

**Human
Services**

10 Peel Centre Dr.
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PO Box 2136, STN B
Brampton, ON
L6T 0E3
EarlyYearsSystem
Division@peelregion.ca
tel: 905-791-1585

peelregion.ca

December 5, 2019

Re: 2020 EYCC Funding to Licensed Home Child Care Agencies

Dear Service Provider,

The Region of Peel is pleased to share the 2020 Licensed Home Child Care (LHCC) Base Funding Guideline. The attached Guideline provides an overview of the various funding streams, eligibility criteria, and reporting requirements for LHCC agencies. Supporting resources, including Q&As and the QuickLook, will be posted on the Region's website shortly.

Based on feedback collected during consultations with LHCC Agencies this fall, the Region is streamlining funding for licensed home child care agencies beginning January 2020. As a result, you will no longer receive different allocations for General Operating Funding and LHCC Base Funding. Instead, agencies will receive combined funding through a new Base Funding Model. Monthly payments will be provided at the beginning of each month.

The new Base Funding Model includes the following components:

- 1) Fee Reduction Operating Grant (FROG) (\$6 day)
- 2) Payments to Home Child Care Providers
- 3) Payments to Home Visitors and Supervisors (Staff Wages and Benefits)
- 4) Base Operating/Administration Funding
- 5) One-Time Transitional Operating Funding (*eligible agencies only*)
- 6) Historical Funding (*eligible agencies only*)

While the Guideline provides details of each of the funding components noted above, the Region would like to highlight the following changes for 2020:

1) Fee Reduction Operating Grant (FROG)

LHCC Agencies are required to use this funding to reduce fees for children enrolled in full-day and part-day care by \$6.00 per day and must revise their market rate schedule to reflect the reduced fee.

A one-time exception will be provided for **January 2020 only**. For that month only, agencies will have the option to either charge families the reduced rate of \$6.00/day; **OR** issue a one-time reimbursement of fees for eligible children. Starting February 2020, agencies' market rates must be reduced for the remainder of 2020 to reflect the reduced rate.

Next Steps:

- You are required to distribute the Parent Notice (attached) provided by the Region by December 19, 2019 to notify families of the reduced fees in 2020.

2) One-Time Transitional Operating Funding (*eligible agencies only*)

This funding is intended to mitigate the potential impacts of reduced funding when compared to Agencies 2019 allocation excluding: LHCC Base Funding, Historical and Repairs and Maintenance. Please refer to the LHCC Base Funding guideline for details on eligible expenses.

Reporting and Reconciliation

You are required to submit two In-Year Reports in addition to your Final Reconciliation Report to the Region. This information will be used to support funding adjustments to the FROG allocation, if required.

The Region will be hosting information sessions to engage LHCC agencies on changes to LHCC funding for 2020 in the new year. Please stay tuned for details.

Moving Forward: 2021 LHCC Funding Approach

As we implement the LHCC Base Funding Model this year, the Region acknowledges that adjustments may need to be made to ensure we are meeting our intended outcomes. Throughout 2020, we will continue to work with our LHCC Agencies to review:

- funding amounts/benchmarks to ensure that agency staff and providers receive the correct level of support in alignment to the Region's funding envelope/strategic outcomes;
- reporting process to refine the model so it is built on timely and validated data; and
- current funding streams to explore opportunities to further streamline funding and reduce/eliminate administrative requirements, including how Historical Funding is used to support providers and staff wages and benefits.

The Region will be seeking to engage your agency in the fall of 2020 to inform any changes to the Base Model funding approach for 2021. Details on this engagement and how to participate will be communicated to you at a later date.

Please refer to the LHCC Base Funding Guideline for details on the funding components noted above. You will receive your amended EYCC Services Fee Subsidy and Funding Agreement which will include your funding allocation for 2020 in the coming week. If you have any questions, please email us at: EarlyYearsSystemDivision@peelregion.ca.

Thank you for your ongoing commitment and dedication to supporting children and families in Peel Region. And thank you for taking the time to meet with us this year. We look forward to continued collaboration with your agency in 2020.

Happy Holidays!

Sincerely,



Olivia Nunes
Manager, EYCCS Division
Region of Peel



James McLean
Manager, EYCCS Division
Region of Peel

Attachments:

- *Parent Notice for Fee Reduction Operating Grant (FROG)*

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December 19, 2019

Re: The Region of Peel's Fee Reduction Operating Grant (FROG)

Dear Parents and Guardians,

To make child care more affordable for families, the Region of Peel is providing funding to eligible licensed home child care agencies to reduce daily child care fees for 2020. This funding is made available by the Government of Ontario.

In 2020, fees for **full-fee paying families** of children enrolled through a licensed home child care agency are being reduced by **\$6.00 per day** for full-day and part-day care. Please note that children privately placed are not eligible to receive this reduction.

For the month of January 2020 only, your agency will have the option to either:

- charge you the reduced rate of \$6.00 per day for your child enrolled in part-day or full-day care; **OR**
- issue a one-time reimbursement.

Going forward, your **agency is required** to revise its parent fees to reflect the fee reduction for the remainder of 2020.

Please note, families in receipt of child care fee subsidy are not eligible to receive a reimbursement as they already receive assistance with the cost of child care.

Please speak to your home child care agency if you have any questions regarding this funding.

Sincerely,



Suzanne Finn
Director, Early Years and Child Care Services