

Ministry of Education
Early Years Division
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Ministère de l'Éducation
Division de l'apprentissage des jeunes
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2014: EYCC8

**MEMORANDUM TO: General Managers/Commissioners, CMSMs/DSSABs
Children's Service Managers, CMSMs/DSSABs**

FROM: Pam Musson
Director, Early Years Implementation Branch Early Years
Division

DATE: **August 22, 2014**

SUBJECT: **Update: Ontario Child Care Service Management and
Funding Guideline**

We are pleased to provide you with a revised version of the 2014 Ontario Child Care Service Management and Funding Guideline and an update on the wage enhancement investment announced in the recently approved 2014 Ontario Budget.

2014 Service Management and Funding Guideline Update

The Child Care Service Management and Funding Guideline has been updated to include policy clarification and reflect feedback provided to the Ministry by CMSMs and DSSABs. Each of the updates is outlined below.

Capital Carry-Forward: Clarification (pp. 8, 59)

CMSMs/DSSABs may carry-forward a portion or all of their original capital retrofits allocation subject to the requirements outlined below. The use of the capital carry-forward policy may not be combined with the financial flexibility policy. Only an amount up to the **original capital allocation for the current calendar year** may be carried forward to the next calendar year. For example, if your CMSM or DSSAB's capital allocation is \$100K and you have spent \$60K in-year you may only carry-forward \$40K

in committed capital retrofit funding regardless of whether you have funding remaining in core services or special purpose.

Please ensure that your capital projects are completed by December 31, 2014, if you are exercising financial flexibility by using operating funding for capital projects.

Cash-Flow: Clarification (p. 12)

The Ministry will be amending its payment policy for capital. Amounts identified by CMSMs/DSSABs as committed for the purposes of capital carry-forward will be paid the following year (year the capital expenses have been incurred). Payment will reflect capital expenses incurred within the current year only. Changes to payments regarding the capital commitment portion of your forecast will take place in the Revised Estimates submission of the 2014 calendar year.

Extended Day: Reporting change in 2015 (p. 27)

Beginning in 2015, the extended day fee subsidy expense and data reporting requirements will be integrated with general fee subsidy. Full-day kindergarten (FDK) will be fully implemented in September 2014 and the ministry will be simplifying the reporting process associated with tracking and reporting these children.

This means that CMSMs and DSSABs will no longer be required to report children receiving extended day fee subsidies and associated expenditures separately to the Ministry. Children participating in either before and/or after school programs will be counted as JK/SK children and their associated expenses will be captured under regular fee subsidy.

The Extended-Day Fee Subsidy care codes, Extended Day Fee Subsidy funding source and Board of Education – EDP Building Type will remain in Ontario Child Care Management System (OCCMS) to support CMSMs and DSSABs that may still be required to report locally on these numbers. However, CMSMs and DSSABs may begin transitioning their subsidy tracking and reporting processes to prepare for this change as appropriate. For children currently placed in FDK, it is recommended to change funding source and care code effective January 1, 2015 due to impacts on OCCMS standard reports. This will eliminate children being counted in both funding sources. This change is designed to simplify the tracking of children and streamline the reporting for CMSMs and DSSABs.

Please contact the OCCMS Team at York Region if you require assistance or information on transitioning children in OCCMS.

Serious Occurrence: Process Change (pp. 66)

In the case where a CMSM or DSSAB funds, but does not directly deliver a Child Care Resource Centre (CCRC) or Ontario Early Years Centre (OEYC), the operator of the OEYC or CCRC may submit their Serious Occurrence Reports directly to the Ministry with a copy to the CMSM/DSSAB. The intent of this change is to reduce the administrative burden on CMSMs and DSSABs who do not directly deliver these family support programs and ensure serious occurrences are reported to the ministry in a timely manner.

Capacity Building Expense Update (pp. 48-50)

The language in the capacity building expense has been updated to reflect the philosophy and practice of *How Does Learning Happen? Ontario's Pedagogy for the Early Years*.

Special Needs Resourcing: Clarification (p. 42)

Questions have been raised regarding whether Special Needs Resourcing (SNR) funding may be used to support one-on-one supplementary staff. This memo serves to clarify that CMSMs/DSSABs may choose to fund one-on-one supplemental staff to support the integration of children with complex special needs in regulated child care settings, as referenced in the guideline. As the service system managers, CMSMs/DSSABs are responsible for making decisions related to the use of child care funding based on local community needs and priorities.

If you have any questions or concerns regarding the updated guideline please contact your Child Care Advisor.

Mitigation Funding: Clarification

CMSMs/DSSABs that received mitigation funding in 2013 have raised questions regarding the tracking of mitigation expenditures. Please note that the Ministry assumes that the first dollar spent over and above cost-sharing requirements is a mitigation dollar. The amount of mitigation funding used on an annual basis will be tracked in your Financial Statements submission beginning in 2014 until all funds have been utilized. Mitigation usage will be automatically tracked in EFIS using the existing reporting requirements; CMSMs/DSSABs will not be required to input any additional information.

Wage Enhancement

The Ontario Budget was passed on July 24, 2014. The Budget includes an investment of an additional \$269 million over three years to support a wage enhancement for Early Childhood Educators and child care program staff to help retain qualified staff in the licensed child care sector. More information on the wage enhancement will be shared in the coming months.

Thank you for your ongoing commitment to children and families in Ontario. Sincerely,

Original signed by:

Pam Musson
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Early Years Division
Ministry of Education