

2021 General Operating Fund: Staff Wages and Benefits Question and Answers for Licensed Child Care Providers (Centre Based)

As previously shared in December 2020, the Region will be making changes to the GOF Guideline in order to streamline our funding approach to support staff wages and benefits. Due to the ongoing impacts of COVID-19 on the child care sector, the implementation of these changes will be delayed until January 2022. Refer to Regional memo (June 1, 2021) for more information.

1. What are the components of the 2021 General Operating Fund (GOF)?

The 2021 GOF was rolled out in two phases (Phase 1: January to June and Phase 2: July to December) to support staff wages and benefits through the components:

- Staff Wages and Benefits (SWB)
- Historical Funding (where applicable)
- Pay Equity (where applicable)
- Administration Funding

Centre-based licensed child care providers can use the GOF to:

- Enhance staff wages and benefits (distribute funding according to their most updated GOF approved distribution plan)
- Offset incremental audit/administration costs

2. When will we receive our GOF payment?

In 2021, GOF will continue to be issued at the beginning of each month if you returned your signed GOF Agreement to the Region for Phase 1 and Phase 2 by the due dates.

3. How should the GOF be distributed to enhance staff wages and benefits?

Service providers should continue to use their most recent approved GOF distribution plan to enhance staff wages and benefits over and above a provider's regulatory requirements for minimum wage and mandatory benefits. Service providers are required to distribute funding to eligible staff as part of the regular payroll process/schedule. One time and/or cash payments are not permitted.

4. Will the GOF template change request document be required in 2021?

Service providers who continue to use their most recent approved GOF distribution plan are not required to send *GOF template change request document* when they experience an in-year change in staff complement.

5. My staff complement has changed. What do I have to do?

Service providers are required to inform their Early Years Specialist as soon as a change with their staff complement is identified. Your Early Years Specialist will discuss next steps with you.

6. My staff complement has increased. Will my funding amount change?

No. Increases in staff complement will not result in an increase in funding. When staff complement increases, service providers are required to reallocate SWB funds among all eligible staff using their most recently approved GOF distribution plan.

7. If I run out of GOF before the end of the phase, will my funding be adjusted?

No. Your funding amount will not change. Service providers are encouraged to continuously review their GOF budget (funding amount) and forecast how much they are expecting to spend by the end of each phase so that they can take in-year corrective action.

Service providers that run out of GOF before the end of the phase may choose to:

- Stop GOF-SWB payments to staff. Service providers that choose this option are required to clearly communicate this decision to staff and their Early Years Specialist; or
- Maintain salary and/or benefit enhancements. In this case, staffing costs over and above the approved SWB funding amount are the sole responsibility of the service provider.

8. How can service providers use their GOF underspending in 2021?

The Region anticipates there will be underspending in GOF during 2021 due to providers accessing the federal Canada Emergency Wage Subsidy (CEWS). Service providers that expect to have leftover GOF in 2021 may use their underspending to offset expenses for existing base wages (above minimum wage) for program staff only, that is not supported by CEWS, WEG or GOF.

Refer to the 2021 GOF Guideline (released June 1) in Appendix B for eligible program staff positions and Appendix D for examples of how to calculate the amount that can be offset using GOF underspending.

Please contact your Early Years Specialist or EarlyYearsSystemDivision@peelregion.ca if you have any additional questions.