

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
Télééc.: (416) 325-2007
Courriel: Andrew.Davis@Ontario.ca



2012: ELCC7

MEMORANDUM TO: First Nations Child Care Administrators
Administrators of Transfer Payment Agencies
with a Child Care Service Agreement

FROM: Andrew Davis
Director
Financial Analysis and Accountability Branch

DATE: May 24, 2012

SUBJECT: 2011/12 Child Care Financial Statements

I am pleased to inform you that the 2011/12 Child Care Financial Statements forms are now available. This memo outlines the different year-end reporting requirements for First Nations with funding over \$350,000 and under \$350,000.

First Nations with Funding Over \$350,000

EFIS Submission

The Financial Statement forms are accessible through the ministry's extranet site at <http://faab.edu.gov.on.ca/CCFinancials.htm> by selecting 2011/12 and then EFIS. The file naming convention and instructions detailing the changes for this cycle are also available at the same location.

Submission of Financial Information

From the active EFIS submission of the 2011/12 Financial Statements, First Nations are required to submit two original signed copies (hardcopy) of the following documents by July 31, 2012:

- Title (Cover) Page
- Schedule 3.1
- Completed Explanation Report on variances (no signature required)

In addition to these documents, First Nations are also required to submit the following information by July 31, 2012:

- Audited Financial Statements of the First Nation that covers all programs provided by the First Nation (including the auditors report and the notes to the financial statements);
- A schedule of child care revenues and expenses funded by the Ministry of Education for the child care program prepared in accordance with the ministry's modified accrual basis of accounting. This information may be provided through the following formats:
 - included as a note to the audited Financial Statements
 - included as a schedule to the audited Financial Statements

- included as part of a separate audit or review engagement report
- A post audit management letter issued by the external auditors. If such a letter is not available, confirmation in writing for the rationale as to why it is not available.

All six of the aforementioned documents should be mailed to:

Ms. Kristina Sundukovsky, Secretary to the Director
Financial Analysis & Accountability Branch
17th Floor, Mowat Block, 900 Bay Street
Toronto, Ontario
M7A 1L2

If a First Nation's audited Financial Statements will not be available by July 31st, the following steps should be taken:

1. Contact your financial analyst advising 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 an active EFIS submission by July 31st based on the best information available at that time. We acknowledge 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 should a change be required to the active EFIS submission following the audit of the First Nation.

Funding Adjustments

Funding adjustments, both positive and negative, resulting from First Nations financial statements submissions will be recovered or paid to the First Nation through a future 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 submission is due to the ministry by July 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 First Nations 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.

First Nations with Funding Under \$350,000

Attestation Form

Your First Nation's preloaded attestation form will be e-mailed to you shortly by your financial analyst. This document was explained in detail at the March 22nd First Nations Gathering. The form was amended following the Gathering to include a reporting section on health & safety expenditures.

Submission of Financial Information

First Nations are required to submit the following by July 31, 2012:

- Two original signed copies (hardcopy) of the completed attestation form; and

- Audited Financial Statements of the First Nation that covers all programs provided by the First Nation (including the auditors report and the notes to the financial statements);

If a First Nation's audited Financial Statements will not be available by July 31st, the following steps should be taken:

1. Contact your financial analyst advising 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.
2. Submit a completed attestation form by July 31st based on the best information available at that time. We acknowledge that it may change following the completion of the audit.
3. Submit a copy of the audited Financial Statements as soon as they are available.
4. Contact your financial analyst should a change be required to the attestation form following the audit of the First Nation.

The hard copies of the attestation form as well as the audited financial statements should be mailed to:

Ms. Kristina Sundukovsky, Secretary to the Director
Financial Analysis & Accountability Branch
21st Floor, Mowat Block, 900 Bay Street
Toronto, Ontario
M7A 1L2

Funding Adjustments

Funding adjustments, both positive and negative, resulting from First Nations financial statements submissions will be recovered or paid to the First Nation through a future 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 submission is due to the ministry by July 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 First Nations 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.

For any questions relating to the 2011/12 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