



# Canada-Wide Early Learning and Child Care Application Process



**CWELCC**

# Table of Contents

Introduction.....	1
Service Provider Eligibility.....	2
Application Process.....	3
Appendix A: Application for Licensees.....	7
Appendix B: Workforce Compensation Funding Application.....	12
Appendix C: Supporting Documents and Checklist .....	16

## **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) Providing a reduction in average parent costs (based on 2020 levels) for licensed early learning and child care and reaching an average parent fee of \$10 a day by 2025-26 for licensed child care spaces;
- b) Creating 86,000 new high-quality, affordable licensed child care spaces (relative to 2019 levels), 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.

## **Role of the Service System Manager**

As the Service System Manager, Lanark County is responsible for the planning, funding, oversight and accountability in managing licensed child care services in Lanark County, including the CWELCC System. As such, Lanark County has created this document to establish the process for Licensees to apply for enrollment in the CWELCC system. In addition to the application process, Lanark County has developed CWELCC Guidelines that outline the terms and conditions of the CWELCC System, funding approach, Licensee responsibilities, financial accountability, and reporting requirements.

## **Overview**

Participating in the CWELCC system is optional; however, child care Licensees are encouraged to participate so that families can benefit from reduced fees.

New Licensees who do not have contracts with Lanark County are eligible to apply for CWELCC funding.

## Policies

Corresponding policies related to CWELCC application funding are:

- Policy# CC-02.13.0: Canada-Wide Early Learning and Child Care System: Application Process
- Policy# CC-02.13.1: Canada-Wide Early Learning and Child Care System: Fee Subsidy
- Policy# CC-02.13.2: Canada-Wide Early Learning and Child Care System: Workforce Compensation Licensees must adhere to all Lanark County policies related to CWELCC funding

## Service Provider Eligibility

All Licensees with programs serving children under the age of 6 (or turning 6 before June 30) in Ontario are eligible to apply to participate in the CWELCC System.

Licensees deemed eligible for a CWELCC service agreement with Lanark County, must:

- Have a current clear and valid license issued by the Ministry of Education under the Child Care and Early Years Act;
- Demonstrate financial viability;
- Maintain existing licensed spaces for children ages 0-5 (e.g., a licensed infant space must remain an infant space);
- Maintain existing parent fee rates, as of March 27, 2022 unless previously communicated to parents. Licensees who obtain their license after March 27, 2022 will be required to set parent fees at or below the regional maximum, as set out by age group pursuant to O.Reg. 137/15 of the CCEYA;
- Complete and submit a CWELCC Application including all the required paperwork and financial information requested;
- Complete the annual *Licensed Child Care Operations Survey*, as required under section 77 of Reg. 137/15
- Meet and maintain the requirements set by Lanark County, as outlined in the Service Agreement and CWELCC Guidelines as well as operate in accordance with the *Child Care and Early Years Act, 2014 (CCEYA)* and its regulations;
- The child care spaces must be located within Lanark County;
- Be inclusive of children with special needs;
- Be inclusive of children in receipt of child care fee subsidy; and
- Meet workforce compensation obligations with respect to providing wage increases to eligible staff.

## **Application Process**

### **Participating in the CWELCC Program**

Please complete one application form (Appendix A: CWELCC Fee Subsidy and or Appendix B CWELCC Workforce Compensation) for licensed child care centre-based or licensed home child care agency.

### **How are Applications Reviewed**

Lanark County will review all applications to determine if Licensees meet the eligibility requirements in order to be enrolled in the CWELCC System. This includes a detailed review of the Licensee's financial information to determine sustainability and financial viability, as well as eligibility and reasonability of revenues, costs and expenses.

Once an application has been accepted, Licensees must enter into a service agreement or service agreement amendment with Lanark County and agree to operate under the criteria outlined in the CWELCC Guideline. The service agreement will include, but is not limited to, detailed information on the funding being provided, identification of any ineligible expenses, confirmation of the initial base fees for each licensed child care program expectations as well as the timelines Licensees will need to adhere to.

### **Denying an Application**

Under the CWELCC System, there may be exceptional circumstances where Lanark County has strong concerns around entering into a purchase of service agreement with a Licensee.

Exceptional circumstances include (among other reasons) Lanark County having reason to believe:

- The licensed child care centre or licensed home child care agency is not financially viable or will not be operated in a manner that will be financially viable; or
- The Licensee will use the funding for improper purposes.
- The program/space to be created is inconsistent with the CMSM's/DSSAB's child care and early years programs and services plan with respect to:
  - (i) the demand for child care, and
  - (ii) the capacity and locations of existing child care centres and premises where home child care is provided.

In these cases, Lanark County reserves the right to deny the request to enter into a purchase of service agreement. Lanark County will provide notice to the Licensee, in writing, of the denial along with the rationale.

## **Appeal Process**

Please see POLICY# CC-02.13.0: CANADA-WIDE EARLY LEARNING AND CHILD CARE SYSTEM: APPLICATION PROCESS

Licensees whose application has been denied, may request a review of this decision within 5 days of receiving notification from Lanark County regarding the denial, by submitting such request in writing to the Manager of Children's Services at [cs@lanarkcounty.ca](mailto:cs@lanarkcounty.ca).

A meeting will be held within two weeks of receiving the request to review in order to review the rationale for the denial and provide the Licensee with an opportunity to provide additional information that may result in a change to the application status.

After this meeting, Lanark County will review all documentation and will communicate a decision of the review, in writing, to the Licensee within 14 days of the meeting.

## **Programs Serving Children Aged 6-12**

Licensed child care programs serving children aged 6 to 12 are ineligible to apply for participation in the CWELCC fee reduction system, however; they may apply for CWELCC workforce compensation funding in order to ensure equity of wages across staff serving different age groups, and to avoid these increases being passed onto parents through higher fees.

Licensees who wish to apply for the CWELCC workforce compensation funding may complete the Workforce Compensation Funding Application (Appendix B).

## **Financial Viability**

Definition:

Financial viability is the ability to generate sufficient income to meet operating payments, debt commitments and, where applicable, to allow growth while maintaining service levels.

Determination of Financial Viability: Financial viability will be assessed by using Quantitative and Qualitative factors. Some of the tools used in the determination include the submitted financial statements and the answers to the questions within the CWELCC Application.

Note: Any licensee accepted into the CWELCC program is required to submit yearly audited financial statements as long as they remain in the program. For entities that provide more than child care services this includes having a separate schedule within their audited statements for the childcare segment of their operations.

**Application for Licensees**

**LICENSEE INFORMATION**

**Licensee Name:**

**Date:**

**Office Location Address:**

**Contact Name:**

**Position:**

**Business Telephone:**

**Email:**

**Type of Licensee:**

Corporation

Individual

**Years in Business:**

**Auspice:**

For-profit

Not-for-Profit

**Type of Organization:**

Licensed Child Care Agency

Licensed Home Child Care Agency

**Type of Program:**

Indigenous

Francophone

Nursery School

Montessori

**REQUEST TYPE**

New Service Agreement (Currently do not have a purchase of service agreement with Lanark County and want to participate in CWELCC)

Change to existing Service Agreement (Currently have a purchase of service agreement with Lanark County and want to participate in CWELCC)

**TYPES OF SERVICES PROVIDED AND HOURS OF CARE**

**Number of Weeks    Hours per Week**

Full-day child care:

Part-time child care:

Before and After School Programs (4-5 years):

Before and After School Programs (6-12 years):

Full-day school age program (4-5 years):

Full-day school-age program (6-12 years):

Licensed Home Child Care Agency:

**Licensed Capacity (As indicated in your schedule 1 of your Ministry of Education license).**

Number of Licensed Home Child Care sites (providers):

	Licensed	Average Operating	Number of Rooms	Number of Sites
Infant				
Toddler				
Preschool				
Kindergarten				
School-Age				
Family Groups				
Total				

**Base Fees**

Base fees are any fees or part of a fee that is charged in respect of a child in child care (If the Licensee requires parents to pay for something and it is not optional, then it is included in the base fee). This includes anything the Licensee is required to provide under O.Reg 137/15, or anything the Licensee requires the parent to purchase from the Licensee, but does not include a non-base fee. Base fee information should be the fees as of March 27, 2022 or CMSM approved for new licensees after March 27, 2022. All base fee information should be calculated on a daily basis even if your fees are typically calculated on an hourly, weekly, bi-weekly, monthly or annual basis. Include your standard fees for children in each age group who are not receiving a fee subsidy.

Licensed Age Group	Base Fee (\$)	Not Applicable
Full Day (6 hours or more)		
Infant <18 months		
Toddler 18-29months		
Preschool 30 months to 6 years		
Kindergarten 44 months to 7 years		
Family Age Grouping (schedule 4)		
School Age		
Half Day (< 6 hours)		
Infant <18 months		
Toddler 18-29 months		
Preschool 30 months to 6 years		
Kindergarten 44 months to 7 years		
Family Age Grouping (schedule 4)		
School Age		
Before or After School Only		
Kindergarten (44 months to 7 years)		
School age		
Before AND After School Only		
Kindergarten (44 months to 7 years)		
School age		

## **Capacity**

If you are not operating at capacity please state why and what you are doing to get to capacity:

## **Staffing**

Please indicate the number of staff in each designation. Do not include staff such as: cook, custodial and non-program staff positions, Special Needs Resource funded resource teachers/consultants and supplemental staff (LEIP staff), staff hired through a third party (temp agency).

Please note that qualified employees, supervisors or home child care visitors that are not RECEs (Registered Childhood Educators) but are otherwise approved by a director under the Child Care and Early Years Act, 2014 (CCEYA) are not eligible for the wage floor or annual wage increase.

## **Terms of Application:**

Please initial if you agree and understand that:

I understand this is an application to determine eligibility to enroll in CWELCC System funding and to enter a Purchase of Service Agreement with Lanark County. I have read and understand the requirements associated with CWELCC System funding as outlined in the Lanark County Policies, including eligible and ineligible expenses and requirements set out under O. Reg 137/15.

I understand that, as the licensee, upon approval of my application for enrollment in the CWELCC System, the following terms and conditions apply to my enrollment:

- Licensees must maintain the age 0-5 spaces for which they are receiving funding to reduce base fees for eligible children. (e.g., a licensed infant space must remain an infant space). Any revisions or use of alternate capacity must be reported to Lanark County. Lanark County may determine whether this may require recovering funding from the Licensee.
- As part of the initial roll out of the CWELCC System, Licensees are encouraged to work with Lanark County to develop a plan to ensure eligible children who receive fee subsidy and children with special needs have access to the Licensee's child care programs by January 1, 2025.

- CWELCC funding amounts to Licensees will be determined at the discretion of Lanark County. Licensees need to demonstrate financial viability to Lanark County. In exceptional cases where the Licensee is not able to demonstrate financial viability, or if Lanark County has strong concerns that the funding will be used for improper purposes, Lanark County may deny a licensee's enrollment in the CWELCC.
- Licensees must maintain existing cost structures in child care for eligible children, subsequent to March 27, 2022. Licensees acknowledge that Lanark County has the right to review a Licensee's base fee and may require Licensees to make adjustments to the base fee as determined by Lanark County.
- Licensees must provide sufficient and detailed financial information for review in accordance with the funding, accountability and reconciliation process as determined by Lanark County.
- Licensees must submit audited financial statements and other financial information as determined by the Lanark County to verify that the funding provided was used for the purpose(s) intended. Where a Licensee fails to meet this requirement, funds may be recovered, or the Licensee may be ineligible to receive future funding.
- Lanark County has discretion to determine reasonability and eligibility of a Licensee's costs and expenses, and to adjust funding provided based on Lanark County's review.
- Any adjustments and recoveries of funding will be determined at the discretion of Lanark County based on the CMSM's/DSSAB's reconciliation process.
- For for-profit child care Licensees, annually the net profit will be determined at the discretion of Lanark County. Where net profit would otherwise exceed this threshold, the Licensee will be required to return excess funding.
- Licensees will be required to apply for the Wage Enhancement Grant to be eligible to receive funding to implement the wage floor and wage increase for Registered Early Childhood Educators employed by the Licensee.
- If a program charges fees to parents/guardians during a closure period, a licensed child care program may not exceed two consecutive weeks of closure, and not more than four weeks of closure within a calendar year. Note, CMSMs/DSSABs have the discretion to further restrict the period of closure (that is, may not exceed 10 consecutive days) or to allow the calculation of closure days to be based on the school year as opposed to a calendar year, if the total number of days does not exceed the allowable amount as determined by the Province and the CMSM/DSSAB.
  - For closures due to events outside a licensee's control (for example, a natural disaster/major weather event, pandemic, school board strike) the days of closure are not counted toward the closure limits set out above. Licensees must permit Lanark County to audit financial and service records related to the CWELCC System at any reasonable time.

- Licensees must adhere to all requirements as set out in applicable legislation, regulation and local requirements as provided by Lanark County policies.
- Licensee does not have any pending litigation or other issues that would put the viability of the entity at risk.
- To increase the wages of Registered Early Childhood Educators to support a mandated wage floor and an annual wage increase as well as any other requirements set by Lanark County.

I understand that should the application be approved, a Service Agreement will not be provided for signature until all financial, operating and licensing requirements are met, and the licensee complies with all legislative requirements and Lanark County policies.

I hereby attest that the information included in the application form is accurate at the time of submission.

I attest that there are no material issues that would negatively affect the financial viability of the centre/licensed home child care agency that have not otherwise been disclosed.

Name:

Title:

Date:

Signature:

*I have authority to bind the corporation/organization*



Appendix B

Canada-Wide Early Learning and Child Care System
Application for Licensees: Workforce Compensation Funding

LICENSEE INFORMATION

Licensee Name:

Date:

Office Location Address:

Contact Name:

Position:

Business Telephone:

Email:

Type of Licensee: Corporation Individual Years in Business:

Auspice: For-profit Not-for-Profit

Type of Organization: Licensed Child Care Agency Licensed Home Child Care Agency

Type of Program: Indigenous Francophone Nursery School Montessori

REQUEST TYPE

New Service Agreement (Currently do not have a purchase of service agreement with Lanark County and want to participate in CWELCC)

Change to existing Service Agreement (Currently have a purchase of service agreement with Lanark County and want to participate in CWELCC)

TYPES OF SERVICES PROVIDED AND HOURS OF CARE

Number of Weeks Hours per Week

Full-day child care:

Part-time child care:

Before and After School Programs (4-5 years):

Before and After School Programs (6-12 years):

Full-day school age program (4-5 years):

Full-day school-age program (6-12 years):

Licensed Home Child Care Agency:

## **Staffing**

Please indicate the number of staff in each designation. Do not include staff such as: cook, custodial and non-program staff positions, Special Needs Resource funded resource teachers/consultants and supplemental staff (LEIP staff), staff hired through a third party (temp agency).

Please note that qualified employees, supervisors or home child care visitors that are not RECEs (Registered Early Childhood Educators) but are otherwise approved by a director under the Child Care and Early Years Act, 2014 (CCEYA) are not eligible for the wage floor or annual wage increase.

## **Terms of Application:**

Please check if you agree and understand that:

I understand this is an application to determine eligibility to enroll in CWELCC System funding and to enter a Service Agreement with Lanark County. I have read and understand the requirements associated with CWELCC System funding as outlined in the Lanark County Policies, including eligible and ineligible expenses and requirements set out under O. Reg 137/15.

I understand that, as the licensee, upon approval of my application for enrollment in the CWELCC System, the following terms and conditions apply to my enrollment:

- Licensees are required to reduce their base fee and to increase the wages of Registered Early Childhood Educators to support a mandated wage floor and an annual wage increase as well as any other requirements set by Lanark County.
- Licensees must maintain the age 0-5 spaces for which they are receiving funding to reduce base fees for eligible children. (e.g., a licensed infant space must remain an infant space). Any revisions or use of alternate capacity must be reported to Lanark County. Lanark County may determine whether this may require recovering funding from the Licensee.
- As part of the CWELCC System, Licensees are encouraged to work with Lanark County to develop a plan to ensure eligible children who receive fee subsidy and children with special needs have access to the Licensee's child care programs.

- CWELCC funding amounts to Licensees will be determined at the discretion of Lanark County. Licensees need to demonstrate financial viability to Lanark County. In exceptional cases where the Licensee is not able to demonstrate financial viability, or if Lanark County has strong concerns that the funding will be used for improper purposes, Lanark County may deny a licensee's enrollment in the CWELCC.
- Licensees must provide sufficient and detailed financial information for review in accordance with the funding, accountability and reconciliation process as determined by Lanark County.
- Licensees must submit audited financial statements and other financial information as determined by the Lanark County to verify that the funding provided was used for the purpose(s) intended. Where a Licensee fails to meet this requirement, funds may be recovered, or the Licensee may be ineligible to receive future funding.
- Lanark County has discretion to determine reasonability and eligibility of a Licensee's costs and expenses, and to adjust funding provided based on Lanark County review.
- Any adjustments and recoveries of funding will be determined at the discretion of Lanark County based on the CMSM's/DSSAB's reconciliation process.
- For for-profit child care Licensees, annually the net profit will be determined at the discretion of Lanark County. Where net profit would otherwise exceed this threshold, the Licensee will be required to return excess funding.
- Licensees will be required to apply for the Wage Enhancement Grant to be eligible to receive funding to implement the wage floor and wage increase for Registered Early Childhood Educators employed by the Licensee. See the Lanark County Funding Guidelines for further details.
- During the term of the CWELCC funding agreement, the licensed child care program may not exceed weeks of closure, and not more have than four weeks of closure in a calendar year while still receiving full funding from the CWELCC System. Base fees cannot be charged for any closure above and beyond these timelines. Proration will occur if closures exceed these amounts.
- Licensees must permit Lanark County to audit financial and service records related to the CWELCC System at any reasonable time.
- Licensees must adhere to all requirements as set out in applicable legislation, regulation and local requirements as provided by Lanark County policies.
- Licensee does not have any pending litigation or other issues that would put the viability of the entity at risk.

I understand that should the application be approved, a Service Agreement will not be provided for signature until all financial, operating and licensing requirements are met, and the licensee complies with all legislative requirements and Lanark County policies.

I hereby attest that the information included in the application form is accurate at the time of submission.

Name:

Title:

Date:

Signature:

*I have authority to bind the corporation/organization*

## **Appendix C: Acceptance Checklist and Supporting Documents**

### **Acceptance Checklist/Required Supporting Documents:**

- Application filled out in entirety;
- Letters patent/articles of incorporation submitted;
- Licensees with Boards or Councils must submit formal passed resolution noting approval to apply and implement CWELCC funding;
- Copy of License issued by the director under the CCEYA provided and check for good standing;
- Certificate of Insurance that confirms \$5,000,000 liability submitted (for those entering into a new service agreement: CWELCC);
- Financials from a certified accountant or audited financials for the previous five years;
- New Licensees must include detailed business plan including budgets;
- Verification of current reserve balance including date of balance, type of reserve (ex. operational, capital, etc.); and
- Parent Handbook with updated information regarding CWELCC.

### **Required Documents for Financial Viability:**

- Proof of Liability Insurance;
- Audited Financial Statements for the previous five years;
  - In the case where the audited financial statements are for an entity that provides more than just child care services and the statements do not contain a separate schedule for the childcare portion of an entity, the entity must provide five years of Income Statements /Statement of Activities for the childcare portion of the entity.
  - In the case where an entity has not previously received audited financial statements, the entity may provide five years of Financial Statements (Balance Sheet / Statement of Financial Position and Income Statement / Statement of Activities (Operations)).
- Post Audited Management letter for the previous five years; and
- Detailed Business Plan; including Risk Assessment for any new or expanding Licensees. Note: Any licensee accepted into the CWELCC program is required to submit yearly audited financial statements as long as they remain in the program. For entities that provide more than child care services this includes having a separate schedule within their audited statements for the childcare segment of their operations.