

Child Care and Early Learning e-Newsletter

July 31, 2020

Welcome to The Regional Municipality of Durham's Child Care and Early Learning updates e-newsletter. These newsletters are to update child care operators on a variety of topics related to the closure and re-opening of child care including recommendations and information related to the novel coronavirus (COVID-19).

Early Learning Updates – Funding Updates

Below you will find information and clarification about Durham's funding approach to support child care operators with a Purchase of Service Agreement (POS) during the COVID-19 closure and reopening periods. Our goal was to develop a fair and equitable analysis and reconciliation process to support optimal funding while meeting the provincial funding guidelines. Operators are encouraged to contact Julie Gaskin, Manager, Early Learning at Julie.gaskin@durham.ca to discuss funding questions or concerns.

General:

1. [Funding Guidance during the COVID-19 Pandemic](#) have been provided by the Ministry of Education however the detailed process for gathering data and reconciling funding is determined by the Consolidated Municipal Service Manager (CMSM). As the CMSM for Durham, we appreciate your patience as we develop a funding model to ensure a fair and equitable process for reconciliation.
2. The provincial funding allocation Durham received in November 2019 is currently under provincial review. At this time Durham will create funding allocations using the 2020 Regional Children's Services Division budget approved by council. This includes, the Provincial allocation, Municipal contribution and the Canada-Ontario Early Learning and Child Care Agreement (ELCC) funding allocation as announced in the fall of 2019.
3. It is expected that child care operators take advantage of the [Federal Wage Subsidy \(CEWS\)](#), [Federal Rent assistance \(CECRA\)](#) supports available to offset closure and reopening costs.
4. For 2020, reconciliation of funding to child care operators with a POS will be calculated in phases.
 - Regular Operations - January 1 to March 17
 - Closure - March 17 to date of site reopening
 - Reopening – from date of reopening to September (or later as determined by the Ministry of Education) This will be reconciled following the CEWS claim period as your organization reopens (June, July and August).
 - Resume regular operations or hybrid regular operations (TBD)

Reconciliation for the Closure Period

As centres reopen, we continue process allocations to support fixed costs incurred during the closure period. We will contact organizations as these amounts are finalized in mid-August.

Calculation:

The fixed cost amount during closure is calculated using your monthly fixed costs* minus the payments we made to your organization for GOP and Fee Subsidy during closure period.

If the total indicates:

1. A credit amount: we will provide this payment in mid-August
2. A debit amount: we will reconcile against future payments to your organization

**In June and July, the Early Learning Team gathered information to determine your monthly fixed costs during closure. This data came from submitted 2020 budgets, closure cost surveys and telephone calls with each organization.*

Reconciliation for the Reopening Period

As centres reopen, we will send a reopening survey to reconcile monthly. Please watch your email for the monthly reconciliation survey to arrive at the start of the following month. For operators opening in June/July, the reopening survey will be available early August and reconciliations completed as quickly as possible.

Calculation:

The reopening reconciliation will be calculated using pre-COVID operating capacity, salaries and rent compared against reopening capacity, salaries (after CEWS), and rent (tenant portion after Federal supports to landlords). You will need the following information to reconcile:

1. Reopening date
2. Pre-COVID operating capacity
3. Reopening operating capacity
4. Reopening enrollment for your first week
5. Your regular pay period
6. Pre-COVID salaries paid
7. Reopening salaries paid during each CEWS claim period
8. Amount received through CEWS for each claim period
9. Monthly rent for the reopening phase

Methodology:

Child care operators will be supported during reopening through the [Federal Wage Subsidy \(CEWS\)](#), [Federal Rent assistance \(CECRA\)](#) and through payments made by the CMSM. Payments from the CMSM will help offset the 25 percent of wages not covered by CEWS claim amounts, the tenant portion after CECRA, and help operators to fill the gap between their approximate pre-COVID and post-COVID revenues.

The CMSM payments will be made using The 2020 Regional Children's Services Division Budget approved by council. This includes, the Provincial allocation, Municipal contribution and the Canada-Ontario Early Learning and Child Care Agreement (ELCC) funding allocation as announced in the fall of 2019.

Wage Enhancement (WE)

WE During the Closure period:

During the closure period, operators continued to receive their regular Wage Enhancement payments from the Children's Services Division (CSD). As child care positions were not eligible to receive Wage Enhancement during closure, no entitlement was to be paid to staff. As this funding was not spent, it is expected that operators will use the funds during reopening (see below).

WE During the Reopening period:

Operators are expected to apply to the CEWS to support up to 75% of staffing costs. The CEWS application will include eligible Wage Enhancement amounts. Operators will be expected to access the unspent closure period WE funding (as above) to offset the WE amount not recovered through CEWS (25%).

This funding will be reconciled against future WE payments until fully utilized. Wage Enhancement payments will only be reinstated once the closure payment amounts have been fully reconciled.

Question: “Where staff would normally be eligible for WE, will they still be eligible given that they need to complete new tasks (i.e. taking on other roles such as daily health checks, enhance cleaning, etc.) and spend less time with children?”

Answer: For the reopening period, provincial wage enhancement funding can be provided to staff for the hours worked where normally staff are in an eligible position supporting ratio and had previously qualified for wage enhancement pre COVID-19, but as a result of the new requirements, are temporarily taking on new roles to support the health and safety requirements set out by local health guidelines and policies during COVID-19, including fulfilling cleaning, screening and other duties outside the classroom.”

As a reminder, you can view previous Early Learning Updates and communications on our web site under the heading [Children's Services COVID-19 early learning updates](#).

We thank you all for your continued commitment to early learning in Durham. Please contact your Quality Assurance Advisor and the Children’s Services Division if you have questions. We will continue to provide information and clarification in the form of email updates to all operators as quickly as possible. Thank you all for your cooperation and commitment to maintaining early learning and child care in Durham Region.