



**The Regional
Municipality
of Durham**

Social Services
Department

Children Services

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Roxanne Lambert, RECE
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MEMORANDUM TO: Child Care Operators

**FROM: Lisa McIntosh, RECE,
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DATE: October 8, 2014

**SUBJECT: General Operating Program (GOP) to replace
the wage subsidy system in 2015**

In 2013, the Ministry of Education introduced a new childcare funding framework that allocates funding to Consolidated Municipal Service Managers (CMSMs) based on current community statistics. As such, funding allocations will change when provincial and municipal statistics change. The ministry's direction was for CMSMs to transform the complex wage subsidy wage improvement processes into a "general operating" allocation. Durham Region's approach has been to consider stability, community priorities and evidence based research during the development of a General Operating Program (GOP).

Children's Services staff attended OMSSA networking sessions, gathered community feedback, and researched alternative plans to establish a GOP funding model in Durham Region.

On Wednesday, Oct. 8, Durham Regional Council approved Durham Region's General Operating Program Policy and the program as well as new service agreements for 2015.

The 2015 Service Agreement increases the insurance requirements to a minimum of \$5 million commercial general liability and automobile liability insurance, for claims arising out of one occurrence. The agreement also requires that The Regional Municipality of Durham be named as an additional Insured for the commercial general liability

policy. Regional forms to verify this requirement will be included with the 2015 Service Agreement packages.

The current Service Agreement requires an audited financial statement when \$20,000 or more in any funding from the Region is received. The new 2015 Service Agreement will require audited statements if more than \$20,000 in GOP funding is received each year.

Programs have been sent GOP data collection forms. We have requested that completed forms be returned to Children's Services by Oct. 3, 2014, so they may be analyzed to prepare funding allocations. Once GOP allocations are determined, operators will be notified, and we will ask you to schedule individual meetings via telephone or in person to review your program's allocation.

GOP implementation maintains stability as a key focus. Implementation will occur gradually during the next five years. Operators currently receiving wage subsidy funding will not experience funding decreases in 2015, unless the allocation would have been reduced by the former wage subsidy allocation process. Funding decreases will occur gradually in 2016, 2017, 2018 and 2019, with full implementation in 2020. Operator's that qualify for increased allocations will receive an initial allocation in 2015 with gradually increasing allocations during the five year process until full implementation is achieved.

It is important to note that the GOP is based on the provincial funding framework. If statistics and the system dynamic grow or change then the points and allocations within the system are modified. The current moratorium on new service agreements will be upheld to maintain stability in the system. Children's Services will consider applications from operators requesting service agreements to join the publically funded child care system. However, applications will only be approved in situations where community data and circumstances significantly support growth within the system.

Operators that qualify for GOP allocations will receive an annual allocation based on enrollment, ages served and community statistics. Commercial operators may qualify for a GOP allocation based on 50 per cent of the points generated by the GOP data collection process. Not-for profit operators may qualify for a GOP allocation based on 100 per cent of points generated by the GOP data collection process. The variance between auspice prioritizes publically funded dollars to not-for-profit organizations, but still provides GOP allocations to commercial operators to support quality.

Community consultation established the following priorities: affordability, professional compensation, and a system that supports high quality child care and early learning. Reconciliation of funding will review GOP expenses to establish affordable parent fees, as well as professional compensation for Registered Early Childhood Educators (RECE's) and early learning support staff.

In January 2015, Children's Services staff and operators will embrace quality together. The updated Durham Region Operating Criteria (DROC) will be launched. The DROC includes sections of the Toronto Early Learning and Care Assessment for Quality Improvement measure (ELCAQI) that have been adopted by Durham Region, as well as additional sections unique to The Region.

The infant, toddler and preschool sections of the ELCAQI have been formally validated as a true measure of quality by the Ontario Institute for Studies in Education (OISE) at the University of Toronto, and represents the only validated Canadian quality assessment tool. The Region of Durham Children's Services Early Learning staff are committed to implementing the measure in a manner that maintains reliability.

The Early Learning team is excited about working with operators to implement the new operating criteria. In January and February 2015, operator information sessions will be held. These sessions will include the distribution of the DROC binders, orientation information and opportunities for discussion. Operators will also have a chance to meet with Early Learning team members to prepare for April inspections.