

MEMORANDUM

TO: Employment Ontario Network Service Providers

FROM: Jacqueline Cureton
Director, Program Delivery Support Branch

DATE: March 28, 2019

SUBJECT: 2019-20 Employment Ontario Transfer Payment Agreements

As the ministry begins to release 2019-20 Employment Ontario transfer payment agreements, I would like to highlight some key changes to the agreements.

Overall, the changes support the government's red tape reduction priorities, its focus on value for money and high quality client services by streamlining program and financial reporting requirements. As a result, service providers will spend less time processing reports, freeing up time to deliver services to clients.

Program Reporting

During the upcoming fiscal year, the ministry will introduce a new interim and final report to replace the Quarterly Status and Adjustment Report. This will cut the reporting frequency in specific Employment Ontario programs by 50 per cent. The new interim and final reports will capture the achievement of performance commitments and if needed, will include plans to improve results. Due dates will be outlined in Schedule F of your 2019-20 agreement. More details on these new reports will be forthcoming.

Programs affected:

- Employment Service
- Youth Job Connection/Youth Job Connection: Summer
- Literacy and Basic Skills
- Canada-Ontario Job Grant

Financial Reporting

The Estimate and Expenditure Report is used by service providers to report year-to-date expenditures and forecasts to the ministry. Please note that the number of reports will be reduced to five by eliminating the July report. Due dates of the Estimate and Expenditure Reports will be outlined in Schedule F of your 2019-20 agreement.

Programs affected:

- Employment Service
- Youth Job Connection/Youth Job Connection: Summer
- Literacy and Basic Skills
- Canada-Ontario Job Grant
- Supported Employment
- Ontario Employment Assistance Services
- Local Employment Planning Councils
- Local Boards

Auditor's Reports

Service providers are required to obtain an auditor's report depending on the transfer payment agreement funding amount. To further streamline reporting, the threshold for the requirement of an auditor's report will increase from \$100,000 to \$150,000 for fiscal year 2019-20 per agreement.

For agreements that are managed in the Employment Ontario Information System - Service Provider Connect, service providers will upload a copy of the report directly to the system. Auditors will also be required to submit a copy directly to the ministry. Additional details on this process will be forthcoming.

For agreements that are not managed in the Service Provider Connect system, auditors will be required to submit a copy of the report directly to the ministry.

Service providers such as municipalities, school boards, colleges of applied arts and technology and universities **will be exempted** from submitting auditor's reports.

Audited Financial Statements

In addition to the auditor's report, the ministry is introducing a new requirement for service providers to submit their organization's 2018-19 (or the most recent available) audited financial statements. The ministry is developing functionality to support the direct uploads of these statements and will provide submission instructions in the near future.

Service providers such as municipalities, school boards, colleges of applied arts and technology and universities **will be exempted** from the requirement to submit audited financial statements as these reports already exist in the public domain.

Service providers that do not have agreements managed in the Service Provider Connect system will not be required to submit audited financial statements at this time.

Article 13.1 Termination on Notice

As part of the government's focus to standardize transfer payment administration across ministries, the six-month notice of termination article under Schedule B, originally added as an additional provision, has been removed. The notice will be 30 days moving forward, as per Article 13.1 of your 2019-20 transfer payment agreement.

Article 8.2 Publication

Article 8.2 has been amended in Schedule B with an added requirement that service

providers include the following statement in all project-related publications: “The Government of Ontario and its agencies are in no way bound by the recommendations contained in this document.”

Employment Service and Youth Job Connection Program Updates

The Youth Job Link program is being discontinued as part of the government’s commitment to streamline services and focus on outcomes. Service providers can continue to serve youth, who would be suitable for Youth Job Link, through the relevant service components under the Employment Service program.

The Employing Young Talent Incentive is also being discontinued. The ministry will in the coming weeks provide service providers with additional operational details, including funding details, to address program commitments made prior to April 1, 2019.

Employers may be eligible for various other incentives and supports under the Employment Ontario umbrella, including:

- **Canada-Ontario Job Grant:** The program provides an opportunity for employers to invest in their workforce, with help from the government. Direct financial support is available to individual employers who wish to purchase training for their employees.
- **Employment Service:** Assistance is available to employers who operate a business in Ontario to attract and recruit the employees with the skills they need. The program also offers financial incentives for employers to provide on-the-job training for participants in job placements, including youth.
 - **Apprenticeship Employer Signing Bonus (Placement Incentive under Employment Service):** A \$2,000 Apprenticeship Employer Signing Bonus is available to employers who hire, register, and train an apprentice.
- **Youth Job Connection:** Up to \$7,500 is available per participant. This maximum amount can be used for a combination of incentives for the employer, and employment and training supports for the participant.
- **Youth Job Connection: Summer:** Up to \$2,500 is available per participant. This maximum amount can be used for a combination of incentives for the employer, and employment and training supports for the participant.

Additional operational details will be available in the following weeks including a technical Questions and Answers document.

I encourage you to review the terms and conditions of your Ontario transfer payment agreements including the financial reporting details outlined in Schedules F and H.

If you have any questions regarding these changes, please contact your Employment and Training Consultant.

Jacqueline Cureton
Director

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