

Questions & Answers for Service Providers: Centre-Based

2025 EYCC Funding

These Q&As are intended for centre-based service providers in Peel and include the questions received from the EYCC teleconferences that took place on December 18, 2024, January 16, 2025 (Part 1) and January 23, 2025 (Part 2).

Refer to the 2025 CWELCC guideline for more information. Contact your Early Years Special (EYS) or email us at EarlyYearsSystemDivision@peelregion.ca if your question is not on here.

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Base Fees vs. Non-Base Fees

1. During the teleconference, we received questions on how to classify certain fees. Please review the examples provided, and if you have any additional fees that need clarification, follow up with your EYS. You must update your Parent Handbook to clearly outline which fees are considered base fees and which are non-base fees:

- **Base fee:** any fees you charge families with respect to providing licensed child care to a CWELCC eligible child. They include:
 - Anything you are required to provide under the CCEYA, and
 - Anything families must pay or purchase from you to receive licensed child care (including any mandatory fees such as registration fees, one-time or recurring etc.) but does not include a non-base fee.

Beginning January 1, 2025, the maximum base fee is \$22 per day, inclusive of all base fee costs a family must pay. This means that if your daily fee is at \$22/day, you cannot charge any additional mandatory fees to families.

- **Non-base fee:** Any fee charged for optional items or services, or any fees charged when a family fails to meet the terms of their agreement with the provider. Non-base fees should not include anything that would prevent a child from participating in the program if the family chooses to opt out of the service.

Fee Example	Base Fee/Non	Does it count towards \$22/day CWELCC cap?
Key fob for families (if not refundable)	Base fee	Yes. If the key fob is mandatory and the fee is non-refundable, it is considered part of the necessary service provided to families for access and must be included in the \$22/day base fee.
Key fob for families (refundable deposit)	Non-Base fee	No. A refundable deposit for a key fob is considered a non-base fee as the families receives a refund for the key fob once it is returned when their child leaves the centre.
Parent app for communication	Base fee	Yes. If the parent app is mandatory for all families, its cost should be included in the \$22/day base fee.
Annual handling fee for pre-authorized debit	Depends: Yes, if mandatory No, if optional	Depends. If all families are required to pay the handling fee for pre-authorized debit, it is considered a base fee. If it's optional, and other payment methods are available for families, it is a non-base fee.



Fee Example	Base Fee/Non	Does it count towards \$22/day CWELCC cap?
Extended care fee	Base fee	Yes. Extended care, even if additional hours are needed, must be included in the \$22/day base fee. Additional fees cannot be charged for extended hours beyond the base fee.
Late pick-up fees	Non-base fee	No. Late pick fees are typically charged when families pick up their children after the designated time as per your policy outlined in your Parent Handbook. These are considered non-base fees as they are not part of the mandatory service. You must clearly communicate the charges are for late pick up fee and not for extended care.
Registration fee	Base fee	Yes. Registration and mandatory fees must be included in the \$22/day cap. If your daily fee is already \$22/day, you cannot charge any additional mandatory fees like registration fees to families. Whether the family shows up for care or not, the costs were incurred, and the fees were paid. Peel strongly recommend that providers do not charge registration fees as any fee collected directly reduces the amount of CWELCC funding you receive from the Region.
Non-refundable deposits for families who do not enroll after registering OR provide insufficient notice of withdrawal	Base fee	Deposits are prepaid base fees that are applied against the cost of care at a later date. In cases where deposits are collected and the family does not show up for care, and the deposit is non-refundable, it is counted towards your base fee revenue offset. Similarly, when a family withdraws without the required notice, the deposit is applied to the regular notice period to support the costs of the vacant space. This is considered revenue and counts towards your base fee revenue offset.

Registration Fees vs. Prepaid Deposit Fees

2. What's the difference between a registration fee and a prepaid deposit fee?

We recognize that providers may use different terminology, but we have defined registration fees and prepaid deposit fees as follows:



- **Registration fee:** a common mandatory fee that a family pays when registering their child to secure a spot in the program.
- **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.

3. How should one-time mandatory fees (like registration fees) be handled under CWELCC for 2025, given the changes to the CCEYA?

All mandatory fees, including registration and other one-time or recurring charges, must be included when calculating the overall base fee to ensure compliance with the \$22/day cap.

To reduce administrative burdens and avoid changes to CWELCC funding, we strongly recommend you stop charging registration and other mandatory fees including one-time fees. If you continue charging them, you must prorate it across the year to ensure that the total base fee does not exceed \$22/day. See section 4.2 of the guideline for more details.

4. If my program's registration fees are a refundable deposit upon withdrawal, does it still need to be included in the calculation?

Fee deposits are considered to be pre-paid base fees. They do not need to be prorated across the year, as they are deferred revenue earned when used by families. For CWELCC-eligible children, the base fee should not exceed \$22/day.

If you collected prepaid fees higher than the daily cap of \$22 (such as deposits or advanced fees), for services on or after January 1, 2025, you must issue a credit or refund for the difference by March 3, 2025. Your Parent Handbook must include information about when the pre-payment will be applied to the child's account.

5. Can we charge fee deposits to families in receipt of fee subsidy?

We strongly recommend that families receiving a fee subsidy not be charged deposit fees, or there be consideration to set these fees low as charging deposits may create a barrier to access child care. If the family does not provide at least two weeks' notice, Peel will pay you the approved daily rate minus any parent contribution (i.e. the municipal contribution) for up to 10 business days.

6. Do we need to refund pre-paid fees collected in 2024 for 2025 enrolment above the \$22/day cap?

If you collected pre-paid fees in 2024 for 2025 enrolment above the \$22/day cap, you are not required to refund them. Pre-paid fees are an upfront payment made to secure a child's spot in your program. These fees are typically applied to the family's total cost later on and may either be refundable or non-refundable, as outlined in your Parent Handbook. Be sure to include details in your Parent Handbook about when these pre-payments will be applied to the child's account.

Note: If you collected prepaid fees higher than the daily cap of \$22 on or after January 1, 2025, you must issue a credit or refund for the difference **by March 3, 2025**. Be sure your Parent Handbook includes information about when the pre-payment will be applied to the child's account.

7. Do we need to refund registration fees collected in 2024 for 2025 enrolment above the \$22/day cap?

If you collected a registration fee in 2024 for 2025 enrolment above the \$22/day cap, you are not required to refund it. This is because the work to register the child was completed in 2024, prior to the regulatory changes that took effect on January 1, 2025.

8. Can we add or change our withdrawal notice period and deposit requirements under the CWELCC program?

Yes, you can change your policies, but you must update your parent handbook and inform both new and existing families. Do not set deposit amounts too high, as this could limit access for families. The Region will be monitoring high deposit amounts [to ensure compliance with the authentic participation requirements].

Staff Wages & Benefit Requirements

9. How is Wage Compensation Funding (WCF) determined?

WCF is included in benchmark allocations, based on data from the Ministry's operator survey, and legacy top up.

10. If I give my staff a cost-of-living increase on January 1, 2025, do I need to factor the cost-of-living increases when determining eligibility for WCF?

No, eligibility for WCF and WEG for 2025 is based on staff wages as of December 31, 2024. You are not required to recalculate their eligibility for WCF and WEG for 2025 if staff receive a cost-of-living increase in 2025. However, increases to base wages may be factored into the calculation of WCF and WEG eligibility for future years (e.g., 2026).

11. I ran out of GOF before December 31, 2024, do I still use that hourly rate for WCF calculations?

Yes, use the amount that was paid on the last day that "regular" GOF was available and paid in 2024. Be sure to use that hourly wage amount in the "Staff Wages Planning Tool". In 2025, the Workforce Compensation Funding (WCF) will support any differences from 2024-year levels.

If you encounter a shortfall, you must either stop GOF payments to all staff and communicate this decision to both staff and your Early Years Specialist, or you can choose to maintain salary and benefit enhancements. If you choose to maintain GOF, any costs exceeding the approved funding must be managed within your program's budget and may impact eligible expenses based on other operational needs.

12. How can I support WIF activities for CWELCC centre-based providers in 2025?

You must use your program-cost allocation to provide eligible staff with paid planning time. Staff working at least 20 hours per week and meeting ratio requirements qualify for one hour of paid planning time per week.

To meet the requirements of planning you must:

- Provide equitable access to paid planning time.
- Pay staff their regular wages for eligible planning time activities.
- Maintain monthly logs that track activities, expenses, dates, times, staff involved, roles, and whether activities occurred during regular hours. These logs will support funding reconciliation, KPI reporting, and audit compliance.

We are reviewing allocations in 2025 and will communicate updates to WIF activities later this year.

13. What WIF activities are supported in 2025 for CWELCC BASP programs?

In 2025, an updated School-Age guideline will be shared, and further details will follow regarding the use of planning time.

Changes to Closure Days

14. What is the change to closure days starting in 2025?

If you charge fees for a statutory holiday, it now counts as part of the 20-day maximum closure limit. We recognize that this change will impact some programs. Your Parent Handbook must clearly outline the days your program is closed and whether fees are charged.

15. What if I already communicated my closure days to my families and staff? When do I need to adhere to the new changes?

If you have already communicated your closure days for the year, you do not need to make any changes at this time. We are engaging impacted service providers to inform a transition plan for the sector and will share our transition plan as soon as it is available.

16. Do I have to pay staff for the days my centre is closed?

At a minimum, providers must comply with the *Employment Standards Act* regarding paying staff for statutory holidays and PD days. For all other types of closures where fees are charged for the day, we recommend that staff are paid for the closure days to support recruitment and retention. For closure days due to an event outside your control (e.g. inclement weather, natural disaster) staff scheduled to work must be paid for that day and these days do not count towards the 20-day maximum.



One-Time Emergency Funding

17. Will there be funding to support providers with unexpected projects for major repairs?

Funding to support maintenance, minor repairs, furniture and equipment are built into your CWELCC benchmark and legacy top-up allocations (as applicable). This includes your 2023 special purpose costs which were included in the legacy costs used to determine your 2025 CWELCC allocation.

In 2025, providers will have the opportunity to apply for one-time emergency funding to support non-discretionary and unexpected eligible costs above their Program Cost Allocations (such as emergency capital repairs to minor assets).

18. When can providers expect to receive information about the one-time emergency funding?

We are in the process of developing the CWELCC Emergency Funding policy and plan to share information with all providers in the Spring. Please stay tuned for details. If your repair is urgently needed and you cannot wait for the Spring application process, you may need to access other revenue sources (reserves/surplus) to support your expense in the interim.

Parent Handbook Requirements

19. Why is Peel collecting parent handbooks and when will it be collected?

We are collecting your parent handbook in the Spring because it is a provincial guideline requirement, and it is required for us to get your funding right. Your parent handbook includes information that is important to the administration of the CWELCC program, such as:

- The services included in your base fee.
- The times and dates child care services are available, the days you are closed and whether fees are charged for closed dates.
- Your fees, including your updated base and non-base fees.
- If refunds or credits will be provided and when.

It is your responsibility to ensure your parent handbook is updated as per section 45 under O. Reg.137/15. Please refer to this regulation for a fulsome list of requirements.

Fee reduction for children receiving subsidy

20. Do I need to reduce the parent contribution by 50% for families receiving a partial fee subsidy?

Please refer to direction below for CWELCC-eligible children and for school age—children:

- **For CWELCC-eligible children:** The parent contribution has already been reduced in the 'Confirmation of Subsidy' letter, so families should pay the amount specified in



the letter. No further reductions are needed. For example, if the letter shows a \$3/day contribution, the family would pay \$3/day.

- **For school-age children (6 to 12):** These children are not eligible for CWELCC, so the parent contribution is not reduced in the confirmation letter. Eligible providers must use their School Age child care fee funding to reduce the parent contribution for families in receipt of child care subsidy by 50% for eligible children in before and/or after school programs. For example, if the letter shows a \$3/day contribution, the family would pay \$1.50/day.

21. Have the rate updates in OCCMS changed the daily fees for families with CWELCC eligible children?

The municipal rates in OCCMS have been updated to the cap of \$22 per day. You will see the \$22 cap reflected in OCCMS when you complete your January attendance. Refer to the email shared with you on January 29, 2025, for more information.

Operating Budgets

22. Will there be an opportunity to update our operating budget if the 2025 operating budget is due at the end of March?

Providers are encouraged to update their budget throughout the year, regardless of whether you are required to submit the operating budget. This will help ensure that you are monitoring your budget throughout the year.

If you think that you will have a shortfall, please email us. We will share more information on our process to support providers with budgeting and how to maximize your allocation.

23. As an owner, how can I pay myself for my time worked at the centre?

Salaries, wages, and benefits paid to owners must be reflected in their T4. These are eligible expenses, like compensation for any other employee, and are not capped at a specific amount, however it must be attributable, appropriate, and reasonable to child care.

24. If my vacancy loss exceeds 10%, who will cover the shortfall?

The CWELCC actual cost-based funding model encourages providers to stay close to their reported operating capacity. If you experience extenuating circumstances or long-term vacancy challenges, please reach out to your EYS for next steps. The CWELCC funding model does not fund vacancy loss over 10%.

Enhanced Program Support (EPS)

EPS Allocation, Budgeting and Funding Flexibility

25. Where can I find my 2025 EPS allocation?

Providers can refer to their 2025 CWELCC Cost-Based Funding award in GovGrants to confirm their total CWELCC allocation for children under the age of six. A global CWELCC allocation allows providers flexibility to spend and manage their funding on eligible child care expenses, including EPS.

There is not a separate line item indicating the portion of CWELCC allocation designated for EPS funding. EPS costs incurred in 2023 were used to inform 2025 allocations. Providers can refer to their 2023 FAIR statement to confirm the amount they reported in EPS spending.

Providers with before-and-after school programs for children aged 6-12 can refer to their 2025 School Age (6-12) Programs award in GovGrants to view their EPS allocation.

26. Does the 2025 EPS allocation include top-up funding?

Yes, based on the demand for top-up in 2024 the region included EPS funding proactively in 2025 for CWELCC and if, applicable, School Age allocations. There is no separate application process for top-up funding. The top-up amount has been proactively included as part of your CWELCC and School Age allocations.

27. Should providers wait until allocations adjustments are completed in Spring 2025 to use their EPS funding?

Providers do not need to wait to use their EPS funding. If your budget allows, you can use your program cost allocation to cover any eligible expenses depending on the operational needs of your CWELCC program, including EPS.

28. Do providers have flexibility on the amount of EPS funding they spend to support classroom needs?

After meeting all mandatory requirements of CWELCC funding, providers have full flexibility to spend and manage their CWELCC allocation on eligible child care expenses, including supporting their EPS needs. As a reminder, EPS funding is a short-term funding support, and providers and program staff are expected to work together with their Resource Consultant to support the needs in their programs.

Providers who meet all the mandatory requirements of school-age (6-12) funding have flexibility to use leftover funding to cover eligible costs, including EPS, as outlined in the 2025 School Age (6-12) Guidelines. However, providers may only move a maximum of 10% out of their EPS allocation without approval from the Region.

29. For centres that did not receive or use all their EPS funding in 2023 or, how will adjustments be made to reflect actual needs?

Providers who reported their EPS expenditures in their 2023 audited financial statements/FAIR have their EPS funding included in their CWELCC allocation. In Spring 2025, the Region will review and may adjust allocations for providers whose 2023 reports did not result in appropriately benchmarked funding, including those who did not report or receive EPS funding in 2023.

EPS Staff Compensation

30. Should providers include an EPS notation on staff paystubs?

No, providers are not required to include an EPS notation on staff paystubs. Providers will be required to report their total 2025 EPS expenditures through financial reconciliation under a separate expense line. More details on reconciliation for 2025 funding will be shared when available.

31. Will EPS staff be eligible for Wage Enhancement Grant (WEG), General Operating Fund (GOF), or Workforce Compensation Fund (WCF) if they hold a RECE status?

EPS staff cannot be included in the minimum ratio requirements and are not eligible for wage enhancements, such as WEG, GOF, or WCF. However, providers have flexibility to choose how they compensate their EPS staff within the following limits:

- Minimum: Ontario's current minimum wage
- Maximum: The hourly rate cannot exceed the hourly wage of the highest earning non-supervisory RECE employed at the centre (including wage enhancements).

This means that if a non-supervisory RECE works some hours in a non-ratio EPS position their time in that position can be compensated at the same rate as their primary RECE role.

2025 School Age (6 to 12) Funding

32. Can we use the BASP enrichment portion of our school-age funding during March break?

Yes, you can use your BASP enrichment budget to do enrichment activities during March Break. As a reminder, enrichment must be provided on average once a week for each group of children with a range of offerings (during after school, PA Day and March Break) so that all children have the opportunity to benefit from enrichment activities.

33. Is there any discussion about extending reduced fees for School Age programs during the summer?

No, reduced school age fees for summer programs will not happen in 2025 due to budget limitations.

34. Will the BASP pilot continue for the 2025-2026 school year?

In 2024, we completed an evaluation of the BASP pilot program, and now we're reviewing the results. We're looking at how we can shift the BASP program from a pilot to a regular funding program for the 2025-2026 school year. We will share more details in late Spring.

35. What is the age eligibility for a child to qualify for BASP fee reduction in 2025?

Children not eligible for CWELCC qualify for the BASP fee reduction. More specifically, children born in 2018 or earlier are eligible for the BASP fee reduction in 2025 (January to June).

36. Our billing structure for BASP fee reductions makes it difficult to issue refunds to families on the same day fees were paid, especially for the last day of service. For example, fees paid between January 3 and March 31, 2025, must be refunded by March 31. Is there any flexibility in the refund schedule?"

We will update the guidelines to give providers time to process the refunds as follows:

- For fees paid January 3, 2025 through March 31, 2025, you must issue a refund by April 15, 2025.
- For fees paid April 1, 2025 through June 27, 2025, you must issue a refund by July 14, 2025.

37. Are school-age children eligible to receive a reduction to their registration fees?

No, families will pay 100% of the registration fee and only the child care fee portion will be reduced by 50%.