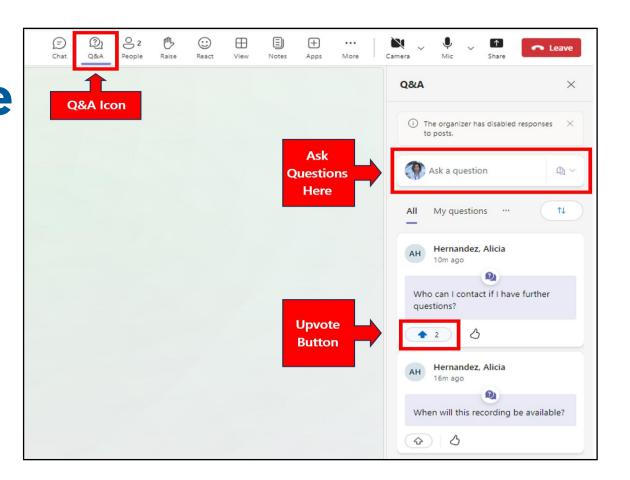


2025 EYCC Funding Updates: Part 1

Teleconference Series
Early Years and Child Care Services

January 16, 2025

How to Use the **Microsoft Teams** A&P **Feature**



Housekeeping

This meeting is being **recorded** and will be shared with the presentation.

Your microphone will be muted unless called upon during the question period.

Use the Q&A feature to post your questions. You can also email us at <u>earlyyearssystemdivision@peelregion.ca</u> or contact your Early Years Specialist.

The personal information collected during this meeting is collected under the authority of the <u>Municipal Act S.O. 2001, c.25</u>. The information will be used for future reference for purposes of the Region of Peel's Human Services Department, Early Years and Child Care Services Division.

Questions about the collection of personal information and information collected should be directed to earlyyearssystemdivision@peelregion.ca.

Disclaimer: This slide deck is shared for informational purposes only and does not replace the requirements and rules set out in the <u>Child Care and Early Years Act, 2014</u>, its <u>regulations</u>, your service agreement, the CWELCC guideline and/or the service provider handbook.

Agenda

1. 2025 CWELCC Recap - Things You Must Do if You Participate in CWELCC

- Key Terms: Fees
- Changes to Fee Reduction
- Staff Wages and Benefit Requirements
- Workforce Notation Requirements
- Maintaining Service Levels Included in Your Base Fee
- Changes to Closure Days
- Parent Handbook Requirements
- 2. Next Steps & Action Required
- 3. Resources and Tools
- 4. Question Period



Peel centre-based licensed child care provider



Released: December 20, 2024 Effective: January 1, 2025



2025 CWELCC Recap

Effective January 1, 2025

Things You Must Do If You Participate in CWELCC

Part 1: Will be covered today

- Reduce/maintain and communicate your base fees in your Parent Handbook.
- 2. Meet eligible staff wages and benefits requirements.
- 3. Maintain your service levels.

Part 2: To be covered on January 23rd

- 1. Use CWELCC funding to support eligible costs.
- Use Enhanced Program Supports (EPS) appropriately.
- Authentically participate as per Peel's Service Provider Handbook.
- 4. Meet reporting and accountability requirements.

Key Terms: Fees

- **1. Base fee:** any fee that a family must pay that is required for the delivery of child care services, such as daily fees, registration and other mandatory fees (one-time or recurring).
- **2. Registration fee:** a common mandatory fee that a family pays when first registering their child to secure a spot in the program.
- **3. Prepaid/deposit fee:** a payment that a family pays upfront for child care service.
 - It can be used to hold a spot for the child in the program.
 - If the child attends the program, the deposit is deducted from the total amount owed for child care.



You Must Reduce Your Base Fees

- As of January 1, 2025, you must reduce your base fee for CWELCC eligible children to:
 - \$22 per day; or
 - maintain the base fee you were charging on December 31, 2024, if it was less than \$22.
- The CCEYA requires you to include all mandatory fees in the calculation of your daily base fee to comply with the \$22/day fee cap.



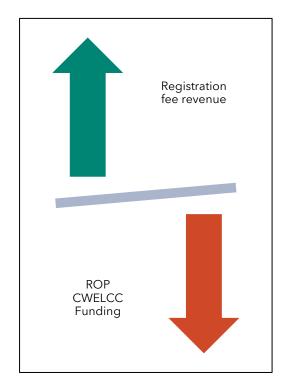
Mandatory Fees - Registration Fees

What is new starting January 1, 2025 under the CCEYA?

• Registration fees **and other mandatory fees** are now included in the \$22/day base fee cap.

Was registration fee revenue included in the CWELCC funding formula?

- Yes, all mandatory fees families pay, like base fees, registration fees, and other mandatory fees were included in your 2025 projected revenue.
- This amount is listed under the "Revenue Offset Budget" category in GovGrants.
- Since the Revenue Offset is a negative amount, it reduces the CWELCC funding you receive from the Region as you are already receiving this revenue from families.



Options for Registration Fees

What are your options for registration fees for 2025?

Option 1:

Peel's Recommendation:
You stop charging registration
fees and other mandatory
fees

- These fees will not increase the amount of funding you get to keep.
- Charging them creates extra administrative work without benefiting your funding.
- Most providers are already at the \$22/day base fee cap therefore registration fee cannot be added.

Option 2:

You continue charging a registration fee and other mandatory fees.

- You must let us know by **January 31, 2025** if you do so.
- This amount will be included in your revenue offset and would reduce the amount of funding you receive from the Region.
- Please see pages 12 to 14 of the guideline for detailed requirements related to the new rules for registration fees.

Note: Projected revenue from 2025 registration and other mandatory fees is not included in the Revenue Offset amount in GovGrants.

Prepaid Fees or Deposits

Reminder:
A deposit is an upfront payment for child care service.

- Providers can continue to collect deposits.
- Deposits must be calculated based on the new reduced daily fee.
- You can determine:
 - the number of service days the deposit will cover (e.g. 10 days for a two week period; 21.75 days for a month, etc.).
 - when to apply the deposit to the child's account (e.g. first month of enrollment, after three months of enrollment, last month the program in August or December, etc.).
- You must be transparent with families. All information related to your fee policy **must** be clearly outlined in your Parent Handbook.

Note: Fee deposits or prepaid fees do not need to divided across the year and added to your regular daily fee. They are considered "deferred revenue" and are earned when used by families.

Meet Staff Wages and Benefit Requirements

Follow Ontario's minimum wage standards.

Maintain 2024 GOF wage and benefit enhancements.

Meet 2025 WEG requirements (cap: \$32.81/hour).

Follow the new Workforce Compensation Funding (WCF) Order of Operations to comply with rules for the new 2025 Wage Ceiling and Wage Floor.

Ensure eligible staff receive at minimum their 2024 wages.

Provide one hour of paid planning time weekly.



Workforce Notation Requirements

- Staff should receive at minimum their 2024 wages amount.
 - The change in how General Operating Funding is included in the calculation for WCF should not impact how much staff receive.
- The pay stub notation requirements remains the same. The only change is how your payroll notations are calculated.
 - Use the 2025 Staff Wages Planning Tool emailed to you on December 12, 2024 if you need help with the calculations.
- Wage stability is not a new funding program.

See CWELCC Guideline for more details and Appendix C for an example of a calculation.

Maintain Service Levels Included in Your Base Fees

- You must maintain all programs, services as of March 22, 2022, or at your CWELCC enrolment date.
- You cannot change base fees to non-base fees.
- Licensed spaces for CWELCC eligible children (e.g. infant spaces) must stay in their designated category.
- Changes to service levels may result in funding adjustments or recoveries. You **must**:
 - Communicate any changes to your hours of operation by email to <u>EarlyYearsSystemDivision@peelregion.ca</u> one month in advance.
 - Report license revisions or use of alternate capacity use in the OCCMS attendance comments.



Changes to Closure Days

What has not changed?

- Closure days where fees are not charged for a statutory holiday do not count towards the 20-day limit.
- Events outside of your control (like natural disasters, pandemics, or strikes) continue to be excluded.
- You must disclose in your Parent Handbook your closure days and whether fees are charged.

What has changed for 2025?

• Statutory holidays now count as part of the 20-day annual closure limit if fees are charged.

Do I need to make an immediate change?

• No, we recognize that this change will impact some programs, and we will be engaging the sector to inform a transition plan.

Parent Handbook Requirements

Update your
Parent
Handbook so
families are
aware of:

- The \$22 per day base fee cap.
- Your fee payment approach (accepted methods of payment).
- Your fee payment schedule (how often are fees collected: weekly, monthly etc.).
- Base fees and non-base fees charged.
- Operating hours and holiday closures (you must specify what days you are open or closed and whether fees are charged for closed days).
- Circumstances in which refunds or credits will or will not be provided.

Important: these are regulatory requirements under the CCEYA. We will collect a copy of your Parent Handbook in Q1.



Next Steps

Action Required for Child Care Fees

By January 1, 2025:

Reduce your daily base fee to \$22/day (or maintain if lower).

By January 31, 2025: Email us before this date if you plan to continue charging registration or other mandatory

fees to families.



Share the Region's "Memo to Families" regarding information about child care fees

By March 3, 2025: If you collected prepaid fees higher than the daily cap of \$22, for services on or after January 1, 2025, you must issue a credit or refund for the difference by this date.

Reminder: we will also collect your updated Parent Handbook in Q1.



Resources and Tools

Resources:

- Peel's 2025 CWELCC Funding Guideline
- EYCC Service Provider Handbook

Tools:

- 2025 CWELCC Daily Rates Calculator Tool
- 2025 Staff Wages Planning Tool
- Operating Budget Template

Resources, including all of Peel's CWELCC teleconference series will be posted on our website: <u>Funding support and resources - peelregion.ca</u>





Questions?

Send us your questions to earlyyearssystemdivision@peelregion.ca

Complete Our Survey

Your feedback is important to us.

Please take a moment to complete this short survey on today's session: https://forms.office.com/r/EtkabBX6dN

We will share this link in the Q&A box.





Thank you!

Next teleconference: January 23, 2025



Appendices

Appendix 1: 2025 CWELCC Payment Schedule

- You will receive 12.5% of your total allocation each month for January, February and March.
- Beginning in April and onwards, you will receive approximately 6.95% of your total 2025 Cost-Based allocation.
- This means your payments will be significantly higher from January to March than from April to December.
- The example shown is for illustrative purposes using a Notional Allocation of \$1,000,000.

Month	Payment %	Payment \$
Jan	12.50%	\$125,000
Feb	12.50%	\$125,000
Mar	12.50%	\$125,000
Apr	6.95%	\$69,500
May	6.95%	\$69,500
Jun	6.95%	\$69,500
Jul	6.95%	\$69,500
Aug	6.94%	\$69,400
Sep	6.94%	\$69,400
Oct	6.94%	\$69,400
Nov	6.94%	\$69,400
Dec	6.94%	\$69,400
Total	100.00%	\$1,000,000

Appendix 2: Fee Compliance Examples

Example 1: Complying with the \$22 cap

Daily Fee: \$19.55/day

Mandatory Registration Fee: \$236.25/year

Number of Service Days: 261

Pro-rated registration fee: $$236.25 \div 261 = $0.90/day$

Combined Fee: \$19.55 + \$0.90 = \$20.45 (compliant)

Example 2: Exceeding the \$22 cap

Daily Fee: \$21.50/day

Mandatory Registration Fee: \$300/year

Number of Service Days: 261

Pro-rated Fee: $$300 \div 261 = $1.15/day$

Combined Fee: \$21.50 + \$1.15 = \$22.65 (non-compliant)

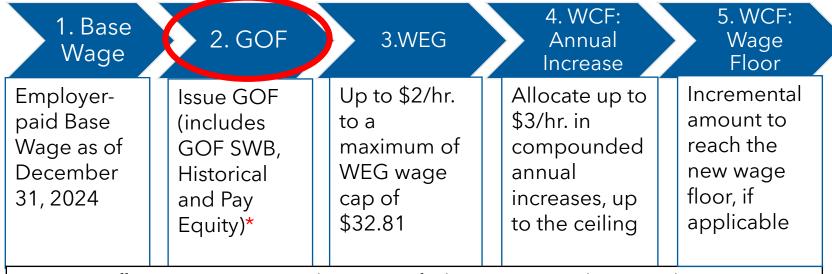
Adjustment Needed: Eliminate or reduce registration fee to \$130.50 to comply

Appendix 3: Workforce Funding Example

2024 Current Wage Structure		2025 New Wage Structure	
Base Wage	\$17.20	Base Wage	\$17.20
Wage Enhancement Grant	\$2.00	General Operating Funding	\$2.30
Subtotal	\$19.20	Historical/Pay Equity	\$0.70
WCF Annual Increase	\$2.00	Wage Enhancement Grant	\$2.00
WCF Wage Floor	\$2.66	WCF Annual Increase	\$3.00
Subtotal	\$23.86	Subtotal*	\$25.20
General Operating Fund	\$2.30	WCF Floor*	\$0.00
Historical/Pay Equity	\$0.70	2025 Total	\$25.20
2024 Total	\$26.86	2025 Wage	\$25.20
2024 Wage	\$26.86	WCF to Maintain Wage \$26.86 - \$25.20	\$1.66

^{*}Note: In 2025 this staff no longer qualifies for WCF Floor funding. The 2024 wage rate of \$26.86 will be maintained until they qualify for additional increases through WCF.

Appendix 4: 2025 WCF Wage Grant Order of Operations



Important: Effective January 1, 2025, the Ministry of Education requires that General Operating Funding (GOF) be incorporated into base wages **before** applying any additional wage enhancements such as WEG and WCF.

*GOF is also refers to staff wages and benefits, historical, and pay equity.

Appendix 5: 2025 WCF Example

Example of Mary's Wages:

2024: \$28.50/hour (with all enhancements, WEG, WCF, GOF)

2025: \$27.00/hour (with new order of operations, GOF first)

2025: \$28.50/hour (which stabilizes Mary's wage at 2024 levels with wage enhancements and new order of operations)

In 2025: Mary will receive an additional \$1.50/hour in Workforce Compensation funding (\$28.50 - \$27.00) to ensure her total hourly pay remains at \$28.50/hour, at a minimum.

Appendix 6: Use of Alternate Capacity

You can use alternate capacity currently identified on your licence. For instance, if you use a preschool alternate capacity:

- Families must be charged a preschool rate during that time.
- Children should be reported under the preschool age group in OCCMS.

OCCMS Reporting

- You must report the use of alternate capacity in your monthly attendance report.
- The use of alternate capacity should be reported in the comments section of the monthly attendance report.