

**Ministry of Education**  
315 Front Street West  
Toronto ON M7A 0B8

**Ministère de l'Éducation**  
315, rue Front ouest  
Toronto ON M7A 0B8

**2020: EYCC5**

**MEMORANDUM TO:** Chief Administrative Officers, CMSMs and DSSABs  
Directors and/or General Managers, CMSMs and DSSABs

**FROM:** Didem Proulx  
Assistant Deputy Minister  
Capital and Business Support Division

Shannon Fuller  
Assistant Deputy Minister  
Early Years and Child Care Division

**DATE:** October 1, 2020

**SUBJECT:** **Specified Audit Procedures Report Templates for the  
Community-Based Early Years and Child Care Capital Program  
(CBCP) and the Community-Based EarlyON Child and Family  
Centre Capital Program (CBEP)**

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We are writing to inform you that the specified audit procedures report templates for the CBCP and CBEP are now available (attached) to support reporting requirements in the 2018 Child Care and EarlyON Transfer Payment Agreement ("TPA").

As outlined in Schedule "F" ("CBCP Reports" and "CBEP Reports") of the TPA for the CBCP and CBEP, Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs) are required to provide assurance by **external auditors** on the CBCP (if applicable) and the CBEP capital expenditures through specified audit procedures. This ministry audit requirement can be financed through CMSM and DSSAB operating funding in 2020 or 2021 (i.e., not CBCP and CBEP underspending).

The specified audit procedures reports will be conducted on the CMSM or DSSAB if the CBCP and CBEP funding is being used by the CMSM or DSSAB, or the early years provider if the CMSM or DSSAB allocated the CBCP and CBEP funding to an early years service provider. As such, the ministry audit requirements would cover all receipts (i.e., contractor and sub-contractor receipts).

For the CBCP, the specified audit procedures report template will be completed for the CMSM's or DSSAB's **two CBCP capital project with the largest CBCP funds** as listed in Schedule "D" ("CBCP

Approved Project Budget") of the TPA. If the CMSM or DSSAB only had one CBCP capital project, then only one CBCP specified audit procedures report template will be completed.

If the CMSM or DSSAB did not have any CBCP capital projects, then the CBCP Specified Audit Procedures Report template and the CBCP Specified Audit Procedures Report Attestation Form template are not applicable. **All CMSMs and DSSABs will complete the CBEP Specified Audit Procedures Report template.**

In the CBCP Specified Audit Procedures Report Attestation Form template, the CMSM or DSSAB attests for the two audited CBCP capital projects (if applicable), the total number of child care and/or EarlyON Child and Family Centre rooms, the total number of child care spaces (if applicable), and the opening date<sup>1</sup> of the child care and/or EarlyON Child and Family Centre. This attestation also requires the CMSM or DSSAB to affirm that all other CBCP capital projects listed in Schedule "D" ("CBCP Approved Project Budget") of the TPA, which have been approved by the Ministry of Education for CBCP funding and were not assured by external auditors on the CBCP capital expenditures through specified audit procedures, are in accordance with the terms of the TPA.

### **Timelines and Submission**

Due to the exceptional circumstances surrounding COVID-19, CMSMs and DSSABs have been granted an extension to spend the CBCP allocation. The new deadline to spend the CBCP funding, as well as the date of the CBCP specified audit procedures reports findings, is **March 31, 2021**.

The deadline to spend the CBEP funding, as well as the date of the CBEP specified audit procedures reports findings, is **March 31, 2020** (unless ministry-approved spending deadline extension was granted, in which case the deadline is August 7, 2020).

The CBCP (if applicable) and CBEP specified audit procedures reports are required no later than **August 31, 2021**, and will be submitted to the Ministry of Education's e-mail address at [EYCU@ontario.ca](mailto:EYCU@ontario.ca).

Note that CMSMs and DSSABs will receive amended TPA to adjust for applicable CBCP and CBEP spending and audit deadline extensions.

Any CBCP and CBEP funding not spent on the prescribed capital expenditures as per the TPA, or any CBCP and CBEP funding unspent, will be recovered by the Ministry of Education. Recovery will occur upon the findings of the specified audit procedures report(s) conducted by the external auditor. Records should be kept for seven years. The ministry reserves the right to audit in the

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<sup>1</sup> The opening date of the child care and/or EarlyON Child and Family Centre is the date as attested by the CMSM or DSSAB.

future, if necessary. (Note “Schedule F” of the TPA should read “CBEP Reports” instead of “CBEP Payment Plan”.)

### **Ministry Contact**

If you have any questions or require additional information regarding the CBCP and/or CBEP specified audit procedures reports or spending deadline extensions, please contact Jeff O’Grady, Manager, Capital Policy Branch, at 416-918-1879 or at [Jeff.OGrady@ontario.ca](mailto:Jeff.OGrady@ontario.ca).

Thank you for your attention to this matter. We look forward to our ongoing collaboration.

*Original signed by:*

Didem Proulx  
Assistant Deputy Minister  
Capital and Business Support Division

*Original signed by:*

Shannon Fuller  
Assistant Deputy Minister  
Early Years and Child Care Division

Attachments: Accountants’ Report with Respect to Funding and Expenditures Under the CBCP as at March 31, 2021 (template)  
Accountants’ Report with Respect to Funding and Expenditures Under the CBEP as at March 31, 2020 (unless ministry-approved spending deadline extension was granted, in which case the deadline is August 7, 2020) (template)  
CBCP Specified Audit Procedures Report Attestation Form (template)

Copy: Jeff O’Grady, Manager, Early Years Capital Unit, Capital Policy Branch, Capital and Business Support Division, Ministry of Education  
Early Years Advisors, Early Years and Child Care Programs and Service Integration Branch, Early Years and Child Care Division, Ministry of Education  
Ontario Municipal Social Services Association  
Association of Municipalities of Ontario