

**Ministry of Education**  
**Office of the ADM**  
Business & Finance Division  
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**Ministère de l'Éducation**  
**Bureau du sous-ministre adjoint**  
Division des opérations et des finances  
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Toronto ON M7A 1L2



**2013: B8**

**MEMORANDUM TO:** Directors of Education

**FROM:** Gabriel F. Sékaly  
Assistant Deputy Minister  
Business and Finance Division

Jim Grieve  
Assistant Deputy Minister  
Early Learning Division

**DATE:** April 15, 2013

**SUBJECT:** Update to the Capital Funding Policy to Replace Child Care Spaces in Replacement Schools

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We are writing today to inform you of an update to the Ministry's policy that funds the replacement of child care spaces for children aged 0 to 3.8 years old located in schools that are scheduled to close or to be rebuilt (Memorandum 2012: [B3](#), dated February 24, 2012).

As full-day kindergarten (FDK) continues to roll out across the province, we know that four and five year olds currently attending child care programs will be transferring to school full-time. The Ministry is committed to supporting child care programs in replacement schools as they adjust to this movement of children and that is why we are providing child care capital funding through the Schools-First Child Care Capital Retrofit Policy, Memorandums 2012: [EL3](#) and [EL4](#), to convert existing school-based licensed child care spaces for four and five year olds to spaces that can be licensed for children 0 to 3.8 years old.

The update to the Capital Funding Policy to Replace Child Care Space in Replacement Schools aligns this policy with the Schools-First Child Care Capital Retrofit Policy. This alignment will provide capital funding to school boards to rebuild existing school-based

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licensed child care spaces for four and five year olds to spaces that can be licensed for children aged 0 to 3.8 years old.

Memorandum 2012: B3 outlined seven requirements that had to be met for a school board to be eligible for child care replacement funding. Two of these eligibility requirements have been modified to allow for the changes to this program. The following changes have been made to eligibility requirements #3 and #5:

3) The child care spaces to be replaced and reconfigured are licensed, as of Memorandum B:3, dated February 24, 2012, for 0 to 5 years of age.

Previously the child care space had to be licensed for children aged 0 to 3.8 years old.

5) An eligible child care operator:

- is a not-for-profit operator or municipal operator; and,
  - has a purchase of service agreement with the CMSM/DSSAB; or,
- is a for-profit operator already located in a school as a result of an agreement and has a purchase of service agreement, both of which were in place as of Memorandum 2012: B3, dated February 24, 2012; and,
  - has not changed ownership or has not terminated the agreement since Memorandum 2012: B3, dated February 24, 2012.

This change makes the eligible child care operator criteria consistent with the Schools-First Child Care Capital Retrofit Policy.

School boards are reminded that this capital funding will not be provided for school-age child care spaces as the Ministry will not fund exclusive space for before and after school child care programs. Before and after school care for these age groups can be provided in shared space in regular classrooms.

As a result of the change to eligibility requirement #3, the “Number of Child Care Rooms” component of the funding formula for child care spaces in replacement schools was modified from the number of existing licensed child care spaces for ages 0 to 3.8 to ages 0 to 5:

Funding Formula for Child Care Spaces in Replacement Schools	=	Number of Child Care Rooms (number of existing licensed child care spaces for ages 0 to 5 divided by 26 pupil places;	X	26 Pupil Places	X	Elementary Construction Cost Benchmark	X	Average Elementary Area Benchmark	X	Site-Specific GAF
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The Capital Funding Policy to Replace Child Care Space in Replacement Schools creates a pool of funds that a school board and its CMSM/DSSAB are expected to manage to address replacement child care capital needs related to schools that are scheduled to close or be rebuilt. Memorandum 2012: B3 lists business case criteria for consideration to guide school board and CMSM/DSSAB decision-making on program viability and community needs, and help identify the most suitable amount of school space.

School boards and CMSMs/DSSABs will need to continue to plan and make decisions jointly. Purposeful planning by both school boards and CMSMs/DSSABs is required as space availability, community needs, and broader child care system planning and transition issues will need to be considered. CMSMs/DSSABs must confirm that the replaced and reconfigured four and five year old spaces will result in a viable program structure that meets the needs of children as they age. A revised Affirmation Letter is attached for joint signature by a school board and CMSM/DSSAB (see Appendix).

**Ministry Contacts**

The Ministry of Education will continue to work with school boards, CMSMs/DSSABs, and child care operators to consider options regarding the best use of space in schools.

If you have any question regarding the child care replacement eligibility requirements and business case criteria, please contact Rupert Gordon, Director of the Early Learning Policy and Program Branch, at 416-314-8241 or [Rupert.Gordon@ontario.ca](mailto:Rupert.Gordon@ontario.ca).

If you have any questions regarding the capital funding, please contact Grant Osborn, Director of the Capital Policy Branch, at 416-325-1705 or [Grant.Osborn@ontario.ca](mailto:Grant.Osborn@ontario.ca).

*Original signed by*

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Gabriel F. Sékaly  
Assistant Deputy Minister  
Business and Finance Division

Jim Grieve  
Assistant Deputy Minister  
Early Learning Division

Appendix: Template – Affirmation Letter for Child Care Space in Replacement School(s)

cc: Superintendents of Business  
Consolidated Municipal Service Managers  
District Social Services Administration Boards