

# CWELCC Application Package Guide: County of Oxford

2022-08

## Introduction

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The Canada-Wide Early and Child Care (“**CWELCC**”) Agreement is a historic, transformational investment in licensed child care – it recognizes the value of what licensed child care operators do and the impacts you have on children, families, and society as a whole.

The first phase of the CWELCC system is focused primarily on affordability for families, particularly important given the current economic climate. This is great news for families. At the same time, the longer-term vision for CWELCC goes beyond affordability to include quality, accessibility, inclusivity, and workforce support as vital components of a healthy child care and early years system in Ontario.

We are in a period of significant change as we come out of a pandemic and its lingering impacts, while at the same time undertaking system transformation. The Ministry of Education has described 2022 as a year of transition; we are embarking on something unprecedented. With change comes unknowns, and we want to assure you, the licensed child care leaders in the Oxford County community, that we see ourselves as partners in building a strong local CWELCC system that leads to an even stronger local child care and early years system.

The aim of the CWELCC application package is to provide you with clarity on the local implementation of CWELCC so you can feel confident about participating in the CWELCC system and, in turn, families can enjoy increased affordability as they continue to benefit from the incredible work you do every day.

We want to thank you for your ongoing work and your ongoing commitment to families in Oxford County.

## Purpose of the Application Package Guide

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The purpose of this application guide is to provide licensed child care operators in Oxford County with an overview of how to apply to participate in the CWELCC system, including a high-level understanding of the CWELCC system, the components of the application package and how to complete them, and next steps following the submission of the application.

## CWELCC Overview

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On March 28, 2022, the federal and provincial governments signed the Canada-Ontario Early Learning and Child Care Agreement. As part of this announcement, the Ministry of Education updated provincial regulations to prescribe Consolidated Municipal Service Managers (“**CMSM**”) the responsibility of administering the Canada-Wide Early Learning and Child Care (“**CWELCC**”) Agreement as an addition to their existing service system management responsibilities.

Funding under the CWELCC system will be used to build on Ontario’s existing child care and early learning system by increasing quality, accessibility, affordability, and inclusivity through the following objectives:

- 1) Providing a 25% fee reduction retroactive to April 1, 2022, building to a 50% reduction in average parent costs for licensed early learning and child care by the end of calendar year 2022;
- 2) Reaching an average parent fee of \$10 a day by 2025-26 for licensed child care spaces;
- 3) Creating 86,000 new high-quality, affordable licensed child care spaces, predominantly though not-for-profit licensed child care;
- 4) Addressing barriers to providing inclusive child care; and
- 5) Valuing the early childhood workforce and providing them with training and development opportunities.

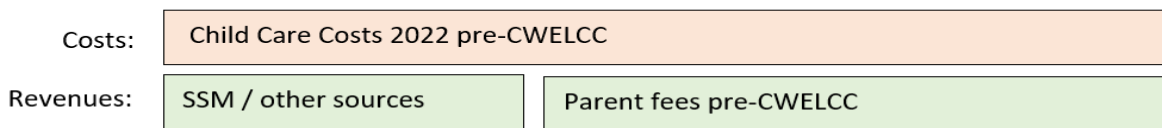
During the initial phase of CWELCC implementation, from April to December 2022, the Ministry of Education is focused on implementing fee reductions of 25% and 50% (Objective #1, above). The Ministry of Education has committed to consulting with stakeholders on other objectives of the CWELCC in summer 2022, with implementation to occur at a later date determined by the Ministry.

In April 2022, the Ministry of Education issued the *Addendum To Ontario Child Care and EarlyON Child and Family Centres Service Management and Funding Guideline (2022)* (“Addendum”) to all CMSMs. The Addendum outlines the Ministry of Education’s requirements for implementing the CWELCC system, including areas in which CMSMs are directed to develop local policies and practices as part of implementation.

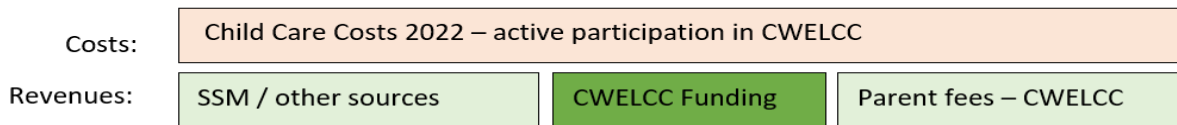
Developing these policies, practices, and associated tools took time; however, we heard clearly from operators that clarity – a full understanding of what you were signing up for – was essential. Therefore, we have launched the application process accompanied by our full administrative policies and procedures, included in this application package. Elements of the application package are explained in more detail below.

At its simplest, the affordability goals of the CWELCC system are intended to replace revenue lost through reduced parent fees with CWELCC funding, as presented in the following visual:

**Pre-CWELCC Costs and Revenues**



**Post-CWELCC Costs and Revenues**



There are additional considerations in establishing the amount of CWELCC funding; these are described in detail in the Administrative Policies and Procedures.

## Key Dates in 2022

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- Signing of the CWELCC agreement – March 28, 2022
- Formal application period opens in Oxford County – July 21, 2022
- CWELCC opt-in/out deadline – November 1, 2022 at 4:00pm EST
- CWELCC application deadline – November 1, 2022 at 4:00pm EST
- Distribution of CWELCC funds deadline – December 31, 2022

## Key Concepts in the Oxford County Approach

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The following information is intended to provide a summary of concepts that may be of particular interest to licensed child care operators in the CWELCC application process. More information can be found in the Administrative Policies and Procedures.

### Program eligibility

- As prescribed in the provincial Addendum, there are two reasons a Licensee would not be eligible: concerns about financial viability and/or potential misuse of funds;
- Licensees are asked to provide detailed financial information for the assessment, and to enable a calculation of “base fee” (see below);
- As part of the initial implementation of CWELCC, the CMSM will look primarily to the funding relationship history with existing Licensees and will only seek more detail if there is an absence of information or cause for concern.

### Fee rebate

- Following confirmation of eligibility and signing the funding agreement, the CMSM will flow funds to participating Licensees to issue a 25% retroactive fee rebate to families, covering the period of April 1, 2022 to the date the Licensee begins charging reduced fees to families.

### Fee reduction

- The fee reduction is the amount fees will be reduced for families once the Licensee is enrolled in the CWELCC system.
- In 2022, the first phase of reduction is 25%, retroactive to April 1, 2022, followed by a further 25% reduction by December 31, 2022.

### Base fee

- Any fee or part of a fee that is charged in respect of a child for child care, including anything a Licensee is required to provide under the CCEYA, or anything a Licensee requires the parent to purchase from the Licensee.
- Licensees submit financial information about the cost of care, which are reviewed by the CMSM and used to establish a base fee amount; the base fees are used to calculate the amount of funding provided to the Licensee to offset lost revenues through parent fee reductions.

## Reasonability

- The Ministry of Education has given CMSMs discretion to review “reasonability” of Licensee expenses in the determination of CWELCC funding;
- In the assessment of reasonability, the CMSM is looking for significant outliers from local and/or industry benchmarks for costs, where this information is available;
- We recognize the diversity of financial models and approaches across licensed child care operators; in all cases, any outlier identified through the review process will initiate a conversation with the operator to understand more;
- It is our intention and direction to balance financial stewardship with supporting flexibility and autonomy for operators; we are committed to working with operators to understand and accommodate their needs as much as possible under the CWELCC system.

## Contents of the Application Package

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### 1. CWELCC Application Package Guide

This document.

### 2. Oxford County CWELCC System Intention to Opt-In or Opt-Out Form

#### What

All Licensees in Oxford County must complete this form to indicate their intention to opt-in or opt-out of the CWELCC System by November 1, 2022 at 4:00pm EST.

#### Why

The Ministry of Education requires Licensees to indicate their intention to opt-in or opt-out of the CWELCC system by November 1, 2022 to enable sufficient time to implement fee reduction objectives for 2022.

#### How

1. Work with leadership to confirm your organization’s intention to opt-in or opt-out of the CWELCC system in Oxford County.
2. Identify one individual to complete the table at the bottom of the form.
3. Identify one individual with authority to bind the licensee (e.g., Executive Director, Board Chair) to sign the form
  - If you do not have a digital signature, please print, sign, and scan the form.
4. Email the completed form to [cwelcc@oxfordcounty.ca](mailto:cwelcc@oxfordcounty.ca) with the subject line “CWELCC Intention to Opt-In/Opt-Out Form” by November 1, 2022 at 4:00pm EST.
5. If you have elected to opt-out of the CWELCC system, you must inform staff and parents by November 1, 2022.

Licensed Child Care Agency Name	
Intention to ‘Opt-In’ or ‘Opt-Out’ of the CWELCC System ( <i>check one</i> )	<input type="checkbox"/> ‘Opt-In’ to the CWELCC System <input type="checkbox"/> ‘Opt-Out’ of the CWELCC System
Name of Person Completing this Form	
Contact Information of Person Completing this Form	
Date Completed	
Name, Role, and Signature of Person with authority to bind the Licensee and Licensee’s intent to opt in or opt out of the CWELCC system	Name:  Role:  Signature:

## Notes

- If you have elected to opt-*in* to the CWELCC system, you must inform staff and parents of the outcome of the application after the CMSM has provided its decision on eligibility (approve or deny); this requirement will be communicated to you again in a separate process.
- If you are choosing to opt-out, a reminder that parent fees must remain frozen until you have formally communicated your decision to opt-out through this form.
- If you are choosing to opt-out, parents must be notified in writing of your decision and a copy of the letter provided to the CMSM.
- If you choose to opt-out and apply again in 2023, families will not be eligible for the fee rebate retroactive to April 1, 2022.

## 3. CWELCC Licensee Applications

### What

The CWELCC Licensee Applications (Licensed Child Care Centre CWELCC Application and Licensed Home Child Care CWELCC Application) collects information from Licensees seeking to participate in the CWELCC system in Oxford County. The information collected will be used to: establish program eligibility; and establish a “base fee” used to calculate the amount of CWELCC funding provided to the Licensee.

Licensees must complete all sections of the applicable CWELCC Application(s) (Licensed Home Child Care/Licensed Child Care Centre), which include:

1. Licensee Information
  - a. Incremental Administrative Costs
2. Licensed Site information (complete one “Additional Sites Form” for each site opting-in)
  - a. Licensed Capacity and Operating Capacity
  - b. Staffing Information
  - c. Base Fees
3. Terms of Application
4. Acknowledgments and Signature

The Application(s) is/are due to the CMSM by November 1, 2022 by 4:00pm EST. The application date is determined by the date all information is received.

### Why

The Ministry of Education requires CMSMs to collect sufficient detailed information to assess program eligibility and establish base fees for CWELCC funding. The CMSM may only consider denying an application if it has concerns regarding financial viability or potential misuse of funds.

Additionally, collecting information at the time of application will allow the CMSM to calculate the amount of CWELCC funding the Licensee will receive. This approach provides Licensees with a clear understanding of funding levels before the Licensee signs the CWELCC Funding Agreement to begin formal participation.

### How

1. Identify an individual(s) to complete the application(s) and have them review the application form(s) to understand all of the information required.

2. Complete all questions as outlined. **Note:** and Additional Site Form should be completed for each site opting-in.
3. Review the draft application(s) with others in your organization, as appropriate, and confirm the information presented is complete and accurate.
4. E-mail the completed application(s) to [cwelcc@oxfordcounty.ca](mailto:cwelcc@oxfordcounty.ca) with the subject line “CWELCC Licensee Application” by November 1, 2022 at 4:00pm EST.
5. Following CMSM review of the application(s), one of three scenarios will occur:
  - a. CMSM confirms eligibility and provides information on base fee and funding agreement;
  - b. CMSM seeks additional information on one or more areas of the application;
  - c. CMSM communicates decision of ineligibility and outlines process for appeal.
6. Eligible Licensees will sign the prepared CWELCC Funding Agreement; it is only after signing this agreement that participation in the CWELCC system is formalized and funding will flow to Licensees for retroactive fee rebates and ongoing fee reductions.

#### Notes

- Resources are available to support additional administrative expenditures Licensees incur for managing the CWELCC system, including the application process. Please see CWELCC Administration below for more information.

## 4. Parent Fee Reduction Workbook

### What

The Parent Fee Reduction Workbook is a tool in Microsoft Excel designed to assist participating Licensees in tracking fee rebates that will be issued to families ***paying full fees***. Licensees are to use this tool to ensure accurate reporting.

The tool provides fields and calculations to assist in detailed data collection for actual fees paid to your centre since April 1, 2022.

### Why

Licensees participating in the CWELCC must provide families with a fee rebate of 25% of required child care fees, retroactive to April 1, 2022. This tool will assist Licensees in establishing an accurate figure for the rebate.

### How

1. Carefully review the Instructions tab.
2. For each tab in the workbook, complete a separate line/row for each child that received care at that site anytime time on, or after, April 1, 2022.
3. Use instructions to hide all blank rows in each tab.
4. Review the information and submit **the workbook** to [cwelcc@oxfordcounty.ca](mailto:cwelcc@oxfordcounty.ca), as follows:
  - a. April 1, 2022 – Enrollment Date – Due fifteen (15) calendar days after Fee Reduction implementation.
  - b. Enrollment to Actual Fee Reduction implemented.



## Notes

- While the retroactive rebate will only be issued following confirmation of program eligibility and signing the Funding Agreement, Licensees anticipating “opting-in” are encouraged to begin tracking retroactive rebate information immediately to enable simpler calculations at the time of funding.
- Records of actual payments will need to be recorded with unique children and for auditing purposes (see section 11 of the Administrative Policies and Procedures for more information on auditing procedures).
- Include those children who are no longer receiving your services if they received service during the fee rebate period (beginning April 1, 2022).

## 5. CWELCC Funding Considerations

### What

The CMSM recognizes that the introduction and implementation of the CWELCC system may create new or enhanced administrative demands on organizations.

Licensees may be subject to changing costs (for example, rent changes) and this may impact their capacity to participate in CWELCC. CMSMs should work with licensees to manage such cost changes to support their continued participation in CWELCC.

### How

1. This is part of the application form – CWELCC Funding Considerations.

### Notes

Approved costs will be funded on a cost-recovery basis and will be reconciled as part of the year-end reporting.

## 6. Administrative Policies and Procedures

### What

The Administrative Policies and Procedures document provides full detail on how the CMSM is managing the CWELCC system in Oxford County.

### Why

While the Administrative Policies and Procedures are intended for the CMSM, they are shared with Licensees to provide as much clarity as possible on the approach to CWELCC implementation in Oxford County.

### How

1. Use the Table of Contents to find additional information on elements of the CWELCC approach to assist in completing the application and increasing understanding of the local CWELCC approach, as needed.

### Notes

- The Administrative Policies and Procedures document is a living document; the Ministry of Education has described 2022 as a year of transition as initial implementation of the CWELCC occurs
- Material changes to the Administrative Policies and Procedures will be communicated, as appropriate.

## Application Process Summary

Please ensure that your completed application(s) include the following components:

- CWELCC Intention to Opt-In/Opt-Out Form – due November 1, 2022 at 4:00pm EST
- Licensed Child Care Centre Application Form (if applicable) – due November 1, 2022 at 4:00pm EST
  - Additional Site Form(s) (if applicable) – due November 1, 2022 at 4:00pm EST
- Licensed Home Child Care Application Form (if applicable) – due November 1, 2022 at 4:00pm EST
- Financial Viability Tool – completed by due November 1, 2022 at 4:00pm EST
- Parent Fee Reduction Workbook
  - April 1, 2022 – Enrollment Date – Due fifteen (15) calendar days after Fee Reduction implementation.
  - Enrollment to Actual Fee Reduction implemented.