

# EarlyON Service Delivery Funding Policy Statement

## Purpose

Child and Family Centres are intended to support all children, parents and caregivers in learning, growing and connecting – together. This aligns with Ontario’s renewed vision for the early years and child care, where all children and families have access to a range of high-quality, inclusive and affordable early years and child care programs and services that are centred around the child and family and contribute to children’s learning, development and well-being.

## Program Objectives

EarlyON Service Delivery Funding is allocated to eligible service providers in order to support the delivery of child and family programs in Ottawa, targeting children 0-6 years old and their parents and caregivers), that achieve the following key goals are objectives:

- Parents and caregivers have access to high quality services that support them in their role as their children’s first teachers, enhance their well-being, and enrich their knowledge about early learning and development.
- Children have access to play and inquiry-based learning opportunities and experience positive developmental health and well-being.
- Parents and caregivers have opportunities to strengthen their relationships with their children.
- Francophone children and families have access to French language programs and gain enhanced knowledge about language and identity acquisition.
- Indigenous children and families have access to culturally responsive programming.
- Parents and caregivers are provided with timely, relevant and up to date information about community and specialized services.
- Local service providers collaborate and integrate services to meet community needs in an efficient and accessible way.

## Program Principles

The amount of the funding will be limited to the availability of provincial/municipal funds and subject to the conditions described in the funding policy.

## Application Process

Details of the application process, including application deadlines, will be available at [ottawa.ca](http://ottawa.ca).

The application process will proceed in two distinct phases: 1) Request for Qualifications (RFQ) and 2) Request for Offers (RFO). In the RFQ process, interested service providers must demonstrate they meet the eligibility requirements. Once qualified, the City will host an information session to provide additional information and

data to help providers submit the Request for Offer (RFO) that will meet the needs of families.

### **Eligibility**

Applicants must meet the following mandatory conditions in order to pre-qualify and be considered:

- Must be an incorporated not-for-profit organization or a publicly funded school board.
- Must have extensive experience and knowledge in operating government-funded programs targeting children 0-6 and families.
- Must be financially viable as demonstrated by financial information.
- Must be in good standing with the City of Ottawa.
- Must demonstrate an operational ability to deliver EarlyON Child and Family programs.
- Additional criteria specific to Francophone and Indigenous services.

### **Criteria for Prioritization of Eligible Proposals**

The selection of successful proponent(s) will be based on merit (highest scores upon evaluation of proposals received from pre-qualified applicants). The criteria may include, but is not limited to:

- Profile of organization (experience, staffing complement, financial stability and viability)
- Ability to meet required program objectives
- Ability to meet the needs of the local population
- Level of organizational readiness
- Breadth and strength of proposed partnerships
- Additional criteria specific to the Francophone and Indigenous services

### **Calculation of Funding**

#### Service Areas

To ensure services are tailored to the demographic reality of local communities and meet the needs and expectations of local children and families, seven (7) service areas were created to cover the full geography of the City.

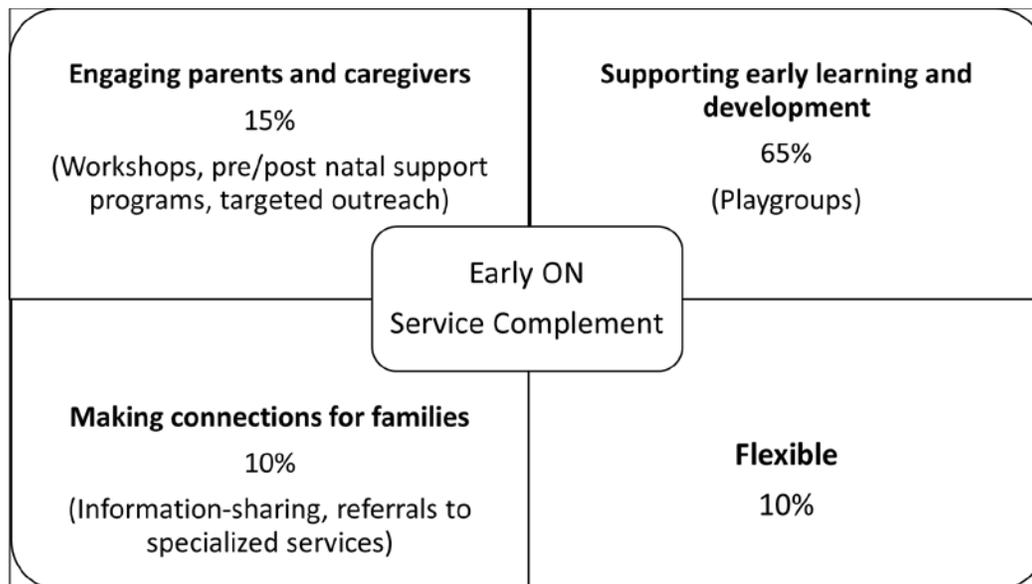
#### Service Complement

The City is required to manage the delivery of a suite of three core services related to:

1. Engaging parents and caregivers,
2. Supporting early learning and development, and
3. Making connections to other family services.

In order to meet local needs as informed by the needs analysis findings and based on feedback from the advisory group a common vision for each of the seven service areas will be as follows:

Figure 1. EarlyON Service Complement



Each service area will have a “flexible” category to allow the City to work with service provider(s) of each area to adapt services to meet the particular needs of the local community including customized community connection services.

### Funding Formula

Three distinct funding streams will be created including Main, Francophone and Indigenous services. Each stream will also include an ability for City-wide services such as information lines / virtual services etc.

The funding for each stream will be proportionally allocated based on the population of children 0 – 6. Once the overall funding for each stream is determined, the funding for each service area will be determined based on a formula using a 40/60 allocation between the population size of children 0 – 6 and the neighborhood vulnerability, with a factor built in to accommodate the higher cost of delivering services in rural areas of the city.<sup>1</sup>

$$(\text{Proportion of children 0-6} \times 0.4) + (\text{CanNECD Index Score} \times 0.4 + \text{EDI Score} \times 0.2)$$

Individual service provider amounts will depend on their offers and subject to the availability of funding. The funding formula will be updated as new data becomes

<sup>1</sup> Neighbourhood vulnerability is determined using the Canadian Neighborhood Early Childhood Development (CanNECD) index scores and Early Development Instrument (EDI) scores. The CanNECD is a new socio-economic status index made up of ten variables that cover material, cultural, and social aspects of life in neighbourhoods. The Early Development Instrument (EDI) is a population-based measurement tool that is an indicator of senior kindergarten student’s developmental health at school entry.

available to ensure services continue to be tailored to the demographic reality of local communities and meet the needs and expectations of local children and families.

### **Eligible Costs**

- Funding to support salary and benefit expenditures for Child and Family Centre staff to deliver core services.
- Hiring or acquiring the services of a special needs resource consultant to support the delivery of core services to children with special needs and their families/caregivers, specifically making connections for families to specialized services (e.g. screening, early intervention, resources and supports)
- Lease and occupancy costs for Child and Family Centres, rental fees for mobile services and other operating costs such as utilities.
- Service provider administration costs.
- Transportation services to support outreach and participation in programs. This can include costs for public transit, gas, and general auto repair and maintenance.
- Resources for families and caregivers related to early learning and development (e.g. materials for inquiry-based play), additional community services and supports, information to support parents and caregivers in their role.
- Supplies to support the delivery and daily operation of programs as well as maintenance costs related to the general upkeep, safety, and maintenance of Child and Family Centre facilities.
- Operating costs for service providers that are involved in transformation activities and/or require business transformation supports such as integrating, sun-setting, establishing or relocating centres (e.g. legal fees, lease termination, moving, business planning, recruitment and onboarding of new staff, staffing transitions).

### **Ineligible Costs**

- Funding to support direct specialized services. This includes programs and services offered by regulated health professionals working within their scope of practice (e.g. occupational therapy, audiology and speech language pathology, physiotherapy).
- Funding to support early intervention and screening programs.
- Funding to support services that are funded by other ministries and/or levels of government.
- Bonuses (including retiring bonuses), gifts and honoraria paid to staff are inadmissible expenses except for in the case that they are provided as a retroactive wage increase that will be maintained the following year.
- Debt costs including principal and interest payments related to capital loans, mortgage financing, and operating loans.
- Property taxes.
- Non-arm's length transactions not transacted at fair market value.

- Fees paid on behalf of staff for membership in professional organizations such as the College of Early Childhood Educators.
- Any other expenditure not listed under the eligible costs section.

### **City Contribution**

Children's Services operating budget includes 100% municipal funding that will be used to enhance the provincial EarlyON funding.

### **Monitoring and Reporting Requirements for Recipients**

Service providers will be required to submit yearly reports and complete an annual reconciliation process as outlined in the Contribution Agreement. This may include, but is not limited to:

- Updated corporation profile report
- Verification of Governance
- Resolution of Directors
- Signing Authority
- Audited Financial Statements outlining operational requirements
- Statement of expenditures/revenues reviewed by an Auditor
- Comprehensive / commercial general liability insurance

# Capital Facility Funding Policy Statement

## Purpose

The purpose of Capital Facility funding is to assist with the capital costs of building new licensed child care and early years services to ensure children and families have access to a range of high-quality, inclusive, and affordable programs that contribute to children's learning, development, and well-being.

## Program Objectives

To support purpose-built new construction, renovations, retrofits, and additions of child care and early years projects.

Capital Facility funding is allocated to support high priority and/or underserved areas of the City in order to:

- Address demands;
- Decrease wait times;
- Increase access to high affordable early learning and child care services.

## Program Principles

The amount of the funding will be limited to the availability of municipal and provincial funds and subject to the conditions described in the funding policy.

## Application Process

Details of the application process, including application deadlines will be available at [ottawa.ca](http://ottawa.ca).

The application process will require service providers to submit a Request for Offer (RFO).

## Eligibility

Where applicable, applicants must meet the minimum applicable Provincial guidelines, i.e. Ontario Child Care Service Management and Funding Guideline and Early Years Child and Family Centre Management and Funding Guideline, and may include, but is not limited to the following conditions in order to be considered for funding:

- Be located in the City of Ottawa;
- Demonstrate financial viability and be in good standing with the City of Ottawa;
- Be incorporated under a provincial or federal legislative act governing not-for-profit corporations, or a school board, in accordance with all requirements of the corporations legislation to which it is subject;
- Demonstrate the ability to operate a licensed child care and / or early years programs under the Child Care and Early Years Act, 2014.
- Agree to the terms and conditions outlined in the City's contribution agreement.

## Criteria for Prioritization of Eligible Proposals

The selection of successful proponent(s) will be based on merit (highest scores upon evaluation of offers received from applicants). The criteria may include, but is not limited to:

- Profile of organization (experience, staffing complement, financial stability and viability)
- Ability to meet required program objectives;
- Ability to meet the needs of the local population;
- Level of organizational readiness;
- Breadth and strength of proposed partnerships
- Additional criteria specific to the Francophone and Indigenous Services

### **Calculation of Funding**

To align to the Provincial funding model that considers the cost of construction in Ottawa projects will be funded using a baseline allocation as follows:

- Capital Funding, Per Room, for New Child Care Construction and Additions: \$515,000
- Capital Funding, Per Room, for Retrofits and Renovations to Existing Child Care Space: \$257,500

Baseline allocations may be adjusted in the future due to increased construction costs and where applicable, additional funding will be reviewed on a project-by-project basis and subject to availability of funding.

### **Eligible Costs**

Where applicable, eligible costs must adhere to Provincial Funding Guidelines and:

- Feasibility studies and the development of business plans for new facilities.
- Hard (construction) expenditures
- Soft (consultant/professional) fees
- Geo-technical studies and site remediation
- Building Permit Fees & Development Charges
- Legal Fees
- Building Fit-up (furniture, appliances, etc.)

### **Ineligible Costs**

Administration costs

### **City Contribution**

Municipal contribution from the Development Charge Child Care Capital Fund and the Child Care Reserve Fund.

### **Monitoring and Reporting Requirements for Recipients**

Service providers will be required to report on milestones and timeframes throughout the construction for disbursement of funds. Additionally, service providers will be required to submit yearly reports and an annual reconciliation process as outlined in the Contribution Agreement. This may include, but is not limited to:

- Updated corporation profile report
- Verification of Governance
- Resolution of Directors
- Signing Authority
- Audited Financial Statements outlining operational requirements
- Statement of expenditures/revenues reviewed by an Auditor
- Comprehensive / commercial general liability insurance

# Special Purpose Funding Policy Statement

## Purpose

Special Purpose funding is intended to support the viability and capacity of child care and EarlyON service providers.

## Program Objectives

Special Purpose funding is allocated to eligible service providers, non-profit agencies and/or post-secondary institutions in order to:

- Support professional learning and development opportunities.
- Assist with business transformation costs in order to serve younger age groups.
- Support historical water testing and maintenance.
- Enrich indoor and outdoor environments that promote children's learning and development.
- Provide repair and maintenance costs in order to meet licensing compliance.

## Program Principles

The amount of the funding will be limited to the availability of provincial funds and subject to the conditions described in the funding policy.

## Application Process

Details of the application process, including application deadlines will be available at [ottawa.ca](http://ottawa.ca).

## Eligibility

Applicants must meet the minimum applicable Provincial guidelines, i.e. Ontario Child Care Service Management and Funding Guideline and Early Years Child and Family Centre Management and Funding Guideline, and the following mandatory conditions in order to be considered for funding:

- Be located in Ottawa;
- Be financially viable as demonstrated by financial information;
- Be in good standing with the City of Ottawa.

## Criteria for Prioritization of Eligible Applications

Children's Services will consult with our community partners on a yearly basis to determine system priorities.

The selection of applications for funding will depend on established priorities, and where funding is limited and in order to ensure that the allocation process is equitable, a proportionate share of the funding requested will be distributed to all eligible service providers. Where applications exceed available funding, the non-profit sector will be prioritized.

## Eligible Costs

Eligible costs are dictated by the applicable Provincial guidelines, i.e. Ontario Child Care Service Management and Funding Guideline and Early Years Child and Family Centre Management and Funding Guideline:

- Capacity Building Expense;
- Transformation Expense;
- Small Water Works Expense;
- Play-Based Material and Equipment Expense;
- Repairs and Maintenance Expense.

### **Ineligible Costs**

Ineligible costs include other expenditures not listed under the eligible costs section.

### **Monitoring and Reporting Requirements for Recipients**

Service providers will be required to submit yearly reports and an annual reconciliation process as outlined in the Contribution Agreement. This may include, but is not limited to:

- Statement of expenditures/revenues reviewed by an Auditor;
- Attestation of Special Purpose Funding;
- A financial cost summary and/or receipts to support all expenditures of Special Purpose.

# Fee Stabilization Support Funding Policy Statement

## Purpose

The purpose of this funding is to support improved wages for the licensed child care workforce; support affordability of costs of care for families; and to minimize potential fee increases.

## Program Objectives

Fee stabilization support funding is allocated to eligible service providers in order to help offset the cost of minimum wage increases.

## Program Principles

The amount of the funding will be limited to the availability of provincial funds and subject to the conditions described in the funding policy.

## Application Process

Details of the application process, including application deadlines are available at [ottawa.ca](http://ottawa.ca).

## Eligibility

Applicants must meet the following mandatory eligibility requirements:

- Be located in the City of Ottawa.
- Have had staff that were earning less than the revised minimum wage rate.
- Demonstrate the percentage change in child care fee increases avoided, as compared to the previous year.
- Provide liability insurance coverage of at least \$5,000,000 and list the City of Ottawa as an additional insured.
- Be willing to submit a Review Engagement completed by a Licensed Public Accountant to validate that public funds are used for its intended purpose.

## Criteria for Prioritization of Eligible Applications

Per the Provincial requirements, all licensed child care centres and home child care agencies are eligible to receive this funding. Where funding is limited and in order to ensure that the allocation process is equitable, a proportionate share of the funding requested will be distributed to all eligible service providers. Where applications exceed available funding, the non-profit sector will be prioritized.

## Calculation of Funding

Funding is calculated based on the gap between wages earned in licensed child care centres and home child care agencies earned before and after the revised minimum wage rate. Funding may not be used to support wages above the minimum wage rate.

## Eligible Costs

Eligible costs must be directed solely to offset the cost of wages.

## Ineligible Costs

Ineligible costs include any expenditure other than wages.

**Monitoring and Reporting Requirements for Recipients**

Service providers will be required to submit yearly reports and an annual reconciliation process as outlined in the Contribution Agreement. This may include, but is not limited to:

- Statement of expenditures/revenues reviewed by an Auditor;
- Attestation of Fee Stabilization Support Funding;
- A financial cost summary and/or pay stubs to support all expenditures related to Fee Stabilization.