



2025 EYCC Funding Updates

Part 2

Licensed Home Child Care

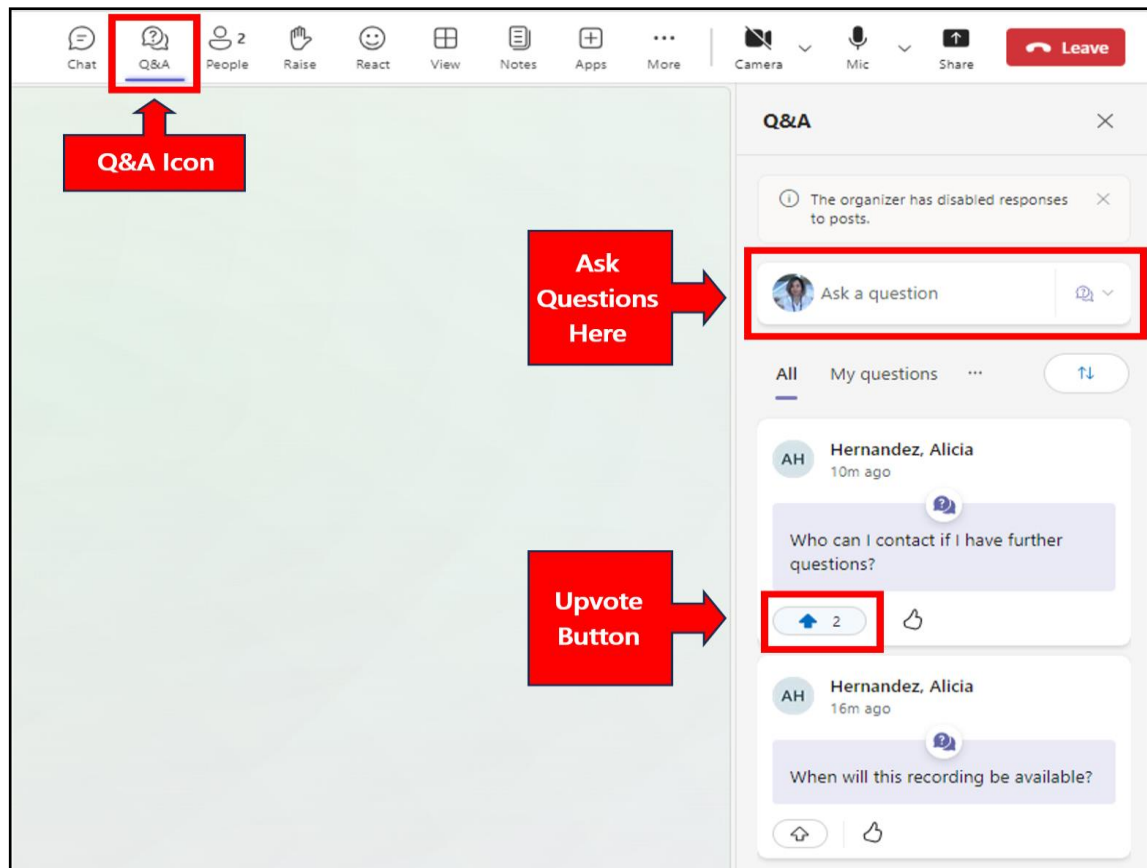
Teleconference Series

Early Years and Child Care Services

January 27, 2025



How to Use the Microsoft Teams Q&A 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 earlyyearssystemdivision@peelregion.ca or contact your Early Years Specialist.

The personal information collected during this meeting is collected under the authority of the [Municipal Act S.O. 2001, c.25](#). 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 [Child Care and Early Years Act, 2014](#), its [regulations](#), your service agreement, the CWELCC guideline and/or the service provider handbook.

Agenda

1. 2025 CWELCC Funding Recap Part 2

- Authentic Participation
- Use funding to support eligible costs
- Reporting and accountability requirements

2. School-Age (6-12) Funding Recap

- Funding components and requirements
- Reporting and accountability requirements

3. Q&A Period and Survey



2025 Canada-wide early learning and child care (CWELCC) funding guideline

Peel centre-based licensed child care providers



Released: December 20, 2024

Effective: January 1, 2025

2025 CWELCC Recap

Part 2

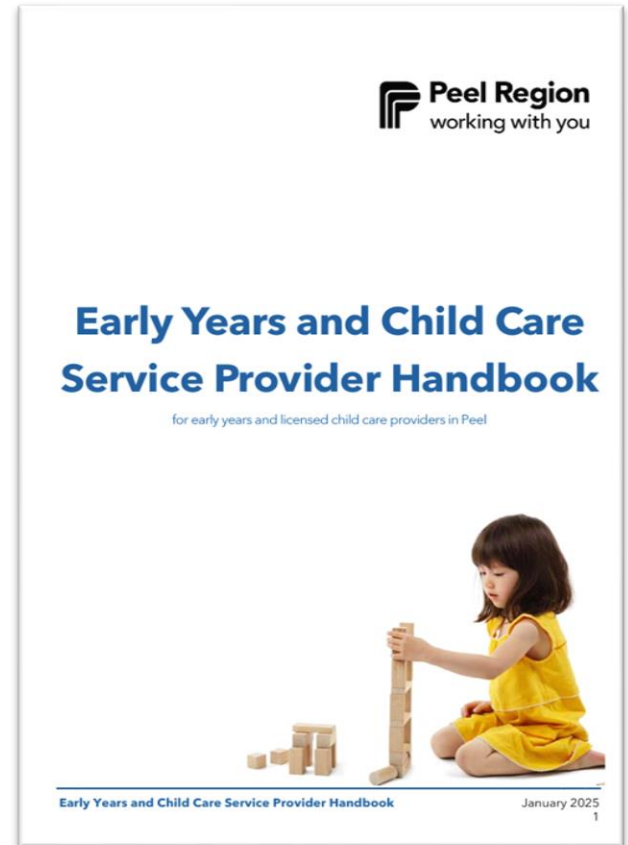
Effective January 1, 2025



Authentically participate

Agencies must meet the following authentic participation requirements:

- Accept and include children who receive Child Care Subsidy, if eligible
- Participate in continuous quality enhancement practices
- Support the participation of all children by authentically participating in PIRS and complying with the PIRS Memorandum of Understanding



Fee reduction for eligible children receiving child care subsidy

Municipal rates in OCCMS have been updated to reflect the 2025 CWELCC reduced rates (to the cap of \$22) starting January 1, 2025.

- Families in receipt of subsidy receive a 50% fee reduction off their parental contribution, even if their contribution is less than \$12/day. The parent contribution has already been reduced in the confirmation of subsidy letter.
- Municipal fees cannot exceed \$22/day including daily base fee and other mandatory fees (e.g. registration fee).

Exceeding Absent Day Allowance:

- If families exceed their absent day allowance, the remaining absent days for the year must be charged the same way as full fee-paying families.
- This means the family would pay the market rate reduced by 52.75% to the \$22/day cap.

Use funding to support eligible costs

- Your 2025 CWELCC funding is a flexible allocation and allows you to spend depending on the operational needs of your CWELCC program.
- You must spend your CWELCC funding on eligible costs*.
- To determine whether costs are eligible, expenses must be meet the three cost principles below:

Cost Principle	Description
Attributable	Directly or indirectly tied to child care delivery for CWELCC eligible children.
Appropriate	Necessary for operations, health, safety, cultural, or religious needs; practical for program delivery.
Reasonable	Aligns with program needs, fair market value, and operating capacity.

*Refer to the 2025 CWELCC Guidelines for more details and examples of Eligible and Ineligible Costs.

2025 Payment Schedule

- In 2025, the Region has adjusted the payment schedule for the CWELCC announcement.
- As a result, you will notice significantly higher monthly payments of 12.5% in the first three months of 2025.
- Beginning in April and onwards, you will receive approximately 6.95% of your total 2025 Cost-Based allocation.
- This updated payment schedule is designed to support you with greater cash flow ahead of potential allocation adjustments in Q1 2025.
- It is important to note this payment schedule and budget accordingly to ensure sufficient funding for the entire year.

Example: Agency "AAA"

Total Program Cost Allocation: \$1,000,000

Month	% of Allocation	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

Budgeting

- In January, agencies received a pre-populated operating budget template with 2023 actuals.
- It is a requirement if you are in receipt of the Legacy Top-up to review and submit a completed operating budget with projected 2025 costs by **March 31, 2025**.
- We encourage everyone to build and maintain an up-to-date 2025 operating budget, which will support you with the following benefits:
 1. **Maximize** the use of cost-based funding allocation upon eligible costs for your child care operations; and
 2. **Minimize** the amount of unspent funding which will be recovered and returned to the Ministry.



Meet Reporting Requirements

2025 CWELCC Funding Reconciliation (beginning in 2026)

- During reconciliation, Peel will compare your program cost allocation for the calendar year to your actual reported program costs (eligible costs).
 - You will also be asked to report your actual base fee revenue and KPI data
- In 2025 the Ministry requires licensees to complete a Standardized Financial Report. Once released, Peel will aim to align the FAIR with the template to reduce admin burden.

Audited Financial Statements

- Effective January 1, 2025, it is a requirement in Peel to operate on a calendar year fiscal cycle (January to December).
- You must submit your AFS and FAIR by **April 30, 2026**.

Meet Reporting Requirements (Cont'd)

Extensions and Exemptions

- Any agencies who have been approved for an extension or exemption to the calendar year fiscal cycle requirement must:
 1. Continue to provide an AFS and FAIR four (4) months after their fiscal year end date; and
 2. Provide an additional **Calendar-year Statement of Revenue and Expenditures and the FAIR** on **April 30, 2026**.

Compliance Policy:

- As a reminder, you are required to submit information in a timely manner and meet the deadlines and guidelines directed by Peel.

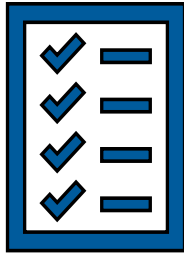
Please refer to the Service Provider Handbook for more details.

2025 LHCC School-Age (6-12) Funding

Effective January 1, 2025



2025 LHCC School-Age Funding Components



Confirmed for 2025

Workforce Funding (Base funding,
WEG/HCCEG, WCF)
BASP Fee Reduction



More Details Coming in 2025

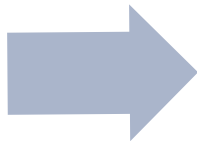
Administration/Operations
Workforce Innovation Funding

Key Changes for School-Age in 2025

In 2025, meet your funding requirements before you use your flexible funding options.

Funding requirements include:

- Meet your Workforce Funding Requirements (Base Funding, WEG, WCF)
- Meet BASP Fee Reduction Requirements



After meeting funding requirements, unspent 2025 funding can be used towards:

- Eligible costs within your workforce requirements
- BASP child care fees

BASP Fee Reduction Requirements

There are two key activities required to meet your BASP fee reduction requirements:

1. Communicate to families

- a) Post your fee schedule for the remainder of the 2024-2025 school year by **December 31, 2024.**
- b) Make your fee schedule publicly available in your Parent Handbook.
- c) Use at least one of your regular communication channels, such as email, letter, or the parent board(s).

2. Reduce your BASP fees

- a) Reduce by 50% in before and after school programs.
- b) Reduce fees by the same amount as the before and after school fees for Ministry of Education approved PA days and breaks.

Fee Reduction Options

- You can choose to offer retroactive refunds or upfront discounts to families.
- If you choose refunds, you must follow the schedule provided:

For Days Paid Between	Issue Refund By
January 3, 2025 - March 31, 2025	March 31, 2025
April 1, 2025 - June 27, 2025	June 27, 2025

Meet Reporting and Accountability Requirements

Reconciliation and Key Performance Indicators (KPIs)

- There are no significant changes to KPIs for 2025.
- In your reconciliation report, you will report:
 - Year-end spending on each budget category.
 - Your key performance indicators for each in budget category.
Refer to the guideline for list of KPIs
 - Reconciliation details will be shared later in 2025.

Note: agencies who operate both centre and home child care in Peel will need to report information separately for their operations in the 2025 reconciliation to develop accurate funding allocations

Complete Monthly OCCMS Reporting

This is a requirement under the guideline to be eligible for school-age funding.

Benefits:

- Accurately assess agency eligibility for school-age funding.
- Increase accuracy of funding allocations as this data is used to inform them.
- Streamline and reduce reporting on school-age funding – we'd like to use the OCCMS data to reduce duplication in reporting specifically on the fee reduction and enrichment.
- Enhance compliance and monitoring of trends in school-age programs.

Next Steps



What's next?

Date	Details
January 31, 2025	• Deadline to submit the Workforce Supplementary Schedule; please contact us if you require an extension.
March 31, 2025	• Deadline for recipients of Legacy top-up funding to submit a 2025 operating budget. • Deadline to issue BASP payments for days paid between January 3, 2025 - March 31, 2025.
June 27, 2025	• Deadline to issue BASP payments for days paid between April 1, 2025 - June 27, 2025.

Questions?



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/AuJCFSVyKG>

We will share this link in the chat.



Thank You!



Resources

1. Peel's 2025 LHCC School-Age (6-12) Funding Guideline
2. Ministry of Education's Funding Guidelines
3. EYCC Service Provider Handbook

Resources will be posted on Peel's website: [Funding support and resources - peelregion.ca](https://www.peelregion.ca/funding-support-and-resources/)

Appendix 1: Ineligible costs

- Profit-related costs: Dividends, in-kind benefits, perks for controlling owners.
- Already funded costs: Items reimbursed by public sources (e.g., insurance claims).
- Major capital repairs for existing spaces.
- Ineligible Child Care: Expenses for children aged 6 to 12.
- Financing Costs: Interest exceeding Canada Small Business Financing Program rates (excluding government loans).
- Penalties: Fines, forfeitures, or liquidated damages.
- Taxes: Corporate and personal income taxes.

Note: This list is not exhaustive. Ineligible claims may result in funding recovery. Contact us at EarlyYearsSystemDivision@peelregion.ca with questions.

Appendix 2: Administration Costs

Scenario:

Agency "AAA" has their Head Office in Peel and has active homes in Peel, Toronto and York. The Head Office provides administration support (e.g., accounting fees, advertising and promotion) for all active homes.

All three principles are met, so the cost is eligible for CWELCC funding.

- ✓ **Attributable:** Costs are directly tied to child care for CWELCC eligible children.
- ✓ **Appropriate:** Costs are necessary for the operation of LHCC programming.
- ✓ **Reasonable:** Consideration should be given to the nature of the services rendered and the cost, to determine whether the expense is at fair market value.

Important: Before purchasing or hiring family or friends for work, you must get at least 2 quotes. Keep all documentation for reconciliation.