

## COVID-19 Impact on Ontario Works Delivery Partners

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### Ontario Works Program Delivery Funding

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**Q1. Can municipalities use their unspent 2019 Program Delivery Funding towards COVID-19 related expenditures?**

A1. No, Ontario Works service contracts are based on the municipal calendar year. 2019 contracts ended on December 31, 2019 and therefore fall outside the COVID-19 period, which started on March 17, 2020.

The ministry recognizes that 2019 Ontario Works service contracts are still pending reconciliation and potential provincial recovery may be identified. At this time there is no expectation to return any unspent funds to the ministry, given the general communication provided to all transfer payment agencies that all year-end reconciliation activities are being deferred until further notice by MCCSS.

**Q2. Should municipal delivery partners track their 2020 COVID-19 expenditures?**

A2. Yes, municipal delivery partners must track all COVID-19 related expenditures starting from March 17, 2020 (the time when the Government of Ontario declared a state of emergency) and keep the appropriate documentation related to COVID-19 separately.

To minimize the municipal financial administration burden and keep resources focused on critical services and need, municipalities do not have to report COVID-19 related expenditures up to the ministry's 2019-20 fiscal period, ending March 31, 2020.

Given that the ministry is moving to a semi-annual reporting process, 2020 interim actuals, including reporting of COVID-19 related expenditures dating back to March 17, 2020 will be due close to the Fall of 2020. The exact timing of 2020 interim actuals and year-end reporting for 2019 will be communicated once back to normal business operations.

**Q3. Should First Nation delivery partners use their unspent 2019-20 Program Delivery Funding towards COVID-19 related expenditures?**

A3. Yes, as communicated to all transfer payment agencies on March 26, 2020, First Nation delivery partners may redirect their unspent program delivery funding towards critical COVID-19 administration costs.

During this time, the ministry will not hold First Nation delivery partners to their 2018 levels for 2019-20, ending March 31, 2020 and 2020-21, ending March 31, 2021.



Also, to minimize the financial administration burden during this time, all year-end reconciliation activities are deferred until further notice by MCCSS.

**Q4. What are some of the additional COVID-19 related administration costs?**

A4. Effective March 17, 2020, the Government of Ontario declared a state of emergency to reduce the spread of COVID-19. This was followed by the closure of all non-essential businesses in Ontario that may cause potential surge in Ontario Works service demands.

The ministry understands the Ontario Works offices may be facing challenges in responding to significant increase in service demands while maintaining efforts at local office level to contain the spread of COVID-19. To support the local office, the ministry is expanding the use of eligible program categories to include additional COVID-19 administration costs:

- Purchase of additional goods or services to protect front line staff (e.g. cleaning public spaces more regularly, purchase of protective gear for front line staff);
- Additional administration costs associated with physical distancing staff and clients (e.g. installing plexiglass shields to protect staff, purchase of equipment to allow for virtual work);
- Dealing with an influx of clients accessing both Ontario Works and Emergency Assistance funding that will require additional staffing resources (e.g. staff hires/overtime).

**Q5. Can delivery partners also apply for financial relief from the federal government through the stimulus package?**

A5. Yes, however there should not be any duplication of additional funding supports. The ministry may request recovery of provincial funding provided, in cases where federal funds were accessed to ensure there is no duplication.

Once back to normal operations, the ministry will request for audited financial statements to support claims, including statements related to federal funding received to mitigate COVID-19 impacts.

**Q6. How will the ministry determine potential provincial recoveries as a result of under-achievement of Ontario Works outcomes, given the COVID-19 impact on the outcomes achieved versus contracted targets?**

A6. Given the current need for program areas to focus on critical services, the ministry will waive any potential provincial recoveries when assessing under-achievement of outcomes for the current two-year business cycle (2019 and 2020 for municipalities) and (2019-20 and 2020-21 for First Nations). This will allow delivery partners to focus on service delivery priorities and potential increases in service demands.



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## Ontario Works Employment Services Transformation (EST)

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**Q1. Will the nine (9) municipal prototype sites continue to receive their full program delivery funding for the extended transition period of October 1, to December 31, 2020?**

A1. Yes, as part of the transfer of responsibility for the provision of employment assistance from MCCSS to MLTSD, the original six (6) month transition period (from April to September 2020) has been extended to December 31, 2020, where delivery responsibility and funding will be retained by the nine (9) prototype municipalities within Ontario Works.

When feasible, the ministry will resume discussions regarding key planning elements (service planning, outcomes, contracts etc.) to clarify expectations during the prototype phase.

**Q2. For the 2021 contracting period, will the 22% funding transfer amount be applied to each EST prototype sites 2021 allocation?**

A2. Yes, the 2021 program delivery funding baseline will be adjusted accordingly, to include a 22% funding transfer. More details in this regard will be shared, at a later date.

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## Subsidy Claims - Financial Assistance Advances

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**Q1. Will the ministry adjust advances for Ontario Works Service Delivery Partners during the COVID 19 crisis?**

A1. If any service delivery partner, municipal or First Nation has cashflow difficulties due to increased financial assistance expenditures as a result of COVID-19, they can make a request to their Program Supervisor to adjust their SAMS advance.

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## Subsidy Claims - Submission Timelines

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**Q1. Will Ontario Works Service Delivery Providers be granted additional time to submit subsidy claims during the COVID 19 outbreak?**

A1. The ministry recognizes that service delivery partners' ability to meet the pre-established subsidy claim submission timelines may be impacted by decreased work capacity and/or increased workload due to COVID-19.

The ministry recommends that service delivery partners, municipal or First Nation, who may not meet the established subsidy claim deadlines contact their corresponding Program Supervisor at the



ministry. Based on an assessment, ministry staff will provide support by determining alternative scheduling; flexible deadlines can be recommended which still adhere to non-negotiable milestones (e.g. IFIS submission timing).

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## Subsidy Claims - Documentation Requirements

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**Q1. Should municipal Ontario Works Service Delivery Partners continue to collect supporting documentation to support reconciliation requirements?**

A1. Yes, municipal Ontario Works Service Delivery Partners must track all expenditures outside of SAMS and provide the adequate supporting documentation. Expenditures outside of SAMS are more time intensive to reconcile. These adjustments need to identify:

- (1) the amount;
- (2) the benefit/recovery related to the adjustment; and,
- (3) the clients served.

As much as possible, expenditures should be entered into SAMS; this method is the most effective as there is no need to provide supporting documentation and it reduces administrative reconciliation requirements.

The ministry proposes a temporary deferral of supporting documentation with subsidy claims for municipalities who are cannot meet subsidy claim deadlines even after working their Program Supervisor to determine alternative submission timelines.

Under this interim process all service delivery partner level adjustments will be accepted.

**Q2. Under the interim process, do municipal Ontario Works Service Delivery Partners continue collecting supporting documentation for outside of SAMS expenditures?**

A2. Yes, service delivery partners must still be diligent in the application of outside of SAMS expenditures; documentation to support the expenditures must still be collected. These documents must be submitted to the ministry at an agreed upon time in the future for a FULL reconciliation.

**Q3. When will the reconciliation take place?**

A3. The ministry will consult with delivery partners to determine when a reconciliation exercise will begin. More details will be shared soon.

**Q4. How does the process change for First Nations delivery partners?**

A4. First Nations are unaffected. First Nations should continue to submit their subsidy claims via the usual way.



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## Subsidy Claims – Discretionary Benefits Backlog

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**Q1. If a delivery partner has outstanding requests for Discretionary Benefits received in April but not yet issued by the end of April, can the delivery partner issue the benefits in May and have those specific costs applied to its April Discretionary Benefit expenditures so they are exempt from the cap as intended?**

A1. The ministry will consider exempting these specific Discretionary Benefits from the cap; payments made in May for outstanding requests received in April but not issued by the end of April.

**Q2. What steps do delivery partners need to take when submitting subsidy claims to identify the relevant backlog expenditures?**

A2. As much as possible, expenditures should be entered into SAMS; this method is the most effective as there is no need to provide supporting documentation and it reduces administrative reconciliation requirements. For expenditures in SAMS, delivery partners are expected to identify payments made in May that are attributable to April by using April as the benefit coverage period in SAMS, as per the usual business process.

For benefits issued outside of SAMS, delivery partners must clearly identify the eligible expenditures applicable to April 2020. Supporting documentation for backlog expenditures should be marked with a label or stamp of “April 2020 Backlog.” Delivery partners should designate one of the three adjustment lines in the discretionary benefit category for ALL backlog expenses. When submitting the May claim, delivery partners should let their corresponding ministry financial analyst know on which line they can find the backlog expenditures. As part of the reconciliation process, the ministry will exempt all eligible backlog expenditures that are attributed to the April 2020 coverage period.

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