

# The Public Sector Compensation Disclosure Act - Information for Child Care Centres

Tuesday, June 20, 2023

## -TRANSCRIPT-

01:14

Carmen Zubin

Hello everyone, my name is Carmen Zubin and I'm an acting policy analyst with the Early Learning and Child Care Division. Thank you for joining us for today's webinar on the public sector Compensation, Disclosure Act and information for child care centers.

Today's webinar will be presented by Jennifer Faulder, Executive Director of Policy and Planning Branch, and Nneka Onyenekwu, Director of Financial Accountability and Reporting Branch. Also present today from the finance team are Frank Liang, Jane DelosReyes, Ola Lasisi, and Amy Wang.

After the webinar, we'll have time for questions. At the bottom of your screen you will see a chat speech bubble. This is where you can submit your questions. We will try to answer as many as we can.

We have ELCC staff onsite to document questions submitted for review in the event that we do not have time to answer them all.

If you have questions that are specific to your facility, please submit them to childcare information services at [ELCCFinance@gov.mb.ca](mailto:ELCCFinance@gov.mb.ca). A full copy of the PowerPoint slide deck and transcript will be available on our website, and you will receive an email informing you when it has been posted online.

And with that I'll turn it over to Jennifer for the land acknowledgement.

02:47

Jennifer Faulder

Hi! Everyone, and thanks for joining us today.

We want to start with a land acknowledgement. We recognize that Manitoba is on Treaties 1, 2, 3, 4, 5, 6, and 10 Territories and the ancestral lands of the Anishinaabe, Anishinewuk, Dakota Oyate, Denesuline, Ininiwak and Nehethowuk peoples. We acknowledge Manitoba is located on the Homeland of the Red River Métis. We acknowledge northern Manitoba includes lands that were and are the ancestral lands of the Inuit. We respect the spirit and intent of Treaties and Treaty Making and remain committed to working in partnership with First Nations, Inuit, and Métis people in the spirit of truth, reconciliation, and collaboration.

03:45

Jennifer Faulder

So we have the agenda here today just to give you a brief overview of what we'll go over in this webinar.

So we'll provide a bit of background to the public Sector Compensation Disclosure Act. We will review what is considered publicly funded and publicly at public sector bodies under that Act. We will explain the disclosure requirements and the new declaration form and disclosure statement, and then we have some frequently asked questions that we can go through some resources, and then we will have time for some questions.

So the Public Sector Compensation Disclosure Act requires information about wages and payments above a legislative threshold to be publicly disclosed for the public sector. It's compiled annually and has been published on the Government's proactive disclosure website since 2020.

The Public Sector Compensation Disclosure Act is part of a government commitment to greater transparency and accountability of government funding. Although the Act was established in 1996, the declaration form is new for licensed childcare facilities, and this is related to the division of Early Learning and Child Care joining the Department of Education and Early Childhood Learning. In the first year that we became part of the Department of Education, we were granted an exemption for completing the form, and now we are needing to move forward with this requirement, and this is in part at the request of the Office of the Provincial Controller.

The Act includes a requirement for if the reporting threshold amount to be reviewed every 5 years, so January 1, 2023, was one of those five-year periods where the threshold was changed, so the threshold for salary disclosures was increased from \$75 to \$85,000 effective January 1. And so, this means any public sector body whose fiscal year ends after December 31 of 2022, we'll use the \$85,000 threshold for determining what needs to be publicly disclosed.

Publicly funded bodies are required to provide the declaration form no later than July 7 each year, stating that the organization is aware of, and in full compliance with the Public Sector Compensation Disclosure Act requirements as of March 31 of that year.

07:08

Nneka Onyenekwu

Okay, thank you. Jennifer. So we are moving into more detail about what a publicly funded body is.

And you've been invited to this seminar because your organization is considered as a publicly funded body. So, according to the Public Sector Compensation Disclosure Act, a publicly funded body is one that receives in a fiscal year from one or more other public sector bodies equal to an amount equal to a greater than \$500,000 or \$200,000, if the funding is 50% of or more than 50% of their total revenue for the fiscal year.

In other words, if your total revenue for the year was \$300,000, for example, if \$200,000 of that is coming from the public sector, then that's more than 50% of your revenue for that year, and then you would have to about a disclosure, and complete the declaration form.

So funding from a public sector body could include funding you received from us, the Government of Manitoba, a government agency, the City of Winnipeg, a municipality, a university of college, or any other Crown corporation hospital or care home that is under the public sector, and at this point we would like to note that the Federal Government is not considered a public sector body under that Act, so any funds received directly from the Federal Government wouldn't be considered in determining whether you would disclose or fill out the declaration form.

So the disclosure requirements of this Act is that public funded, publicly funded bodies are required to disclose compensation at both \$85,000 in their audited financial statements or on a special compensation disclosure statement and this is to be done no more all done later than 6 months after the end of their fiscal or calendar year. So we emphasize fiscal or calendar here, because your organization has an option of following your own fiscal year, which doesn't necessarily run according to the calendar year so, if you choose the calendar year, which is from January to December, then disclosure statements will follow that period consistent from year to year, and another requirement for disclosure is that this information should be available for inspection upon request.

If this information is not publicly available on your website, for if your financial statements are not posted on your website. So in order to facilitate this process. We, Early Learning and Child Care compiled a list of all childcare facilities that had received at least \$200,000 from us within the period of April 1, 2022, to March 31, 2023, which is our fiscal year.

So we sent out this email on the fifteenth of June. That's a few days ago, and the email is a reminder for you to sign the declaration form attached in the email and sent back to us by July 7, and we adopted the lower threshold of \$200,000 in concentration of the fact that you may have received revenue during your fiscal year from other public sector bodies.

So here we have a simple flow chart that more or less depicts what I've just discussed and will help you determine whether you are required to complete declaration form and disclose this information publicly.

So first of all, you need to determine how much funding your facility receives.

Is it \$500,000, or more than yes, and automatically public sector compensation disclosure is required.

So we need to get the declaration forms from you.

However, if you receive less than \$500,000, we need to determine whether that amount is more, at least \$200,000 and 50% or more of your total revenue, which means that if the amount is \$195,000, for example, you are not required to fill out the declaration form. If it's above \$200,000, but less than \$500,000, and it's at least 50% of your revenue, then it would require the declaration form to be filled, and continuous disclosure of the information.

So here we have a screenshot of a portion of the Declaration for which we shared with you, and all eligible facilities are required to sign this form. We sent out or included in our circular. And this form is also available on our website.

13:20

Nneka Onyenekwu

Okay, thank you. So this form is a fillable PDF, meaning that you do not have to print it out to have it signed as long as an authorized officer is the one completing this form.

So, however, if filling and signing the PDF doesn't quite work for you, you can download it and complete it, and sign by ink, and you can mail that to us in on the address indicated on the form. If it works better for you, you can also hand with this form to our address indicated this, so you have at least 3 options for filling out this form adding to us as long as it is signed.

So, if your facility doesn't have a website and typically doesn't publish its audited financial statements on the website, there are other options available to you, I would highlight that that on the form the 2 main means of disclosing this information, so it's either publicly available on your website, or it's not available on your website. So on this slide, we elaborate on the other options that are available to you.

If you have no website and are not able to make this information publicly available, you can select that we contact your facility if at any point in time we need that information or that the information is disclosed on your audited final statements, for it's just not published on your website or any other agreed upon means, in other words, you commit to making it available to us on another in another method which you can specify in the provision we have there on the form.

And just as a reminder, this disclosure form is not applicable to facilities that centers, homes or nurseries who do not meet the funding criteria.

The statements in more detail is for a facility that has compensated staff more than \$85,000 per year.

So the \$85,000 is per individual. If you have at least one individual that received at least \$85,000, then the disclosure statement applies and must be provided.

If you are using a disclosure statement, in other words, it's not in your audited financial statements, but it's a special statement. You can have a letter for like I said it could be notes included in the financial statements. You can provide this electronically and mail this to us at our website.

There, [ELCCFinance@gov.mb.ca](mailto:ELCCFinance@gov.mb.ca) , or it can be printed and said, by mail or fax to our address.

So that's the actual disclosure statements where the information is on the compensation is embodied, which is different than the declaration form which you need to send in by July 7. And this disclosure statement is tied to your fiscal year 6 months after.

On this slide we have a sample of how this disclosure can be made. We just need you to indicate the staff member's by name and their salary. And, of course, the period for which you are disclosing.

And at this point we would like to run through some frequently asked questions which we came across as we prepared this webinar, and we hope that they will be helpful. Jennifer.

17:51

Jennifer Faulder

Okay. So Nneka, does a nursery school need to submit this?

17:58

Nneka Onyenekwu

And this question is relevant because those schools are actually not required to submit that financial statements. We see the operating grant funding which we on an annual basis, however, they are still required to submit this PSCDA Declaration form, and the making a company disclosures under the Act if they meet this public disclosure threshold.

So the operating grant and the financial statement requirements and the PSCDA are two separate things. So for the PSCDA, you can either choose to start submitting your audience financial statements for the PSCDA or not, as long as the information is available to us.

So again, we highlight that there are other means of disclosure, such as a separate compensation, statements, or disclosure on demand, thanks.

19:08

Jennifer Faulder

Does the declaration form need to be signed if no one in our facility makes \$85,000 a year or more?

19:19

Nneka Onyenekwu

Thank you. So. Yes, it still needs to be signed, and we recognize that even though you may be meeting or exceeding the disclosure threshold, you may not actually be paying anyone, you know, up to above \$85,000, so we'll still require you to sign the declaration form and on your disclosure statements.

If there's no staff that meet the \$85,000 salary threshold, you can seem to indicate NIL under the disclosure, and as a reminder, if your facility does not meet the public disclosure threshold, of either 200,000, 500,000 you are not to sign the declaration.

20:11

Jennifer Faulder

Can I post this information online as part of disclosure?

20:17

Nneka Onyenekwu

Yes, you are welcome to disclose the list of salaries created at the Acts threshold, we have some facilities that already do that because they meet the public disclosure threshold.

20:33

Jennifer Faulder

And what if our auditor already does this for us?

20:38

Nneka Onyenekwu

Yes, that's a very good question. So we know that some auditors have already been including the Public Sector Compensation Disclosure Act section in audited financial statements. However the signing requirements of the Declaration form for childcare facilities is new this year, and as we highlighted earlier, it's related to our transition to the Department of Education and their enhanced method of encouraging accountability and compliance within the sector so for that reason your auditor likely has not seen this form before, and this form can only be signed by a financial officer.

So your auditor shouldn't be the one signing it. It should be a designated financial officer of your facility.

21:42

Jennifer Faulder

Does a facility subject to the Public Sector Compensation Disclosure Act requirements this year still have to disclose the compensation information going forward, even if it does not meet the threshold in subsequent years?

22:08

Nneka Onyenekwu

The disclosure is actually tied to your fiscal years. Actually. If you are deemed to be meeting that threshold in any fiscal year that you are required to sign, and if you continue to meet that threshold, then you would be required to sign every year you meet the threshold. If you do not meet the threshold in any fiscal year than you are not required to sign, and as we highlighted earlier, you can choose whether or not you want to report on a fiscal year, which is calendar year is your other option, so you can go January to December, or whatever starting month end, and in month your fiscal year follows.

But each other. One you choose. You have to be consistent with that like follow to in other years.

23:01

Jennifer Faulder

Who is the financial officer?

23:05

[Nneka Onyenekwu](#)

A financial officer is an employee or volunteer designated by the Board. So in most cases that would be your board treasurer, your board chair, or any other director that is authorized to sign on behalf of the Board.

23:26

[Jennifer Faulder](#)

This information is already disclosed in our audited financial statements. Is there anything else we need to do?

23:32

[Nneka Onyenekwu](#)

That would be wonderful, actually. So all you need to do is to sign the declaration form, stating that your facility complies with the PSCDA, and specify how your facility's actually making the disclosure.

23:52

[Jennifer Faulder](#)

What if you don't have a website?

24:01

[Nneka Onyenekwu](#)

So if you do not have a website, there are other means by which you can make the disclosure.

They are actually listed in a Section 6 of the PSCDA, so you can ask us to get in touch with your admin office whenever we need that information, or you can disclose it on your audited financial statements, even though they're not published on your website.

24:25

[Nneka Onyenekwu](#)

Thank you very much, Jen, for those questions. So the Government of Manitoba proactive disclosure. Page. That's the link there. It has searchable information for employees receiving wages above the legislative compensation threshold to be publicly disclosed for public sector employees.

So the circular sent out on June 6 with the PSCDA Form, because on the link there on this page, and if you still have additional questions after this presentation, you are welcome to contact us as acts [ELCCFinance@gov.mb.ca](mailto:ELCCFinance@gov.mb.ca) with the subject line "PSCDA questions" This recording, along with the full transcript and a copy of the Powerpoint presentation, will be available on our website following this presentation, likely within one to 2 business days. Okay.

Thank you very much. And do we have any questions?

25:32

[Carmen Zubin](#)

We have a few, not a lot. And thank you, Nneka, for clarifying. I made an error in the introduction. That questions should be submitted to [ELCCFinance@gov.mb.ca](mailto:ELCCFinance@gov.mb.ca) , not childcare information services.

So thank you for clarifying. So our first question comes from Maria.

Our fiscal year ends June 13. Are salaries over \$75,000 required to disclose before July 7, or can it wait until the audit is completed?

26:05

[Nneka Onyenekwu](#)

Okay, so your fiscal year end. So first thing since your fiscal year ends June 30, 2023, I believe you would be moving to the \$85,000 threshold, which is a fresh food and because they act allows you up to 6 months and I believe your financial statements will be ready within 6 months.

That's when the disclosure is required, so you can sign the declaration form.

Now indicating that the information will be included in your financial statements, and we can always check it out when your financial statements are ready.

26:44

[Carmen Zubin](#)

Next question is from Rochelle. Will a confirmation be sent that the declaration was received.

26:53

[Nneka Onyenekwu](#)



That's a very good question. And actually, we should note to send a confirmation when we receive this declaration.

27:01

Carmen Zubin

So thank you. From Donna. Why is this form necessary when we send our budgets to ELCC, and this information is included in our budgets?

27:23

Nneka Onyenekwu

Okay, so your budgets, as I understand, should be projecting information for the next fiscal year.

So if you're referring to your audited financial statements, which will be reporting on the last fiscal year, then that's great. We just want to. It's for consistency to show or present evidence to the office of the provincial control of that we're in constant communication with our facilities, and we are making sure that they're aware.

And remember to always disclose this information. So all you need to do is sign a declaration form, which is not detailed and just check off, that this is included in your financial statement.

27:58

Carmen Zubin

Thank you. Question from Jennifer. If the executive director has signing authority, can they sign the declaration form, or does it have to be a board member?

28:11

Nneka Onyenekwu

Yes, as long as they are authorized to sign on behalf of the board, then they can sign that form.

28:20

Carmen Zubin

From Chris: one section says, the compensation statement is made on request, if not on website.

And another slide says to email them to ELCC. Do we wait for ELCC to request this information first?

28:32

[Nneka Onyenekwu](#)

Okay, so the form that does need to be emailed to ELCC is the Declaration Form.

But what we want to be available on request is the actual disclosure. So the Declaration Form. Please send those to us before July 7, and if we ever need to see the actual disclosure we can contact you as long as you've indicated that option.

29:05

[Carmen Zubin](#)

Okay, thank you. Donna has a question, and Donna says she's been researching executive director salaries for years. Is this information available to the public information on executive director salaries in general? Or are we publishing this information? I'm going to guess that meeting the threshold of \$85,000 a year.

29:27

[Nneka Onyenekwu](#)

Okay, so we will not be making this information that we receive public. It's only as public as the facility made it. If their financial statements are already public, then it's public. But what we're going to be doing is compiling a list of all those facilities that have complied or are aware of the Public Sector Compensation Disclosure Act, and they showed their awareness by completing the declaration of, so we just compiled a list of facilities that provided the Declaration form, we're not disclosing detailed information.

30:08

[Carmen Zubin](#)

Perfect. Thank you. And a question from Andy. If our fiscal year, ending on September 30, can we choose the option of the disclosure and audited financial statement definitely?

30:21

[Nneka Onyenekwu](#)

That is always an option that is available to you,

30:31

[Carmen Zubin](#)

Perfect, and a question from Donna. This will be our last question. We don't have any more that have come in. On the Public Sector Compensation Disclosure Act form, there's a section that has 'comments.' Do we include the list of staff over the \$85,000 threshold in this space?

30:47

[Nneka Onyenekwu](#)

No, that's not what those comments that comment section is for. It's for describing in more detail if you have any other means by which you intend to make this information available to us upon requests.

30:59

[Carmen Zubin](#)

So that's it. Thank you. That's all our questions for today.

31:14

[Nneka Onyenekwu](#)

Okay, so I'd just like to say, thank you very much to all our facilities that have joined us today.

I think it's quite a significant turnout, and I just want to reiterate here that we in Early Learning and Child Care are here to support you in complying with this. We know it's relatively new, but it's a great way of reminding ourselves on the requirements and all the legislation that we need to be complying with.

So, if you have any questions, please feel free to email our team of financial analysts and our email address, [ELCCfinance@gov.mb.ca](mailto:ELCCfinance@gov.mb.ca), and we will be reaching out to you if we haven't yet heard anything from you. We've not seen your declaration forms. Yes, we'll just send a follow-up so that we can collectively meet our July 7 Deadline.

So thank you very much, and enjoy the rest of your day.