

Child care and early learning e-newsletter – Funding update

April 8, 2021

Welcome to The Regional Municipality of Durham's Child Care and Early Learning updates e-newsletter. These e-newsletters provide licensed child care operators in Durham Region with updated information related to child care.

This edition includes the following topics:

General Operating Programs (GOP) Allocations

Wage Enhancement/HomeChild Care Enhancement

Safe Restart Funding (SRF) and Provincial Reinvestment Funding

General Operating Program (GOP) Allocations

GOP monthly payments have been established and continue to flow in 2021. Current payments are based on enrollment data gathered in late 2019 and early 2020, funding guidelines, as well as our understanding of currently available funding and projections.

As the uncertainty of the pandemic continues, cash flow payments may be adjusted based on funding guidelines, availability, and projections. GOP payments may be impacted by changes to current licensed child care operations, Provincial funding, or directives. GOP allocations will be reconciled at year-end.

2021 GOP Schedules will be distributed in the coming weeks, including allocations to date. The Children's Services Division continues to maintain its commitment to efficiently distribute resources to support our early years' system along with transparent communication.

Wage Enhancement/Home Child Care Enhancement

Provincial Wage Enhancement (WE) / Home Child Care Enhancement (HCCE) funding will continue for 2021.

The reconciliation for 2020 Wage Enhancement has been completed with most child care organizations ending 2020 with a surplus. Any funding surplus has not been recouped from operators through payments to the Region. Surplus funding has remained with those operators and will be used to support 2021 Wage Enhancement commitments. Auditor Letters will reflect 2020 Wage Enhancement and 2021 Wage Enhancement funding accordingly.

Wage Enhancement spending was estimated using data collected for the first quarter of 2021. These calculations will be used to determine when operators will require 2021 Wage Enhancement payments to be reinstated.

Reconciliation for 2021 Wage Enhancement actual spending, including first-quarter spending, will take place at a future time. Wage Enhancement reconciliation for 2021 will be adjusted to account for Canada Emergency Wage Subsidy (CEWS).

Please ensure all Federal wage supports continue to be maximized. For the CEWS, employers are required to claim the gross amount paid, including Wage Enhancement. The Provincial Wage Enhancement allocation the Children's Services Division provides to your organization is to be spent at the unrecovered CEWS rate until CEWS is no longer available due to organization eligibility or cessation of the CEWS program.

A reminder that Wage Enhancement funding may only be used as outlined in the service description schedule and that unspent amounts will be recovered. It is strongly recommended that Wage Enhancement be tracked closely and reserved separately from other funding.

Please refer to your Service Agreement WE/HCCE Schedule E for spending guidelines. Amended 2021 WE/HCCE Schedules will be distributed in the coming weeks including updated allocations for 2021.

2021 Wage Enhancement cap:

\$2.00 per hour to a maximum hourly rate of \$28.31 plus 17.5% benefits for full WE

Adjusted if the base rate is between \$26.32 and \$28.30, plus 17.5% benefits for partial WE

2021 Home Child Care daily HCCE rate caps:

\$20 per day to a full day maximum daily rate of \$283.10

\$10 for a partial day (less than six hours) to a maximum of \$169.86

Please direct questions or issues related to the wage enhancement payments or funding to the Wage Enhancement team by email WageEnhancement@durham.ca.

Safe Restart Funding (SRF) and Provincial Reinvestment Funding

SRF/ Provincial Reinvestment allocations have been finalized and payments have been made. The Provincial deadline for this funding was set for March 31, 2021. The Children's Services Division followed up to ensure service providers in Durham with a Purchase of Service Agreement were supported to complete an application if they chose to participate. Amounts will be included in organization's 2021 GOP Payment Schedule. Schedules will be distributed in the coming weeks.

Applications for Safe Restart Funding (SRF) far exceeded Durham Region's Provincial allocation. SRF allocations were determined based on available funding, application information and were prioritized based on impact on an organization's ability to deliver programs. GOP/SRF payments to support expenses from October 1, 2020, to March 31, 2021, were included in the calculations.

The SRF application states that to be eligible for vacancy funding, it is expected that parents be provided with refunds, credited or not charged fees for days their child was not in attendance for COVID-19 related reasons. Due to limited funding, the ability to refund or credit parents may be limited. Organizations should work with families to maximize support for absences as much as possible while ensuring operational needs are met. To support this, operators are required to submit a reconciliation outlining spending according to the SRF application categories (enrollment vacancies; absence vacancies, and Ministry-mandated school-age program closures) along with updated policies on fees charged during COVID-19 related absences. This must be submitted by April 30, 2021.

Organizations are expected to maximize Federal supports including CEWS, small business supports, and rent relief programs.

For auditing purposes, service providers must maintain financial documentation to verify spending outlined on their reconciliation submissions. This spending must also be reported in organizational audited financial statements. Additional documentation to support what has been reported in the SRF application or financial statements may be requested.

Questions related to funding allocations or contractual obligations can be directed to Julie Gaskin, Manager, Early Learning at Julie.gaskin@durham.ca.