



# Social Services

District of Sault Ste. Marie Social Services

Administration Board

Conseil d'Administration des Services du District Sault Ste. Marie

Zhawenimi-Anokiitaagewin



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## **ADDENDUM AGENDA**

*DSSMSSAB REGULAR BOARD MEETING*

*Thursday, May 21, 2020 at 4:30 PM*

*Russ Ramsay Room, Civic Centre*

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### **Resolution #20-061**

Moved By: P. Christian

Seconded By: J. Gawne

5.5.1 **“BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board (DSSMSSAB) approve the use of DSSMSSAB funding to cover the 25% salary and wage variance between the Canada Emergency Wage Subsidy (CEWS) grant and actual costs incurred from March 15, 2020 to May 16, 2020 for applicable childcare operators to ensure that childcare operators do not enter a deficit position;

**AND FURTHER** that the DSSMSSAB discontinue covering the 25% salary and wage variance between the Canada Emergency Wage Subsidy grant and actual costs after May 16, 2020, and;

**AND FURTHER BE IT RESOLVED THAT** the DSSMSSAB write a letter to the Minister of Education expressing our concerns with the provincial memo dated May 11, 2020.”

### **Resolution #20-062**

Moved By: R. Niro

Seconded By: M. Bruni

5.5.2 **“WHEREAS** the Sault Ste. Marie Housing Corporation (SSMHC) requires up to \$3,000,000 to complete the construction of the new build located on 2nd Line West and to purchase the 8-plex located at 188 Gibbs Street,

**AND WHEREAS** on April 16th the SSMHC board approved the financing to be secured from TD Securities,

**AND WHEREAS** TD Securities requires loan guarantees from the District of Sault Ste. Marie Social Services Administration Board (DSSMSSAB) to complete the financing,

**BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board guarantee a Demand Operating Facility (DOF) of up to \$3,000,000 through TD Canada Trust Bank for the Sault Ste. Marie Housing Corporation (SSMHC) to finance the new building on 2<sup>nd</sup> Line West and purchase rental property located at 188 Gibbs Street.”

**Resolution #20-063**

Moved By: D. Edgar

Seconded By: K. Lamming

5.5.3 “**WHEREAS** on April 17, 2020 the Province of Ontario communicated through an Order in Council specific actions and powers provided to District Social Services Administrations Boards (DSSAB) as a result of the COVID-19 emergency;

**AND WHEREAS** without limiting the generalization of section 4 of the Order, and despite any other statute, regulation, order, policy, arrangement or agreement, including a collective agreement, district social services administration boards are authorized to do the following:

1. Identify staffing priorities and develop, modify and implement redeployment plans for the board, including the following:
  - i. Redeploying staff to different workplaces operated by the board.
  - ii. Changing the assignment of work, including assigning non-bargaining unit employees or contractors to perform bargaining unit work.
  - iii. Changing the scheduling of work or shift assignments.
  - iv. Deferring or cancelling vacations, absences or other leaves, regardless of whether such vacations, absences or leaves are established by statute, regulation, agreement or otherwise.
  - v. Employing extra part-time or temporary staff or contractors,

including for the purposes of performing bargaining unit work.

- vi. Using volunteers to perform work, including to perform bargaining unit work.
- vii. Providing appropriate training or education as needed to staff and volunteers to achieve the purposes of a redeployment plan.

2. Conduct any skills and experience inventories of staff to identify possible alternative roles in priority areas.
3. Require and collect information from staff, contractors or volunteers about their availability to provide services for the board.
4. Require and collect information from staff, contractors or volunteers about their likely or actual exposure to the Virus, or about any other health conditions that may affect their ability to provide services.
5. Suspend, for the duration of this Order, any grievance process with respect to any matter referred to in this Order;

**THEREFORE BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Service Administration Board approve any reasonable action to be taken within the Order in Council in order to better respond, prevent, alleviate, and/or mitigate the local impact of COVID-19 on the organization, employees and community consistent with the Order in in Council mandate specific to DSSABs.”



# Social Services

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## BOARD REPORT

**AUTHOR:** Carla Fairbrother

**DATE:** February 20, 2020

**RE:** Early Years Funding during Emergency Order

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### RECOMMENDATION

It is recommended the District of Sault Ste. Marie Social Services Administration Board:

1. Approve the use of DSSMSSAB funding to cover the 25% salary and wage variance between the Canada Emergency Wage Subsidy (CEWS) grant and actual costs incurred from March 15, 2020 to May 16, 2020 for applicable childcare operators to ensure that childcare operators do not enter a deficit position,
2. Discontinue covering the 25% salary and wage variance between the Canada Emergency Wage Subsidy grant and actual costs after May 16, 2020, and;
3. Write a letter to the Minister of Education expressing our concerns with the provincial memo dated May 11, 2020.

### BACKGROUND INFORMATION

On March 21, 2020 the Ministry of Education wrote to Service System Managers (CMSMs and DSSABs) “directing CMSMs and DSSABs to continue to flow funding to child care centres and agencies”. Furthermore, the letter stated “the ministry does not intend to recover funding for early years and child care services as a result of measures implemented as part of COVID-19 preparedness, including complying with closure orders and will work with you on how this funding is considered in our child care recovery plan”.

Service System Managers have been waiting for further direction related to ongoing funding and costs for the Early Years system during the emergency order. Throughout this time, the Early Years Division has been clear with all Providers that all funding flowed during this period would be subject to reconciliation and actual costs incurred and that any overpayments would be recovered.

RE: Early Years Funding during Emergency Order

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DATE: February 20, 2020

On May 9, 2020, the Province of Ontario announced their plan to support parents by protecting child care spaces pending their return to work. The intent is that families can re-enter the workforce knowing that local centres will be accessible and safe.

On May 11, 2020 we received a communication from the Ministry of Education outlining:

Step 1- the order that prohibits child care operators from charging families to maintain their spaces during the closure order. This was originally announced on April 10, 2020. None of the operators we fund for General Operating or Fee Subsidy were changing parents while they were closed.

Step 2- which has a number of components, some of which, once implemented, may have a negative impact on the local early year's system.

### **SUMMARY/OVERVIEW**

Step 2 has two main strategies that will have significant impact on Early Years. The first directs programs to apply for funding for Fixed Overhead Costs through any available federal program. Currently this would be the Ontario-Canada Emergency Commercial Rent Assistance program (OCECRA). Most of the programs in the DSSMSSAB area would not be impacted by rental costs given that local School Boards have already waived fees during the emergency closure. There is at least one program that will be required to apply for this program to offset costs. Current provincial funding can be used for any unfunded balance for rent as well as for a pre-determined list of fixed costs that each operator must submit to Early Years Division for approval.

The second strategy dictates that Early Years operators who have incurred salary costs throughout the emergency order must immediately apply for federal assistance programs and/or the Canada Emergency Wage Subsidy retroactively to March 15, 2020. The Board will recall that previous direction from MED had been to continue to fund all programs so that staff would not have to be laid off and would be ready to go back to work quickly and support the forthcoming economic recovery plan.

The challenge for the DSSMSSAB is two-fold. The province has stated that any commitment by the DSSMSSAB to top-up funding for salaries since March 15, 2020, must be done with municipal budget allocations for providers that qualify for federal wage subsidy. The Director of Early Years and the CAO immediately (within 24 hours) met with all service providers to give notice that effective May 16, 2020 we may be unable to provide any further funding while programs are not in operation and we would seek authority from the DSSMSSAB to cover the retroactive cost variance. Without this retroactive support local programs will suffer deficits and risk potential closure. Early Years Division is prepared to begin a reconciliation process with all providers immediately and had recently provided a quarterly template for Providers to submit prior to the receipt of the memo.

The second challenge becomes how programs move forward with no provincial dollars to provide the 25% top up recommended through the CEWS.

### EarlyON Child and Family Centres

While all local EarlyON Child and Family Centres closed under the Emergency Order, they have continued to provide a variety of online/virtual programming and activities for families to participate in and connect with staff and other parents. Provincial funding can continue to be provided for salaries based on days/hours staff actually worked. This will be part of the reconciliation process.

### **STRATEGIC PLAN IMPACT**

The report impacts the **Service Excellence** and **Community Partnership** pillars, as the system as a whole will experience substantial disruption should we not provide retroactive funding supports to March 15<sup>th</sup>.

### **FINANCIAL IMPLICATIONS**

Based on reporting from providers to date, there is a potential financial implication of up to \$533,000 or \$266,500 per month (March 15 – May 15).

For the 2020 budget cycle, the Board approved \$1,799,710 from municipal levy partners for the Early Years division. This included:

- \$786,596 for administration (wages, benefits, rent, IT, etc.);
- \$1,013,114 for childcare programming.

The \$533,000 will need to come from the \$1,013,114 in childcare programming expenditure, which we have the budget to cover without impacting the municipal levy.

Historically, we expense approximately an average of \$85,000 per month for childcare programming. Based on annual expenditure averages, we have expensed \$212,500 between January 1 and March 15. Covering the retroactive variance for CEWS would bring our May 15 expenditures to \$745,500, thus leaving a balance of approximately \$267,614 for the 7.5 months remaining in the current calendar year. This equates to approximately \$35,000 per month for the remainder of the calendar year and could pose system and operator risk if Ontario deviates from its annual funding contributions to the DSSMSSAB going forward.

### **CONCLUSION**

Access to quality and timely childcare is critical for the local, provincial and national economic recovery plan. To ensure the local system remains intact post pandemic, we strongly believe that failure to implement the recommendation to retroactively cover the wage variance in the absence of a strong provincial partner is the best option. Furthermore, we also believe that the Board must strongly communicate to the Minister of Education our concerns and seek a rescinding of the decision specific to salary and wages outlined in the May 11 MED communication.

RE: Early Years Funding during Emergency Order

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DATE: February 20, 2020

Respectfully submitted,

Approved by:



Carla Fairbrother  
Director Early Years Services



Mike Nadeau  
Chief Administrative Officer

**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

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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](mailto: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](mailto: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

**Ministry of Education  
Early Years and Child Care  
Division**

315 Front Street West, 11<sup>th</sup>  
floor Toronto ON M5V 3A4

**Ministère de l'Éducation  
Division de la petite enfance et de  
la garde d'enfants**

315, rue Front Ouest, 11<sup>e</sup>  
étage Toronto ON M5V 3A4



**TO:** Child Care Operators

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

**DATE:** April 10, 2020

**SUBJECT:** Parent Fees and Funding Support for the Child Care Sector

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Thank you for your continued partnership during this unprecedented time.

We know that the COVID-19 outbreak is having significant impacts on families and on the child care sector. This memo provides an overview of the next steps we will work through together to support parents and ensure that the child care sector is well positioned to play a critical role in Ontario's economic recovery following this outbreak.

### **Parent Fees**

The Minister of Education announced that effective April 9, all child care providers are prohibited from charging fees to parents where care is not being provided and that parents cannot lose child care spaces or be otherwise penalized as a result of fees not being paid during this closure period. If fees have been paid in advance by parents, child care providers should reimburse parents for any fees paid for April 9 and beyond.

We know that this will be much needed relief for parents, many of whom may be facing layoffs or reduced hours themselves.

We understand that some child care operators have continued to charge parent fees during this period to continue to pay staff and avoid layoffs as well as to pay rent and other fixed costs and we are committed to working together to support the sector.

## **Child Care Sector Funding**

We are committed to working with our federal and municipal colleagues on an approach to support the child care sector.

The federal government has announced federal supports for businesses and individuals related to COVID-19, including the Canada Emergency Wage Subsidy 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>

We encourage child care operators to research and optimize these federal supports for staff not working during the closure 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:

- Specifically, we strongly encourage all eligible operators in the sector to consider support through the Canada Emergency Wage Subsidy program, which will assist employers to keep staff employed and provide 75% of their salaries.
- We know that some layoffs have already occurred and the federal government has confirmed that employers can rehire staff and still be eligible for this program.
- We recognize that there may be operators in our sector that are not eligible for this program and will therefore require other forms of income support. We encourage these operators to look to the Canada Emergency Response Benefit.

While salary is the most significant cost for operators, clearly there are other fixed costs. We are committed to working with you, our CMSM/DSSAB and federal partners on an approach to support these costs. We also know that we need to move quickly to get you the support you need.

Thank you,

Shannon Fuller

CC: CMSM/DSSABs