



Canada-Wide Early Learning and Child Care (CWELCC) Start-up Grant Guideline

Peel Region

Licensed Home Child Care Agencies

Participating in Peel's CWELCC Program

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Section 1: Introduction

The Governments of Canada and Ontario are implementing the [Canada-wide Early Learning and Child Care \(CWELCC\) program](#) to lower child care fees, and build a licensed child care system that is high-quality, easy to access, affordable, and inclusive. To deliver CWELCC access for all families, the Ontario government has committed to a directed growth plan to expand licensed child care in priority communities serving diverse and underserved populations. The Province is supporting expansion with Start-up Grants.

The Start-up Grant is an application-based grant available to eligible child care providers who have been approved to expand under CWELCC in Peel. In 2024, in alignment with [Peel's Multi-Year Expansion Plan and Application Process](#), we are prioritizing Start-up Grants for not-for-profit child care providers and licensed home child care (LHCC) agencies.

This grant supports the creation of new community-based, full-day licensed child care spaces. We encourage LHCC agencies to open new homes in Peel's priority communities (see [Peel's Priority Communities Mapping Tool](#)). Approved funding can be used to offset costs needed to expand or create spaces, such as buying equipment and furniture.

This guideline outlines Peel Region's Start-up Grant requirements for eligible LHCC agencies.

1.1 - General Eligibility Criteria

To be eligible for a Start-up Grant, you must:

1. Be a licensed home child care agency and / or in the process of becoming licensed.

2. Be approved into CWELCC in Peel, be approved for expansion in Peel, and agree to participate in the system for the remainder of the current federal and provincial CWELCC agreement that ends on March 31, 2026.
3. Create new community-based, full-day licensed spaces.
4. Spend the grant to open new licensed spaces within two years from the date the Start-up Grant Funding Agreement is signed by all parties.
5. Maintain the number of approved child care spaces in the service area for the duration of the CWELCC agreement, even if the home child care agency or the capacity of the home child care agency changes prior to March 31, 2026.
6. Have business management practices that align with Peel's priorities identified in the [Early Years and Child Care Service System Plan: 2019-2024](#).

1.2 - Key Information

- Starting November 30, 2023, we are accepting applications on an ongoing basis. Eligible LHCC agencies may apply at any time. Please note that this grant is subject to funding availability.
- Applications will be reviewed with consideration to project scope. We will prioritize funding for projects where project scope can be successfully completed within the required two-year timeframe by 2026.
- You must reconcile funding for approved projects when the project is completed.
- Projects receiving the Start-up Grant may qualify for reimbursement on eligible expenses incurred prior to notice of grant approval, subject to Peel's approval.

Section 2: Eligible and Ineligible Expenses

NOTE: For complete details on eligible and ineligible expenses, see Schedule "B" of the Canada-wide Early Learning and Child Care Start-up Grant Funding Agreement.

2.1 - Eligible Expenses

Equipping and Furnishing Expenses

- Play materials, equipment, and furnishings (both indoors and outdoors) as outlined in [Section 27 of O. Reg. 137/15](#) under the *Child Care and Early Years Act, 2014* that can be transferred between home child care providers as required.
- Eligible equipment and furnishings purchased with the Start-up Grant will remain the property of the LHCC agency.

2.2 - Ineligible Expenses

Ineligible expenses for Start-up Grant projects include:

- Capital costs of construction for a newly-built head office.
- Purchase of land or buildings.
- Debt costs including principal and interest payments related to capital loans, mortgage financing, and operating loans.
- Property taxes.
- Costs to expand or create licensed child care spaces for programs that run before and / or after school or during school hours for kindergarten or school-age children.
- Indoor and outdoor renovations, additions or repairs to home child care provider's premises or potential home child care provider's premises.
- All other ineligible expenses as outlined in the Start-up Grant Funding Agreement.

2.3 - Funding Benchmarks

The maximum funding benchmark for approved projects is up to \$1,200 for each new space, to a maximum of \$7,200 for each LHCC provider.

While the Ministry of Education has established maximum funding benchmarks, you are not guaranteed to receive these amounts. We review Peel's local benchmarks annually based on available funding and project demand. We intend to fund as many applications as possible to support our targeted expansion efforts in Peel to create new, community-based spaces.

Section 3: Project Phases

3.1 - Phase 1 - Project Application and Review

Application Requirements

Eligible LHCC agencies interested in the Start-up Grant must apply using the [CWELCC Multi-Year Expansion Application Form](#). The application form, along with all required supporting documentation as outlined in the application, must be submitted to Peel Region by email to: EarlyYearsSystemDivision@peelregion.ca. Beginning November 30, 2023, applications will be accepted on an ongoing basis.

Please note that you must be admitted into CWELCC by Peel Region before we can approve the Start-up Grant. For more information on CWELCC application requirements, see the [Multi-Year Expansion Plan and Application Process](#).

The [CWELCC Multi-Year Expansion Application Form](#) and relevant information is also available on [Peel's website](#).

Application Review

We will verify that your application form is complete, and all supporting documentation has been submitted.

We will assess if the proposed project scope aligns with the Ministry of Education's requirements for Start-up Grants, and with Peel's local priorities for expansion.

If an application package is incomplete, we will send you an email detailing the outstanding documentation and the timeline for submitting the required information. If we do not receive the information on time, the application may be considered invalid.

3.2 - Phase 2 - Project Approval and Funding Allocation

After we review your application, we will determine if your project can be approved. The amount of funding is limited, so we are not able to guarantee that funding will be available for all applications.

We will inform applicants by email if their project has been approved or declined within four to six weeks of the application submission.

Once a project is approved, we will send you a notice of Conditional Approval to confirm project approval and the maximum funding allocation available for the project. You will receive the Start-up Grant Funding Agreement for review and signature. Once all parties sign, the project will formally begin.

3.3 - Phase 3 - Project Monitoring, Reporting and Progress Payments

Progress / Milestone Payments

We will work with LHCC agencies to review your proposed expansion plan. We will let you know how you will be paid when your funding application is approved.

You will need to track funding for the approved project separately from any other business matters. To ensure accountability, you must establish a separate and dedicated interest-bearing account at a Canadian financial institution to deposit the project funding. You may also establish another method of safekeeping of the funding satisfactory to Peel Region such that identification and tracking of the funding is readily possible.

Project Monitoring and Status Reporting

We will require routine reporting to monitor successful completion within the designated timeframe.

Required reporting will include:

- **Project status reporting** to document project progress, budget status, identified risks and mitigation strategies.
- **Keeping all original receipts and other supporting documentation** for a minimum of seven years.

You must inform Peel Region of any risks that will impact the approved project's progress and/or schedule, quality or budget.

3.4 - Phase 4 - Project Close-out and Reconciliation

Once the project is complete, you are responsible for:

- Submitting a final funding reconciliation to Peel Region for review along with any requested supporting documentation.
 - Instructions for reconciliation will be provided.
 - You will be issued a Project Close-Out Letter.
- Completing all Ministry of Education licensing requirements.
- Reporting the number of net new licensed spaces created as part of your final project reconciliation process.

Section 4: Reporting and Accountability Requirements

You should refer to the Start-up Grant Funding Agreement and the [Service Provider Handbook](#) for further information on reporting and accountability requirements.

4.1 - Reporting Requirements

Audited Financial Statements

You will have up to two years to spend the Start-up Grant and open the approved new licensed child care spaces. You must include a supplementary schedule or Notes to the Financial Statements to:

1. Report the amount of Start-up Grant funding spent by project for the fiscal year.
2. Confirm that the Start-up Grant has been spent on eligible expenses as outlined in the Start-up Grant Funding Agreement and this guideline.

Reconciliation Reporting

You will need to submit a final Start-up Grant reconciliation at the end of each project. You will be provided with any relevant direction before the due date of your reconciliation.

For the Start-up Grant, you must report:

- **Start-up Grant expenditures** for approved projects. Upon project completion, unspent funding and / or funding not used for the intended purpose will be recovered.
- **Key Performance Indicators:** Number of net new licensed spaces supported with the Start-up Grant.

NOTE: When a project is complete, there may be a discrepancy between the number of net new homes/spaces originally proposed in the funding application and the actual number realized. Funding will be adjusted at the time of reconciliation, as applicable, to align with the actual number realized.

4.2 - Audit

You may be contacted to complete a review of approved funding through Peel's audit selection process, or through mandatory audit procedures from the federal or provincial governments. We also reserve the right to conduct check-ins at any time to assess your actual and projected expenditures.

4.3 - Funding Cancellation and Recovery

We reserve the right to reduce, revise, and / or cancel approved funding, and, if applicable, recover any payments that have already been provided in cases which include:

- A project is delayed for an unreasonable length of time.

- Substantial changes to the scope are made after funding has been approved.
- The approved project is not completed.
- The approved project ceases operation, dissolves, is sold or otherwise disposed of. Projects with documented serious viability concerns could be exempted from this provision at Peel's discretion.
- Funding is not used according to the terms of the Start-up Grant Funding Agreement.
- Funding was used to generate a revenue or contribute (directly or indirectly) to reserves, surplus, profit and / or retained earnings as applicable.
- Funding was used for expenses that were supported by other federal / provincial / regional programs or grants / discounts.
- You close permanently or your agency's / program's assets are sold in an asset sale within 12 months of receipt of funding.
- Other circumstances as outlined in the Start-up Grant Funding Agreement.

4.4 - Non-Compliance

Non-compliance takes place when you do not meet established deadlines for submitting required information / documents / reporting, and / or do not meet your obligations as outlined in all relevant funding agreements, Regional funding guidelines and the [Service Provider Handbook](#).

When non-compliance is identified, Peel Region will take steps as outlined in the Hold Policy and Deadline Compliance Policy, which can be found in the Service Provider Handbook.

Section 5: Contact Us

If you have any questions about Start-up Grants, please contact us at:

EarlyYearsSystemDivision@peelregion.ca.

Appendix 1: Invoices / Receipts

You should retain all paid receipt(s) and / or invoice(s), as required under this guideline and the Start-up Grant Funding Agreement. Supporting information may be requested as part of the final project reconciliation. We may review this information to ensure compliance with eligible expenses and determine whether any recovery of funds is required.

You must track the following information for paid invoices / receipt components:

- Name of company or individual providing the service.
- Customer / client name and address.
- Invoice number.
- GST / HST number.
- Description / scope of work involved and amounts.
- Total cost, plus tax amount = total cost after tax.

Please ensure that receipts:

- Are marked "Paid"; and
- Clearly itemize the item(s) purchased related to the approved project. Receipts containing only receipt codes or item numbers will be returned for clarification.

If you are submitting a paid invoice rather than a receipt, you must document proof of payment on the invoice. For example, the date the invoice was paid and the payment reference number or cheque number is included on the invoice.

NOTE:

- HST amounts will not be paid on invoices that do not provide a GST / HST number from the vendor.
- Funding can only be used for the approved purpose.
- Final payment is subject to Peel Region's approval.

Funding can only be used for eligible expenses for the approved project. Peel Region reserves the right to withhold and / or recover funds that are not used within the required two-year project timeframe for the approved project purpose.