



# Canada Wide – Early Learning & Child Care Plan

**County of Simcoe, Children Services  
Department**

**April 25 & 26, 2022**



# Overview

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The Government of Canada has identified child care as a national priority to enhance early learning and childhood development, support workforce participation and contribute to economic recovery.

Through its 2021 budget, the federal government committed to investing in a national child care system with all provinces and territories, as well as Indigenous organizations. As part of this agreement, Ontario will receive \$13.2 billion over six years beginning in 2021-22.

Funding under the CWELCC agreement will be used to build and leverage the success of Ontario's existing early learning and child care system by increasing quality, accessibility, affordability and inclusivity in early learning and child care.



# Ministry of Education's Key Priorities

- Affordability
    - \*Initial fee reduction of up to 25% retroactive to April 1<sup>st</sup>
    - \*Further reduction by the end of December 2022 to reduce child care fees by 50% on average
    - \*Third reduction in fees scheduled for September 2024 and final reduction to \$10/day on average by September 2025
- \*Fee reductions will also apply to daily parental contribution for families in receipt of fee subsidy
- Access
    - 86,000 new spaces, including 15,000 created since 2019
  - Quality
  - Inclusion
  - Enhanced Data and Reporting



# Role of the CMSM

- The County of Simcoe is the Consolidated Municipal Service Manager (CMSM) for Simcoe County, and the cities of Barrie and Orillia
- As the CMSM we are responsible for planning and managing licensed child care services and EarlyON Child and Family Centres
- The CMSM is required to follow provincial funding policy, which includes providing all licensed operators with an opportunity to enroll in and be approved to receive funding under the CWELCC plan.
- The Ministry of Education provides us with system and funding guidelines which govern our role, and we in turn work with EarlyON and Child Care operators to provide and manage applicable funding lines.



# Opting Out of CWELCC

Programs who do not wish to participate in the Canada-Wide Early Learning & Child Care plan, may opt out by submitting the applicable ministry form to the County of Simcoe.

When the County of Simcoe acknowledges and confirms that the program has opted out, the program may continue to run their operation under the existing provincial legislation and regulatory framework but will not receive CWELCC funding for 2022 and may continue to set their own fees.

If a program opts out in 2022, but changes their mind, they may apply in 2023. The application will be subject to funding availability.



# Enrollment Considerations

- All children aged birth to five years of age will be eligible in enrolled programs  
**\*Including children privately enrolled by the provider\***
- Program must be able to demonstrate financial viability
- Programs currently with no Schedule A – Fee Subsidy, in their contract, will be expected to work towards incorporating that by January 1, 2025 or sooner
- Funding will be provided as operating grants to cover eligible expenses
- Funding already contracted for 2022 will not be impacted
- Programs newly licensed in 2022 may not be eligible to receive other funding through the County



# Fee Reduction

- All licensed child care programs are now obligated to freeze the rates charged to families at the March 27, 2022 levels, unless the program had formally notified families of an upcoming fee increase, prior to March 27, they may proceed with the increase
- New licensed programs, or programs that are licensed for a new age group, or offer care to an age group they haven't served for 2 years or more, must follow the fee rate caps established by the Ministry of Education
- Once Licensees are enrolled in the CWELCC system and reduce their fees to the new base fee, the licensee is required to maintain its new base fee until they are either required to reduce them again, or they are no longer participating in the CWELCC system



# Fee Reduction – Home Child Care Example

Although not yet confirmed, the following calculation is expected to be used to determine a program's funding allocation:

Initial Allocation = (2021 parent fee X 2.6% inflation X 25% fee reduction) X number of licensed spaces

For Example if a provider has 5 children paying \$55 per day:

$$(\$55 \times 1.026 \times 0.25) \times 5 = \$70.54$$

The \$70.54 will be provided to the operator to cover eligible operating expenses, allowing the operator to reimburse the families 25% of their per diem.



# Fee Reduction – Centre-based Example

Although not yet confirmed, the following calculation is expected to be used to determine a program's funding allocation:

Initial Allocation = (2021 parent fee X 2.6% inflation X 25% fee reduction) X number of licensed spaces

For Example if a toddler room has 15 children paying \$55 per day:

$$(\$55 \times 1.026 \times 0.25) \times 15 = \$211.61$$

The \$211.61 will be provided to the operator to cover eligible operating expenses, allowing the operator to reimburse the families 25% of their per diem.



# Wage Floor

Wage Floor:

	2022	2023	2024	2025	2026
RECE	\$18	\$19	\$20	\$21	\$22
RECE Supervisor / RECE Home Visitor	\$20	\$21	\$22	\$23	\$24

- To determine where staff are in comparison to the wage floor, each year licensees must consider the individual's base rate and add GOG and WEG.
  - If the total is above the current wage floor, no change will occur.
  - If the total is below the wage floor, funding will be provided to bring the total up to the wage floor.



# Minimum Wage Offset

To be eligible to receive funds to offset the minimum wage increase in 2022, licensees must employ staff in a position categorized as:

- Non-RECE program staff
- Non-RECE child care supervisor
- Non-RECE home child care visitor

Staff employed in these positions were earning less than \$15 per hour (not including Wage Enhancement Grant) on March 31, 2021 or were hired after March 31, 2021 and before January 1, 2022 and had wages below \$15 per hour (not including Wage Enhancement Grant)

Staff hired after December 31, 2021 are not eligible for the minimum wage offset. Nor are staff employed in non-program positions such as cook, custodial etc



# Accountability Measures

The CMSM is required to review all financial components including cost and expense line items and make a determination on the following:

- Reasonability of the expenditure in comparison to other similar programs
- Eligibility of the expenditure – ineligible expenses must be excluded by CWELCC and may be funded by other income sources where applicable
- Transactions have been made at fair market value
- Transactions are not made with a related company
- Determine shared costs for programs that offer child care to eligible children (5 and under) and ineligible children (6 and over)

2022 is a transition year and as such, we will work with licensees on how to transition expenditures that do not meet the criteria



# Accountability Measures Cont'd

Other requirements:

- Licensees will be required to reconcile funding on a set time period – to be confirmed, but likely quarterly
- Licensees enrolled in CWELCC will be required to provide audited financial statements each year within four months of their fiscal year end
- CMSM staff are required to conduct financial reviews of licensee records to ensure ongoing compliance with the requirements of the CWELCC
- CMSM is required to set controls to ensure that the ability to generate undue profit is limited where provincial and/or CWELCC funding is being provided



# Enrolling in the CW-ELCC

Programs who would like to participate in the Canada-Wide Early Learning & Child Care plan, will be asked to follow an enrollment process through the County of Simcoe.

On or before May 2<sup>nd</sup>, operators will receive an enrollment package which will include:

- ✓ Enrollment form (required by all)
- ✓ Supplemental package (required by programs who do not currently have a contract with the County of Simcoe)
- ✓ MEDU Flow chart
- ✓ COS Flow chart



# Enrollment Timelines

- Operators must apply by September 1, 2022 in order to be considered for 2022 funding **\*Late submissions will NOT be accepted for 2022 funding\***
  - The County of Simcoe will process applications received after each of the following dates:
    - May 15, 2022
    - June 30, 2022
    - September 1, 2022
- \*Regardless of when an application is processed within this period, funding will be retroactive to April 1<sup>st</sup> or the date of licensing (if not licensed by April 1)
- When submitting your application to [ELCC@Simcoe.ca](mailto:ELCC@Simcoe.ca) you will receive a confirmation that we received your email. If you do not receive this confirmation within two business days, please contact us to follow up. \*Note, this confirmation does not equate to enrollment in the program.



# Funding Timelines

- Once the County of Simcoe has reviewed the application documents and is able to proceed, the program will receive confirmation that the program has been enrolled or is not eligible
- Within 14 days of receiving that email, the program must notify the families of the result
- If enrolled:
  - Within 31 days base fees must be reduced for applicable families by up to 25%
  - Within 60 days all applicable families must receive the fee rebate retroactive to April 1, 2022
  - By September 2022 the parent handbook must be updated



# Next Steps

- Enrollment packages will be sent out on or before May 2.
- Programs must apply for enrollment no later than September 1, 2022. **Late applications will not be accepted.**
- For programs wishing to proceed as soon as possible, applications should be submitted by May 15<sup>th</sup> to be processed with the first group of applications.
- Upon enrollment confirmation, once the funding is confirmed the funding schedule (and contract where applicable) will be sent out for signing.
- Notification to families and refunds must occur within the timelines indicated by the Ministry of Education.



# Questions?

Additional questions after the session  
may be sent to:

Zelia Alves or Samantha Zuercher

