



**City of Cornwall Children's Services
Division**

**Canada Wide Early
Learning and Child Care
Guideline and Application
Process**

For Child Care Service Operators

2024

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Introduction

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.

Funding under the Canada-Wide Early Learning and Child Care Agreement (CWELCC) 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, towards achieving the objectives of:

- a) Reaching an average base fee of \$10 a day in 2025-26 for licensed child care spaces by introducing a 25 per cent average base fee reduction in 2022, increased to a 50 per cent reduction (based on 2020 levels) for licensed child care starting on December 31, 2022;
- b) Creating 86,000 new, high-quality, affordable licensed child care spaces (relative to 2019 levels) by December 31, 2026, predominantly through not-for-profit licensed child care;
- c) Addressing barriers to provide inclusive child care; and
- d) Valuing the early childhood workforce and providing them with training and development opportunities.

The City of Cornwall is the designated Service System Manager for Child Care and the Early Years for Cornwall and the Counties of Stormont, Dundas and Glengarry. As such, the Children's Services Division has established policies and guidelines as well as an application process, contained within this document, which must be followed by all child care operators who choose to opt-in to the CWELCC system and access CWELCC funding through the Division.

To be eligible for CWELCC funding, child care operators must complete an application form (Appendix A) and submit it to the Children's Services Division.

If approved, Licensees will be required to enter into a contract for the CWELCC funding agreeing to operate under the criteria outlined in the City of Cornwall's "Canada Wide Early Learning and Child Care Guideline and Application Process" document.

As the CWELCC system is fully implemented it is anticipated that there will be a single parent fee for all participating programs, centres, and agencies, (regardless of the type of child care – evening, weekend, etc.) averaging \$10 a day when the system is fully implemented for children aged 0-5.

For any circumstance not covered within this local guideline, the provincial document, “2024 Canada-Wide Early Learning and Child Care Guidelines (Updated March 2024)” will be referenced for clarification.

Eligibility

The following requirements must be met by the Licensee for enrolment into the CWELCC system:

- Licensee may need to demonstrate financial viability to the Corporation (For example, where a Licensee has accumulated arrears, has not serviced their debt, or is approaching bankruptcy).
- Licensee must operate in accordance with their purchase of service agreement, the *Child Care and Early Years Act, 2014 (CCEYA)* and its regulations, as well as the requirements outlined by the City of Cornwall’s Children’s Services Division.
- Licensees must maintain existing (pre-CWELCC System announcement on March 28, 2022) licensed spaces for eligible children. Licensees may not convert any existing spaces for eligible children to other age groups (e.g., converting infant spaces to toddler, or infant spaces to kindergarten) in 2024.
- Licensees must communicate their CWELCC System enrolment status to all parents and staff within 14 days of the licensee being notified by the Corporation of the results of their application in accordance with O. Reg. 137/15.
- Licensees must complete the annual *Licensed Child Care Operations Survey*, as required under section 77 of O. Reg. 137/15 in order to continue to receive funding under the CWELCC System.
- Licensees must reduce and refund base fees in accordance with O. Reg.137/15. Licensees are required to keep an electronic or hard copy of their purchase of service agreement at the child care centre or home child care agency and make it available for Ministry inspection.
- Licensees must maintain their license in good standing in accordance with the CCEYA.
- Licensees must be willing to adhere to all requirements as set out in applicable legislation and the parameters in this guideline.
- Licensees must submit, upon request, sufficient and detailed financial information related to the operations of child care for eligible children, fee reduction, as well as staff supported with workforce compensation.

- Licensees must complete and submit an application, including all documentation and financial information requested, to the City of Cornwall's Children's Services Division to participate in the CWELCC System.

Licensees must communicate the outcome of their application (approval or denial to participate in the CWELCC system), in writing, to all parents and staff, within 14 days of receiving notification of the decision.

Licensees who are deemed eligible for CWELCC funding must also:

- Complete annually the *Licensed Child Care Operations Survey*, as required under section 77 of O. Reg. 137/15;
- Meet and maintain the requirements set by The City of Cornwall, as outlined in the annual Service Agreement, the Business Practice Guidelines for Child Care Operators' and the CWELCC Guidelines as well as operate in accordance with the *Child Care and Early Years Act, 2014 (CCEYA)* and its regulations;
- Be willing to work with the City of Cornwall Children's Services Division to develop a plan to ensure the inclusion of children with special needs in their program by January 1, 2025. The plan must outline the steps the Licensee will take to achieve full inclusion by January 2025 or earlier. Failure to maintain a fully inclusive program may result in the Licensee becoming ineligible to participate in the CWELCC program.
 - Licensees who do not have a current contract with the City of Cornwall Children's Services Division must submit their plan with their CWELCC application.
- Be willing to work with the City of Cornwall Children's Services Division to ensure eligible children in receipt of child care fee subsidy have access to their program by January 1, 2025.
- Have sound business management practices and be in good standing with respect to financial/contract reporting requirements.
- Ensure that all CWELCC funding provided is utilized in a way that is consistent with the intent of the funding.
- Provide audited financial statements on an annual basis.

The City of Cornwall will undertake audits on a random sample of Licensees in receipt of CWELCC System funding on an annual basis to confirm that funding has been used for its intended purpose.

Non-Participation

Once a Licensee has notified the City of Cornwall's Children's Services Division that they will not participate in the CWELCC System, they may continue to run their operations under the existing provincial licensing and regulatory framework and purchase of service agreements (if applicable).

Licensees that do not participate will not receive CWELCC System funding and may continue to set out their own parent fees. Licensees are required to indicate in their parent handbook that they are not participating in the CWELCC system and must include their fee amounts.

Unlicensed child care programs, including unlicensed home child care, authorized recreational programs and school board-operated extended day programs, are not eligible to participate in the CWELCC System.

Application Process

To Opt-In to the CWELCC System

The decision to either opt-in or opt-out of the CWELCC system is a duty of the Board of Directors for each Licensee. As such, it is a requirement that the Board of Directors meet, discuss the CWELCC system and determine the Licensees participation in the CWELCC system through a vote. A copy of the Board Minutes where the vote took place must be submitted with the application or the opt-out form, as applicable.

Licensees who wish to participate in the CWELCC system must apply to the City of Cornwall's Children's Services Division using the municipal application form available on the City's website.

- The City of Cornwall may enrol into CWELCC only those licensees that align with the region's approved Directed Growth allocation and the provincial Access and Inclusion Framework, and the City of Cornwall has the discretion to deny enrolment to licensees where the program is not consistent with the local Directed Growth Plan.

The following documents are required to be submitted with each application submitted:

- Proof of Not-for-Profit Status (if applicable): Letters patent / Articles of Incorporation
- License Issued by the Director under the CCEYA (Ministry of Education)
- Certificate of Insurance (confirming a minimum \$5,000,000 liability)

insurance and listing The City of Cornwall as additionally insured)

- Annual operating budget
- Audited Financial Statement for the prior year (not applicable for new Licensees without an existing service agreement)
- Any other documentation as requested by the City of Cornwall's Children's Services Division
- Copy of Board Minutes where CWELCC participation was approved
- Plan to ensure the full inclusion of children with special needs in their program by January 1, 2025

All applications will be reviewed by The City of Cornwall to determine if Licensees meet the eligibility requirements to be enrolled in the CWELCC System. This includes a review of the Licensees financial information to determine financial viability.

Once an application has been accepted, Licensees must enter into a service agreement or service agreement amendment with The City of Cornwall and agree to operate under the criteria outlined in the CWELCC Guideline.

Under the CWELCC System, there may be exceptional circumstances where The City of Cornwall has strong concerns around entering into a purchase of service agreement with a Licensee. Exceptional circumstances include:

- The Licensee is unable to demonstrate financial viability (For example, where a Licensee has accumulated arrears, has not serviced their debt, or is approaching bankruptcy).
- The City of Cornwall has concerns that the Licensee will use the funding for improper purposes.

In these cases, The City of Cornwall reserves the right to deny the request to enter into a purchase of service agreement and be part of the CWELCC system. Notice of denial will be provided to the Licensee, in writing, including the reason for the denial.

A Licensee will be deemed not viable if they have accumulated arrears, have not serviced their debt, or are approaching bankruptcy, and/or has business practices that are not conducive to effectively operating a business (such as, but not limited to: poor book keeping practices, lack of appropriate staffing for required tasks, etc.)

The Children's Services Division will work with all licensed child care operators who apply to be part of the CWELCC system to align their budgets and business

practices to be eligible to have their application approved. Licensees who are unwilling to work with the Children's Services staff to align their budgets and business practices will be denied entry into the CWELCC system.

Appeal Process

Licensees whose application has been denied may request, in writing, a review of this decision within 10 business days of receiving notification from the City of Cornwall's Children's Services Division. The written request must include a statement requesting the review, the reasons for disagreeing with the decision, the name and signature of the Licensee. Requests for review are to be submitted to the Children's Services Manager at kgreaves@cornwall.ca.

A meeting will be held within two weeks of receiving the request to review the rationale for the denial and provide the Licensees with an opportunity to provide additional information that may result in a change to the application status. The Licensee may withdraw the request for a review before the process is completed. All decisions rendered through the review process are final.

After this meeting, The Children's Services Division will review all documentation and will communicate a decision of the review, in writing, to the Licensee within 14 business days of the meeting.

To Opt-Out of the CWELLC System

To opt-out of the CWELCC system, please complete one Licensee Opt-Out form per each licensed centre-based site or licensed home child care agency.

Fee Reduction

Licensees who join the CWELCC system will follow a graduated approach to fee reductions beginning Spring 2022 as follows:

- A fee reduction of up to 25% (to a minimum of \$12 per day) for eligible children retroactive to April 1, 2022.
- A 50% fee reduction on average for eligible children by January 2023.
- \$10 per day average child care fees for eligible children by the end of fiscal year 2025-26.

An eligible child means:

- Any child under 6 years old; and
- up-until June 30 in a calendar year, any child who,

- Turns six years old between January 1 and June 30 in that calendar year; and
- is enrolled in a licensed centre based or home child care program.

The following terms and conditions relating to the fee reduction portion of the CWELCC system funding will be enforced for all Licensees who are approved to participate in the CWELCC system:

- Licensees' base fees must be determined in accordance with the requirements set out in O. Reg. 137/15 under the CCEYA.
- Licensees must reduce base fees for eligible children only. The term 'eligible children' is defined in O. Reg. 137/15.
- Licensees are required to provide a refund to parents where a base fee higher than the reduced base fee is charged for an eligible child, retroactive to the Licensee's CWELCC System enrolment date and for any period after the CWELCC enrolment date where excess base fees has been prepaid for.
- Licensed home child care agencies participating in the CWELCC System must ensure that home child care providers charge parents of eligible children a base fee determined in accordance with O. Reg. 137/15, which applies to children who are agency placed and those children that are privately placed in the provider's care.
- 21 days after a Licensee is notified by the Corporation of their enrolment date, the Licensee cannot charge a base fee that is higher than the applicable base fee for an eligible child.
- 20 days after a Licensee receives funding from the Corporation, the Licensee is required to provide refunds to parents for any fees paid that were higher than the reduced base fees paid, for any higher base fees that were prepaid for a period after the enrolment date, and any refunds related to reductions in parental contributions families in receipt of fee subsidy for the applicable period.
- Licensees are required to maintain the reduced base fees until they are either required to reduce them again, or if they are no longer participating in the CWELCC System.
- In the case where a Licensee transfers shares of the corporation the licensee continues to be bound by the requirements in O. Reg. 137/15 relating to base fees and non-base fees. In the case where a Licensee sells all of its assets and ceases to be licensed, the purchasing corporation must apply for a licence under the CCEYA and may submit an application

to enroll in the CWELCC System, in which case the base fee and non-base fee rules in O. Reg. 137/15 apply to the applicant.

- The Corporation has the right to verify the timeliness and accuracy of refunds and fee reductions made by Licensees.

For children enrolled in a home child care setting that is associated with a Licensed Home Child Care Agency, the fee reduction will apply to children who are agency placed as well as to children who are privately placed in the provider's care.

Families accessing subsidized child care will also see financial relief under the CWELCC system through a reduction in their parental contribution, as long as the family has at least one eligible child. Fee subsidy staff will calculate the reduced parental contribution using a calculation that has been provided by the Ministry of Education.

During the term of the CWELCC system funding agreement, the licensed child care program may not exceed two consecutive weeks of closure, and not more than four weeks of closure within a calendar year while still receiving full funding from the CWELCC System. Full parent fees cannot be charged for any closure above and beyond these timelines.

The City of Cornwall's Children's Services Division will work with Licensees to determine an initial base fee, in the case where the fee charged to parents does not include all required elements (e.g., parents are charged separately for meals, which is a requirement under regulation), or to exclude elements that should not be included in a base fee. As required, Children's Services will adjust a Licensee's base fee which will serve as the starting point prior to applying the fee reduction.

A budget spreadsheet will be provided to the Licensees (Appendix B) to ensure that the base fee includes all required elements and excludes elements that are not to be included in the base fee.

Any funding not used for the intended purposes will be recovered by the City of Cornwall's Children's Services Division.

Licensees must keep an electronic or hard copy of their purchase of service agreement with the City of Cornwall at the child care centre or home child care agency and make it available to the Ministry upon request.

Workforce Compensation

Licensees who opt-in to the CWELCC system will receive workforce compensation funding to support Registered Early Childhood Educators (RECEs) who are low wage earners through the implementation of a wage floor and an annual wage increase. To be eligible to receive workforce compensation funding, RECEs must be employed by a Licensee that is participating in the CWELCC System and be in a position categorized as:

- RECE Program Staff
- RECE Child Care Supervisor
- RECE Home Child Care Visitor

The wage floor and annual increase will not apply to the following positions:

- Non-RECE program staff
- Non-program staff
 - Cook and custodial staff (unless the staff is a RECE and spends at least 25% of their time supporting ratio requirements as outlined in the CCEYA).
 - Other non-program staff positions
 - SNR-funded resource teachers/consultants and supplemental staff.
 - Staff hired through a third party (i.e., temp agency).
- Director approved staff (staff working in an eligible position but do not have their RECE designation)

In addition, Licensees will be required to apply for the Wage Enhancement Grant to be eligible for the wage floor or annual wage increase under the CWELCC System. Wage enhancement funding will be added to the base wage of staff when considering eligibility for the wage floor and annual wage increase.

Upon receiving confirmation of participation in the CWELCC System from the City of Cornwall's Children's Services Division, and as new staff are hired, Licensees are required to share, in writing, information about the wage floor and annual wage increase with eligible staff. The information must provide eligible staff with an understanding of upcoming annual changes to their wages as a result of workforce compensation funding. At a minimum, the information about wages must include the wage floor and required annual wage increase for each year up to and including 2026.

Workforce compensation must:

- Be included in each pay cheque or payment made to eligible staff.
- Be considered in addition to and must not reduce other planned compensation increases for eligible staff.

Additional workforce compensation funding will be provided to Licensees to offset wage increases for non-RECE staff associated with the increased minimum wage.

The Province of Ontario is contributing funding as part of the workforce compensation allocation which will be used for compensation for staff in licensed child care programs serving children aged 6 to 12, who are currently ineligible to apply for participation in the CWELCC System, to ensure equity of wages across staff serving different age groups, and to avoid these increases being passed onto parents through higher fees.

As part of the application process Licensees will be required to complete a workforce template (Appendix C) to calculate the amount of funding they will receive for the workforce compensation component of the CWELCC funding.

Licensees with program serving eligible children who choose to opt-out of the CWELCC system will not be eligible to access workforce compensation funding.

Wage Floor

Licensees who opt-in to the CWELCC system are required to bring the wage of all eligible staff up to the wage floor identified in the table below, plus benefits. All eligible staff hired during the identified years must earn at least the wage floor identified for that year, plus benefits as defined below.

The wage floor for 2022 came into effect April 1, 2022. For all following years, the wage floor will come into effect on January 1 of each year.

Licensees will be permitted to continue to pay eligible staff below the wage floor for thirty-one calendar days after the City of Cornwall's Children's Services Division notifies them that they are participating in the CWELCC System. On and after the 32nd day after the Licensee is notified by the City of Cornwall's Children's Services Division of the participation date, the Licensee would be required to pay eligible staff at least the wage floor.

Licensees would then be given one additional month (for a total of 60 calendar days from the day they were notified by the City of Cornwall's Children's Services Division) to provide staff with a retroactive payment for any wages that were

below the wage floor, retroactive to the date of their confirmed participation in the CWELCC System.

Hourly Wage Floor 2022 to 2026*

| | 2022 | 2023 | 2024 | 2025 | 2026 |
|--|------|------|---------|---------|---------|
| RECE Program Staff | \$18 | \$19 | \$23.86 | \$24.86 | \$25.86 |
| RECE Child Care Supervisors and RECE Home Child Care Visitors | \$20 | \$21 | \$24.86 | \$25.86 | \$26.86 |

*In addition to the hourly wage, staff are required to receive benefits.

Annual Wage Increase

Effective each January 1 from 2023 to 2026, CWELCC-enrolled licensees must increase the hourly wage of eligible RECE staff whose wages (including WEG) fall below the wage eligibility ceiling for the year. For clarity, to receive the annual wage increase for 2024, eligible RECE program staff must be receiving WEG funding, and their hourly wage including WEG on December 31, 2023 must be below \$26 per hour. For eligible RECE child care supervisors and RECE home child care visitors, their hourly wage including WEG on December 31, 2023 must be below \$29 per hour.

Wage eligibility ceilings for 2022 through 2026 are set out in the table below.

| Wage Eligibility Ceiling 2022 to 2026* | 2022 | 2023 | 2024 | 2025 | 2026 |
|--|-------------|-------------|-------------|-------------|-------------|
| RECE Program Staff | \$25.00 | \$25.00 | \$26.00 | \$27.00 | \$28.00 |
| RECE Child Care Supervisors RECE Home Child Care Visitors | \$25.00 | \$25.00 | \$29.00 | \$30.00 | \$31.00 |

Minimum Wage Offset Eligibility

To be eligible for the minimum wage offset, Licensees must be participating in the CWELCC System and employ staff in a position categorized as:

- Non-RECE Program Staff
- Non-RECE Child Care Supervisor
- Non-RECE Home Child Care Visitor

As of October 1, 2023, minimum wage legislation requires licensees to bring the wages of their staff to at least \$16.55 per hour.

To offset the cost of increasing minimum wage for an eligible non-RECE position that earned \$15 per hour in 2022, the minimum wage offset funding would be cumulative up to \$1.55 in 2024 (that is, \$16.55 per hour minus \$15 per hour).

Minimum wage offset funding is tied to the position and not the individual staff. This means that licensees can receive minimum wage offset funding of up to \$1.55 for eligible non-RECE staff in eligible positions in 2024, whether those staff are continuing in their existing position, newly filling an existing eligible position, or filling a newly created eligible position.

The minimum wage offset funding will not apply to the following positions:

- Non-program staff
 - Cook and custodial staff (unless the staff is a RECE and spends at least 25% of their time supporting ratio requirements as outlined in the CCEYA).
 - Other non-program staff positions
 - SNR-funded resource teachers/consultants and supplemental staff.
 - Staff hired through a third party (i.e., temp agency).

Benefit Funding

Workforce compensation funding includes up to 17.5 per cent in benefits. Benefits of up to 17.5 per cent must support Licensees in meeting their statutory benefit requirements.

Once all statutory benefit requirements are met (including up to 2 weeks of vacation and 9 statutory days), any remaining funding within 17.5 per cent can be used to fund other benefit expenses paid by the employer on behalf of the employee.

Cost Escalation

Licensees who are participating in the CWELCC system will be provided cost escalation funding to address operating cost increases beyond the control or discretion of the licensee, such as salaries and wages, benefits, operations and accommodations.

The following terms and conditions relating to the cost escalation portion of the CWELCC system funding will be enforced for all Licensees who are approved to

participate in the CWELCC system:

- The Corporation has the right to review Licensee budgets, costs trends, and operating expenses, to assess whether costs are within the licensees control or discretion.

Emerging Issues

Licensees who are participating in the CWELCC system may apply to the Children's Services Division for emerging issues funding to address non-discretionary cost pressures.

To be eligible for emerging issues funding, Licensees must demonstrate:

- That their operating non-discretionary expenses for eligible spaces exceeds their corresponding revenue from all sources,
- That other options (such as implementing efficiencies, other government funding) do not cover their eligible costs, and
- Financial viability.

Costs are eligible if they are:

- Legitimately (properly and reasonably) incurred for child care delivery (that is, required by a licensee to provide care under the CCEYA and its regulations or, if above the regulated requirements, not an optional service);
- Necessary, economical, and with due regard for health and safety;
- Non-discretionary (i.e., cost(s) that the operator must incur, such as arms-length cost increases, requirements to meet health and safety needs or legislative/regulatory obligations); and
- Incurred in relation to the provision of child care for eligible children. Where child care is also provided to ineligible children (such as children aged 6 to 12), costs must be prorated using a method that is reasonable, in the opinion of the City of Cornwall's Children's Services Division.

Additional Information

The City of Cornwall's Children's Services Division reserves the right to require Licensees to complete and submit additional information, forms and reporting templates as deemed necessary.

The City of Cornwall's Children's Services Division will make available to Licensees additional information about the CWELCC system as it become available.

These guidelines will be posted on the City of Cornwall's website: [CWELCC Information](#)

The CWELCC application form and associated templates will also be posted on the website with the guidelines.

Please submit the completed application with all supporting documents to cs-reporting@cornwall.ca