

Subject: Approval of 2023 Child Care Services Program Audit

Report to: Public Health and Social Services Committee

Report date: Tuesday, October 8, 2024

Recommendations

1. That the Child Care Services draft Schedule of Revenues and Expenses for the year ended December 31, 2023 (Appendix 1 to Report COM 30-2024) **BE APPROVED**;
2. That staff **BE DIRECTED** to co-ordinate with the auditor to finalize the statements as presented; and
3. That this report **BE FORWARDED** to the Region's Audit Committee for information.

Key Facts

- The purpose of this report is to obtain approval of the draft reviewed schedules of revenues and expenses ("financial schedules") in accordance with the requirements set out by the Ontario Ministry of Education.
- As per Financial Reporting and Forecasting Policy (C-F-020), other financial statements or schedules performed for Ministry funding purposes, will be recommended for approval to Council by the standing committee with oversight of the program. Upon approval by Council, the department commissioner, or delegated authority, and the Treasurer will be authorized to sign the auditor's representation letter to obtain the auditor's signed report. The approved statements will then be forwarded to Audit Committee for information.

Financial Considerations

The annual report has been prepared in compliance with the financial reporting guidelines and policies stipulated by the Ontario Ministry of Education. The annual report is prepared specifically for the purposes of assisting the Region in complying with the Guidelines. As a result, the report may not be suitable for another purpose.

The Child Care Services financial schedule is prepared in accordance with the financial requirements in the Child Care Transfer Payment Agreement (TPA) dated January 1, 2023, between Ontario Ministry of Education (“the Ministry”) and the Regional Municipality of Niagara.

Analysis

Niagara Region’s external auditor’s, Deloitte, completed the review of Child Care Services’ Schedules of Revenue and Expenditure. The auditors have indicated that, based on their review, nothing has come to their attention that causes them to believe that this information is not, in all material aspects, in accordance with the Ministry requirements identified.

The recommendation for approval by Council of the annual report performed for Ministry funding purposes rests with the Committee to which the department responsible for the funding reports. Then the Treasurer and the department’s Commissioner will be authorized to sign the auditor’s representation letter to obtain the signed audit report. Upon approval by Council, these schedules are referred to audit Committee for information.

As of December 31, 2023, the program has a returnable of only \$1,090 as a result of maximizing the available Ministry funding during the reporting period. The estimated returnable amount is subject to Ministry review, any difference between the estimate and the allowable subsidy calculated by the Ministry will be adjusted in the year that the Ministry determines the final settlement.

Alternatives Reviewed

The review of the financial schedules is the requirement of the Ministry and therefore no alternatives are available.

Relationship to Council Strategic Priorities

Providing financial information is aligned to Effective Region, delivery of fiscally responsible and sustainable core services.

Other Pertinent Reports

None.

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Recommended by:

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Submitted by:

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This report was prepared in consultation with Mackenzie Glenney, CPA, CA, Program
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Appendices

Appendix 1 2023 Child Care Services – Draft Schedule of Revenue and Expenses