

Instructions on Completing the 2014 Financial Statements Submission in EFIS 2.0

PURPOSE

The financial statements submission will identify the level of services provided and associated expenditures and revenues incurred by the Consolidated Municipal Service Managers (CMSMs) and District Social Service Administration Boards (DSSABs) for the fiscal year of January to December 2014.

NEW in this CYCLE

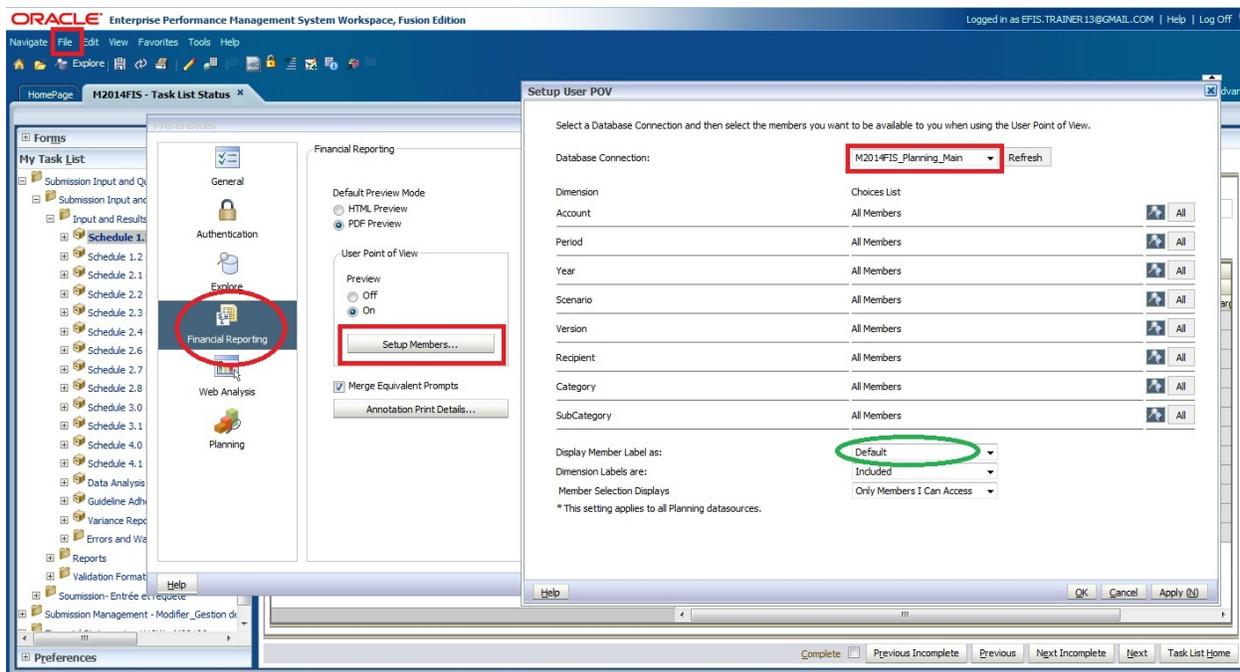
- Schedule 2.9 - Family Support Programs has been eliminated; Financial Reporting as well as data collection for Family Support Programs is to be completed using a separate application within EFIS 2.0. (The same EFIS user ID log in information can be used to access the FSP application.)
- The following sections were not required for the Revised Estimates submissions but are now **required** for Financial Statement Submission:
 - Schedule 1.2: Other Service Targets
 - Schedule 2.1: Staffing (Direct Delivery of Service)
 - Schedule 2.2: Staffing (Program Administration)
 - Schedule 2.4: Projected Expenditures
 - Family Support Programs Financial and Data Reporting (*separate FSP application in EFIS 2.0)

REMINDERS

Please ensure that you have selected **M2014FIS** file from the home page.

Once the correct application has been selected, please note that **at the start of each new reporting cycle** in EFIS 2.0, a one-time set up process is required prior to commencing your reporting.

1. Under FILE → Select Preferences
2. Select Financial Reporting → Click Setup Members
3. Select “M2014FIS_Planning_Main” from the “Database Connection” drop down menu
4. Click Refresh
5. Towards the bottom of the window, using the drop down menu, set the “Display Member Label as:” **DEFAULT**
6. Click on Apply and OK.



Please note that there are no file-naming requirements for submissions completed in EFIS 2.0. In order to submit your file, simply promote your “Recipient Working Version” to “Active” status.

REPORTING IN EFIS 2.0

The Financial Statements Submission is arranged into the following categories:

1. Submission Inputs and Query

- a. **Inputs and Results:** This section includes all of the schedules that must be completed in order to file your submission to the Ministry

- b. **Reports:** Selecting a report allows you to print schedules, export data to excel, and save schedules as PDF files in a printable format.
- c. **Validating Forms:** Validation formats are summarized for each schedule; each cell within a schedule is defined by the allowable inputs for the relevant schedule.

Submission Management

- d. **Version Description and Summary:** This area lists all of the different versions of the file and the applicable notes.
- e. **Flag Submission for Approval:** The submission must be flagged to enable the approval.
- f. **Validate and Promote for Approval:** All entered data in the submission is validated and once all errors and warnings are corrected, the file is ready for approval from the modifier's standpoint.

SUGGESTED ORDER OF ENTRY

It is recommended that the submission is completed in the order in which it appears within the application (i.e. commence with Schedule 1.1, Schedule 1.2, Schedule 2.1.... etc.). **Please ensure that the "Guideline Adherence Confirmation Schedule" is completed.** Once all the schedules have been finalized, the Certificate and Schedule 3.1 must be printed from the REPORTS section, signed, and sent in (scanned/emailed) to the Ministry.

STEPS FOR COMPLETION

The following **15 steps** will guide you in completing your 2014 Financial Statements Submission.

STEP# 1: COMPLETION OF SCHEDULE 1.1 – CONTRACTUAL SERVICE TARGETS

PURPOSE

Schedule 1.1 captures the contractual service targets which were included in your signed service agreement. The definitions of these service targets can be found in the *Ontario Child Care Service Management and Funding Guideline - 2014, Section 2: Ministry Business Practice Requirements, "Service/Financial Data and Targets"*. These service targets were negotiated as part of the service contracting process for 2014.

There are four tabs within Schedule 1.1:

1. Service Agreement (As submitted in your signed agreements)
2. Total (Actual levels of service)
3. Reconciliation (Comparison between the Service Agreement and Actuals for the Year)
4. Notes (Comments regarding targets may be entered here)

This schedule will automatically calculate a funding adjustment resulting from a CMSM or DSSAB unable to meet all contractual service targets pursuant to the service agreement. The adjustment is based on 1% for each 10% variance at or below 90%.

[***HINT:** Service targets are required to be entered with 1 decimal place only.]

HOW TO COMPLETE

In EFIS 2.0, under **SUBMISSION INPUT AND QUERY → INPUT AND RESULTS**, select "Schedule 1.1 –

Schedule of Contractual Service Targets"

CMSMs and DSSABs are required to report their actual service levels for each category listed pertaining to the three contractual service targets, where applicable. This schedule contains 4 tabs.

Tab 1 – Service Agreements

There is no data entry required for this tab. This is the same information that you have seen in the Estimates and Revised Estimates submission. The data is included here in this schedule to assist with the calculation of variances. Where there is a variance of 90% or less from the service targets identified in the service agreement, a funding adjustment will be automatically calculated based on 1% for each 10% variance at or below 90%.

Tab 2 – Total

In this tab CMSMs and DSSABs are required to enter the actual level of service that has been provided by your CMSM or DSSAB from January 1st to December 31st inclusively. Please note that the data entered in this tab should be the levels that have been supported with provincial funding and required cost share only.

The variance report must be completed if any variance checks have failed; please consult the last column of Tab 2. This is in accordance with Section 2 of the Ministry business practice requirements of the Ontario Child Care Service Management and Funding Guideline - 2014.

Tab 3 – Reconciliation

This tab compares the targets as indicated in the signed service agreement to the actual levels of service achieved within the fiscal year. If targets are not met, funding adjustments will be calculated in this tab and are based on 1% for each 10% variance at or below 90%.

***HINT:**

The service levels included in this schedule should be reflective of the level of funding received by the Ministry of Education and your CMSM/DSSAB's required cost share. If the CMSM/DSSAB is providing services with funds over the required cost sharing provisions, the Ministry does not require those children to be included in contractual service targets in Schedule 1.1.

Tab 4 – Notes

Please feel free to enter any notes that will assist your Financial Analyst in completing his/her review of Schedule 1.1. If Schedule 1.1 has indicated that you must complete the Variance Report, you are required to do so.

STEP# 2: COMPLETION OF SCHEDULE 1.2 – OTHER SERVICE TARGETS

PURPOSE

Schedule 1.2 captures additional service targets, beyond those included in the service agreement. The definitions of these service targets can be found in the Ontario Child Care Service Management and Funding Guideline - 2014, Appendix A, “Data Elements and Definitions”.

These service targets are included in the Financial Statements Submission to provide a more comprehensive overview of child care service levels.

Schedule 1.2 consists of 4 tabs:

1. Total Grid 1 (Number of Children Served)
2. Total Grid 2 (Number of FTEs)
3. Total Grid 3 (Number of Other Targets)
4. Notes (Comments regarding targets may be entered here)

HOW TO COMPLETE

Under **SUBMISSION INPUT AND QUERY → INPUT AND RESULTS**, select “Schedule 1.2 – Other Service Targets”

This schedule is to report the actual service target information regardless of the funding sources. ALL funding sources should be considered when calculating the actual levels of service achieved.

***TIP:**

If you are unsure of the validation format of a particular cell, in a specific schedule, refer to your TASK LIST, click on the VALIDATION FORMATS folder and then the schedule, for guidance.

STEP# 3: COMPLETION OF SCHEDULE 2.1 – STAFFING (DIRECT DELIVERY OF SERVICE)

PURPOSE

Schedule 2.1 captures information on the number, full-time equivalency (FTE), salaries and benefits of individuals performing duties for directly operated programs (centre-based or home-based licensed child care programs or special needs resourcing services). These individuals **MUST BE** employees of the CMSM/DSSAB as this schedule only captures staffing under a direct delivery of service model.

Please include ***all staffing expenditures*** even if funded from other sources and not fully subsidized by the Ministry.

In deciding if the staffing should be reported in Schedule 2.1 or Schedule 2.2, ask the following question:

“Would the position still exist if the directly delivered child care or SNR program closed?”

If the position would continue to exist, report the position on Schedule 2.2, otherwise report them on Schedule 2.1.

HOW TO COMPLETE

Under **SUBMISSION INPUT AND QUERY → INPUT AND RESULTS**, select “Schedule 2.1 – Staffing (Direct Delivery of Services)”

Schedule 2.1 consists of 2 tabs:

1. Working Hours
2. Total

In **Tab 1 – Working Hours**, please confirm whether or not there is a standard work week across all positions related to direct delivery of services. If there is a standard work week, please enter the number of hours. If there is no standard work week across all positions (i.e. part-time and full-time positions), please select “no” by clicking in the cell and do not enter the hours.

In **Tab 2 – Total**, please enter the positions (title/description), number of staff, number of FTEs, salaries, and total benefits expenditure.

- When entering the number of individuals, a whole number is required to designate an individual whether he/she is full-time or part-time.

- Full-time equivalency (FTE) is calculated as:

$$\frac{(\# \text{ hours worked during the year})}{(35 \text{ hr/week} \times 52 \text{ weeks})}$$

For example, if a part-time person works for 15 hours every week, their FTE is: (15 hours X 52 weeks) / 1820 hours per year = 0.43 FTE.

- Salaries include the following: payments to all full-time, part-time, temporary, occasional, summer or other employees. Included in this account line are premium pay, overtime pay, vacation pay, and other direct monetary compensation paid to employees.

*Please ensure that you have not included benefits in this column, as they are to be reported in aggregate in the “Benefits Subtotal” column.

- When entering the total benefit costs for the individuals reported, this line should include mandatory benefits (i.e. CPP, EI, and EHT), benefit plan costs (i.e. ADD, LTD, extended health, dental) as well as other benefits (i.e. WSIB, maternity top-up).

***HINT:**

An error message will result if the FTE of staff reported exceeds the number of staff that has been entered.

All error messages must be cleared in order to promote your submission to active.

STEP# 4: COMPLETION OF SCHEDULE 2.2 – STAFFING (CHILD CARE ADMINISTRATION)

PURPOSE

Schedule 2.2 captures information on the number of staff, full-time equivalency (FTE), and salaries and benefits of positions that support the administration of child care services in the service agreement. Any administration costs that can logically be assigned to administering child care services in the service agreement (e.g. fee subsidy, special needs resourcing, general operating, etc. included in the Service Description Schedule) are considered program administration costs.

This schedule is where CMSMs and DSSABs are to include staffing charge backs from central departments (e.g. IT, HR, Finance, etc.). Where possible, the number of staff and FTE for these charge back costs should be provided in this schedule.

It is important to include ***all staffing expenditures*** even if funded from other sources and not fully subsidized by the Ministry.

HOW TO COMPLETE

Under **SUBMISSION INPUT AND QUERY → INPUT AND RESULTS**, select “Schedule 2.2 – Staffing (Child Care Administration)”

Please follow the same steps as those identified in Step #4 to calculate the number of staff, the number of FTE, the salary and the benefit costs.

The same rationale is applied in Schedule 2.2 as in Schedule 2.1:

In deciding if the staffing should be reported on this schedule or schedule 2.2, ask the following question:

“Would the position still exist if the directly delivered child care or SNR program closed?”

If the position would continue to exist, report the position on Schedule 2.2, otherwise report them on Schedule 2.1.

STEP# 5: COMPLETION OF SCHEDULE 2.3 – TOTAL ADJUSTED GROSS EXPENDITURES

PURPOSE

Schedule 2.3 captures information on gross expenditures and revenue streams for child care programs by auspice (i.e.: Non-profit, Profit, Directly Operated, Other), all within one tab.

- The **non-profit** section represents payments flowed to non-profit child care operators.
- The **profit** section represents payments flowed to for-profit child care operators.
- The **directly operated** section represents expenditures for child care programs (i.e. licensed centre-based or home-based child care programs or special needs resourcing services) that are directly operated by the CMSM or DSSAB.
- The **other** section represents expenditures incurred by the CMSM or DSSAB in their role as service system managers.

HOW TO COMPLETE

Under **SUBMISSION INPUT AND QUERY → INPUT AND RESULTS**, select “Schedule 2.3 – Adjusted Gross Expenditures”.

GROSS EXPENDITURES

Gross expenditures are defined as total expenses regardless of whether the funding is provided by the Ministry, municipal contributions or other offsetting revenues.

CMSM/DSSABs are to include all expenses for child care services, regardless of the funding source.

This schedule consists of one tab that is broken down by auspice. The first step within this schedule is to report the expenditures per auspice in the following categories. *(Detailed descriptions of each category are outlined in the Ontario Child Care Service management and Funding Guideline – 2014):*

General Operating

Enter the amount of funding, by auspice, to licensed child care operators to address on-going operating costs such as staffing, wages, benefits, lease and occupancy costs, utilities, administration, transportation for children, resources, nutrition, supplies and general maintenance.

Transportation costs previously reported under system needs should be reported under this category provided the expenditure is in alignment with the *Ontario Child Care Service Management and Funding Guideline - 2014*.

If funding continues to be flowed through general operating funding to support historical pay equity expenditures such as job-to-job and proportional value, these expenditures are to be reported as such. There will be no separate reporting of historical pay equity expenditures. Proxy pay equity pursuant to the 2003 Memorandum of Settlement is to be reported within this schedule on a separate line.

Fee Subsidy

Enter the amount of funding to be flowed for Fee Subsidy by auspice. Fee subsidy is required to be split out by regular, extended day and recreation.

Ontario Works/LEAP

Enter the amount of funding to be flowed to child care operators to support Ontario Works participants including LEAP participants as well as Ontario Disability Support Program (ODSP) recipients in approved employment assistance activities. The total expenditures must be broken down into “formal” or “informal” expenses. Informal care is to be reported under the “Other” auspice category.

Pay Equity Memorandum of Settlement

CMSMs/DSSABs are to report their expenses related to proxy pay equity pursuant to the 2003 Memorandum of Settlement within this tab, on the line: “Pay Equity Memorandum of Settlement”.

Special Needs Resourcing

Enter the amount of funding, by auspice, to service providers and agencies for eligible costs such as resource teachers/consultants, staffing and benefit costs, training, resources, intensive supports, and other items such as purchasing or leasing specialized/adaptive equipment and supplies to support the inclusion of children with special needs.

Administration

Enter the administrative costs associated with “**Other**” only.

The administrative costs for non-profit and profit service operators are indirectly funded through the contract with the operator and the CMSM or DSSAB.

Examples of these administration expenditures include:

- staffing and benefit costs
- purchased professional services – non-client (purchase of service from an organization that is not your own)
- advertising and promotion
- building accommodation
- travel
- education and staff training¹
- technology/ general office expenses
- corporate charge backs

Please note that the expenditure benchmark for administration is a **maximum ceiling of ten percent** of the CMSM or DSSAB's total allocation, less funding for Territory without Municipal Organization (TWOMO). The ten percent administration ceiling includes the CMSM or DSSAB's 50/50 cost sharing amount noted in their budget schedule. Should a CMSM or DSSAB choose to exceed benchmark limits, any additional expenditure must be 100% Municipal contributions. If the additional spending over and above the maximum allowable expenditure is not from 100% Municipal contributions, the Ministry will recover the overspent funds equal to the amount of overspending on administration above the maximum allowable expenditure..

Further details of the description of these types of expenses can be found on page 43 of the *Ontario Child Care Service Management and Funding Guideline - 2014*.

Repairs and Maintenance

Enter the amount of funding to be flowed, by auspice, to support child care service providers and private home day care agencies that are not in compliance or may be at risk of not being in compliance with licensing requirements under the Day Nurseries Act.

¹ Education and staff training costs may also be reported as a capacity building expenditure if staff is directly involved in creating and running workshops to support eligible service providers.

Play-based Material & Equipment

Enter the amount of funding to be flowed, by auspice, to support non-profit and for-profit child care operators to purchase non-consumable supplies/equipment that support the regular operation of the child care program.

Capacity Building

Enter the amount of funding flowed by auspice to licensed child care centres to support professional development opportunities. Staff training and quality initiatives previously reported under system needs should be reported here as long as the expenditure is in alignment with the *“Ontario Child Care Service Management and Funding Guideline - 2014”*.

Small Water Works (SWW)

Enter the amount of funding flowed by auspice to licensed child care centres that have historically received SWW funding.

Transformation

Enter the amount of funding flowed to non-profit and directly operated child care operators to support business transformation activities.

Miscellaneous

The amount incurred for miscellaneous expenditures is pre-populated based upon the completion of Schedule 2.6. All other expenditures that do not fit under any other expenditure category on Schedule 2.3 should be reported in Schedule 2.6. Please report the expenditures and descriptions under Schedule 2.6 – Miscellaneous so that the amount will flow through to Schedule 2.3.

Note all expenses reported under miscellaneous should be reviewed with your Child Care Advisor prior to reporting.

Capital Retrofits

Enter the amount of funding to be flowed to non-profit child care operators to support the reconfiguration of existing child care spaces to adapt to serve younger aged children as 4 and 5 year olds enter full day kindergarten.

REQUIRED PARENTAL CONTRIBUTIONS

Following the recording of expenditures, is the entry of **Required Parental Contributions** in the next column over. Required Parental Contributions are for subsidized child care spaces where the parents are required to pay a portion of the

cost, which is determined through income testing. These child care spaces are not 100% subsidized by the CMSM/DSSAB. Please note that the column for required parental contributions should **never** be blank unless the CMSM or DSSAB only has children that are 100% fully subsidized.

PARENTAL FULL FEE (DIRECTLY OPERATED ONLY)

This column is only applicable for directly operated centres. Enter the projected amount of parental full fee revenue received where the parents are paying the full cost of the space in order for their child to attend the centre. This column should **never** be blank unless the CMSM or DSSAB has no parents that pay the full cost of a space.

OTHER OFFSETTING REVENUES

Enter all other offsetting revenues, where applicable. This is the area where revenues from sources external to the CMSM or DSSAB are reported. ***Please do not include your legislated provincial/municipal cost sharing requirement or any 100% municipal contributions in excess thereof.***

STEP# 6: COMPLETION OF SCHEDULE 2.4 – PROJECTED EXPENDITURES

PURPOSE

Schedule 2.4 captures the same expenditures reported in Schedule 2.3 but through a different breakdown of categories. This data will help inform the Ministry of the level of expenditures incurred by the CMSM/DSSAB in these specific categories.

HOW TO COMPLETE

Under **SUBMISSION INPUT AND QUERY → INPUT AND RESULTS**, select “Schedule 2.4 – Projected Expenditures”.

This schedule is comprised of 3 tabs; only 2 must be completed. The first tab is broken down by auspice type:

- The **non-profit operations** line represents payments flowed to non-profit child care operators.
- The **profit operations** line represents payments flowed to for-profit child care operators.
- The **directly operated** line represents expenditures incurred by child care programs (i.e. licensed centre-based or home-based child care programs, or special needs resourcing services) directly operated by the CMSM or DSSAB.
- The **other auspice** line represents expenditures incurred by the CMSM or DSSAB in their role as service system managers.

It is then further divided into expense columns. The 2 tabs that must be completed are outlined below:

Tab 1: Child Care Expenses Expenditures reported on this schedule should represent total child care expenses of the CMSM or DSSAB regardless of whether the funding is Ministry, municipal contributions or other offsetting revenues. CMSM/DSSABs are to include all expenses incurred related to child care services, regardless of the funding source.

The following expenditure columns must be completed:

1. **Salaries, wages and employee benefits expenses:**
 - Directly operated salaries, wages and employee benefits flow from Schedule 2.1.
 - Administration salaries, wages and employee benefits flow from Schedule 2.2.

- Any remaining salaries, wages and employee benefits not captured in the two categories above can be entered under **other auspices** (non-administration).

2. Materials expenses (and all other expenses not reported in other columns): This column is broken down by directly operated, administration and other.

- Enter the expenditures to be purchased for **directly operated** child care programs such as non-consumable supplies/equipment, information technology, and kitchen supplies.
- Enter the expenditures to be purchased that relate to **administration** expenses of running the directly operated child care program except staffing.
- All other expenses that do not fit in the other categories should be reported in this column under other auspices (non-administration).

3. Contracted service expenses: This column is to report the expenditures associated with purchase of service agreements with child care operators and external agencies.

- Contracts with external agencies that provide services to the directly operated child care programs should be entered under Directly Operated.
- Contracts with external agencies such as legal, accounting, etc. should be entered under Administration.

4. Rent and financial expenses: This column is to report the expenditures for the cost to run child care programs associated with building accommodation and utilities.

5. Expenditures: This column indicates the total balances by aggregating all of the columns on this page.

Tab 2: Other Expenses

Please use the “Other” tab to report adjustments or expenditures that do not fit into any of the 4 columns on Child Care Expenses tab.

The following columns in this tab must be completed:

1. Description: An explanation of the balance will need to be provided to your Financial Analyst.
2. Other Amount: Report the total amount for the applicable source.

NOTE:

- Other Revenues from Schedule 2.3 have been automatically brought into the Summary tab to calculate the adjusted gross expenditures.
- The total adjusted gross expenditures from this schedule, found on the summary tab, must match Schedule 2.3, Auspice Consolidated – Adjusted Gross Expenditures. ***It is important to note that you will not be able to promote your submission to active if the two schedules do not agree.***

STEP# 7: COMPLETION OF SCHEDULE 2.6 – MISCELLANEOUS

PURPOSE

Schedule 2.6 captures the actual miscellaneous costs for 2014. These costs are defined as costs that do not meet the definitions under any of the other categories on Schedule 2.3 listed above.

Other system needs expenditures that do not fit under any of the expense categories should be reported under this schedule provided that the CMSM or DSSAB has consulted with their Child Care Advisor and both parties have agreed that the expenditure cannot fit under any other expense category. System needs are further explained in the Ontario Child Care Service Management and Funding Guidelines – 2014 – Section 2: Ministry Business and Practice Requirements.

HOW TO COMPLETE

Under **SUBMISSION INPUT AND QUERY → INPUT AND RESULTS**, select “Schedule 2.6 – Miscellaneous”.

For each miscellaneous expenditure please provide a detailed description of the expenditure, as well as the amount.

STEP # 8: COMPLETION OF SCHEDULE 2.7 – TWOMO EXPENDITURES (DSSABS ONLY)

PURPOSE

Schedule 2.7 captures the support costs provided to territories without municipal organization (TWOMO). TWOMO only applies to DSSABs without municipal organization, which is a territory outside the geographical area of any municipality or First Nation.

HOW TO COMPLETE

Under **SUBMISSION INPUT AND QUERY → INPUT AND RESULTS**, select “Schedule 2.7 – TWOMO EXPENDITURES”.

This schedule is broken down as follows:

1. Calculation of TWOMO Levy = The Total Approved DSSAB Budget - Other Sources of Revenue (Provincial, Federal & Other funding)

* The TWOMO share of the municipal levy is determined using the municipal attribution or ‘share’ percentage

2. Calculation of the Ministry’s Portion of TWOMO Levy = The Total Approved TWOMO Levy (Calculated from above) - Non- EDU Related Allocation (By Ministry and Program)

** The percentage of municipal levy that the child care program allocation represents is used to calculate the MEDU portion of the TWOMO levy.

The Ministry acknowledges that your DSSAB’s calculation of TWOMO may differ from the template presented; DSSABs are asked to try and use the Ministry template however if problems exist, please contact your Financial Analyst to discuss.

***HINT:**

TWOMO costs should only include the share of costs funded by the Ministry of Education. For detail codes funded by MCYS, the costs should not be reported in the budget submission but rather reported separately to MCYS.

STEP# 9: COMPLETION OF SCHEDULE 2.8 – CAPACITY FUNDING TO SUPPORT TRANSFORMATION

PURPOSE

Schedule 2.8 captures the costs associated with supporting viability and facilitating child care transformation within communities funded through the allocation for Capacity Funding to Support Transformation.

HOW TO COMPLETE

Under **SUBMISSION INPUT AND QUERY → INPUT AND RESULTS**, select “Schedule 2.8 – Capacity Funding to Support Transformation”.

This schedule is divided into 3 project types:

1. Amalgamation into a School or within the Community
2. Relocation to a School or Community
3. Unrelated to Amalgamation

In the columns to the right, please enter the number of mergers, operators and centres that are supported through the allocation.

NOTE: This schedule may reflect a duplication of the number of centres and operators in a case where a centre receives funding support for more than one expenditure category. For example, if a centre receives both a technology upgrade & toys and equipment support, that centre can be included in both categories.

The last column of the schedule requires that expenditures related to supporting operators, centres and agencies that were involved in business transformation activities and/or require business transformation supports, be entered. Please ensure that the expenditures entered are eligible and adhere to the maximum amounts as outlined in the Child Care Business Practices Guidelines.

***HINT:**

The total expenses reported in Schedule 2.8 must agree to the total transformation expense reported in Schedule 2.3 or an ERROR message will be triggered.

ELIGIBLE EXPENDITURES

(as per the Child Care Business Practices Guidelines):

Category 1: Amalgamation of Two or More Operators

- Up to \$6,500 per amalgamation to support legal costs for two or more operators that are amalgamating.

Category 2: Relocation of an Operator and/or Amalgamation of Two or More Operators

- Lease Costs (i.e. to cover the expense of terminating a lease); and/or
- Moving Costs

Category 3: Business Transformation Supports

- Up to \$3,000 per operator to support business planning costs
- Up to \$1,000 per centre or PHDC agency for technology upgrade costs that facilitate internet connectivity for business purposes;
- Play based material and equipment
- One-time operating funding to support the viability of child care operators that are transforming their business model; and/or
- Funding to private-home day care agencies for home visitors to facilitate the potential movement of providers from informal (unlicensed) to licensed child care.

To provide some guidance, here are some definitions:

Centre: The premises covered by one day nursery license.

Amalgamation: The combining of two or more entities into one, through a purchase acquisition or a pooling of interests.

Operator: A person, municipality or other incorporated entity that has control or management of a day nursery or a private-home day care agency. An operator may hold more than one license.

STEP#10: COMPLETION OF SCHEDULE 3.0 - ALLOCATIONS FOR OPERATING AND OTHER PURPOSES

PURPOSE

Schedule 3.0 captures the 2014 allocation for your CMSM or DSSAB based upon the Budget Schedule as contained in your service agreement.

HOW TO COMPLETE

There is no data entry required for this schedule as all the required data has been pre-loaded.

Please ensure that your allocation has been loaded correctly by reviewing the schedule under:

SUBMISSION INPUT AND QUERY → INPUT AND RESULTS → “Schedule 3.0 – Allocations for Operating and Other Purposes”

If there are any discrepancies in Schedule 3.0 in comparison to Schedule B of your signed service agreement, please contact your Financial Analyst.

STEP# 11: COMPLETION OF SCHEDULE 3.1 – ENTITLEMENT CALCULATION

PURPOSE

Schedule 3.1 captures the funding entitlement for your CMSM or DSSAB. It takes into consideration the level of expenditures, your municipal cost sharing requirements, and the financial flexibility policies as set out in the Ontario Child Care Service Management Funding Guideline.

This schedule consists of 5 different tabs:

- Entitlement
- Administration Overspending Adjustment
- Transfer Payment
- Breakdown of Capital
- Utilization

HOW TO COMPLETE

There is no data input required for this schedule.

To review the calculation of your entitlement under **SUBMISSION INPUT AND QUERY** → **select INPUT AND RESULTS**, then select “Schedule 3.1 – Entitlement Calculation”

All data found in this schedule is derived from other schedules within the submission. The 5 tabs are described below:

Tab 1: Entitlement

This tab calculates the entitlement based on all expenditures reported on schedule 2.3 and 2.4.

The various columns are as follows:

- **Column 1 – Allocation:** This column lists the allocation amounts as per the service agreement.
- **Column 2 – Minimum Cost Share Requirement:** This column outlines the 80:20 and 50:50 minimum cost share requirements.

- **Column 3 – Allocation and Cost Share:** This column indicates the total amount of expenses required in order to obtain the entire allocation.
- **Column 4 – Expenditures:** This column is the total expenditures from Schedule 2.3.
- **Column 5, 6, & 7 – Entitlement Before Flexibility:** These columns indicate the values of each cost share requirement prior to the application of flexibility.
- **Column 8 – Entitlement Before Flexibility:** This column is the total of columns 5, 6, and 7 indicating the total entitlement available prior to the application of flexibility.
- **Column 9 – Cost Share Before Flexibility:** This column indicates the 80:20 and 50:50 cost share portion of the entitlement before the application of flexibility.
- **Column 10 – Pressure or Surplus:** This column indicates the over/under spending in each expense category.
- **Column 11, 12, & 13 –** These columns indicate the use of flexibility in each cost share requirement area.
- **Column 14 – Application of Flexibility:** This column is the total flexibility applied to each expense category.
- **Column 15 – Cost Share of Flexibility:** This column shows the 80:20 and 50:50 cost share portion of the entitlement after the application of flexibility.
- **Column 16 – Total Entitlement:** This column calculates the total entitlement by combining the amounts for entitlement before flexibility and application of flexibility.
- **Column 17 – Actual Municipal Contribution:** This column is the total cost share calculated and contributions made by the Municipality.
- **Column 18 – Child Care Adjustment/(Recovery):** This column indicates the funds that will be recovered by the Ministry due to underspending. If there are no recoveries, this column will indicate a \$nil value.

NOTE: Row 6.1 – Missed Target Adjustment: This row will indicate the adjustment for not meeting the contractual service targets set in schedule 1.1. If the CMSM or DSSAB does not meet all three contractual service targets by 10% or more, the Recipient's entitlement and cash flow will be reduced by 1% for each 10% variance at or below 90% to reflect the underachievement of contractual service targets.

Tab 2: Administration Overspending Adjustment

This tab confirms the following:

- The maximum allowable administration expenditure limit.
- The total expenditures indicated in schedule 2.3.
- The calculation of over (under) spending based on the Ministry limit.
- The compliance status based on the 10% administration limit.
- The Municipal contribution in excess of cost share requirement.
- The total adjustment for administration overspending. If there is no adjustment, this row will indicate a value of \$nil.

Tab 3: Transfer Payments Summary

This tab specifies the entitlement per each category and the total entitlement for the sectors; This schedule is for Ministry use.

Tab 4: Breakdown of Capital

Tab 4 summarizes:

- Carry forward capital retrofit balance from prior year
- Expenditures funded by current year allocation
- Ministry cost share allocation
- Municipality cost share allocation
- Committed carry forward amount to next year

Tab 5: Utilization

The Utilization tab explains:

- Municipal contribution in excess of cost share requirement
- Recovery by Ministry
- Underspending related to Small Water Works

- Over or under spending related to TWOMO (if applicable)
- Missed Target Adjustment to Utilization
- Total over (under) spending for utilization

***IMPORTANT:**

The REPORT of Schedule 3.1 must be printed off from your active EFIS submission, signed by 2 signing authorities within your CMSM or DSSAB, and sent to the Ministry of Education via a scanned copy through email or the original signed copy sent in by regular mail.

STEP# 12: COMPLETION OF SCHEDULE 4.0 – MITIGATION FUNDING

PURPOSE

Schedule 4.0 captures information relating to the mitigation funding received by CMSMs or DSSABs who experienced a reduction in their 2013 allocations due to the new funding formula framework.

The schedule applies additional municipal contributions above the CMSM or DSSAB's 2015 minimum cost sharing requirements and applies the amount against the balance of the mitigation funding received.

If a CMSM or DSSAB's 2014 minimum cost sharing requirement decreased from their 2012 minimum cost sharing requirement yet the CMSM or DSSAB still chose to keep their contribution at the 2012 level, this additional investment can be deemed as municipal contributions rather than applied against the mitigation funding received.

The deemed municipal contribution may be used to calculate the 2014 utilization component allocation of the funding formula in future years.

HOW TO COMPLETE

Under **SUBMISSION INPUT AND QUERY → INPUT AND RESULTS**, select "Schedule 4.0 – Mitigation Funding"

Most of this schedule is pre-populated from information derived from other schedules within the submission.

There is one input cell in this schedule in which the CMSM or DSSAB will need to enter the amount of the deemed municipal contribution. The deemed municipal contribution is the additional level of investment by the CMSM or DSSAB when it has decided to keep its minimum cost sharing consistent with 2012 levels even though this requirement decreased in 2014. The input cell is limited by the maximum amount of the decrease in cost sharing requirement from 2012 to 2014.

STEP# 12: COMPLETION OF SCHEDULE 4.1 – CAPITAL CARRY-FORWARD

PURPOSE

Schedule 4.1 captures information regarding the projected expenditures of 2014 capital retrofit funding, the use of the committed 2013 capital funding carried forward to 2014, as well as any funding projected to be committed and carried forward to 2015.

HOW TO COMPLETE

Under **SUBMISSION INPUT AND QUERY → INPUT AND RESULTS**, select “Schedule 4.1 – Capital Carry Forward”

This schedule is divided into 2 sections:

PRIOR YEAR

- 2013 Committed Capital Carry Forward Amount to 2014
 - The amount of capital committed as of December 31, 2013 is pre-populated and pulled from the 2014 Revised Estimates submission.

CURRENT YEAR

- Allocation
- Amount Carried Forward From 2013
- Potential Expenditures 2014
 - calculated based upon the 2014 allocation plus the amount carried forward from 2013
- Actual Capital Expenditures at December 31, 2014
 - Flowed from Schedule 2.3

***The spending in 2014 is deemed to first use the 2013 committed carry-forward.**

Enter the amount of the projected capital committed as of December 31, 2014 to be carried forward to the following year in the white “open” cell.

***This amount cannot be greater than the 2014 Maximum Amount Allowed for Carry Forward to 2015.**

(As indicated in the cell above white cell.)

CMSMs and DSSABs will be cash flowed on the 2014 capital expenditure, excluding the 2013 capital carry forward, up to the 2014 capital retrofit allocation.

Any adjustments to 2013 capital entitlement will be reflected as part of the 2013 financial statement submission.

***HINT**

When reporting data elements in Schedule 1.2, the CMSM/DSSAB is to report the number of spaces and the number of licensed programs supported for capital retrofits that relate to the 2014 allocation only. 2013 carry forward projects are to be reported as part of the 2013 financial statement submission package.

STEP # 14: REVIEW OF SUBMISSION

PURPOSE

The last four schedules of the Financial Statements Submission have been created in order to streamline the review procedures that are performed by Financial Analysts during the review process. By including them in the submission document set, CMSMs and DSSABs have the ability to correct any inconsistencies prior to activating the submission. This will hopefully expedite the Ministry's review process and minimize the number of queries that will require follow-up with the CMSM/DSSAB.

The schedules are as follows:

1. Data Analysis and Review
2. Guideline Adherence Confirmation
3. Variance Reporting
4. Errors and Warnings

HOW TO COMPLETE

You are requested to review and update the information in the 4 schedules where necessary:

- 1. Data Analysis and Review:** This schedule compares the average daily fee subsidy cost to average monthly number of children and average monthly number of children served to staff FTE.
- 2. Guideline Adherence Confirmation:** Please read the warning on guideline adherence and confirm whether or not your submission is in compliance by selecting "YES" or "NO". A selection must be made in order to promote your file to active status.
- 3. Variance Reporting:** This schedule must be completed; detailed explanations are required to clarify the variances listed in this report.
- 4. Errors and Warnings:**
 - **Warnings:** Follow-up on all items where a "YES" cell is highlighted in red and provide an explanation in order to promote the file to active.
 - **Errors:** If there is a "YES" cell highlighted in red at the top, there is an error that must be cleared in the submission. Please identify the error

listed in this schedule and correct the error by referring back to the specific schedule. A definition of the error is provided in the description column.

IMPORTANT

You submission cannot be promoted to “active” status until all ERROR messages have been addressed and cleared.

STEP # 15: SUBMISSION MANAGEMENT

PURPOSE

The submission management area will allow you to validate your file and promote it for submission to the Ministry.

HOW TO COMPLETE

Under “Submission Management”, expand the folder by clicking on the “+” sign. The folder will expand and reveal 3 task boxes:

1. **Version Description and Summary:** This area allows you to manage the various versions of the file. Ensure the correct data is populated into the “Recipient Working Version” as this will be the file submitted to the Ministry.
2. **Flag Submission for Approval:** “YES” must be selected in the highlighted cell to answer the question “*Are you sure you want to promote the current Submission for approval?*” The current submission will be the “Recipient Working Version”.
3. **Validate and Promote for Approval:** The process to validate and promote submission for approval is as follows:
 - Click on the file name under the header: “Planning Unit”
 - Click on “Actions”
 - Select “Validate”; if the sub-status column shows “Invalid Data”, you must click “Invalid Data” and correct the listed errors. If the sub-status column shows “Validated”, proceed to the next step.
 - NOTE: Please ensure the file is selected in the planning unit
 - Click on “Actions”
 - Click on “Change Status” and select “Promote”
 - Click on “Ok”
 - The submission is promoted and flagged for the Approver. The file is now read only for the Modifier.
 - The Approver will then log into EFIS, review, and change the status to “Approve” in order to submit the EFIS file to the Ministry.

IMPORTANT

The REPORT for Schedule 3.1 must be printed from the active EFIS submission, and signed by 2 members of your CMSM/DSSAB who have signing authority. (Alternatively, a corporate seal can be affixed to this report.) The signed report must be sent to the Ministry either through the mail or by email. (Scanned copies are acceptable.)

REPORTING

After completing steps # 1 – 15, the data in the submission file should be complete.

CMSMs and DSSABs are required to send in the following REPORTS (either hard copy or scanned copy) of the following sections of their **active** 2014 Financial Statements EFIS 2.0 submission:

- Signed Certificate; and
- Signed Schedule 3.1

(Please select REPORTS in EFIS 2.0 to print out the pages above.)

DSSABS are also required to submit the following documentation to support the Territory Without Municipal Organization (TWOMO) allocation. They may be submitted in either electronic or hardcopy format:

- Approved 2015 DSSAB budget (not applicable for CMSMs); and
- Levy Apportionment details (not applicable for CMSMs)

Please mail the relevant forms or scan and e-mail them, by **May 29th, 2015²** to:

Manager
Child Care Finance Unit
Financial Analysis & Accountability Branch
20th Floor, Mowat Block, 900 Bay Street
Toronto, Ontario
M7A 1L2
OR
childcarefunding@ontario.ca

Once a submission is promoted to “Active” status, a CMSM or DSSAB has formally submitted their 2014 Financial Statements EFIS 2.0 file to the Ministry of Education.

² This date is subject to the approval of the municipality’s annual budget for a CMSM and the board’s annual budget for a DSSAB per the DSSAB Act.

REVIEW & APPROVAL OF SUBMISSION

Financial Analysts from the Financial Analysis & Accountability Branch will review your submission once it has been promoted to “Active” status. The Financial Analysts will create a “FO reviewed” copy of the original submission and process any changes that are required upon discussion with your CCA and the CMSM/DSSAB. Once the file has been reviewed, the CMSM or DSSAB will receive an e-mail from the Financial Analysts to confirm the review process is complete.

ASSISTANCE WITH EFIS

For user/navigation assistance on EFIS 2.0, please contact:

EFIS Technical Support

Tel: (416) 326-8307 E-mail: Efis.Support@ontario.ca

Stephen Shek - Tel: (416) 325-8396 / E-mail: Stephen.Shek@ontario.ca

Stevan Garic - Tel: (416) 327-0697/ E-mail: Stevan.Garic@ontario.ca

Anshuk Chhibber - Tel: (416) 325-2058 / E-mail: Anshuk.Chhibber@ontario.ca

For log-in assistance, contact:

Mark Bonham - Tel: (416) 325-8571 / E-mail: Mark.Bonham@ontario.ca

For data input assistance, please contact your Financial Analyst:

Financial Analyst	Telephone #	E-mail Address
Adrienne Han	(416) 212-9216	Adrienne.Han@ontario.ca
Argen Elezi	(416) 326-5423	Argen.Elezi@ontario.ca
Cheryl Chung	(416) 325-6235	Cheryl.F.Chung@ontario.ca
Diana Facin	(416) 325-2054	Diana.Facin@ontario.ca
Kiersten Lee	(416) 212-9218	Kiersten.Lee@ontario.ca
Fiona Mak	(416) 325-5873	Fiona.Mak@ontario.ca
Japneet Sidhu	(416) 212-8159	Japneet.Sidhu@ontario.ca
Justin Leung	(416) 326-9667	Justin.Leung@ontario.ca