

TO: Consolidated Municipal Service Managers and District
Social Service Administration Boards

FROM: Phil Graham
Assistant Deputy Minister
Early Years and Child Care Division

DATE: February 2, 2021

SUBJECT: **Provincial Child Care and Early Years Funding Re-Investment
January to March 2021**

Thank you again for your continued partnership and ongoing work to support families and strengthen early years and child care in our communities. The health and safety of Ontario's children is our mutual priority and we appreciate your collaboration.

The Ministry of Education ('ministry') recognizes the impact that the COVID-19 pandemic continues to have on children, families, and the child care and early years sector. Numerous supports have been provided to the sector throughout the COVID-19 pandemic, including providing Emergency Child Care for health care and other frontline workers in the Spring and supporting all child care operators to ensure they remained sustainable during the temporary closure and summer re-opening. This is in addition to the federal programs available in the Canada Economic Response Plan, which operators should continue to maximize in 2021. As a result of our collective effort to sustain the sector during this unprecedented time, over 95% of child care centres have reopened as of December 2020. Thank you for your helpful advice in developing the parameters and guidance for each distinct phase of the pandemic.

The purpose of this memo is to provide information on the reconciliation process and a re-investment being provided to Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs) to further support early years and child care.

Reconciliation Process

The ministry is working to complete the 2020 closure and summer re-opening reconciliation process. The purpose of this process was to determine the provincial funding required during the closure and summer re-opening periods under the funding

parameters communicated. Through this process, underspending was identified by CMSMs and DSSABs based on the approved spending parameters compared to cash flow for this period.

The level of underspending that is being made available for reinvestment between the period of January and March 2021 is \$66M. This funding is being made available to support COVID-related pressures that continue to be experienced in the early years and child care sector. Following are details associated with distribution of the \$66M reinvestment and associated allocation parameters.

Additional \$66M Re-Investment

A total of \$66M is being reallocated to CMSMs and DSSABs for the period of January to March 2021. This funding is being provided to support increased costs of operating child care and EarlyON child and family centres during the COVID-19 outbreak. Funding will be operationalized through adjustments to cash flows, expected to take place in March 2021.

Consistent with the approach and parameters taken for Federal Safe Restart Funding, CMSMs and DSSABs will have the flexibility to determine how to best use this funding to help the sector adapt to the current environment and address the unique needs of local communities stemming from the outbreak. This may include, but is not limited to, costs associated with the following:

- Personal protective equipment;
- Enhanced cleaning;
- Additional staff to meet health and safety requirements;
- Support for operators with vacancies due to lower enrolment in programs;
- Support for operators to cover child absenteeism;
- Support where there may be short term vacancies locally as child care centres adjust to the health and safety requirements;
- Support for child care staff absenteeism where staff need to stay home because they or their children are sick or need to self isolate; and
- Minor capital required (less than \$5,000) in accordance with the ministry's reopening operational guidance or local public health requirements.

In addition to the parameters outlined above, this funding can also be used to provide time-limited and targeted support during the temporary before/after school closure starting January 4th, to ensure that centres that offer before/after programs can remain financially sustainable to continue serving school children once the closure is lifted. Funding parameters in respect to closed before and after school programs are as follows:

- A. Net of Federal Supports and Net of Provincial Supports for Businesses
- Funding support must only be provided after all other support programs have been exhausted for which the provider is eligible. This includes federal support programs under the Canada Economic Response Plan and provincial

programs available to businesses, such as the Ontario Small Business Support Grant: <https://www.ontario.ca/page/businesses-get-help-covid-19-costs>

B. Participation in Targeted Emergency Child Care

- Revenues that before and after school providers may generate from potential participation in targeted emergency child care must be considered. In particular, additional funding support should not be provided if before and after school providers fully mitigated revenue loss by participating in targeted emergency child care.

C. Risks to On-Going Viability

- Funding should be prioritized to those before and after school providers who demonstrate that the financial impact from the closure period will impact their ability to deliver programs following the closure period.

This \$66M in funding is being provided in addition to the 2021 allocations previously communicated in December 2020 and is intended to support you in effectively serving your communities during these challenging times. Similar to the approach for Federal Safe Restart Funding, funding has been allocated to CMSMs and DSSABs proportionally based on their total 2021 Child Care and EarlyON allocations. See Appendix A for further details. These funds are intended to be spent by March 31, 2021.

As a reminder, in addition to this funding, CMSMs and DSSABs have the flexibility to spend the 2020/21 Safe Restart Funding until March 31, 2021. As well, child care operators should continue to maximize federal supports through the Canada Economic Response Plan in 2021.

Next Steps

Once available, CMSMs and DSSABs will be able to view their updated 2021 Child Care and EarlyON Child and Family Centre Transfer Payment Agreements, which will include this additional funding, on the Transfer Payment Ontario (TPON) online platform.

Thank you for your ongoing collaboration as we work to support the child care sector in 2021. I look forward to our continued partnership to strengthen the early years and child care system throughout Ontario.

Thank you,

Phil Graham

Appendix A: Additional Funding for COVID-19 Costs January to March 2021

CMSM/DSSAB	Funding For COVID-19 Costs January to March 2021
Corporation of the City of Brantford	540,441
City of Cornwall	471,737
City of Greater Sudbury	948,460
The City of Hamilton	2,818,886
Corporation of the City of Kawartha Lakes	309,533
Corporation of the City of Kingston	606,163
Corporation of the City of London	1,991,855
City of Ottawa	5,025,199
Corporation of the City of Peterborough	526,239
Corporation of the City of St. Thomas	377,423
Corporation of the City of Stratford	262,278
City of Toronto	17,854,714
Corporation of the City of Windsor	1,749,784
Corporation of the County of Bruce	264,028
Corporation of the County of Dufferin	221,769
Corporation of the County of Grey	358,375
Corporation of the County of Hastings	524,510
Corporation of the County of Huron	226,948
Corporation of the County of Lambton	703,539
County of Lanark	275,136
County of Lennox & Addington	229,876
County of Northumberland	276,458
County of Oxford	349,545
County of Renfrew	367,620
County of Simcoe	1,624,893
County of Wellington	809,271
District Municipality of Muskoka	226,239
Corporation of the Municipality of Chatham-Kent	623,251
The Corporation of Norfolk County	356,077
Regional Municipality of Durham	2,558,033
Regional Municipality of Halton	2,094,933

CMSM/DSSAB	Funding For COVID-19 Costs January to March 2021
Regional Municipality of Niagara	1,702,258
Regional Municipality of Peel	6,699,780
Regional Municipality of Waterloo	2,147,873
Regional Municipality of York	5,347,380
United Counties of Leeds & Grenville	337,794
United Counties of Prescott & Russell	418,242
Algoma District Services Administration Board	247,787
District of Cochrane Social Service Administration Board	496,336
District of Nipissing Social Services Administration Board	510,742
District of Parry Sound Social Services Administration Board	263,152
District of Sault Ste Marie Social Services Administration Board	371,142
District of Timiskaming Social Services Administration Board	329,276
Kenora District Services Board	348,440
Manitoulin-Sudbury District Social Services Administration Board	335,788
Rainy River District Social Services Administration Board	194,835
District of Thunder Bay Social Services Administration Board	675,961
PROVINCIAL TOTAL	66,000,000