

Ministry of Education  
Early Years Division

Ministère de l'Éducation  
Division de la petite enfance



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**2013: EY3**

**MEMORANDUM TO:** Directors of Education  
Consolidated Municipal Service Managers  
District Social Services Administration Boards

**FROM:** Jim Grieve  
Assistant Deputy Minister  
Early Years Division

**DATE:** November 20, 2013

**SUBJECT:** **Schools-First Child Care Capital Retrofit Policy – Board  
by Board Allocations for 2013-14 and Policy Updates**

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I am writing to provide you with additional information regarding the Schools-First Child Care Capital Retrofit Policy (SFCCCRP), including the board by board allocations for 2013-14, as well as, new flexibility and accountability measures for space conversion targets. The direction provided in this memorandum supplements the information that was provided to you in the memorandums of July 10, 2012: EL3 and November 8, 2012: EL4 - Schools-First Child Care Capital Retrofit Policy.

### **Context**

As previously stated, the SFCCCRP policy required school boards and Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs) to work together to identify licensed child care spaces in schools currently serving four and five year olds and /or school space not required for instructional purposes that can be converted to meet the needs of younger children during the regular school day. The repurposed space could support current operators already in the school to transition to serving a greater number of children under age four or support the relocation of community-based programs to school locations.

As part of the implementation approach, the Ministry required school boards to submit jointly approved plans that identified projects and space conversions to be achieved in the first year of the program. We also encouraged you to focus on simpler retrofit projects in the first year of implementation and delay more complex projects to 2013-14 or 2014-2015.

A review of Year 1 plans yielded important information with regards to local needs and plans regarding the use of SFCCCRP funding. The goal of the SFCCCRP is to maximize current licensed child care space in schools by supporting a shift in service for children under the age of four during the regular school day, and relying on shared space for before/after school care for school-aged children. Ministry analysis and target projections from local plans demonstrated that many school boards and CMSMs/DSSABs are set to achieve or even exceed targets, while others demonstrate a high risk of significantly under achieving targets.

### **New Flexibility and Accountability Measures**

In response to concerns raised regarding target levels, including a lack of space to meet local needs in some school boards, the Ministry is introducing new flexibility for target achievement. The new flexibility under the SFCCCRP lowers space conversion targets so that school boards and CMSMs/DSSABs are now expected to achieve at least 75 percent or greater of space conversion targets over the three years of the program. Greater flexibility means projects that may have met local demand but were dismissed due to higher costs can now be considered. It also means that school boards and CMSMs/DSSABs that were struggling to achieve targets due to space restrictions now have more latitude.

However, in order to balance greater flexibility with accountable and prudent spending of public funds, the Ministry will also proportionately adjust funding based on targets achieved if below the 75 percent threshold. This means that school boards that achieve 75 percent or greater of space conversion targets see no funding adjustments. School boards that achieve less than 75 percent of space conversion targets will receive an equivalent amount of funding to the percentage of target achieved in addition to a 25 percent bonus on the percentage target achieved. For example, if 40 percent of the target is achieved then the same percentage of funding is received plus an additional 10 percent (25 percent of 40 percent), resulting in a funding entitlement of 50 percent of the original allocation.

Using a fictional example where a school board was allocated \$10 million to retrofit 2,000 spaces:

- If the school board retrofits at minimum 1,500 spaces (75 percent of 2,000), no adjustment to the original allocation is made.
- If the school board repurposed 1,300 spaces (65 percent of 2,000), 65 percent of the original allocation with an additional 25 percent bonus on the percentage target achieved or 16.25 percent (25 percent of 65 percent) is the revised entitlement.
  - Funding is adjusted to 81.25 percent of the original allocation (65 percent plus 16.25 percent) for a \$8,125,000 entitlement.

These changes are being introduced to better support local partners and respond to concerns raised with regards to lack of space or higher costs due to the complexity of some projects. Accountability measures for those school boards that do not reach at least 75 percent of their target will reduce inequitable treatment of school boards by restricting per

space cost. The objective of the policy is to ensure that as many child care operators as possible receive the support they require to repurpose programs, align with full-day kindergarten (FDK), and mitigate program closures.

As the SFCCCRP is a three-year initiative, current funding will continue to be allocated in 2013-14 and 2014-15 and any required adjustments will be implemented after a review of actual targets achieved as reported in the actuals report back due November 13, 2015. For school years 2012/13 to 2013/14, if a school board's capital expenditure is less than the allocated amount under Ontario Regulation 136/12 - Grants for Student Needs, the school board is required to use the difference only for eligible project costs, as specified under Ontario Regulation 193/10 (Restricted Purpose Revenues).

It is expected that funding will be fully expended by August 31, 2015, and that at least 75 per cent of space conversion targets will be met according to the new flexibility rule so as not to incur any adjustments to funding entitlement. School boards will not be authorized to defer revenue in 2014-15, and any unspent funds will be recovered after a review of expenditures and targets achieved by the end of the 2014-15 school year. It is important that school boards plan according to the new flexibility and accountability measures. The Ministry will propose necessary regulation changes in 2014-15 to allow for this funding entitlement adjustment.

### **Implementation Requirements**

Included with this memorandum is a new reporting template for report back of 2012-13 school year-end actuals and to identify plans for retrofits over the 2013-14 and 2014-15 school years. The Schools-First Child Care Capital Retrofit Plan and Report Back Template replaces the one provided to you in the 2012: EL4 memorandum, and will continue to be used to the end of the program timeframe. The template includes a new “project status” category to identify whether projects are complete, in progress or planned. The template also has a macro button built-in that allows a school board to generate a new worksheet for each CMSM/DSSAB with which you collaborate.

The amendments to Ontario Regulation 136/12 “Grants for Student Needs – Legislative Grants for the 2012/13 School Board Fiscal Year” and to Ontario Regulation 120/13 “Grants for Student Needs – Legislative Grants for the 2013-2014 School Board Fiscal Year” under the *Education Act* to reflect the flexibility and accountability measures and 2013/14 school-year funding allocations to school boards for the Schools-First Child Care Capital Retrofit Policy have been made by the Lieutenant Governor in Council as O. Reg. 293/13 and O. Reg. 294/13, respectively. These amendments implement the funding investments and new measures.

Reporting dates have been modified and the new dates are included in the table below:

2012-13 Year-End Actuals (Year 1)	2013-14 Year-End Actuals (Year 2)	2013-14 & 2014-15 Plan (Year 2 & Year 3)	2014-15 Year-End Actuals (Year 3)
No later than December 20, 2013	No later than November 14, 2014	No later than February 28, 2014  and  No later than February 27, 2015 if updates are required	No later than November 13, 2015

The Ministry requires each school board to submit, jointly with the appropriate CMSM/DSSAB, the Schools-First Child Care Capital Retrofit Plan and Report Back Template both an electronic format (Excel) and hard copy (joint signed PDF) by no later than December 20, 2013 to report actual projects completed in the 2012-2013 school year, to the attention of:

Ministry of Education, Early Years Division:  
900 Bay Street, 24th Floor, Mowat Block, Toronto ON M7A 1L2  
SFCCC.earlylearning@ontario.ca

The expectation is that the template will be updated with Year 2 and Year 3 plans and submitted to the Ministry, signed by no later than February 28, 2014. Plans will be reviewed and kept on file. Should the Ministry have any concerns about your plan, staff will follow-up for clarification or to provide direction if needed. The template can continue to be modified and updated as required locally. However, the signed and submitted Schools-First Child Care Capital Retrofit Plan and Report Back will be kept on file for record keeping. A final signed version of the template, demonstrating all actual space conversions achieved will be due November 13, 2015.

### **Engagement and Next Steps**

Prior to the release of this memorandum, ministry staff engaged with key municipal representatives, including the City of Toronto, Association of Municipalities of Ontario (AMO), CMSM/DSSAB representatives, and the Council of Senior Business Officials (COSBO) to seek feedback on the proposed modification to the policy. There were no significant issues raised and response was positive around the new flexibility for space conversion targets. Questions remained however with regards to the possibility of expanding the program to new construction child care capital projects.

The planning template included with the July 2012: EL4 memoranda, provided an opportunity to identify projects that would be considered out of scope under the current eligibility requirements of the policy. The revised template included for year 2 and 3 planning and reporting will no longer collect this information. The Ministry continues to review all information previously provided regarding new construction child care capital

project needs. The data gathered from that process is informing a distinct policy and program framework for new construction child care capital projects, and these types of expenses continue to be ineligible under the SFCCCRP.

The Ministry recognizes the need for a policy to support new construction child care capital projects. This will take some time to develop, particularly when projects result in an expansion of the system and therefore a potential operating pressure. More work needs to be done to ensure any program expansion is planned and is in alignment with current operating funding. We welcome any feedback or information with regards to this topic as we begin to develop an approach that will balance a need for increased access with financial constraints.

### **Ministry Contacts**

If you have any question regarding the Schools-First Child Care Capital Retrofit Policy, please contact your Education Officer or Child Care Advisor in the Early Years Implementation Branch (see appendix C for contact information).

### ***Original signed by***

Jim Grieve  
Assistant Deputy Minister  
Early Years Division

Copy: Superintendents of Business  
Child Care Advisors, Early Years Implementation Branch, Ministry of Education  
Education Officers, Early Years Implementation Branch, Ministry of Education  
Child Care Quality Assurance and Licensing Offices

Appendices: Appendix A – Allocations and Space Conversion Targets  
Appendix B – Schools-First Child Care Capital Retrofit Plan and Report  
Back Template  
Appendix C – Early Years Implementation Branch Contact List

**APPENDIX A: ALLOCATIONS AND SPACE CONVERSION TARGETS**

<b>Name of School Board</b>	<b>2013-14 School Year (\$)</b>	<b>Total Allocation (\$)</b>	<b>Space Conversion Targets (# of spaces)</b>
Algoma District School Board	219,800	598,000	80
Algonquin and Lakeshore Catholic District School Board	179,200	487,600	80
Avon Maitland District School Board	319,500	869,400	144
Bluewater District School Board	142,000	386,400	64
Brant Haldimand Norfolk Catholic District School Board	209,000	568,600	96
Bruce-Grey Catholic District School Board	106,500	289,800	48
Catholic District School Board of Eastern Ontario	319,500	869,400	144
Conseil des écoles publiques de l'Est de l'Ontario	1,195,500	3,253,100	544
Conseil scolaire de district catholique Centre-Sud	1,034,600	2,815,200	480
Conseil scolaire de district catholique de l'Est ontarien	597,800	1,626,600	272
Conseil scolaire de district catholique des Aurores boréales	154,200	419,500	48
Conseil scolaire de district catholique des Grandes Rivières	158,200	430,600	48
Conseil scolaire de district catholique du Centre-Est de l'Ontario	1,253,700	3,411,400	576
Conseil scolaire de district catholique du Nouvel-Ontario	639,000	1,738,800	240
Conseil scolaire de district catholique Franco-Nord	163,600	445,300	64
Conseil scolaire de district des écoles catholiques du Sud-Ouest	527,400	1,435,200	240
Conseil scolaire de district du Grand Nord de l'Ontario	131,900	358,800	48
Conseil scolaire de district du Nord-Est de l'Ontario	144,000	391,900	48
Conseil scolaire Viamonde	482,800	1,313,800	224
District School Board of Niagara	1,253,700	3,411,400	576
District School Board Ontario North East	156,200	425,000	48
Dufferin-Peel Catholic District School Board	879,100	2,392,000	416
Durham Catholic District School Board	371,900	1,012,000	176
Durham District School Board	541,000	1,472,000	256
Grand Erie District School Board	209,000	568,600	96
Greater Essex County District School Board	887,500	2,415,000	400
Halton Catholic District School Board	379,300	1,032,200	176
Halton District School Board	620,700	1,689,100	288
Hamilton-Wentworth Catholic District School Board	1,069,100	2,909,000	496
Hamilton-Wentworth District School Board	896,600	2,439,800	416
Hastings and Prince Edward District School Board	289,400	787,500	128
Huron Perth Catholic District School Board	177,500	483,000	80
Huron-Superior Catholic District School Board	131,900	358,800	48
Kawartha Pine Ridge District School Board	281,300	765,400	128

<b>Name of School Board</b>	<b>2013-14 School Year (\$)</b>	<b>Total Allocation (\$)</b>	<b>Space Conversion Targets (# of spaces)</b>
Keewatin-Patricia District School Board	275,600	749,800	80
Kenora Catholic District School Board	164,300	447,100	48
Lakehead District School Board	410,800	1,117,800	144
Lambton Kent District School Board	639,000	1,738,800	288
Limestone District School Board	179,200	487,600	80
London District Catholic School Board	344,900	938,400	160
Near North District School Board	120,700	328,400	48
Niagara Catholic District School Board	835,800	2,274,200	384
Nipissing-Parry Sound Catholic District School Board	120,700	328,400	48
Northeastern Catholic District School Board	157,200	427,800	48
Northwest Catholic District School Board	164,300	447,100	48
Ottawa-Carleton District School Board	1,532,300	4,169,400	704
Ottawa Catholic District School Board	696,500	1,895,200	320
Peel District School Board	1,318,600	3,588,000	624
Peterborough Victoria Northumberland and Clarington Catholic District School Board	211,000	574,100	96
Rainbow District School Board	608,600	1,656,000	240
Rainy River District School Board	164,300	447,100	48
Renfrew County Catholic District School Board	112,600	306,400	48
Renfrew County District School Board	113,600	309,100	48
Simcoe County District School Board	597,800	1,626,600	272
Simcoe Muskoka Catholic District School Board	281,300	765,400	128
St. Clair Catholic District School Board	390,500	1,062,600	176
Sudbury Catholic District School Board	356,000	968,800	144
Superior-Greenstone District School Board	158,200	430,600	48
Superior North Catholic District School Board	160,300	436,100	48
Thames Valley District School Board	931,100	2,533,700	432
Thunder Bay Catholic District School Board	131,900	358,800	48
Toronto Catholic District School Board	1,323,300	3,600,900	608
Toronto District School Board	5,293,300	14,403,500	2432
Trillium Lakelands District School Board	186,000	506,000	80
Upper Canada District School Board	603,500	1,642,200	272
Upper Grand District School Board	344,900	938,400	160
Waterloo Catholic District School Board	473,300	1,288,000	224
Waterloo Region District School Board	1,048,100	2,852,000	496
Wellington Catholic District School Board	102,500	278,800	48
Windsor-Essex Catholic District School Board	745,500	2,028,600	336
York Catholic District School Board	1,555,300	4,232,000	736
York Region District School Board	2,130,000	5,796,000	1008