



COUNTY OF WELLINGTON

WELLINGTON GENERAL OPERATING GRANT

TIER TWO-GUIDELINES

The Wellington General Operating Grant – Tier Two Guidelines provides guidance to Service Providers, Accountants, Bookkeepers, Auditors and other services providing support to the Service Provider. It also provides employees with a clear understanding of what financial supports and funding is available.

Wellington General Operating Grant Agreement

The General Operating Grant Agreement is the legal document that outlines the funding conditions for Service Providers receiving Wellington General Operating Tier Two Grants. It is the responsibility of the Service Provider to comply with the Agreement. General Operating Grant allocations are limited to the location addresses listed on Schedule A of the Wellington General Operating Grant Agreement.

Service Description

Tier Two General Operating Grants may be allocated to licensed school age operators who operate 52 weeks per year and to approved part time (2015) operators to support salaries and mandatory benefits of eligible staff.

Tier Two-General Operating Grant Eligibility

Service Providers must maintain licensed school age programmes which operate 52 weeks per year unless with prior approval from the County. Priority is given to the non-profit sector and where it is necessary to meet local community needs, the grant may be provided to the for-profit Service Provider sector.

The County reserves the right to determine the number of staff eligible to receive General Operating Grant funding based on staffing requirements outlined in the *Child Care and Early Years Act, 2014*, the size of the agency and the current community staffing practices.

Where there are insufficient funds in the County's budget to provide the full funding allocation, Service Providers may receive a percentage of their eligible allocation.

Admissible Use of Funds

General Operating Grant funds must only be used to increase salary and mandatory benefits of staff filling eligible positions to licensed capacity within the Tier Two programme. Mandatory benefits include CPP, EI, WSIB and Employer Health Tax (if over \$400,000 in wages). Funding may not be used to cover base salary or non-mandatory benefits resulting from base salary costs. **Base salary must be minimum wage or above.**

Eligible positions include:

- i. RECE or Ministry Director Approved programme staff
- ii. Untrained Programme Staff
- iii. Supervisors/Administrators (dependent on the size of the programme)
- iv. Home Child Care Home Visitors
- v. Clerical Staff
- vi. Cooks
- vii. Housekeeping and Janitorial Staff (employed by the programme)

Only full and part time employed staff that are part of a programme's regular staffing component are eligible; supply staff do not qualify.

Funding Requirements/Reporting

Service Providers will provide each employee with written communication regarding the amount of salary and/or benefit covered by General Operating Grant funding and the method used to determine each employee's share. Copies of all communication must be kept on file at the head office of the child care programme and made available to County staff upon request.

Service Providers must immediately report to the County of Wellington any significant reduction to the service levels, such as change to license capacity, operating capacity or the staffing level or service levels.

An annual Service Provider FTE Calculation Form will be submitted to the County. The Service Provider FTE Calculation Form will also be provided immediately whenever there is a change to licensed capacity, operating capacity, or staffing of the programme to which the General Operating Grant has been allocated.

A Mid-Year and Year-End Financial Report will be submitted which will verify that the funds have been used in accordance with the Wellington General Operating Grant Agreement and Guidelines. The Special Purpose Report reconciles the funding received and expended. The County of Wellington will also request the completion of reports periodically throughout the year as information is required.

Failure to comply with funding requirements may result in suspension or termination of future payments. If there is reason to suspect the Service Provider has failed to provide the negotiated service level, failed to notify the County of any reduction to permanent staff, has reported more staff than actually employed by the Service Provider or has not demonstrated compliance with the Wellington General Operating Grant Agreement, the County will recover any funds for which the Service Provider was not eligible.

Audit Requirements

Service Providers that receive in excess of \$50,000 in General Operating Grants must submit an Audited Financial Statement within 4 months of the Service Provider's fiscal year end as identified in the WGOG Service Agreement.

Service Providers that operate various services and/or programmes which includes child care and the Audited Financial Statements are consolidated, must also provide an additional review engagement of the revenue and expenditures of child care operations.

Audited Reports must:

- a) Be completed and signed by "An accountant licensed under the Public Accounting Act, 2004 (Ontario)." This includes review engagements of revenue and expenses for the child care operations.
- b) Provide disclosure of the Auditors name, address, the name or firm of the Auditor, the date of the report and the place of issue.

The Auditor must include the 3 standard paragraphs:

- 1) An "introductory paragraph" identifying that the reports have been audited, and identify any provisions of the agreement, statute or regulation. It will refer to any disclosure of any significant interpretations of the provisions made by the Service Provider.
- 2) The "scope paragraph" will state that the audit was conducted in accordance with Canadian generally accepted auditing standards, and that the audit was planned and performed to provide reasonable assurance that the Service Provider complied with the following:
 - Funding was applied to only those sites identified on the Wellington General Operating Grant Agreement – Schedule "A" (Tier One);
 - Funding was distributed according to the Admissible Use of Funds section of the County of Wellington-Wellington General Operating Grant Guidelines.

- 3) The “opinion paragraph”, the Auditor will express an opinion whether the Service Provider has complied, in all material respects, with the requirements identified in the Wellington General Operating Grant Agreement Schedule A and Wellington General Operating Grant Guidelines as indicated under 2) above.

Payments

General Operating Grants are paid to Service Providers on a calendar quarterly basis or as otherwise indicated by the County. Payments to employees must be made at least as frequently as the County makes payments to the Service Provider.

Pay Equity Funding

General Operating Grant payments will be provided in addition to Post Pay Equity or other wage increase initiatives. Post 1999 Pay Equity funding as a result of the Memorandum of Agreement with the Province of Ontario will be issued to qualified Service Providers as a separate payment. Pay Equity must be distributed in accordance to the Service Provider’s Pay Equity Plan with the Pay Equity Commission.