Committee Report

To: Warden Halliday and Members of Grey County Council

Committee Date: April 26, 2018

Subject / Report No: SSR-CW-08-18

Title: 2018 Ministry of Education EYCC2 Amended Agreement

Prepared by: Barbara Arbuckle, Manager of Children’s Services

Reviewed by: Debbie Pegelo, Acting Director of Social Services

Lower Tier(s) Affected: County wide initiative

Status: Recommendation adopted as presented by Committee of the Whole per Resolution CW109-18; Endorsed by County Council on May 10, 2018.

Recommendation

1. That SSR-CW-08-18 regarding an amendment to the 2018 child care Ontario transfer payment agreement be received and;

2. That the Warden and Clerk be authorized to execute the 2018 Child Care Ontario Transfer Payment Agreement Amendment with the Ministry of Education.

Executive Summary

On April 03, 2018 the Ministry provided an amended service agreement which included the remaining 9 months (April to December 2018 or the 2018 Quarters 2, 3 and 4) of Fee Stabilization Support funding.

Grey County Council’s approval of the 2018 Child Care Service Amending Agreement will result in the following benefits:

- $291,272 Total Fee Stabilization Support funding for 2018 to assist licensed centres with the cost to increase wages for staff earning less than $14 per hour as of December 31, 2017
  - Of the total amount, $72,802 Fee Stabilization Support funding had been provided under the original agreement for the period January 01 to March 31, 2018.
  - The balance of $218,470 Fee Stabilization Support funding is being provided under the amended agreement for the period April 01 to December 31, 2018.
- Fee Stabilization Support funding is 100% provincially funded. No municipal levy is required.
Background and Discussion

The Ministry of Education provides funding for Grey County Children’s Services through the following two separate Ontario Transfer Payment Agreements:

1. Child Care Service Agreement
   - 2018 Agreement approved by Grey County Council February 8, 2018 SSR-CW-02-18 through by-law 5004-18

2. Ontario Early Years Child and Family Centres Agreement
   - 2018 Agreement originally approved by Council on October 26, 2017 through by-law 4995-17
   - Amended agreement approved by Council on March 8, 2018 SSR-CW-04-18 through by-law 5007-18

In response to the 2018 Ontario increase to the minimum wage, the Ministry of Education has provided $291,272 in Fee Stabilization Support for Grey County Children’s Services 2018 budget.

The Fee Stabilization Support funding will assist centres with the cost to increase wages in licensed child care centres for staff earning less than $14 per hour (excluding wage enhancement), as of December 31, 2017. Funding may not be used to support wages above $14 per hour in 2018.

Through Grey County Council’s approval of the 2018 Child Care Service agreement, this will support improving wages for the licensed child care workforce, affordability for families and address potential fee increases.

The total Fee Stabilization Support funding allocation is included in the Amended 2018 Child Care Service Transfer Payment Agreement.

Working in partnership with applicable agencies, Children’s Services staff has collected the necessary information required to disperse the funds. Upon council approval, these funds will be dispersed as per Ministry directives to centres that meet the eligibility requirements including the proof of fee avoidance.

Legal and Legislated Requirements

The Ministry of Education provides funding to Grey County Social Services under the legislative authority of the Child Care and Early Years Act, 2014.

Financial and Resource Implications

The 2018 Child Care budget for Grey County Children’s Services will increase as follows:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Budget</td>
<td>$8,118,389</td>
</tr>
<tr>
<td>Fee Stabilization (Apr-Dec)</td>
<td>$218,470</td>
</tr>
</tbody>
</table>

SSR-CW-08-18

Date: April 26, 2018
The 2018 Child Care Amending Agreement includes additional Fee Stabilization Support funding of $218,470 for 2018. This funding is 100% provincial and has no required municipal contribution.

Relevant Consultation

☒ Internal

- Grey County Finance Department
- Grey County Planning Department (Planning Data Analysis Coordinator)

☒ External

- Licensed child care centres in Grey County

Attachments

Ministry of Education Ontario Transfer Payment Agreement Amendment

2018 Child Care Amended Agreements and Estimate Reporting

Respectfully submitted by,

Barbara Arbuckle,
Children’s Services Manager
ONTARIO TRANSFER PAYMENT AGREEMENT AMENDMENT

This Amending Agreement effective as of the 1st day of January, 2018.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO
as represented by the Minister of Education
(the “Province”)

- and -

The Corporation of the County of Grey
(the “Recipient”)

BACKGROUND

1. The Province and the Recipient entered into an agreement effective as of the 1st day of January, 2018 (the “Agreement”).

2. The Parties wish to amend the Agreement in the manner set out in Amending Agreement.

IN CONSIDERATION of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Capitalized terms used but not defined in this amending agreement (the “Amending Agreement”) have the meanings ascribed to them in the Agreement.

2. Schedule “B” is deleted and replaced with Schedule “B”, attached to Amending Agreement.

3. The Agreement is amended to include Schedule “D1”, attached to Amending Agreement.
4. Schedule “F” of the Agreement is deleted and replaced with Schedule “F”, attached to Amending Agreement.

5. Except for the amendments provided for in Amending Agreement, all provisions in the Agreement shall remain in full force and effect.

The Parties have executed this Amending Agreement on the dates set out below.

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO
as represented by the Minister of Education

__________________________  __________________________
Name:                           Date
Title: Director Early Years and
Child Care Programs and Service
Integration Branch

The Corporation of the County of Grey

__________________________  __________________________
Name:                           Date
Title:

I/We have authority to bind the Recipient.
### SCHEDULE “B”

**PROGRAM SPECIFIC INFORMATION AND ADDITIONAL PROVISIONS**

<table>
<thead>
<tr>
<th>Item</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum Funds</td>
<td>$8,336,859</td>
</tr>
<tr>
<td>Amount for the purposes of section 5.2 of Schedule “A”</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Insurance</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Contact information for the purposes of Notice to the Province</td>
<td>Ministry of Education&lt;br&gt;24th Floor, Mowat Block, 900 Bay Street, Toronto, Ontario M7A 1L2&lt;br&gt;&lt;br&gt;<strong>Attention:</strong> Julia Danos&lt;br&gt;Director, Early Years and Child Care Programs and Service Integration Branch&lt;br&gt;<strong>Fax:</strong> 416-314-7836&lt;br&gt;<strong>Email:</strong> <a href="mailto:Julia.Danos@ontario.ca">Julia.Danos@ontario.ca</a></td>
</tr>
<tr>
<td>Contact information for the purposes of Notice to the Recipient</td>
<td>The Corporation of the County of Grey&lt;br&gt;595 - 9th Avenue East, Owen Sound, ON, N4K 3E3&lt;br&gt;&lt;br&gt;<strong>Attention:</strong> Ms. Barb Fedy&lt;br&gt;<strong>Fax:</strong> 519-376-5640&lt;br&gt;<strong>Email:</strong> <a href="mailto:barb.fedy@grey.ca">barb.fedy@grey.ca</a></td>
</tr>
</tbody>
</table>

**Additional Provisions:**

None
SCHEDULE D1 - SUPPLEMENTAL
Fee Stabilization Support

2018 Calendar Year Allocation

The Corporation of the County of Grey

<table>
<thead>
<tr>
<th>Fee Stabilization Support Allocation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocation (April to December)</td>
<td>$218,470</td>
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</table>


SCHEDULE “F”
REPORTS

As referenced in the Guideline, the Recipient must provide the following submissions to the Province as per the following cycle:

<table>
<thead>
<tr>
<th>Submission Type</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preliminary Service Agreement</td>
<td>February 28, 2018*</td>
</tr>
<tr>
<td>Amended Service Agreement</td>
<td>May 30, 2018</td>
</tr>
<tr>
<td>Estimates</td>
<td>Not required for 2018</td>
</tr>
<tr>
<td>Revised Estimates</td>
<td>August 31, 2018</td>
</tr>
<tr>
<td>Financial Statements</td>
<td>May 31, 2019</td>
</tr>
</tbody>
</table>

*With automatic extensions granted should municipal council approval not be received by this date.

Policy for Late Filing

- Where a signed service agreement is not received by the ministry six months from the effective date of the new contract, the Province will stop all payments to the CMSM or DSSAB until the signed agreement is submitted.

- Policy for late filing of financial submissions, including:
  - Financial reporting (Revised Estimates, Financial Statements)
  - Queries related to financial reporting
  - Financial documentation (audited Financial Statements, Review Engagement Reports)

- Where a CMSM or DSSAB files its submission after the filing deadline, the Province will take the following action until the submission has been received:
  - If the submission is not received by the Province within 30 days after the filing deadline, the Province will inform the CMSM/DSSAB that the submission is overdue.
  - After 31 days, cash flow will be reduced by 50 per cent of their monthly payment. The Province will work with the CMSM or DSSAB to discuss any challenges with providing the information and to offer support.

- Upon submission of Provincial requirements, the Province will revert back to the normal monthly payment process and will include in the monthly payment the total amount withheld up to that point.
- The Ministry reserves the right to suspend funding (in year or in the subsequent year(s)). Should a CMSM or DSSAB have any outstanding submissions the Province may exercise its discretion by not providing funding in the subsequent calendar year until the submissions have been received.
MEMORANDUM TO: Chief Administrative Officers, CMSMs and DSSABs
General Managers/Commissioners, CMSMs and DSSABs
Children’s Service Managers, CMSMs and DSSABs

FROM: Julia Danos
Director, Programs and Service Integration
Early Years and Child Care Division
Ministry of Education

DATE: April 3, 2018

SUBJECT: 2018 Child Care Amended Agreements and Estimate Reporting

I am pleased to provide you with an amended 2018 child care service agreement reflecting the full 2018 allocation for Fee Stabilization Support Funding. Details on this funding were released on February 20, 2018 in memo 2018: EYCC2.

Please note that both the preliminary and amended 2018 child care service agreements must be signed and returned. As previously communicated, the preliminary 2018 agreements were due on February 28, 2018. The amended 2018 child care service agreements are due May 30, 2018.

2018 Estimates

The ministry will not require the submission of Estimate Reporting for 2018 due to the timing of the amended service agreements. 2018 Revised Estimates submissions are required to be submitted by August 31, 2018 in EFIS 2.0. Further information about this submission will be available in the coming months.

Should you have any questions or concerns, please contact your Early Years Advisor.

Sincerely,

2018 EYCC4a Memo: 2018 Child Care Amended Agreements and Estimate Reporting

Date: April 26, 2018
Original signed by

Julia Danos
Director, Programs and Service Integration Branch
Early Years and Child Care Division

Copy: Shannon Fuller, Assistant Deputy Minister, Early Years and Child Care Division
Maxx-Phillipe 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 Amended Child Care Allocations

| Activity | Category | State | EligibleSphere | ParentalEligibility | ChildEligibility | Developmental | Diagnosis | SpecialEducation | Sec | Isolation | Isolation | Mobility | Orphanage | Institution | LifeSupport | TMD |zew | zew |
|----------|----------|-------|----------------|-------------------|-------------------|--------------|-----------|----------------|-----|----------|----------|----------|-----------|------------|------------|--------|-----|-----|-----|
| Care     | Core     | Core  | Core           | Core              | Core              | Core         | Core      | Core            | Core| Core     | Core     | Core     | Core      | Core       | Core       | Core  | Core| Core| Core|
|     |        |      |                |                   |                  |              |           |                |     |          |          |          |           |            |            |       |    |    |    |
| Real    | Cost     |      |                |                   |                  |              |           |                |     |          |          |          |           |            |            |       |    |    |    |
| Monthly | Cost     |      |                |                   |                  |              |           |                |     |          |          |          |           |            |            |       |    |    |    |
| Total   |          |      |                |                   |                  |              |           |                |     |          |          |          |           |            |            |       |    |    |    |

Note: This table represents the 2018 Amended Child Care Allocations. The data includes various categories such as care, real cost, and monthly cost, among others, across different states and categories. The specific details for each entry can be found within the table.