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**2018: EYCC13**

**MEMORANDUM TO:** Chief Administrative Officers, CMSMs and DSSABs  
General Managers/Commissioners, CMSMs and DSSABs  
Children's Service Managers, CMSMs and DSSABs

**FROM:** Jill Dubrick  
Director, Early Years and Child Care Programs and  
Service Integration Branch  
Early Years and Child Care Division  
Ministry of Education

**DATE:** August 17, 2018

**SUBJECT:** **Update on 2018 Child Care Allocations and Transfer  
Payment Agreements**

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I am writing to provide information on updated 2018 child care allocations for Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs).

This memo details amendments to previous 2018 child care allocations and child care guidelines.

### **Investments**

In 2018 the government will now invest approximately \$1.67 billion in child care. The total allocation consists of the following:

- \$1.07 billion general allocation;
- \$225 million to support child care expansion;
- \$19.5 million in base funding for licensed home child care agencies;
- \$100 million in Canada-Ontario Early Learning and Child Care (ELCC) Agreement funding;

- \$50 million for the full year of Fee Stabilization Support funding; and
- \$203 million in ongoing Wage Enhancement/Home Child Care Enhancement Grant (HCCEG) funding.

### **Important Changes to the Child Care Program**

In response to feedback from stakeholders the Ministry has made several important changes to the child care programs with a focus on supporting child care affordability across the province, better meeting the needs of local communities, and reducing administrative burden. Further details on these changes will be included in the updated 2018 Ontario Child Care Service Management and Funding Guideline and 2018 Child Care Service Agreements.

#### **A. Transfer Payment Agreements**

A new 2018 Transfer Payment Agreement will be issued and replaces all previously issued 2018 agreements. In order to simplify the service agreement process and reduce administration, transfer payment agreements will now be in the form of a multi-year agreement, with an annual budgeting process.

#### **B. Child Care Expansion Plan**

Child care expansion allocations have been revised to reflect the limited time remaining in 2018 for service planning. These allocations are prorated for the period of September to December 2018. Please refer to the allocations chart attached to this memo and to your service agreement for details.

#### **C. Contractual Service Targets**

To reduce administrative burden and expedite the finalization of service agreements, a new approach to contractual service targets will be implemented in 2018 and will support the timely execution of service agreements and payment disbursement.

More information will be provided on 2018 service targets with your service agreement package.

#### **D. Funding to For-Profit Child Care Providers**

The For Profit - Maximum Percentage Threshold has been removed from the transfer payment agreements and will not apply in 2018. Local service system managers may direct child care funding to licensed providers that are best positioned to meet local needs and priorities. Service system managers can continue to have discretion about the providers with which they enter into purchase of service agreements.

## **E. Fee Stabilization Support Funding**

In response to stakeholder feedback, fee stabilization support funding may now be used to support cost pressures associated with general compensation for licensed child care staff such as vacation and sick leave. This increased flexibility removes the restriction limiting funding to staff who were earning more than \$14 per hour as of December 31, 2017 and provides greater flexibility to service system managers in efficiently utilizing funding allocations.

## **F. Clarifications on Base Funding to Support Licensed Home Child Care (LHCC) Agencies**

Allocations for LHCC Base Funding for each CMSM and DSSAB are calculated based on an annual amount of \$6,900 per active home in licensed home child care agencies (as reported in the Ministry's 2017 Licensed Child Care Survey). Service system managers have the flexibility in setting a local per-home amount and are encouraged to provide a minimum of \$5,175 for the period of April to December 2018 for each active home an agency oversees. Local practices should be adapted to provide stable, predictable funding to agencies to assist with forecasting, planning and actively recruiting more providers.

Please note that the 2018 LHCC Base Funding allocations are based on the location of home child care agencies rather than the location of active homes. The first year of LHCC base funding is a transition year to allow the Ministry to work with service system managers on the new approach and offer opportunities for feedback and learning to evaluate this initiative. The Ministry will revisit the allocation methodology for future years to ensure the accuracy of the data set.

## **The Journey Together Funding**

The Ministry has received a number of requests from CMSMs and DSSABs for extensions on expending capital funding for 2018 Journey Together projects. Service system managers will have the opportunity to request to transfer the portion of capital funding that cannot be spent in 2018 into their 2019 Journey Together allocation for both child care and child and family programs. Please contact your Early Years Advisor by August 24, 2018 to make a request.

## **Future Changes to Wage Enhancement/Home Child Care Enhancement Grant**

Please be advised that the Ministry intends to reduce administrative requirements for the Wage Enhancement/Home Child Care Enhancement Grant in 2019. Further information will be provided at a later date.

## **Reporting Requirements**

### **2018 Revised Estimates**

The due date for the 2018 Revised Estimates (Child Care) and 2018 Interim Report (EarlyON) submissions for Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs) has been delayed.

A further communication will be issued in the coming weeks to provide an updated due date.

### **Cash Flow in 2018**

Monthly cash flow for operating funding will continue to be based on your signed preliminary 2018 agreement or 2017 revised estimates until the new 2018 service agreements are signed by both parties.

<b>Signed Service Agreement Received by:</b>	<b>Payment Date:</b>
September 27, 2018	November 2, 2018
October 29, 2018	December 4, 2018
November 26, 2018	January 3, 2019

The Ministry will release the new 2018 Child Care Service Agreements and the updated 2018 Ontario Child Care Service Management and Funding Guideline shortly. CMSMs and DSSABs are to submit their signed service agreement to the Ministry one month after the agreements are issued.

Please submit your service agreement by **email** to: [tpa.edu.earlylearning@ontario.ca](mailto:tpa.edu.earlylearning@ontario.ca).

The Ministry will email a scanned signed copy of the completed agreement back to your CMSM or DSSAB for your records.

Early Years Advisors and Financial Analysts are the Ministry contacts for child care therefore please direct any questions or concerns to them; the contact list is available on the [Financial Analysis and Accountability Branch Website](#).

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

Sincerely,

***Original signed by***

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Jill Dubrick  
Director, Early Years and Child Care Programs and Service Integration Branch  
Early Years and Child Care Division

Copy: Shannon Fuller, Assistant Deputy Minister, Early Years and Child Care Division  
Maxx-Phillippe Hollott, Director (A), Financial Accountability and Data Analysis  
Branch  
Early Years Advisors, Programs and Service Integration Branch  
Financial Analysts, Financial Accountability and Data Analysis Branch

# Appendix A: 2018 Child Care Allocations

## 2018 Child Care Allocations

CMSM/DSSAB	Core	Rural	Cost of Living	Language	Indigenous	Capacity	Repairs and Maintenance	Utilization Adjustment	Capping Adjustment	SWW	TWOMO	2018 Total General Allocation	Expansion Plan Year 1	Expansion Plan Year 2	Base Funding for LHCC	ELCC	2018 Total Child Care Allocation	Fee Stabilization Support	Wage Enhancement/ HCCEG Allocation	Wage Enhancement/ HCCEG Administration	2018 Total Funding
Corporation of the City of Brantford	7,554,704	165,393	279,444	114,578	93,219	69,537	25,379	-	130,889	5,161	-	8,176,526	1,627,413	145,044	186,300	814,224	10,949,507	429,169	1,661,336	75,430	13,115,442
City of Cornwall	6,315,448	523,694	217,061	615,242	81,567	48,086	17,527	(7,742)	(228,432)	-	-	7,882,451	1,547,376	237,129	67,275	774,265	10,208,496	245,459	933,217	57,375	11,444,547
City of Greater Sudbury	9,127,084	1,045,804	310,250	2,210,226	158,602	68,177	25,392	0	2,812,717	-	-	15,758,252	2,545,480	406,389	72,450	1,272,900	20,055,471	650,939	2,488,508	148,453	23,343,371
The City of Hamilton	43,973,760	6,928	1,128,839	1,366,343	212,980	245,917	89,559	0	(531,045)	3,406	-	46,496,687	9,065,536	1,092,859	890,100	4,532,030	62,077,212	2,002,280	7,769,030	346,488	72,195,010
Corporation of the City of Kawartha Lakes	4,076,500	729,768	165,145	38,797	20,068	31,833	11,677	0	(45,928)	1,187	-	5,029,047	1,015,391	88,521	-	508,148	6,641,107	170,746	674,670	25,574	7,512,097
Corporation of the City of Kingston	7,626,428	352,502	306,509	198,848	80,272	63,360	22,198	47,245	0	5,230	-	8,702,592	1,726,169	152,692	77,625	862,094	11,521,172	565,575	2,216,875	97,938	14,401,560
Corporation of the City of London	29,734,245	24,357	960,433	797,458	142,418	213,059	77,867	0	(52,830)	-	-	31,897,007	6,092,847	767,094	346,725	3,045,232	42,148,905	1,767,719	6,928,973	277,075	51,122,672
City of Ottawa	56,223,907	10,184	3,562,871	11,162,587	391,003	444,089	163,881	5,879,591	(184,257)	19,999	-	77,673,855	13,962,172	1,490,008	4,331,475	6,978,626	104,436,136	4,375,835	16,805,216	855,325	126,472,512
Corporation of the City of Peterborough	7,165,968	412,115	267,596	71,974	64,088	56,141	21,656	311,324	(15,374)	7,786	-	8,363,274	1,586,377	284,665	305,325	792,960	11,332,601	403,089	1,563,451	70,933	13,370,074
Corporation of the City of St. Thomas	5,917,850	357,412	158,477	122,883	22,010	46,603	17,461	0	(199,261)	-	-	6,443,435	1,223,771	363,673	51,750	612,468	8,695,097	265,815	1,028,149	46,967	10,036,028
Corporation of the City of Stratford	3,587,404	400,722	136,753	70,429	19,421	37,957	14,291	135,615	(33,096)	2,670	-	4,372,166	805,933	74,587	20,700	403,390	5,676,776	149,001	567,048	32,599	6,425,424
City of Toronto	257,717,690	777	10,172,960	19,750,417	321,088	1,207,285	446,956	18,561,382	(1,057,511)	-	-	307,121,044	57,417,546	6,502,627	4,792,050	28,671,036	404,504,303	11,072,646	43,308,385	2,052,797	460,668,131
Corporation of the City of Windsor	28,310,998	15,349	812,599	1,227,500	116,524	177,849	65,444	0	(157,829)	-	-	30,568,434	5,789,899	536,011	207,000	2,898,295	39,999,549	1,214,299	4,660,800	241,025	46,114,953
Corporation of the County of Bruce	2,539,609	904,291	119,784	54,332	21,363	30,785	11,643	1,611	(3,165)	32,518	-	3,712,771	735,143	64,210	144,900	367,754	5,024,778	194,370	745,743	39,763	6,004,654
Corporation of the County of Dufferin	2,928,308	264,895	114,716	33,668	17,479	30,840	11,358	0	(60,816)	2,708	-	3,343,156	624,629	59,187	41,400	312,808	4,381,180	171,917	669,110	30,164	5,252,371
Corporation of the County of Grey	4,366,281	643,726	165,875	69,660	29,778	37,844	14,106	0	12,504	-	-	5,339,774	1,047,702	215,447	201,825	524,127	7,328,875	291,272	1,126,925	53,706	8,800,778
Corporation of the County of Hastings	7,473,100	601,298	260,891	108,196	88,688	56,480	20,801	169,890	(38,311)	9,043	-	8,750,076	1,698,609	150,209	144,900	850,081	11,593,875	325,914	1,250,145	61,269	13,231,203
Corporation of the County of Huron	2,438,803	829,271	101,316	66,758	-	26,991	10,440	161,931	(22,950)	-	-	3,612,560	662,616	60,574	77,625	331,673	4,745,048	168,380	716,688	28,193	5,674,309
Corporation of the County of Lambton	7,521,700	392,630	242,582	102,142	55,673	52,965	18,683	0	3,742,144	-	-	12,128,519	1,569,773	380,722	72,450	785,434	14,936,898	429,681	1,651,301	79,696	17,097,576
County of Lanark	3,182,635	864,300	118,579	65,954	46,610	26,531	9,940	(40,700)	0	19,171	-	4,293,020	831,192	162,108	139,725	415,906	5,841,951	197,731	756,562	38,769	6,835,013
County of Lennox & Addington	2,702,966	598,665	120,069	35,141	27,836	24,285	8,567	0	(41,372)	-	-	3,476,157	712,020	131,630	119,025	356,493	4,795,325	124,623	475,513	24,826	5,420,287
County of Northumberland	3,584,070	426,453	152,731	43,645	19,421	30,800	11,603	375,610	(2,697)	2,750	-	4,644,386	825,698	74,380	41,400	413,322	5,999,186	171,290	658,519	32,196	6,861,191
County of Oxford	5,401,521	344,791	212,845	76,064	20,068	53,113	19,680	(191,289)	(17,621)	-	-	5,919,272	1,166,034	107,195	82,800	583,299	7,858,600	196,816	740,964	50,916	8,847,296
County of Renfrew	4,474,566	736,847	198,649	135,818	71,209	44,686	16,906	5,526	0	-	-	5,684,207	1,107,918	192,155	56,925	553,768	7,594,973	240,197	933,803	40,313	8,809,286
County of Simcoe	24,313,043	35,123	999,781	502,436	271,889	214,656	78,728	256,804	(563,811)	16,587	-	26,125,236	5,029,336	735,844	403,650	2,516,655	34,810,721	1,376,395	5,335,200	259,905	41,781,411
County of Wellington	10,537,625	476,367	433,724	311,545	66,678	107,751	38,869	613,302	(146,215)	8,862	-	12,448,508	2,289,316	793,079	217,350	1,144,194	16,892,447	524,938	2,032,717	95,414	19,545,516
District Municipality of Muskoka	2,674,820	848,767	109,503	25,095	29,778	21,177	7,528	(15,335)	(37,871)	4,400	-	3,667,862	727,737	64,972	67,275	364,130	4,891,976	115,658	442,302	25,863	5,475,799
Corporation of the Municipality of Chatham-Kent	6,926,231	462,286	196,557	154,204	51,141	45,906	16,936	74,435	3,728,786	-	-	11,656,482	1,506,083	137,108	-	753,654	14,053,327	299,590	1,155,704	55,617	15,564,238
The Corporation of Norfolk County	4,919,994	698,492	210,810	137,090	36,899	46,753	17,641	(29,219)	(168,878)	-	-	5,869,582	1,191,371	333,873	93,150	595,908	8,083,884	201,193	782,838	29,046	9,096,961
Regional Municipality of Durham	35,166,476	13,380	1,352,532	720,677	167,665	320,777	118,122	2,019,960	(521,380)	27,227	-	39,385,436	7,105,942	1,508,196	424,350	3,557,033	51,980,957	2,635,117	10,333,467	412,006	65,361,547
Regional Municipality of Halton	26,069,057	6,196	1,162,800	882,512	99,693	292,416	106,273	3,268,347	(149,607)	-	-	31,737,687	5,377,925	883,799	351,900	2,696,403	41,047,714	3,059,852	11,955,610	529,295	56,592,471
Regional Municipality of Niagara	24,033,407	13,860	904,208	707,704	159,250	180,546	66,196	2,562,485	(144,184)	538	-	28,484,010	5,049,356	479,742	419,175	2,526,240	36,958,523	1,195,069	4,561,185	250,340	42,965,117
Regional Municipality of Peel	100,857,082	3,100	5,608,519	6,921,500	150,187	736,016	267,877	0	(4,010,667)	-	-	110,533,614	21,623,376	2,388,203	1,438,650	10,816,011	146,799,854	4,907,862	19,237,532	716,945	171,662,193
Regional Municipality of Waterloo	29,264,242	8,704	1,104,103	1,205,030	137,239	263,813	96,195	1,473,156	(185,432)	1,925	-	33,368,975	6,117,154	756,376	2,121,750	3,058,723	45,422,978	1,893,896	7,272,026	337,660	54,926,560
Regional Municipality of York	70,432,291	5,503	4,311,431	6,622,667	83,509	549,370	203,506	330,675	(2,546,453)	15,719	-	80,008,218	15,511,893	1,609,513	517,500	7,766,486	105,413,610	5,535,851	21,678,761	954,147	133,582,369
United Counties of Leeds & Grenville	4,304,685	634,511	189,401	95,420	42,725	36,786	13,792	25,757	(20,367)	15,451	-	5,338,161	1,040,768	92,346	67,275	521,362	7,059,912	311,277	1,200,072	55,179	8,626,440
United Counties of Prescott & Russell	4,122,335	445,883	158,425	1,374,982	46,610	40,490	15,515	(128,468)	(22,508)	-	-	6,053,264	1,185,456	140,336	181,125	593,348	8,153,529	421,782	1,647,791	67,580	10,290,682
Algoma District Services Administration Board	1,753,868	1,640,762	61,679	124,115	11,922	13,757	5,289	206,853	(11,367)	3,352	90,977	3,901,207	707,668	63,188	-	353,961	5,026,024	97,834	366,569	28,600	5,519,027
District of Cochrane Social Service Administration Board	4,110,479	2,230,723	137,549	914,178	102,282	36,438	13,581	(89,869)	0	-	224,289	7,679,650	1,493,111	233,305	93,150	746,570	10,245,786	224,641	854,821	48,863	11,374,111
District of Nipissing Social Services Administration Board	4,639,953	1,809,070	151,796	82,862	34,519	12,223	0	0	0	55,503	-	7,297,199	1,454,765	180,561	160,425	727,364	9,820,314	1,603,804	63,383	11,897,562	
District of Parry Sound Social Services Administration Board	1,570,470	2,435,225	73,777	35,534	4,531	13,994	5,286	(6,481)	0	2,671	35,975	4,170,982	815,061	72,340	150,075	407,842	5,616,300	65,306	238,682	20,716	5,941,004
District of Sault Ste Marie Social Services Administration Board	4,384,178	478,203	137,285	116,212	98,129	30,621	11,772	68,174	129,163	-											

## **Appendix B: Communications Protocol Requirements**

All public announcements regarding provincial and federal investments in Ontario's child care and early years system are potential joint communication opportunities for the provincial government, federal government, school boards, the Consolidated Municipal Service Manager/District Social Services Administration Board (CMSM/DSSAB), municipalities and community partners.

### ***Public Communications***

Municipalities, school boards, CMSMs and DSSABs, and community partners should not issue a news release or any other public communication directed at media regarding major child care and early years investments, without:

- I. First contacting the Ministry of Education through [EYCCinvestments@ontario.ca](mailto:EYCCinvestments@ontario.ca) about your plan to publicly communicate these major child care and early years investments; and
- II. Publicly recognizing the Ministry of Education's role in providing funding; and
- III. Inviting the Minister of Education to attend any events related to your investment announcement.

The Ministry of Education may also choose to issue its own news release and/or hold events about investments in child care and early years projects, in addition to those prepared by municipalities, school boards, CMSMs and DSSABs, and community partners.

The intent of this protocol is to promote the role of both the Ministry of Education and stakeholders in bringing new child care and early years projects to local communities.

### ***Major Announcements and Events***

**Important:** For all major child care investments the Minister of Education must be invited as early as possible to the event. Invitations can be sent to [EYCCinvestments@ontario.ca](mailto:EYCCinvestments@ontario.ca) with a copy sent to your ministry Early Years Advisor. Municipalities, school boards, CMSMs and DSSABs, and community partners will be notified at least four to six weeks in advance of their opening event as to the Minister's attendance. If the date of your event changes at any time after the Minister has received the invitation, please confirm the change at the email address above.

If the Minister of Education is unavailable, the invitation may be shared with a government representative who will contact your municipality, school board, CMSM or DSSAB, or community partner to coordinate the details (e.g. joint announcement). Municipalities, school boards, CMSMs and DSSABs, and community partners are not expected to delay their announcements to accommodate the Minister or a Member of Provincial Parliament (MPP); the primary goal is to make sure that the Minister is aware of the announcement opportunity.

### ***Other Events***

For all other media-focused public communications opportunities, such as sod turnings for example, an invitation to your local event must be sent to the Minister of Education by email ([EYCCinvestments@ontario.ca](mailto:EYCCinvestments@ontario.ca)) with at least three weeks' notice. Again, please send a copy to your ministry Early Years Advisor. Please note that if the date of your event changes at any time after the Minister has received the invitation, please confirm the change at the email address above.

Municipalities, school boards, CMSMs and DSSABs, and community partners are not expected to delay these "other" events to accommodate the Minister. Only an invitation needs to be sent; a response is not mandatory to proceed.

This communications protocol does not replace our stakeholders' existing partnerships with the Ministry of Education. Regional early years advisors and regional child care licensing staff should still be regarded as primary points of contact for events and should be given updates in accordance with existing processes.

### ***Acknowledgement of Support***

The support of the Government of Ontario must be acknowledged in media-focused communications of any kind, written or oral, relating to new investments. Similarly, CMSMs and DSSABs announcements related to funding received through the ELCC must clearly acknowledge that the contributions were made by the Province of Ontario and the Government of Canada. This acknowledgment could include but is not limited to, any report, announcement, speech, advertisement, publicity, promotional material, brochure, audio-visual material, web communications or any other public communications. For minor interactions on social media, or within social media such as Twitter, etc. where there is a limited restriction on content, municipalities, school boards, CMSMs and DSSABs, and community partners are not required to include government acknowledgement. In addition, when engaged in reactive communications (e.g., media calls) municipalities, school boards, CMSMs and DSSABs, and community partners do not have to acknowledge government funding; however, if possible, such an acknowledgement is appreciated.