



Looking Ahead

Report of the Allenby Daycare Board of Directors
Proposed Model in Contemplation of Full Day Kindergarten



April 8, 2013

Introduction

In preparation for the implementation of Full Day Kindergarten (“FDK”) at Allenby Junior Public School (“AJPS”) in September 2014, the Board of Directors of Allenby Daycare Inc. (“Allenby Daycare”) have prepared the following report setting out its proposed business model to continue as a viable centre meeting the needs of the school and the greater community.

While the primary purpose of this report is to put forward our recommended business model from 2014 and beyond, this report also responds to the request of the Toronto District School Board (“TDSB”), in support of the PART process to determine the appropriate space available within AJPS in contemplation of FDK coming to AJPS. Specifically, Allenby Daycare has been asked to consider the impact on the centre if it was left with only one, or two, exclusive-use rooms within AJPS. Allenby Daycare currently has exclusive use of 3 rooms within AJPS’s footprint: Room 006, the “Grizzly Room”, and the “Junior Stinger Room”. **It should be noted that, to our knowledge, Allenby Daycare is the only child care centre involved in the Ward 8 PART that has been asked to perform this type of review in contemplation of losing two-thirds of its exclusive use space.**

Guiding Principles

In preparing our recommendations for a business model to carry Allenby Daycare beyond 2014, the Board of Directors was guided by the following 8 principles:

Allenby Daycare Board of Directors’ Guiding Principles:
1. Allenby Daycare (est. 1982) has been, and will continue to be an integral part of the Allenby community
2. The greatest asset of Allenby Daycare is its staff.
3. Allenby Daycare is committed to continuing to thrive as a top-tier child care centre. This means maintaining high quality programming, and retaining (with no/little impact) a sufficient compliment of fully qualified, highly engaged staff to foster a stable and nurturing environment for all children in our care.
4. It is the goal of Allenby Daycare to significantly reduce the current wait list at the centre and provide greater access to childcare within the community. The Allenby community today is under serviced by licensed child care providers, and there is currently a shortage of spaces to meet the demand for daycare for both children under four years of age and for school-age children.
5. Allenby Daycare will continue to operate as a not-for-profit financially viable entity.
6. Allenby Daycare continues to align itself with the Ministry of Education’s long-term vision to create high-quality, accessible and integrated early learning and child care systems for young children before they start school and for school-age

children.
7. The Ministry of Education and the TDSB recognize and support the conversion of programming within existing school-based child care operators to accommodate children under the age of four to achieve this long term vision.
8. According to the Ministry of Education, schools are the preferred location for capital investments to support child care services for children under age 4.

Executive Summary (Highlights)

With the implementation of FDK in September 2014, the Board has identified the following key findings:

- The existing operating model (which relies on delivering a mix of childcare services including a nursery program for pre-school children, a full day JK/SK program, and a before and after school care program for children in grades 1-6) will not be sustainable beyond 2014.
- Allenby Daycare cannot remain financially or operationally viable without major program changes and/or full-time staff reductions to compensate for the elimination of the JK/SK program, resulting from the implementation of FDK.
- The current physical structure of two of the exclusive use rooms operated by Allenby Daycare can support a seamless transition to creating a newly expanded full day Early Years Program for children under the age of 4 without significant capital investment for conversion.

With this in mind, the **proposed model for Allenby Daycare** from 2014 is as follows:

- 60 before and after school spots for JK/SK students¹;
- Expanded² before and after school spots for grades 1-6;
- Full day³ toddler program for children aged 18 to 30 months; and
- Full day preschool program for children aged 2.5 to 3.8 years (replacing the current half-day Nursery programme).

This model **requires continued occupation of 2 exclusive-use rooms** for use during the day (one for toddlers and one for preschoolers), 3 FDK rooms as shared space before and after school for JK/SK students, and expanded shared space⁴ before and after

¹ Assumes programming to be delivered in shared JK/SK FDK rooms. Actual spaces to be determined based on identified need, available space and available staffing.

² Actual numbers of before and after school spots to be determined, based on available shared space; to be negotiated with TDSB. Currently 80 students in grades 1-6 program.

³ Full day means 7:30am – 6pm on all days that Allenby Daycare is open.

⁴ Assumes continued sharing of Rooms 006 , 007 and the Lunch room, with additional space to be negotiated with TDSB.

school for grades 1-6. The proposed solution is well aligned with our guiding principles, for the reasons set out below:

- It supports the Ministry of Education and the TDSB's preferred solution of maintaining childcare for children under the age of 4 in a school setting, and is consistent with the recommendations of the Ontario government's *Best Start Plan*⁵ to create a more seamless early learning system for families.
- Allenby Daycare can maintain all existing full-time early childhood educator positions and, with additional part-time staff, would be in a position to deliver a high quality Early Years Program for pre-school children within the daycare, while expanding before and after school care for children in school.
- Allenby Daycare can continue to be financially self supporting, without compromising the quality of programming, and while continuing to be an integral part of AJPS and the community.
- Staff will continue to be highly engaged, which is critical to being able to deliver a stable and nurturing environment for the children.
- Allenby Daycare can free up 1 exclusive use room (Room 006) to contribute to the space needs of AJPS.
- With additional shared space from AJPS for before and after school care, Allenby Daycare can significantly reduce its waitlist for school aged children , and address the general shortage of child care spaces in the community for children under the age of 4.

The Board also evaluated the request from the TDSB to consider the impact on viability if we maintained only 1 exclusive use room for child care programming. Our findings are as follows:

- The proposed full-day toddler program would not be possible, resulting in a less integrated Early Years Program, contrary to the Ontario Early Years Policy Framework⁶.
- The quality and administration of programming for the centre would be unacceptably compromised due to a very high proportion of part-time staff (which would result in an unstable environment for the children due to higher staff turnover and lower employee engagement).
- Current full-time staff roles would be lost and replaced with part-time roles, jeopardizing current highly qualified staff members, who may not be retained with part-time employment.

⁵ <http://www.children.gov.on.ca/htdocs/English/news/backgrounders/01292007.aspx>. This program is also consistent with the Ministry of Education's ADM memorandum to Directors of Education dated October 5, 2010 entitled "Full Day Early Learning Kindergarten – Planning for 2012-2013 (Year 3)": <http://www.edu.gov.on.ca/eng/policyfunding/memos/october2010/2010e111en.pdf>.

⁶ <http://www.edu.gov.on.ca/childcare/OntarioEarlyYear.pdf>

- Financial sustainability will be compromised without the proposed toddler program revenue, resulting in a combination of higher fees and/or reduced programming.

Even if financially viable, the Board does not believe that Allenby Daycare can be operationally sustainable with a staffing model that is severely tilted towards part-time employment, and for this reason **cannot support moving forward with a “1 exclusive room” model** without compromising our guiding principles, and as a result, the overall quality of programming.

Background

Allenby Daycare is an incorporated not-for-profit child care centre. It employs 11 full-time qualified early childhood educators, 3 of whom are also TDSB part-time employees who supervise the school lunch room and playground. It is governed by a Board of Directors, elected from the membership. Each member of the Board is a volunteer and each is an Allenby parent.

Allenby Daycare operates from 7:30am – 6:00pm, including during all school breaks (including March Break and Holiday Break in December) and PA days, and operates a summer camp which is open to members of the community together with Allenby Daycare families. In addition, on school days, a Nursery School program operates morning and afternoon programming. There are currently 102 children in the JK – Grade 6 program, and 35 Nursery school children.

The demand for child care services at AJPS is significant. In addition to the 102 JK – grade 6 spots currently filled, Allenby Daycare has a wait list of almost 400 children. These numbers suggest that a large proportion of the Allenby population attends, or would like to have their children attend, Allenby Daycare.

In 1995, in exchange for a capital payment by Allenby Daycare in the amount of \$240,000, Allenby Daycare and the TDSB entered into a lease for a term of 20 years. In order to fund the capital payment, it was necessary for Allenby Daycare to take out an interest bearing loan. That loan was repaid in full in 2011, at a total cost to Allenby Daycare of approximately \$433,000. The capital payment was the daycare's contribution toward the construction of the area in AJPS that is now used exclusively by Allenby Daycare, known as the Grizzly Room and the Junior Stinger Room. These rooms were purpose-built in 1995 to meet the criteria stated in the Day Nurseries Act for the operation of a child care centre.

Rationale for Expanded Early Years Program

Like many other childcare centres located within TDSB schools that have implemented FDK⁷, Allenby Daycare proposes an expanded Early Years program as a part of its operating model post-2014. The proposed expanded program, creating spaces for toddlers and for pre-schoolers, is required for Allenby Daycare to maintain financial sustainability over the long-run as a replacement for the lost income from the existing JK/SK program, and to attract and retain the highest quality ECE staff to provide care to our school-aged children before and after school, thereby ensuring continued top-quality programming, and a stable and nurturing environment for all of our students.

The Ontario government's discussion paper "Modernizing Child Care in Ontario" sets out the rationale for integrated early learning within public schools:

The Government of Ontario's long-term vision is to build a high-quality, accessible and coordinated early learning and child care system for children before they start school and for school-aged children. The system will focus on learning in safe and caring play-based environments, on healthy physical, social, emotional and cognitive development, and on early identification and intervention for children in need of supports. Where possible, services will be located in or linked with schools to enhance seamlessness for children and families.⁸

The financial viability of a child care centre is measured by its long-term survival and its ability to generate sustainable income over a period of time. To operate professional quality programs within Allenby Daycare, we need to be in a position to hire qualified staff and pay them a fair and competitive wage, and provide the equipment and supplies necessary for daily operations.

Financial viability is not a stand-alone consideration when considering an operating model, as a top-tier child care centre like Allenby Daycare cannot be run, or measured, simply on a time/cost basis. While the economics are important, the qualitative characteristics of a child care program are critical to its on-going success and viability. Allenby Daycare holds itself to the highest standards of child care staff and programming.

Quality childcare requires a planned curriculum, facilitating the social, emotional, physical and intellectual well being of all children through specific learning activities carried out in thoughtfully-planned environments. The Ontario Ministry of Education's Early Learning for Every Child Today⁹ ("ELECT") report states that:

⁷ For example: Whitney, Brown, Central Eglinton.

⁸ http://www.edu.gov.on.ca/childcare/Modernizing_Child_Care.pdf

⁹ http://www.children.gov.on.ca/htdocs/English/topics/earlychildhood/early_learning_for_every_child_today.aspx

A planned curriculum with goals for children’s learning and development impacts on the quality of early childhood settings (Cleveland et al., 2006; Sylva et al., 2004; National Research Council, 2001; Bennett, 2004; Organization for Economic Cooperation and Development, 2006).

- *It begins with an informed understanding of what children are capable of learning and how they learn effectively.*
- *It has specific goals for children that support self-regulation (behaviour, emotion and attention), identity, social inclusion, health and well-being, language and thinking skills, and physical skills, as well as the foundation knowledge and concepts needed for literacy and numeracy.*
- *It provides structure and direction for early childhood practitioners who support the development of capacities and skills while respecting a child’s interests and choices (Bennett, 2004).*

Quality programming cannot be achieved without high calibre, top-tier full-time staff. As the ELECT report states, “The effect of an individual teacher, early childhood educator or family worker can outweigh the effect of a particular curricular approach.”

Staff must also be qualified early childhood educators. The ELECT report states:

Knowledge about and responsiveness to the developmental level and characteristics of the child, his or her family and communities are central to supporting learning and development in early childhood settings. Early childhood practitioners who are responsive to children, their families and their communities, establish social and physical environments where children thrive.

The ELECT report also recognizes that, “Early childhood settings that are offered within an infrastructure of support, with working conditions that facilitate an early learning environment and reasonable levels of compensation are judged to be of better quality and are associated with better outcomes for children...” These principles are equally applicable to primary school environments.

An operating model that relies primarily upon part-time staff, required only for “split” before and after school shifts, as would be necessary if Allenby Daycare was required to pursue its Early Years Program in just one exclusive-use room, does not create a working environment consistent with these success factors. Part-time positions tend to be more difficult to staff and are more transient in nature, meaning less continuity and stability for the children.¹⁰

¹⁰ We have been advised that Allenby Daycare staff cannot be guaranteed a role as TDSB’s ECE staff in the FDK classrooms during the day. In addition, the timing of their work day in the FDK classroom may not be consistent with the needs of the before and after school roles required by Allenby Daycare.

Anecdotal evidence from other child care centres who have already moved to FDK cite the human resource issues associated with part-time, split shift staff, and the additional administrative work that creates, as a major operating concern and inefficiency. In addition, a child care program too heavily reliant on part-time staff could not create the cohesive family environment that Allenby Daycare enjoys today.

Impact of Proposed Early Years Program Allenby Daycare's Ongoing Viability

In assessing viability, a child care centre cannot focus on economics alone. We recognize in our guiding principles that the greatest asset of Allenby Daycare is not its balance sheet, but its staff. Highly engaged staff help create a successful child care centre not only by building an environment of trust and stability for children, but also through their contributions to the high quality of all programs and activities. Therefore, in order to assess viability, a child care centre must critically analyze the impacts of any changes on each of its finances, its operation, and the quality of its staff and programming.

While Allenby Daycare can remain financially viable operating with only one exclusive use room (meaning no toddler program), there would be negative impact to the overall financial sustainability. Based on our early financial analysis, we estimate that the proposed toddler program could account for up to 20%¹¹ of the overall net income under the new model. It would be necessary to compensate for the loss of that anticipated income through a combination of increased fees and/or reduced costs (staff, programming, equipment, etc.) which of course impacts quality.

From a staffing perspective, operating only a one-room early years program at Allenby Daycare following FDK will reduce our need for full-time staff from 11 to approximately 5. However, with an expanded before and after school program for JK/SK, our number of part-time staff will increase from 2 to approximately 10. (This number of part time staff will further increase if we are able to expand our grade 1-6 program through additional shared space.) This ratio is over-balanced in favour of part-time staff, which does not support the principles of quality program development and stability of tenure as discussed above. It also leads to increased operational and administrative duties associated with staffing, with fewer full-time positions to act in supervisory or administrative positions to fulfill these duties.

With a two-room early years program, Allenby Daycare can maintain all of its current 11 full time early childhood educator positions. These full time positions, together with approximately 4 additional part-time roles (for a total of 6 part-time, and possibly more if the grade 1-6 spaces can be increased), would ensure sufficient staff to meet the ratios of staff to children, and permit the necessary time for quality program development.

¹¹ Net income is based on broad assumptions, including very preliminary assumptions regarding number of spaces, staffing, and rates for the JK/SK before and after school program.

This staff complement also allows for stability and continuity of tenure, which in turn fosters meaningful and consistent relationships with children, parents and families. There is also a greater likelihood that Allenby Daycare's qualified childcare staff can continue to be available to AJPS to supervise the school lunch program and playground.

For all of the reasons set out above, it is therefore critical not only to demonstrate financial viability, but also continued uncompromised quality of programming through a staffing complement with a stable level of full-time roles. This cannot be sustained at Allenby Daycare without the continued occupation of use of 2 exclusive use rooms.

The Need for Full Day Toddler and Pre-School Child Care in the Allenby Area

The City of Toronto documents¹² that Ward 16 (where the Allenby community is located) is under-serviced with respect to toddler and preschool spaces relative to demand. In recognition of this need, we understand that a number of comparable child care centres located in schools where FDK has already been implemented have created spaces for both toddlers and preschoolers¹³.

The Ministry of Education also recognizes the need for child care centres within schools to transition to the provision of care to pre-school aged children. The Ministry of Education's memorandum entitled "Schools-First Child Care Capital Retrofit Policy" (July 10, 2012) recognizes:

The Schools-First Child Care Capital Retrofit Policy is intended to guide the education and child care sectors as they plan for and repurpose school space to transition to serving children 0 to 3.8 years. This investment is a foundational piece of the vision to modernize child care and supports the government decision to build a high-quality, accessible and coordinated early learning and child care system.

As FDK continues to roll out across the province, we know that four and five year olds currently attending child care programs will be transferring to school full-time. The Ministry is committed to supporting child care programs as they adjust to this movement of children and that is why we are providing \$113 million over three years to school boards to convert current school-based licensed child care spaces for four and five year olds to spaces that can be licensed for younger children (e.g., 0 to 3.8 years). These investments will also create opportunities for community-based operators to relocate to schools.

An expanded Early Years program is therefore both recognized by the Ministry of Education as a necessary by-product of the overall FDK program, and necessary to fill

¹² See <http://www.toronto.ca/children/dmc/ceilings.pdf> ; see also http://www.toronto.ca/children/facts_figs.htm and <http://www.toronto.ca/children/gcmapx.htm>.

¹³ For example: Whitney, Brown, Central Eglinton.

an obvious gap in the overall Allenby community. It therefore serves a greater community need, while at the same time securing the ongoing viability of the centre as a whole.

Expanded Before and After School Care

It is anticipated that Allenby Daycare will be the third-party service provider to the TDSB for the purposes of before and after school care for FDK. (The provision of before and after school care for JK/SK students is controlled through the TDSB as part of the overall FDK model.) Based on TDSB experience to date, it is estimated that Allenby Daycare may offer as many as 60 before and after school spots for JK/SK students alone. This is expected to occur in the FDK classrooms, operating as shared space between the school and Allenby Daycare.

As stated above, there is a meaningful need for increased childcare spaces at Allenby Daycare. There are currently 80 spots for students in grades 1-6 and significantly more children on the waiting list. The need for more spaces is there and must be addressed. As a result, as part of the overall changes that will need to occur to the Allenby Daycare operating model, we will be investigating our ability to expand our number of spaces for children in this age group. The actual number of spaces that may be made available is contingent on our ability to negotiate additional shared space within AJPS, and to staff the model.

If Allenby Daycare is able to retain its core full time staff under the proposed two-room model, it also aids the expansion of before and after school care, by enabling staff to be engaged both during the school day and after school, thereby decreasing the necessity to hire more part time employees. Importantly, it is this core staff that will support quality care on PA Days and all school breaks; this staffing model also supports the ongoing viability of the reputable summer camp program which services as many children from the broader community as possible. On the other hand, a one-room program during the day too heavily reliant on part time staff inhibits the ability to competently staff and administer an expanded before and after school program, and the school break/summer programs.

Looking Ahead - Conclusions

The Allenby Daycare Board of Directors is committed to working collaboratively with the TDSB, AJPS and the entire community to develop recommendations in response to the space concerns at AJPS. We support the PART process, which openly discusses all options and involves *all* stakeholders, resulting in coordinated, workable and sustainable solutions.

The proposed operating model as set out above, offering child care to children from **18 months through Grade 6**, and requiring the **continued exclusive use of 2 Allenby Daycare rooms** meets the 8 guiding principles of Allenby Daycare by:

- Allowing Allenby Daycare to continue to be an integral part of the Allenby community.
- Recognizing that the greatest asset of Allenby Daycare is its staff, by continuing to retain, and attract, the best and the brightest people responsible for ongoing top-quality care.
- Continuing to thrive as a top-tier child care centre by maintaining high quality programming, and retaining (with no/little impact) a sufficient compliment of fully qualified, highly engaged staff to foster a stable and nurturing environment for all children in our care.
- Significantly reducing the current wait list at the centre and providing greater access to childcare within the community by expanding not only full-time child care spaces for children under 4, but also addressing the evident need for before and after school care of children from JK-grade 6.
- Continuing to operate as a not-for-profit, financially viable entity.
- Aligning with the Ministry of Education's long-term vision to create high-quality, accessible and integrated early learning and child care systems for young children before they start school through their primary school years.
- Facilitating the Ministry of Education's, and the TDSB's, recognition and support for the conversion of programming within existing school-based child care operators to accommodate children under the age of four to achieve their long term vision.
- Aligning with the Ministry of Education's recognition that schools are the preferred location for capital investments to support child care services for children under the age of 4.

As stated above, we believe that Allenby Daycare is in a unique position in our Ward 8 PART process, having been asked to consider the impact to our operations should we lose the majority of our exclusive use space. For the reasons set out, that scenario jeopardizes the continued quality and viability of Allenby Daycare. Proposing such a solution would, in our opinion, contradict the Ministry of Education's early years policies and the very framework that led to the implementation of Full Day Kindergarten in the first place.

In closing, Allenby Daycare is dedicated to working towards finding a holistic solution

that accommodates all stakeholders. We appreciate that both Allenby school and Allenby Daycare may face a similar complex space shortage again in the near future. This is, therefore, our opportunity to find a viable and a long- term solution that considers all interested parties, and sustains and supports the entire Allenby community now and in the future.

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