

Ministry of Education
Financial Analysis and
Accountability Branch
21st Floor, Mowat Block
900 Bay Street
Toronto, Ontario M7A 1L2
Tel.: (416) 327-9356
Fax: (416) 325-2007
Email: Andrew.Davis@Ontario.ca

Ministère de l'Éducation
Direction de l'analyse et de la
responsabilité financières
21^e étage, édifice Mowat
900, rue Bay
Toronto, Ontario M7A 1L2
Tél. : (416) 327-9356
Télé.: (416) 325-2007
Courriel: Andrew.Davis@Ontario.ca



2012: ELCC4

MEMORANDUM TO: CMSM/DSSAB Children's Services Finance Leads

FROM: Andrew Davis
Director
Financial Analysis and Accountability Branch

DATE: March 5, 2012

SUBJECT: 2011 Child Care Financial Statements

I am pleased to inform you that the 2011 Child Care Financial Statements and instructions detailing the changes for this cycle are now available through the ministry's extranet site at <http://faab.edu.gov.on.ca>.

Training

To assist you in preparing the Financial Statements, the changes between the 2012 Estimates submission and the 2011 Financial Statements submission were highlighted during the recently completed regional training sessions held in February 2012.

EFIS Submission

The Financial Statement forms are accessible through the ministry's extranet site at <http://faab.edu.gov.on.ca>. After you login, click on the Financial Statements link on the bottom right side of the home page under Child Care, then select 2011.

Submission of Financial Reports

From the active EFIS submission of the 2011 Financial Statements, CMSMs and DSSABs are required to submit two original signed copies (hardcopy) of the following documents by May 31, 2012:

- Title (Cover) Page;
- Schedule 3.1 (all 3 pages); and
- Completed Explanation Report on variances.

For purposes of the Explanation Report, please use the file naming convention as indicated in the file 'naming convention' posted on the Financial Analysis & Accountability Branch's reporting website as noted above.

In addition to these documents, CMSMs and DSSABs are also required to submit the following information by May 31, 2012:

- Audited Financial Statements (including the auditors report and the notes to the financial statements);

- Review engagement or audit engagement report for the child care program prepared in accordance with the ministry's modified accrual basis of accounting, unless this information is already included as part of the audited financial statements; and,
- A post audit management letter issued by the external auditors. If such a letter is not available, confirmation in writing for the reasons for its unavailability.

All six of the aforementioned documents should be mailed to:

Ms. Diane Strumila
Project Manager, Grant Services
Transfer Payment and Financial Reporting Branch
17th Floor, Mowat Block, 900 Bay Street
Toronto, Ontario
M7A 1L2

Funding Adjustments

Funding adjustments, both positive and negative, resulting from CMSM or DSSAB financial statements submissions will be recovered or paid to the CMSM or DSSAB through an adjustment to the regularly scheduled monthly cash flow. A positive funding adjustment will be added to a future cash flow payment and a funding recovery will be deducted from a future cash flow payment.

Late Filing

The financial statements are due to the ministry by May 31, 2012. In the event that the Financial Statements are filed after this date, the cash flow withholding provisions may be implemented to reduce the CMSMs and DSSABs regular cash flow consistent with the terms in the service contracts. Upon submission of the Financial Statements, the ministry will revert back to the normal monthly payment process and will include the total amount withheld up to that point in the monthly payment. We are also asking that you please advise your financial analyst should you be aware that you will not be able to meet the May 31st deadline for submission.

For any questions relating to the 2011 Financial Statements submission process, please contact your financial analyst.



Andrew Davis
Director
Financial Analysis & Accountability Branch

cc. Pam Musson, Director Early Learning and Child Care Implementation Branch