month. The number reported in the year-to-date average (mean) of the number of children enrolled in recreation programs in each month. For kindergarten children who are 44 months of age or older but younger than 68 months of age.</p> <p>Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1) Allocation Below \$500,000: Financial Statements (Attestation)</p>
<p>Name: Average Monthly Number of School-Age Children Served – Fee Subsidies and Children’s Recreation</p> <p>Definition: The number of school-age children enrolled in recreation programs receiving fee subsidies. Each child is counted once every month. The number reported in the year-to-date average (mean) of the number of children enrolled in recreation programs in each month.</p> <p>Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1) Allocation Below \$500,000: Financial Statements (Attestation)</p>
<p>Name: Number of Kindergarten Children Served – Fee Subsidies and Children’s Recreation</p> <p>Definition: The number of kindergarten children enrolled in recreation programs receiving fee subsidies. Each child is counted only once in the budget year.</p> <p>Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1) Allocation Below \$500,000: Financial Statements (Attestation)</p>

Name: Number of School-Age Children Served – Fee Subsidies and Children’s Recreation

Definition:

The number of school-age children in recreation programs receiving fee subsidies. Each child is counted only once in the budget year.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Children Served, 0 to 12 years – Special Needs Resourcing

Definition:

The number of children aged 0 to 12 with special needs receiving SNR. Each child is counted only once in the budget year. Include SNR supporting children enrolled in children’s recreation programs in separate table.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Children Served, age 13-18 – Special Needs Resourcing

Definition:

The number of children aged 13-18 with special needs receiving SNR. Each child is counted only once in the budget year. Include SNR supporting school-aged children enrolled in children’s recreation programs in separate table.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Average Monthly Number of Children Served up to and including Kindergarten – Special Needs Resourcing

Definition:

The average monthly number of children with special needs up to and including kindergarten receiving SNR. Each child is counted once every month. The number reported is the year-to-date average (mean) of the number of children served each month. Include SNR supporting kindergarten children enrolled in children’s recreation programs.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Average Monthly Number of School-Age Children Served – Special Needs Resourcing

Definition:

The average monthly number of school-age children receiving SNR (include Junior school age). Each child is counted once every month. The number reported is the year-to-date average (mean) of the number of school-age children receiving SNR. For school-age children who are 68 months of age or older but younger than 13 years of age. Include SNR supporting school-age children enrolled in children’s recreation programs.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

SECTION 4: ONTARIO WORKS CHILD CARE

PURPOSE

Ontario Works (OW) Child Care funding is to be used to enable OW participants to work or engage in employment assistance activities while their children are being cared for in a safe and nurturing environment.

ALLOCATIONS

First Nations and Transfer Payment Agencies can access two types of OW child care funding – Ontario Works Formal and Ontario Works Informal, which are described in detail below. OW Child Care funding is available through detail codes A402/A403 - Ontario Works Child Care. This allocation can be found in the Budget Schedule of the child care agreement, if applicable.

ELIGIBLE EXPENDITURES

OW child care funding covers the cost of child care for children in First Nation communities whose parents are eligible for income assistance under the Ontario Works Act, 1997 (OWA) and are employed and/or participating in employment assistance activities under the OWA. OW child care may be provided for children under the age of 13, as defined by the *Child Care and Early Years Act, 2014*.

Please note that the *Child Care and Early Years Act, 2014* defines “child” as a person who is younger than 13 years old. However, families of children with special needs who are in receipt of a service or received financial assistance (subsidized child care) before August 31, 2017 will be allowed to continue to receive assistance until that child turns 18, provided that they meet other eligibility criteria that are unrelated to age (see O. Reg. 138/15 made under the *Child Care and Early Years Act, 2014*). For example, if a person with special needs started to receive financial assistance at age 12 on August 30, 2017, he/she is eligible to continue receiving that financial assistance until he/she turns 18 in the year 2023. This means that these adolescents will not experience a financial assistance disruption based on their age.

Child care is an essential support that allows OW participants to partake in employment assistance activities in order to make the transition to employment and achieve financial independence. First Nations and Transfer Payment Agencies who receive OW Child Care funding are designated OW delivery agents under the OWA. In addition, the First Nation being funded directly or Transfer Payment Agency designated to serve First Nation communities must be delivering the full OW program (i.e., financial assistance and employment assistance).

In First Nation communities with a licensed child care centre, OW and Child Care Administrators are encouraged to work collaboratively to ensure that child care supports are available for OW participants and to determine the child care services appropriate for OW participants within their communities while protecting confidentiality of families.

ONTARIO WORKS FORMAL CHILD CARE

Ontario Works Formal Child Care funding may cover the cost of licensed child care and home child care services provided to children of OW participants in First Nation communities. Ontario Works Formal child care funding is a type of fee subsidy, which is financial assistance provided on behalf of parents for the cost of licensed child care services or home child care services up to the actual cost of the licensed child care (as specified in section 8.7 of the Ontario Works Policy Directives).

Ontario Works Formal Child Care funding may be provided for children in attendance at a licensed child care centre operated by a First Nation/Transfer Payment Agency or for the purchase of child care or home child care services for children whose parents are eligible for income assistance under the OWA (as defined in O. Reg. 138/15).

ONTARIO WORKS INFORMAL CHILD CARE

Ontario Works Informal Child Care funding may cover the cost of informal (unlicensed) child care provided to children of OW participants in First Nation communities. Informal child care provides an additional option for parents requiring more flexible arrangements for part time, short term and irregular care arrangements to meet OW participation requirements. The payment level to OW participants for informal care is the actual cost of the informal child care up to the prescribed maximum per child (as specified in section 8.7 of the Ontario Works Policy Directives). Currently, the maximum benefit amount is \$600 per month per child.

Please refer to the Ministry of Children, Community and Social Service's Ontario Works Policy Directives for more information about OW formal and informal child care supports.

The Ministry of Education is taking steps to prioritize and promote the use of licensed child care options for OW participants. The ministry encourages First Nations and Transfer Payment Agencies to promote the use of licensed child care for OW participants and to document where OW participants are either unable to secure licensed child care or licensed child care does not effectively support the participants' activities as documented in the OW Participation Agreement. Information on the differences between unlicensed and licensed child care options can be found in the Ontario Works Child Care information sheet included in your service agreement package or here [Types of child care | ontario.ca](#).

COST-SHARING REQUIREMENTS

Ontario Works Formal Child Care (A402) is cost-shared on an 80 per cent provincial / 20 per cent First Nations basis under the *Child Care and Early Years Act, 2014*. Ontario Works Informal Child Care (A403) is funded 100 per cent by the Province under the *Child Care and Early Years Act, 2014*.

FINANCIAL FLEXIBILITY

The Ontario Works Formal (A402) and Informal (A403) detail codes are combined and First Nations receive one allocation under Ontario Works Child Care - A402/A403 in the Budget Schedule of the service agreement. The blending of the Ontario Works Formal (A402) and Informal (A403) detail codes provides First Nations and Transfer Payment Agencies with the ability to spend their allocation in a way that best meets community needs. Although First Nations and Transfer Payment Agencies receive a combined allocation under A402/A403, they will be required to report their expenditures on A402 and A403 separately in their Financial Statements submission.

The calculation of the First Nation or TPA's entitlement under Ontario Works Child Care (A402/A403) will take into account the different cost sharing requirements for the two detail codes. See the example below.

Ontario Works Child Care Funding: Example of Entitlement Calculation

A First Nation is entitled to receive a maximum combined Ontario Works child care allocation of \$30,000. Based on community need, the First Nation has determined that 1/3 of their allocation will be used for Formal Child Care (A402) and 2/3 of their allocation will be used for Informal Child Care (A403).

A402/A403 OW Child Care Allocation \$30,000⁹

Community Need Analysis:

A402 Ontario Works Formal Child Care: $(\$30,000 \times 1/3) = \$10,000$

A403 Ontario Works Informal Child Care: $(\$30,000 \times 2/3) = \$20,000$

Costs that must be incurred in order to receive the full allocation:

	EDU Share	First Nation Share	Total Costs Incurred ¹⁰
A402 Ontario Works - Formal Child Care (80/20 Cost Share)	\$10,000	\$2,500	\$12,500
A403 Ontario Works - Informal Child Care (100% funded by the Ministry of Education)	\$20,000	\$0	\$20,000
Total	\$30,000	\$2,500	\$32,500

⁹ As outlined in the Budget Schedule of the child care service Agreement.

¹⁰ If the cost incurred by the First Nation is less than \$32,500, the amount of funding the First Nation receives from the ministry will decrease.

REPORTING REQUIREMENTS

First Nations and Transfer Payment Agencies are required to report financial and service data to the ministry related to OW Child Care. First Nations and Transfer Payment Agencies will provide this information as part of their year-end Financial Statements submission (EFIS or Attestation Form).

In addition to total expenses, First Nations are required to report on the OW data element outlined in the subsection below. This data element includes:

Formal Child Care:

- Number of Children Served – Ontario Works Formal
- Number of Participants Served - Ontario Works Formal
- Average Monthly Number of Children Served – Ontario Works Formal

Informal Child Care:

- Number of Children Served – Ontario Works Informal
- Number of Participants Served – Ontario Works Informal
- Average Monthly Number of Children Served – Ontario Works Informal

REQUIRED DOCUMENTATION

First Nations and Transfer Payment Agencies shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations and Transfer Payment Agencies shall retain service and financial records for a period of seven years.

ONTARIO WORKS FORMAL CHILD CARE DATA ELEMENTS:

Name: Number of Children Served - Ontario Works Formal

Definition:

The number of children of Ontario Works participants provided with child care in licensed child care settings. Each child is counted only once in the fiscal year.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Participants Served - Ontario Works Formal

Definition:

The number of Ontario Works participants receiving fee subsidies. Each participant is counted only once in the fiscal year.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Average Monthly Number of Children Served – Ontario Works Formal

Definition:

The average monthly number of children of Ontario Works participants provided with child care in licensed child care settings. Each child is counted once every month. The number reported in each financial submission cycle is the year-to-date average (mean) of the number of children receiving Ontario Works Formal child care in each month.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

ONTARIO WORKS INFORMAL CHILD CARE DATA ELEMENTS:

Name: Number of Children Served - Ontario Works Informal

Definition:

The number of children of Ontario Works participants provided with child care in unlicensed child care settings. Each child is counted only once in the fiscal year.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Participants Served - Ontario Works Informal

Definition:

The number of Ontario Works participants receiving funding for unlicensed child care arrangements. Each participant/family is counted only once in the fiscal year.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Average Monthly Number of Children Served – Ontario Works Informal

Definition:

The average monthly number of children of Ontario Works participants provided with child care in informal (unlicensed) child care settings. Each child is counted once every month. The number reported in each financial submission cycle is the year-to-date average (mean) of the number of children receiving Ontario Works Informal child care in each month.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS – Schedule 1.1.)

Allocation Below \$500,000: Financial Statements (Attestation)

SECTION 5: FIRST NATIONS CHILD AND FAMILY PROGRAMS

PURPOSE

First Nations child and family programs offer high-quality, free drop-in child and family programs for parents, caregivers, and children. They provide welcoming environments where families, children, and caregivers can learn, grow, and connect together.

First Nations Child and Family Programs objectives are intended to:

- Increase access to culturally relevant early years programs and services for First Nations children and families on reserve;
- Enhance First Nations control of service design and delivery;
- Provide increased opportunities for First Nations children to learn about their culture and language from an early age; and,
- Improve outcomes for First Nations children and families including culturally relevant healthy child development, and parent and family supports.

ALLOCATIONS

Child and family program allocations are available in the Budget Schedule of the service agreement, if applicable.

PEDAGOGICAL FRAMEWORK FOR CHILD AND FAMILY PROGRAMS

Child and family programs are expected to provide programs that reflect the view of children, parents, caregivers, and educators as competent, capable, curious, and rich in potential and experience. Guided by *How Does Learning Happen? Ontario's Pedagogy for the Early Years, 2014* (HDLH), child and family programs provide an environment that engages parents and caregivers as co-learners and leaders in influencing positive experiences and outcomes for children, families and the community.

First Nations offering child and family programs and services are expected to use HDLH to guide the development and delivery of local programs. HDLH supports the adoption of a common pedagogical approach across early years settings, based on the four foundations for learning: belonging, well-being, engagement, and expression. The following documents are available to help strengthen program quality in early years settings, including child and family programs:

- [How Does Learning Happen? Ontario's Pedagogy for the Early Years](#)
- [Building on How Does Learning Happen?](#)
- [Think, Feel Act: Lessons from Research about Young Children](#)

CORE SERVICES

To achieve the intended goals and outcomes of child and family programs, the ministry has identified a suite of core services that must be available to children and families across the province. First Nations are required to manage the local delivery of these core services related to:

- supporting early learning and development;
- engaging parents and caregivers; and
- making connections for families.

First Nations may consider alternate delivery models and frequencies of child and family programs to meet the unique needs of a community, such as size, number of children and families, and available infrastructure. A First Nation may wish to support a child and family program that is centre-based (e.g., family drop-in program delivered throughout the week at the same location), and/or delivered on the land, and/or use a mobile delivery approach (e.g., outreach).

Supporting Early Learning and Development

Child and family programs offer drop-in and other programs and services that build responsive adult-child relationships, encourage children's exploration, and promote play and inquiry based on the pedagogy in *How Does Learning Happen?*

Early learning and development programs are most effective when the context for learning is foregrounded in relationships and focused on supporting the development of strategies, dispositions, and skills for lifelong learning through play and inquiry.

Engaging Parents and Caregivers

Child and family programs are encouraged to develop programs that cultivate authentic, caring relationships and connections that create a sense of belonging. This means that wherever possible, engagement with parents and caregivers should occur with children present. Engaging with parents and caregivers also includes:

- Inviting conversations and information sharing about children's interests, child development, parenting, nutrition, play and inquiry-based learning, and other topics that support their relationship with their child(ren);
- Providing outreach opportunities that are responsive to community needs. This includes connecting with parents and caregivers who could benefit from child and family programs and services but are not currently accessing services for a variety of reasons;
- Collaborating with other support programs to enhance parent and caregiver well-being, enrich adult-child relationships and to support parents and caregivers in their role(s).

As noted above, parent and caregiver engagement may take place in a variety of formats depending on the needs of individuals within the community. Engagement may include group discussions, informal one-on-one engagement, printed and electronic resources or other engagement opportunities as appropriate.

Making Connections for Families

Child and family programs should continuously look for opportunities to facilitate stronger relationships within their local community and assist parents and caregivers in accessing services and supports that respond to a family's unique needs. This includes:

- Ensuring child and family program staff have relationships with community partners and an in-depth knowledge of their community resources to allow for seamless transitions (warm hand-offs) for families who may benefit from access to specialized or other services;
- Responding to a parent/caregiver concern about their child's development through conversations and observations. In some cases, staff may direct parents/caregivers to seek additional supports from primary care or other regulated health professionals;
- Sharing information and facilitating connections with specialized community services (such as children's rehabilitation services), coordinated service planning, health, education, and child care;
- Providing information about programs and services available for the whole family beyond the early years.

First Nations have the flexibility to determine how these services are delivered, the design and development of programs to meet core services, and who will deliver child and family programs and services.

SERVICE DELIVERY METHODS

First Nations have the flexibility to offer child and family programs and services through a variety of service delivery methods (e.g., mobile services, virtual resources including those provided by phone).

Child and family programs and services are intended to be community-based and must never be offered within individual homes.

Mobile Services

First Nations can offer programs and services outside of centres to further integrate child and family programs with broader community services and to enhance service access. Mobile programs often involve "set-up and take-down" and operate in a shared space.

Mobile services may have regular or irregular days, times, and locations of operation. First Nations must establish an appropriate mechanism to communicate to parents and caregivers about these services and their locations, dates, and times of operation.

First Nations may also consider coordinating transportation options to increase program accessibility where necessary and feasible.

Virtual Services and Resources

First Nations may provide online resources, information and other services for parents and caregivers related to the suite of child and family programs and services (e.g., website, social media, Skype services). These may be particularly beneficial for communities with disperse populations and the diverse needs of families. Information about topics such as child and family programs, child development and play and inquiry-based learning can also be provided by telephone.

OPTIONAL PROGRAMS AND SERVICES

The following programs and services should only be considered once the child and family program core service expectations are being met on a regular and consistent basis.

Child Minding

Child and family programs may offer child minding services during parent/caregiver programs or to allow parents to access other community services (e.g., postpartum depression support programs, employment, and training services), if parents/caregivers remain on-site in accordance with requirements under the *Child Care and Early Years Act, 2014*.

Respite Child Care

Respite child care is intended to support parents who require emergency short-term and/or occasional care for their children. First Nations have the option to offer respite child care in a child and family program.

Respite child care may be funded using existing provincial funding for child and family programs. First Nations who choose to exercise this option determine which location would offer this service and be funded for respite child care based on community needs. First Nations should prioritize respite child care for families in their communities.

If provincial child and family program funding is insufficient to cover all expenses related to respite child care, First Nations may establish fees for respite care or find alternative funding sources to partially or fully cover the costs of delivering this service. Where a fee is charged, respite child care must be offered as a not-for-profit, full cost recovery program.

Respite child care should only be considered once the child and family program core service expectations are being met on a regular and consistent basis in a community. Please refer to the [Core Services](#) section for further information.

Child and family programs that provide respite child care must comply with legislative and regulatory requirements for unlicensed child care included in the *Child Care and Early Years Act, 2014*:

- Providing care for no more than 5 children at any one time (section 6 (3) 2 of *Child Care and Early Years Act, 2014*).
- The group of children must not include more than three children who are younger than two years old (section 6 (3) 2 of *Child Care and Early Years Act, 2014*).
- Respite child care can only be provided at one premise per corporation (section 7 of *Child Care and Early Years Act, 2014*).
- Child and family programs must disclose to parents that they are unlicensed and retain a record of that disclosure (section 12 of *Child Care and Early Years Act, 2014*).
- Providing receipts for payment, when requested (section 15 of *Child Care and Early Years Act, 2014*).
- Parents must not be prevented from accessing their children or the premises where respite child care is provided (with limited exceptions listed in section 10 (1) and 10 (2) of *Child Care and Early Years Act, 2014*).
- Individuals providing respite child care at a child and family program site must not have been convicted of an offence identified in section 9 of the *Child Care and Early Years Act* or have had their authority to practice restricted by the College of Early Childhood Educators, the Ontario College of Teachers or the College of Social Workers and Social Service Workers (section 9 of *Child Care and Early Years Act, 2014*).

In addition, child and family programs must disclose to parents that children may be on the premises with parents/caregivers who have not submitted a Vulnerable Sector Check.

Under section 30 (1) of the *Child Care and Early Years Act, 2014*, the ministry has the authority to enter and inspect a premise where it suspects on reasonable grounds that child care is provided.

Respite child care can only be provided at one premise per First Nation. First Nations are responsible for ensuring that up-to-date records of the name and address of the child and family program providing respite child care is reported to the ministry. Please send your updates to tpa.edu.EarlyLearning@ontario.ca and copy your Early Years Advisor.

REGISTERED EARLY CHILDHOOD EDUCATOR STAFFING REQUIREMENTS

Child and family programs should be culturally responsive and designed to foster positive outcomes and support nurturing relationships for children, parents and caregivers based on the latest evidence and research. Registered Early Childhood Educators (RECEs) play a key role in delivering early years programs. RECEs have specialized knowledge and expertise related to child development as well as play and inquiry-based learning that is essential to delivering high-quality early years programs and services, such as drop-in programs in child and family programs. As regulated professionals, RECEs are required to practice in accordance with a Code of Ethics and Standards of Practice which guide their relationships with children and families.

First Nations are required to ensure that core services related to supporting early learning and development at every child and family program are overseen by a RECE. RECEs must be members in good standing of the College of Early Childhood Educators. The ministry recommends RECE qualifications for all staff delivering services related to early learning and development.

Aligned with the other core services, First Nations have the flexibility to determine if additional staff with specialized skill sets may be responsive to community needs. It is expected that staff will engage in continuous professional learning opportunities to keep informed of the latest research on adult education, child development, play and inquiry-based pedagogy, and other relevant topics.

RECE Exemption

Child and family programs are encouraged to employ at least one RECE in every program by April 1, 2023, however, in recognition of the current RECE shortages, the flexibility to grant exemptions will be extended into 2023. Where a child and family program has tried but is unable to recruit at least one RECE to oversee core services related to supporting early learning and development, First Nations may grant an exemption from the requirement.

This provision does not apply to persons that:

- Have been members of the College of Early Childhood Educators in the past, but have resigned or had their membership suspended, cancelled, or revoked, or who have let their membership lapse.
- Have satisfied the educational requirements to be registered as members of the College but have not become members.

In determining whether to grant an exemption, First Nations should consider the proposed candidate's experience and expertise including previous experience in child and family programs, membership in another relevant regulated profession (e.g., social work, nursing, etc.) and any other factors the First Nation deems relevant in consultation with the program.

It is expected that staff with exemptions will also engage in continuous professional learning opportunities to keep informed of the latest research on adult education, child development, play and inquiry-based pedagogy, and other culturally relevant topics.

First Nations must review these exemptions on an annual basis to monitor compliance with this requirement, identify challenges and develop strategies in meeting this requirement. This may include transition planning, ensuring capacity to deliver core services related to early learning and development, and human resource approaches (e.g., recruitment and staffing strategies, qualifications upgrading). Exemptions are not meant to be extended indefinitely.

First Nations must document the reasons for providing an exemption. They will also be required to report the number of staff that have been provided an exemption through financial reporting.

Grand-Parenting Provision

First Nations may also grant an exemption from the RECE requirement for child and family programs employing a staff person to oversee core services who is not a RECE but who has at least 10 years of experience working in a child and family program setting as of January 1, 2019. This provision is intended to support the retention of long-tenured child and family program staff in their positions, including the rehiring of staff who have recently left their position, but where that position has not yet been filled.

To qualify under this grand-parenting provision, a staff person must have been employed for a total of 10 years or more, as of January 1, 2019, in one or more of the following child and family programs:

- Ontario Early Years Centres
- Parenting and Family Literacy Centres
- Child Care Resources Centres
- Better Beginnings, Better Futures

This provision does not apply to persons that:

- Have been members of the College of Early Childhood Educators in the past, but have resigned or had their membership suspended, cancelled, revoked, or who have let their membership lapse.
- Have satisfied the educational requirements to be registered as members of the College but have not become members.

In addition, this provision does not apply to new hiring for positions that will oversee the delivery of core services related to supporting early learning and development. For any new hiring for such positions, child and family programs are required to recruit a RECE. Where they are unable to do so, First Nations may grant a RECE exemption as described above.

First Nations will be required to report the number of staff that have been provided an exemption or qualify under the grand-parenting provision through financial reporting.

Early Childhood Educators Qualifications Upgrade Program

The ministry funds the Early Childhood Educators Qualifications Upgrade Program (ECE QUP) which supports individuals working within the early years sector who have been accepted to an Ontario College of Applied Arts and Technology to pursue their Early Childhood Education (ECE) diploma and become eligible to apply for membership with the College of Early Childhood Educators. Support is provided through education grants, travel grants, training allowances and book allowances.

First Nations, Métis and Inuit communities have identified challenges recruiting and retaining qualified early childhood educators to deliver culturally responsive programs. To support staff in child care and early years settings in upgrading their skills, the ECE QUP prioritizes applicants living and/or working in these communities.

The ECE QUP also includes a Leadership Grant Stream which was established to support professional development opportunities for program staff (e.g., RECEs designated to leadership positions and/or responsibilities).

For more information on the ECE QUP, please visit the program's website at <http://www.ecegrants.on.ca/>.

ADDITIONAL CHILD AND FAMILY PROGRAM REQUIREMENTS

Health, Safety and Well Being

First Nations must ensure that appropriate policies and procedures are in place to ensure that child and family programs are delivered in a way that promote the health, safety and well-being of children and families being served. This includes ensuring that policies and procedures are implemented regarding:

- Vulnerable sector checks
- First aid
- Emergency plans
- Sanitation and maintenance
- Workplace health and safety relating to staff
- Complaints and resolutions processes
- Reporting serious incidents to the ministry and processes for determining appropriate, if any, response required.

Where an incident has occurred that may result in media attention, the First Nation is required to report this to the ministry. First Nations may contact their Early Years Advisor.

Child and family programs must be operated in accordance with all federal, provincial, and municipal legislation and regulations as well as ministry policies and guidelines.

Duty to Report

The *Child, Youth and Family Services Act, 2017* (CYFSA) recognizes that each of us has a

responsibility for the well-being of children. Section 125 of the CYFSA states that the public, including professionals who work with children, must promptly report any suspicions that a child is, or may be, in need of protection.

Honouring the connection between First Nations, Inuit and Métis children and their distinct political and cultural communities is essential to helping them thrive and fostering their well-being.

More information on the duty to report can be found [here](#) .

Program Vehicles

Vehicles may only be used for the purposes of transporting children and families to access child and family programs and transporting program supplies. Where transportation is being provided, policies and procedures must be in place to ensure the safe operation of the vehicle. This includes:

- A valid driver's licence
- Insurance
- The vehicle must be in a state of good repair and in safe mechanical condition
- Ensuring exterior lights are not obstructed
- Checking weather and road conditions before departure
- Appropriate attire (e.g., helmets, life jackets, car seats)
- Emergency kits
- What to do in case of emergency (e.g., collision, mechanical failure, weather)
- Ensuring passengers are aware of appropriate behaviour while riding in the vehicle
- Ensuring cleanliness in the interior, and safe and secure storage of any belongings and baggage that is brought onto the vehicle

ELIGIBLE EXPENDITURES

Operating

First Nations must prioritize funding to deliver core services that are responsive to local need. Funding may be used for ongoing costs including:

- Funding to support salary and benefit expenditures for child and family program staff to deliver core services.
- Hiring or acquiring the services of a special needs resource consultant to support the delivery of core services to children with special needs and their families/caregivers, specifically making connections for families to specialized services (e.g., screening, early intervention, resources and supports).
- Lease and occupancy costs for child and family programs, rental fees for mobile services¹¹ and other operating costs such as utilities.

¹¹ This may include the close-ended leases of a vehicle to support the delivery of Child and Family

- Transportation services to support outreach and participation in programs. This can include costs for public transit, gas, and general auto repair and maintenance.
- Resources for families and caregivers related to early learning and development (e.g., materials for inquiry-based play), additional community services and supports, information to support parents and caregivers in their role.
- Supplies to support the delivery and daily operation of programs as well as maintenance costs related to the general upkeep, safety, and maintenance of child and family program facilities.

MENTAL HEALTH SUPPORT

This funding will leverage local expertise and enhance existing mental health resources and capacity building strategies to support children, families, and the staff in early years settings based on community needs.

The government recognizes that over the past two years, the COVID-19 pandemic has had a significant impact on children and families. The COVID-19 Pandemic and associated lockdowns have negatively impacted the mental health of children, families, and caregivers, by increasing stress, and other mental health symptoms including, irritability, hyperactivity, inattention, depression, and anxiety. Early identification of mental health challenges and providing supports as early as possible is critical and can lead to improved achievement in school and better health outcomes in life.

Beginning in 2022, the government is allocating a total of \$9 million in funding (\$3 million per year for three years) toward mental health supports for the early years and child care sector to support enhanced services to families and their children through child and family programs. Funding will be allocated to First Nations and Consolidated Municipal Service Managers and District Social Services Administration Boards .

First Nations may use this funding to build further capacity in the system for mental health initiatives by:

- Supporting the coordination of community mental health supports for children, parents/caregivers, and staff
- Enhancing current professional learning supports to include mental health information for the child care and early years sector
- Supporting alignment with Ontario’s provincial pedagogy for early years and child care settings: *“How Does Learning Happen? Ontario’s Pedagogy for the Early Years”*.

Funding for Mental Health Supports has been included as part of the 2023-2024 allocations. Funding can be used to support mental health initiatives as noted above. First Nations have the flexibility to use the funding to support other eligible operating expenditures related to child and family programs, as noted in the previous section.

Programs. Funding does not support transfer of ownership and/or purchase of vehicle during or at end of lease.

PROFESSIONAL LEARNING

The ministry continues to support professional learning opportunities related to the capacity building of staff for child and family programs under the operating allocation. First Nations have the flexibility and discretion to spend as much of their operating allocation towards professional learning to meet the needs of their community.

- Costs to support professional learning opportunities for program staff that may:
 - build the capacity of program staff to provide culturally relevant child and family programs;
 - align with implementing and practicing pedagogical approaches described in *How Does Learning Happen?*;
 - relate to core service delivery and well-being of children and families such as culturally-relevant healthy child development, adult and parent education, community development and outreach, culturally responsive programs, health and safety (e.g., safe food handling, first aid); and/or
 - relate to business administration (e.g., program management, human resources, budgeting, leadership, governance, policy development).

- Eligible expenses include:
 - Registration fees to attend professional learning events;
 - Transportation, meal, and accommodation costs to attend professional learning events and meetings¹²;
 - Equipment and technology to support professional learning activities and meetings;
 - Costs associated with the development and sharing of resources to support program staff;
 - Establishing communities of practice to support program staff; and/or
 - Relief and release time to support staff in participating in professional learning activities.

ADMINISTRATION FUNDING

A maximum of 10 per cent of the child and family program allocation may be used towards administration expenses. Administration expenses must represent actual expenses incurred for program administration and may not be expressed solely in terms of a percentage of program expenditures.

¹² First Nations are to refer to the [Ontario Public Service Travel, Meal and Hospitality Expenses Directive](#) effective January 1, 2020 as a guide.

INELIGIBLE EXPENDITURES

Funding may not be used to support direct specialized services. This includes programs and services offered by regulated health professionals working within their scope of practice (e.g., occupational therapy, audiology and speech language pathology, physiotherapy).

This also includes early intervention and screening programs and services that are funded by other ministries and/or levels of government.

REPORTING REQUIREMENTS

First Nations are required to report financial and service data to the ministry related to child and family program expenses. First Nations will provide this information as part of their year-end Financial Statements submission (EFIS or Attestation Form).

In addition to total expenses, First Nations are required to report on child and family programs data elements outlined below:

- Number of child and family program sites
- Number of children served – All Programs
- Number of visits made by children – All Programs
- Number of parents/caregivers served – All Programs
- Number of visits made by parents/caregivers – All Programs
- Number of children served – Virtually¹³
- Number of visits made by children – Virtually
- Number of parents/caregivers served – Virtually
- Number of visits made by parents/caregivers – Virtually
- Program Locations
- Number of FTE program staff
- Number of FTE non-program staff
- Number of FTE program staff who are RECEs
- Number of FTE program staff receiving RECE exemptions (excluding the grand-parenting provision)
- Number of FTE program staff receiving RECE exemptions through the grand-parenting provision
- Confirmation that programming is guided by *How Does Learning Happen?*

¹³ A virtual child and family program is facilitated by staff and ensures participation and engagement with children, parents/caregivers through web-based applications. Engagement is defined as follows:

- The virtual program is **interactive** (i.e., two-way flow of information or conversation between two or more people, but should not include social media interactions such as Facebook likes, video views, shared posts, etc. in this data element);
- The virtual program is **purposeful** (i.e., there is a clear early learning, or early child development, or child health and well-being related purpose for hosting the virtual program).

REQUIRED DOCUMENTATION

First Nations shall maintain service and financial records for each site where the service above is being provided.

FILE RETENTION

First Nations shall retain service and financial records for a period of seven years.

SERIOUS OCCURRENCE PROTOCOL

First Nations that are funded for child and family programs are required to report serious occurrences to the Ministry of Education. First Nations are required to submit to the ministry Serious Occurrence Reports (SORs) for serious occurrences that take place in child and family programs if they fall within any of the categories below. First Nations must submit SORs to the ministry within 24 hours of being made aware of a serious occurrence:

1. Death of a child
2. Allegation of abuse and/or neglect
3. Life-threatening injury or illness
4. Missing or unsupervised child(ren)
5. Unplanned disruption of normal operations (e.g., fire, flood, gas leak, detection of carbon monoxide, outbreak, lockdown, other emergency relocation or temporary program closure)

Please submit your SOR by email to EYIBSOR@ontario.ca copying your Early Years Advisor. The ministry will acknowledge receipt of your SOR, review all information, and contact you if any follow up is required. First Nations should use the Ministry of Education's Child and Family Program Serious Occurrence Report Form to report a serious occurrence. The Serious Occurrence form is included in the annual service agreement package.

The summary below outlines the ministry's protocol that First Nations are to follow for ministry-funded child and family programs when a serious occurrence has taken place:

Child and Family Program Serious Occurrence Protocol

Timeframe	Responsibility
Immediately	First Nations will: <ul style="list-style-type: none"> • Address health & safety of client(s). • Notify Children's Aid Society / Indigenous Child Well-Being Society, as appropriate. • Notify all other applicable parties, as required.
Serious Occurrence Report (Within 24 hours)	First Nations will: <ul style="list-style-type: none"> • Determine if the incident is a serious occurrence to be reported to the ministry. • Submit Serious Occurrence Report to the Ministry of Education by email to EYIBSOR@ontario.ca copying your Early Years Advisor.
Within 7 business days If follow up action was requested and/or taken	First Nations will: <ul style="list-style-type: none"> • Complete and Submit Part 2 of the Serious Occurrence Report (SOR) to the Ministry of Education by email to EYIBSOR@ontario.ca copying your Early Years Advisor.
Upon Receipt of SOR	Ministry of Education will: <ul style="list-style-type: none"> • Acknowledge receipt of SOR. • Review all information and action taken by the First Nation. Determine if further ministry follow-up is required (if so, the ministry will work with the First Nation).

DATA ELEMENTS

Name: Total Number of Child and Family Centre Sites

Definition:

The number of physical locations where there are Child and Family Programs. Child and Family Programs offer core services year-round, at least five days a week, including either Saturday or Sunday (either through one or multiple locations). All locations should be included in reporting the total number of Child and Family Program Sites.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Children Served – All Programs

Definition:

Number of children aged 0-6 that received services (indoor/outdoor/virtual) at some point during the fiscal year. A child is counted only once during the fiscal year.¹⁴ For example, if 4-year-old John participated in both an in-person (indoor or outdoor program) and virtual child and family program in 2023-24, John would be counted once. If John only participated in a virtual program in 2023-24, John would also be counted once. This data element is only used when a child participates in an early learning experience.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Visits made by Children – All Programs

Definition:

The total number of visits that children aged 0-6 made to an indoor/outdoor/virtual child and family program. Count each time a child attended an in-person (indoor or outdoor program) and/or virtual program that was designed to engage children in an early learning experience).

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

¹⁴ A virtual child and family program is facilitated by staff and ensures participation and engagement with children, parents/caregivers through web-based applications. Engagement is defined as follows:

- The virtual program is **interactive** (i.e., two-way flow of information or conversation between two or more people, but should not include social media interactions such as Facebook likes, video views, shared posts, etc. in this data element);
- The virtual program is **purposeful** (i.e., there is a clear early learning, or early child development, or child health and well-being related purpose for hosting the virtual program).

Name: Number of Parents/Caregivers Served – All Programs

Definition:

The number of parents/caregivers who actively participated in an indoor/outdoor/virtual child and family program, either with their children or separately. A parent/caregiver is counted only once during the fiscal year. For example, if the parent of 4-year-old John participated in both an in-person (indoor or outdoor program) and a virtual program in 2023-24, the parent would be counted once. If the parent only participated in a virtual program in 2023-24, the parent would also be counted once.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Visits Made by Parents/Caregivers – All Programs

Definition:

Total number of visits that parents/caregivers made to a child and family program (indoor/outdoor/virtual). Count each time a parent/caregiver attended an in-person (indoor or outdoor) and/or virtual program that was designed to engage parents/caregivers with their children or separately.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Children Served – Virtually

Definition:

Total number of children aged 0-6 that participated in a virtual program or services at some point during the fiscal year. A child is counted only once during the fiscal year. For example, if 4-year-old John participated in two virtual child and family programs in 2023-24, John would be counted once. If John only participated in one virtual program in 2023-24, John would also be counted once.

Note: if John attended an in-person program as well as a virtual program, he should be included in both data elements (Number of Children Served – All Programs AND Number of Children Served – Virtually).

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Visits made by Children – Virtually

Definition:

The total number of visits that children aged 0-6 made to a virtual child and family program. Count each time a child attended a virtual program that was designed to engage children in an early learning experience.

Note: if John attended an in-person program as well as a virtual program, he should be included in both data elements (Number of Visits made by Children – All Programs AND Number of Children Served – Virtually).

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Parents/Caregivers Served – Virtually

Definition:

Total number of parents/caregivers that participated in a virtual program/service, either with their children or separately. A parent/caregiver is counted only once during the fiscal year. For example, if the parent of 4-year-old John participated in two virtual programs in 2023-24, the parent would be counted once. If the parent participated in one virtual program in 2023-24, the parent would also be counted once.

Note: if John's parent attended an in-person program as well as a virtual program, they should be included in both data elements (Number of Parents/Caregivers Served – All Programs AND Number of Parents/Caregivers Served – Virtually).

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of Visits Made by Parents/Caregivers – Virtually

Definition:

Total number of visits that parents/caregivers made to a virtual child and family program. Count each time a parent/caregiver attended a virtual program that was designed to engage parents/caregivers with their children or separately.

Note: if John's parent attended an in-person program as well as a virtual program, they should be included in both data elements (Number of Visits Made by Parents/Caregivers – All Programs AND Number of Visits Parents/Caregivers Served – Virtually).

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of FTE Program Staff

Definition:

The number of FTE staff who are involved in the development, design and delivery of Child and Family Programs. FTE is based on a minimum of 35 hours per week.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of FTE Non-Program Staff

Definition:

The number of FTE non-program staff (including cooks, drivers, housekeeping, clerical, and financial staff, and administrators) employed at Child and Family Programs. FTE is based on a minimum of 35 hours per week.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of FTE Program Staff that are Registered Early Childhood Educators (RECE)

Definition:

The number of FTE program staff who are RECEs. FTE is based on a minimum of 35 hours per week.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of FTE Program Staff Receiving Registered Early Childhood Educator (RECE) Exemptions (excluding the grand-parenting provision)

Definition:

The number of FTE program staff exemptions that have been granted exemptions from the RECE requirement (excluding the grand-parenting provision). FTE is based on a minimum of 35 hours per week.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Number of FTE Program Staff Receiving RECE) Exemptions through the Grand-Parenting Provision

Definition:

The number of FTE program staff that have been granted an exemption from the requirement of having a RECE because they have 10 or more years of experience working in one or more of the following: Ontario Early Years Centres, Parenting and Family Literacy Centres, Child Care Resource Centres, and/or Better Beginnings, Better Futures.

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

Name: Programming guided by *How Does Learning Happen?*

Definition:

Confirmation that Child and Family Programs are guided by and align with the foundations in *How Does Learning Happen?*

Frequency: Allocation \$500,000 and Above: Financial Statements (EFIS Schedule – First Nations Child and Family Programs Service Data)

Allocation Below \$500,000: Financial Statements (Attestation)

APPENDIX A: REVIEW (AUDIT) ENGAGEMENT REPORT REQUIREMENTS

First Nations and Transfer Payment Agencies are required to adhere to the review engagement report requirements for Child Care Services and Child and Family Programs (where applicable) by one of two methods:

1. Separate Review Engagement*; or
2. Details / notes to their audited financial statements.

Enclosed is a sample template of each method for reference purposes.

REVIEW ENGAGEMENT REPORT

This report should contain 3 elements:

- A. Review Engagement Report;
- B. Schedule of Revenues and Expenditures for Child Care Services and / or Schedule of Revenues and Expenditures for Child and Family Programs; and
- C. Notes to Review Engagement Report.

DETAILS / NOTES TO THE AUDITED FINANCIAL STATEMENTS

- D. Sample note disclosure

** First Nations/Transfer Payment Agencies can choose a separate audit engagement*

A. Review Engagement Report

To XXX,

At the request of <name of First Nation or TPA>, we have reviewed the Schedules of Revenues and Expenditures for Child Care Services (and for Child and Family Programs, if applicable) for the year ended March 31, 2024. These schedules meet the financial reporting requirements specified by the Ministry of Education (see note 1(b)). Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussions related to information supplied to us by the First Nation.

A review does not constitute an audit and consequently we do not express an audit opinion on this financial information.

Based on our review, nothing has come to our attention that causes us to believe that this financial information is not, in all material aspects, in accordance with the <name of First Nation or TPA>'s basis of accounting.

The schedule(s) of revenue and expenditures has/have been prepared solely for the information and use of the addressee and the Ministry of Education for the stated purpose and should not be used by anyone other than the specified users or used for any other purpose.

Chartered Accountants
Date

Name of First Nation / TPA

B. Schedule of Revenues and Expenditures – Child Care Services

For the year ended March 31, 2024

(Unaudited)

	REVENUES				GROSS EXPENDITURES	SURPLUS/ (DEFICIT)
	Ministry of Education (Schedule 3.1, line 1.1 / Schedule D of 2022-23 Service Agreement)	Legislated Cost Share	Other (Schedule 2.4, line 1.1 + line 1.2 + lines 1.3 to 1.5)	Total	Ministry of Education (Schedule 2.4, line 1.0)	
A370 – Fee Subsidy						
A371 – Fee Subsidy						
A375 – Health and Safety						
A377 – Special Needs Resourcing						
A392 – Wage Subsidy						
A394 – Pay Equity Union Settlement						
A402 – Ontario Works Formal						
A403 – Ontario Works Informal						
A404 – Child Care Transformation						
A405 – Child Care Supervisor Network Capacity						
A406 – Wage Enhancement/HCCEG						
A407 – Wage Enhancement/HCCEG Administration						
A515 - Small Water Works						
Base Funding for Licensed Home Child Care						
TOTAL	\$	\$	\$	\$	\$	\$

Name of First Nation / TPA

Schedule of Revenues and Expenditures – Child and Family Programs

For the year ended March 31, 2024(Unaudited)

	REVENUES			GROSS EXPENDITURES	SURPLUS/(DEFICIT)
	Ministry of Education (Schedule "Entitlement", Tab: Allocations or Schedule D of 2022-23 Service Agreement)	Other	Total	Ministry of Education (Schedule "Expenditures", Tab: Adjusted Gross Expenditures)	
First Nations Child and Family Programs – Operating Ongoing					
TOTAL	\$	\$	\$	\$	\$

C. Notes to Review Engagement Report

Name of First Nation / Transfer Payment Agency

Notes Accompanying Schedule of Revenues & Expenditures – Child Care Services and/or Child and Family Programs

For the year ended March 31, 2024 (Unaudited)

The <name of First Nation/Transfer Payment Agency> Child Care Services Program (and/or Child and Family Program), is a program funded by the Ministry of Education that aims to <insert purpose>.

- a. Significant Accounting Policies
- b. Revenue recognition
 - Revenue is recognized when it is determined to be receivable.
- c. Basis of Accounting

<Insert basis of accounting used>

D. Sample Note Disclosure

Note <insert number>. CHILD CARE AND/OR CHILD AND FAMILY PROGRAM SERVICE AGREEMENT WITH THE MINISTRY OF EDUCATION

<Name of First Nation/Transfer Payment Agency> has a child care and/or child and family program service agreement with the Ministry of Education. A requirement of the service agreement is the production of supplementary information by detail code (funding type), which summarizes all revenues and expenditures relating to the service agreement(s).

A review of these revenues and expenditures, by detail code, are outlined below. The identified surplus / (deficit) position is reflected prior to the application of flexibility in accordance with the First Nations Child Care and Child and Family Programs Business Practices, Service and Funding Guideline.

Child Care Services:

	REVENUES				GROSS EXPENDITURES (Schedule 2.4, line 1.0)	SURPLUS / (DEFICIT)
	Ministry of Education (Schedule 3.1, line 1.1 or Schedule D of 2022-23 Service Agreement)	Legislated Cost Share	Other (Schedule 2.4, line 1.1 + line 1.2 + lines 1.3 to 1.5)	Total		
A370 – Fee Subsidy						
A371 – Fee Subsidy						
A375 – Health and Safety						
A377 – Special Needs Resourcing						
A392 – Wage Subsidy						
A394 – Pay Equity Union Settlement						
A402 – Ontario Works Formal						
A403 – Ontario Works Informal						
A404 – Child Care Transformation						
A405 – Child Care Supervisor Network– Capacity						
A406 – Wage Enhancement/HCEG						
A407 – Wage Enhancement/HCEG Administration						
A515 – Small Water Works						
Base Funding for Licensed Home Child Care						
TOTAL						

Child and Family Programs:

	REVENUES			GROSS EXPENDITURES (Schedule "Expenditures – Tab: Adjusted Gross Expenditures")	SURPLUS/ (DEFICIT)
	Ministry of Education (Schedule "Entitlement – Tab: Allocations" or Schedule D of 2022-23 Service Agreement) Legislated Cost Share	Other (Schedule Expenditures – Tab: Adjusted Gross Expenditures, Other Offsetting Revenues)	Total		
First Nation Child and Family Programs – Operating Ongoing					
TOTAL					

These results comprise part of the <insert name of revenue category> and <insert name of expenditure category> that are included in the consolidated statement of operations.

APPENDIX B: INELIGIBLE EXPENDITURES

Amortizations

Amortizations (tangibles and intangibles) are ineligible expenditures under the ministry's modified accrual basis of accounting.

Bonuses, Gifts and Honoraria

Bonuses (including retiring bonuses), gifts including gift cards that are not used within program delivery and honoraria paid to staff are ineligible expenses except when they are provided as a retroactive wage increase that will be maintained the following year.

Capital Expenditures

Capital expenditures are ineligible expenditures.

Capital Loans

Principal and interest on capital loans are ineligible expenditures.

Donations and Transfers

Donations and/or transfer of funds made by the First Nation or Transfer Payment Agency to other charitable institutions/organizations are ineligible expenditures.

Interest on Operating Loans

Interest on operating loans is an ineligible expenditure.

Lease/Rental Costs when paid to Non-Arm's Length Corporations

Lease/Rental Costs arising from transactions not conducted at arm's length are ineligible unless transacted at fair market value. Lease/Rental Costs when paid to Non-Arm's Length Corporations which are reasonable are eligible with prior ministry approval, provided expenditures do not exceed those that would be paid if the transaction were at arm's length.

Mortgage Financing

Principal and interest payments are ineligible expenditures.

Non-Cash Transactions

The modified accrual basis of accounting does not recognize non-cash transactions such as amortization, charges/appropriations to reserves or allowances as these

expenditures do not represent an actual cash expenditure related to the current period. Non-cash transactions include: provisions for pension expenses; provisions for unused sick leave and wage settlements; provisions for travel expenses; provisions for repairs or replacements; provisions for bad debts; retainer fees for legal services; provisions for amortization. However, related payments are eligible.

Professional Organization Fees

Fees paid on behalf of staff for membership in professional organizations as a condition of employment are ineligible expenditures.

Property Taxes

Property taxes are ineligible expenditures.

APPENDIX C: RESOURCES

1. Financial Analysis and Accountability Branch – Education Finance Information System – Ministry of Education

<https://efis.fma.csc.gov.on.ca/faab/#>

2. Ontario Transfer Payment Accountability Directive

<https://www.ontario.ca/page/transfer-payment-accountability-directive>

3. Ontario Public Service Travel, Meals and Hospitality Expenses Directive (effective January 1, 2020)

<https://www.ontario.ca/page/travel-meal-and-hospitality-expenses-directive-2020>

4. *Child Care and Early Years Act, 2014*

<https://www.ontario.ca/laws/statute/14c11>

- **O. Reg. 137/15: General**

<https://www.ontario.ca/laws/regulation/150137>

- **O. Reg. 138/15: Funding, Cost Sharing and Financial Assistance**

<https://www.ontario.ca/laws/regulation/150138>

5. *Early Childhood Educators Act, 2007*

<https://www.ontario.ca/laws/statute/07e07>

6. *Ontario Works Act, 1997*

<https://www.ontario.ca/laws/statute/97o25a>

7. Ontario Works Policy Directive

<https://www.mcass.gov.on.ca/en/mcass/programs/social/directives/index.aspx#ow>

8. Early Childhood Educators Qualifications Upgrade Program

<https://www.ecegrants.on.ca>

9. First Nation Early Learning Collaboration Website

<https://www.fnel.ca/>

10. Government of Ontario – Types of Child Care

<https://www.ontario.ca/page/types-child-care>

11. *How Does Learning Happen? Ontario's Pedagogy for the Early Years*

<https://www.ontario.ca/page/how-does-learning-happen-ontarios-pedagogy-early-years>

12. *Building on How Does Learning Happen?*

<https://files.ontario.ca/edu-1/edu-building-on-how-does-learning-happen-en-2021-03-10.pdf>

13. *Think, Feel, Act: Lessons from research about young children*

<https://www.ontario.ca/page/think-feel-act-lessons-research-about-young-children>