

TO: Child Care Operators

FROM: Shannon Fuller
Assistant Deputy Minister
Early Years and Child Care Division

DATE: May 9, 2020

SUBJECT: Child Care Sector Funding – COVID Outbreak

Thank you again for your continued partnership during this unprecedented, and evolving time.

We know that the COVID-19 outbreak is having significant impacts on families and on the child care sector. This memo sets out details of Ontario's child care sustainability approach.

The objective of the funding approach is to support financial sustainability across the child sector, as we know that a stable and accessible child care system will be critical to Ontario's recovery following the COVID-19 outbreak.

Child Care Centres

Fixed Overhead Costs

As part of the Federal COVID-19 Economic Response Plan, and in partnership with Ontario, the federal and provincial governments have announced the Ontario-Canada Emergency Commercial Rent Assistance Program (OCECRA). The federal government designed the program and program details are being finalized by the federal government. To receive more information, visit the Canadian Mortgage and Housing Corporation's website and sign-up to receive additional details including when the application process opens:

<https://www.cmhc-schl.gc.ca/en/finance-and-investing/covid19-cecra-small-business>

Provincial funding will be provided through the Ministry of Education to eligible child care operators who benefit from the OCECRA to pay the tenant portion (25%) of rent as outlined in OCECRA. The other 12.5% of provincial funding for those that benefit from OCECRA will flow through the OCECRA process. Child care operators should

work with their landlords to determine whether they will benefit from this program.

Funding will also be provided for other eligible fixed monthly overhead costs, so centres are able to re-open operations following the conclusion of the state of emergency.

Provincial funding will be provided through CMSMs/DSSABs for child care operators that have a purchase of service agreement for general operating and/or fee subsidies. CMSMs/DSSABs will work directly with child care operators to confirm the fixed overhead costs of operators. For further clarity, not having a purchase of service agreement means not having a purchase of service agreement for general operating and/or fee subsidy funding with a CMSM/DSSAB.

The province will directly fund child care centres who do not have a purchase of service agreement.

The Ministry will provide an application form. This will ensure ease of completion and consistency where possible. Additional financial documentation such as invoices and receipts will be required to support the amount of funding requested (for example, rent or lease contract, utility bills, etc.). Further details and instructions on the application process, can be found at the following website:

<http://www.edu.gov.on.ca/childcare/childCareSupport.html>

A completed application form that has been signed by an individual with signing authority, along with the supporting documentation, are to be e-mailed to the Ministry using the email address childcare@ontario.ca. Please use the subject line “*Application (Overhead) - Insert Name of Centre and City/ Town – NonPOS Centre*”;

Salary and Wage Supports

The federal government has announced supports for businesses and individuals related to COVID-19, including the Canada Emergency Wage Subsidy (CEWS) for businesses and the Canada Emergency Response Benefit for individuals.

For your ease of reference, below is a link to the federal government site that outlines all federal supports in Canada’s COVID-19 Economic Response Plan:

<https://www.canada.ca/en/departement-finance/economic-response-plan.html>

All child care centres will be required to apply for Federal COVID-19 Economic Response Plan funding to support staffing costs retroactively to March 15, 2020.

We encourage child care operators to research and optimize these federal supports for staff not working during the emergency closure period so that they are in a position to re-open following the conclusion of the declaration of emergency and ensure staff are supported throughout the outbreak.

Home Child Care Providers

Provincial funding will be provided to CMSMs/DSSABs for licensed home child care agencies with a purchase of service agreement where home child care continues to operate and serve families during this period.

The province will provide funding to cover the fees for families that are eligible for emergency child care directly to licensed home child care agencies who do not have a purchase of service agreement with a CMSM/DSSAB for general operating/base funding for home child care and/or fee subsidy.

The Ministry will provide an application form. This will ensure ease of completion and consistency where possible. Additional financial documentation such as invoices and receipts will be required to support the amount of funding requested. Further details and instructions on the application process, can be found at the following website:

<http://www.edu.gov.on.ca/childcare/childCareSupport.html>

A completed application form that has been signed by an individual with signing authority, along with the supporting documentation, are to be e-mailed to the Ministry using the email address childcare@ontario.ca. Please use the subject line “*Application (ECC) - Insert Name and City/ Town – NonPOS Home Child Care*”

Additional Supports for Child Care Centres and Home Child Care Agencies

The following changes have been made to provide additional supports to the child care sector during these unprecedented times:

- Licensing application, renewal and revision fees will be waived during the emergency closure period and for 60 days after the order is lifted.
- Licenses set to expire during the emergency closure period will be automatically extended by 6 months.
- The requirement to provide updated vulnerable sector checks and first aid training renewals for existing child care centre staff and home child care providers and their families will be extended during the mandatory closure period. During this time, child care providers will maintain strict health and safety measures as regulated by the *Child Care and Early Years Act, 2014*.

In closing, the ministry is committed to working closely with all of its partners to support children and families and to keep everyone safe.

Thank you,
Shannon Fuller