



Ministry of Education

ADDENDUM TO

Ontario Child Care and EarlyON Child and Family Centres Service Management and Funding Guideline 2024

**For Consolidated Municipal Service Managers and District
Social Services Administration Boards**

Addendum No. 1:

**Updates to Value-For-Money Audit, and
New Appendix F: Sample Attestation**

Released March 2024

OVERVIEW

This addendum (“Addendum No. 1”) to the 2024 Ontario Child Care and EarlyON Child and Family Centres Service Management and Funding Guideline (“2024 Guideline”) replaces the guidance on value-for-money audits for directly operated child care centres in 2024, as described below.

This addendum also introduces new Appendix F: Sample Attestation Form, to support guidance on value-for-money audits.

Apart from the updates described below, the direction outlined in the 2024 Guideline remains in effect, until they are superseded or replaced. In the event of a conflict between this addendum and the 2024 Guideline, this addendum will prevail.

AMENDMENTS TO 2024 GUIDELINE

1. REPLACEMENT TEXT: VALUE-FOR-MONEY AUDITS

The following text replaces the subsection titled **VALUE-FOR-MONEY-AUDITS** under **Section 2: Ministry Business Practice Requirements, *Business Practices with Service Providers*** in the 2024 Guideline.

VALUE-FOR-MONEY AUDITS

CMSMs/DSSABs that directly operate child care centres are required to retain independent advice (for example, third-party services) and conduct a value-for-money audit on their direct delivery of child care services. To assist with retaining independent advice, CMSMs/DSSABs may choose to access Ontario’s Vendors of Record arrangements to acquire auditing services.

The purpose of the value-for-money audit is to determine whether federal and provincial funding is being used efficiently and effectively by directly operated centres, and whether the child care services could be more efficiently offered instead by a third-party provider. For clarity, the scope and parameters of these value-for-money audits will be established by the auditor who is conducting the audit.

The audit report, recommendations and management responses must be posted publicly. For clarity, as per the usual audit engagement process, CMSMs/DSSABs will be responsible for responding to findings and recommendations made by the auditor, including whether the recommendations will be implemented. The rationale for not accepting recommendations should be noted in the management response and posted publicly along with the audit report. Funding will not be withheld or adjusted based on the findings of the value-for-money audit; however, the ministry

may follow-up on the implementation of the recommendations received and CMSMs/DSSABs' management responses.

At this time, the value-for-money audit for directly operated programs is a specific requirement for 2024, not an annual requirement. Licensed home child care agencies that are directly operated by CMSMs/DSSABs are not required to undergo a value-for-money audit at this time.

The cost of the value-for-money audit can be supported with CWELCC and regular provincial administration funding. CMSMs/DSSABs may also consider leveraging services from their internal audit groups or their municipal auditor general's offices.

Key dates

*CMSMs/DSSABs should aim to complete their value-for-money audits for directly operated child care services **by December 31, 2024.***

*CMSMs/DSSABs may request, by **August 31, 2024**, extensions to the deadline to complete the value-for-money audit. The ministry may consider extending the deadline up to June 30, 2025. The extension request must be supported with sufficient documentation (that is, a reasonable audit plan, audit timelines, procurement of the auditor, etc.) demonstrating progress made to date and confirming that the audit report will be submitted to the ministry by June 30, 2025, at the latest.*

*CMSMs/DSSABs that have undertaken a similar value-for-money audit in the last five years (that is, since January 1, 2019) and believe the existing report addresses the purpose of the requirement stated earlier, must share a copy of the existing auditor report with the ministry by **June 28, 2024**. This deadline is to give the ministry an opportunity to confirm the report meets the objectives of the audit requirement and, if not, to allow the CMSM/DSSAB time to undertake a new audit.*

- *For VFM audits performed prior to March 2022, CMSMs/DSSABs must submit along with their report, an attestation confirming that nothing material has changed in the operations being audited and that the audit results would not materially differ if the audit were reperformed in 2024 (refer to Appendix F - Sample attestation form).*

2. NEW APPENDIX F: SAMPLE ATTESTATION FORM

The following Sample Attestation Form is appended to the 2024 Guideline as Appendix F.

APPENDIX F: SAMPLE ATTESTATION FORM

With respect to value-for-money requirements referenced in Section 2, CMSMs/DSSABs requesting that the ministry consider previously undertaken value-for-money audits performed after January 1, 2019, but prior to March 2022, must submit an attestation confirming that no material changes have been made, either operationally or financially, to the delivery of the directly operated child care program and that the audit results would not materially differ if the audit were performed in 2024.

*The attestation must be signed by two CMSM/DSSAB officers with delegated signing authority and submitted to the ministry by **June 28, 2024** with a copy of the existing report.*

Sample attestation:

I hereby attest that no material changes have been made, either financially or operationally, to the child care program operated by the <name of CMSM/DSSAB> since the attached value-for-money audit was performed on <date of value-for-money audit report>.

Therefore, as far as I am aware, there is no reason that the results of a 2024 value-for-money audit would differ from the previous audit in any material way.

Name
Title
Date

Name
Title
Date