

CWELCC SYSTEM SERVICE AGREEMENT

This CWELCC System Service Agreement (the “Agreement”) is made this ___ day of _____, 2022.

B E T W E E N:

THE DEPARTMENT OF HUMAN SERVICES, COUNTY OF OXFORD
as Consolidated Municipal Service Manager under
The Child Care and Early Years Act, 2014, S.O. 2014, c.11, Sched .1
(hereinafter called the "County")

- and-

Legal name of child care operator

(hereinafter called the "Operator")

WHEREAS the County is the provincially-designated Consolidated Municipal Service Manager (“CMSM”) for the Oxford County area under *The Child Care and Early Years Act, 2014*, as amended, and the regulations made thereunder, and such CMSM functions are performed by its Department of Human Services;

AND WHEREAS the County has the authority, pursuant to the *Child Care and Early Years Act, 2014*, to enter into an Agreement with any person or organization operating:

- a licensed Child Care Centre;
- a licensed Private Home Day Care Agency

AND WHEREAS the organization is eligible to participate in the Canada Wide Early Learning and Child Care System as defined in O. Reg. 137/15

AND WHEREAS the Operator holds a Provincial License in good standing for the operation of a Child Care Centre or Licensed Home Child Care Agency in Oxford County as defined in this Agreement;

AND WHEREAS pursuant to and subject to the *Child Care and Early Years Act, 2014* and Regulations and applicable provincial directions and guidelines, the County is prepared to pay the Operator for the provision of Child Care Services as set out in the Schedules to this Agreement, as amended from time to time;

AND WHEREAS provincial policies, requirements, and funding guidelines under the *Child Care and Early Years Act, 2014* or successor legislation are subject to modifications and change, which may necessarily affect the content of some or all Schedules to this Agreement from time to time;

AND WHEREAS the parties acknowledge that in the absence of federal-provincial funds for these programs, the County would be unable to continue funding such Child Care Services;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements herein and subject to the terms and conditions set out in this Agreement, the parties agree as follows:

1. Definitions

1.1 Throughout this Agreement and the Schedules hereto wherever the words or phrases listed below are commenced with capital letters, and the context permits, the following definitions respectively apply for purposes of this Agreement.

1.2 In this Agreement and the Schedules hereto:

- a) "Agreement" means this Agreement as at the date hereof and includes all of the Schedules mentioned in [Section 2](#) as attached, and amendments thereto;
- b) "Agreement date" means the day the Province of Ontario and the Government of Canada entered into an agreement providing for the Canada-Wide Early Learning and Child Care System

- c) "Base fee" means any fee or part of a fee that is charged in respect of a child for child care, including anything a Licensee is required to provide under the *Child Care and Early Years Act, 2014* or anything a Licensee requires the Parent to purchase from the Licensee, but does not include a non-base fee;
- d) "Canada-Wide Early Learning and Child Care System" means the Canada-Wide Early Learning and Child Care System for early years and child care funding provided for in an agreement entered into by the Province of Ontario and the Government of Canada
- e) "Child Care" and "Child Care Services" means the services provided to children in accordance with the *Child Care and Early Years Act, 2014* through the operations of Operators as defined in this Agreement;
- f) "Child Care" has the same meaning as set out in section 3 of the *Child Care and Early Years Act 2014*, S.O. 2014, Chapter 11, Schedule 1, being the provision of temporary care for or supervision of children in any circumstance other than in exempt circumstances as outlined in section 4 of said *Child Care and Early Years Act*;
- g) "Child Care Centre" means a premises operated by an Operator licensed under the Child Care and Early Years Act to provide Child Care for children at the premises;
- h) "*Child Care and Early Years Act*" means the *Child Care and Early Years Act 2014*, S.O. 2014, Chapter 11, Schedule 1, as amended, or any successor legislation thereto;
- i) "Child with special needs" means a child whose cognitive, physical, social, emotional or communicative needs, or whose needs relating to overall development, are of such a nature that additional supports are required for the child;
- j) "Consolidated Municipal Service Manager" means the County of Oxford's Department of Human Services, operating as the Service System Manager under the *Child Care and Early Years Act, 2014*. It is used interchangeably with "Service System Manager";
- k) "Council" means the elected municipal council of the County of Oxford;
- l) "County" means the County of Oxford's Department of Human Services, operating as the Consolidated Municipal Service Manager under the *Child Care and Early Years Act, 2014*;
- m) "County Staff" means the staff of the County of Oxford's Department of Human Services authorized to exercise the rights and perform the duties of the County under this Agreement;
- n) "CWELCC Administrative Policies and Procedures" a document created, maintained and updated by the County of Oxford's Department of Human Services staff which outlines the local policies and procedures governing child care providers participating in the CWELCC System in Oxford County;
- o) "Eligible child" means:
 - (a) any child under six years old, and
 - (b) up until June 30 in a calendar year, any child who,
 - (i) turns six years old between January 1 and June 30 in that calendar year, and
 - (ii) is enrolled in a licensed infant, toddler, preschool or kindergarten group, a licensed family age group, or home child care;
- p) "Fees" mean the daily cost of licensed Child Care charged to a Parent paying full fee;
- q) "Fee Subsidy" means financial assistance that assists eligible Parents to pay for the cost of licensed Child Care Centre or home-based Child Care;
- r) "Full Time Equivalent" or "FTE" means a measurement figure calculated from the number of full-time and part-time employees in an organization that represents these workers as an equivalent number of full-time employees;
- s) "Inclusive Child Care" means the provision of Child Care services to children identified as having Special Needs, who are under 13 years of age;
- t) "Licensed Home Child Care Agency" means an agency licensed under the *Child Care and Early Years Act* to screen approve, monitor, and train independent contractors who

provide Private Home Child Care;

- u) "Licensed Home Child Care" means the temporary care for compensation of up to six (6) children, under thirteen (13) years of age (all home-based child care providers must count their own children if they are younger than four (4) years old and care for a maximum of three (3) children younger than two (2) years old) where such care is associated with a Private Home Child Care Agency and provided in a private residence, other than the home of a Parent of any such Child, for a continuous period not exceeding twenty-four hours;
- v) "Licensee" means a person, whether a corporation or an individual, who has control or management of a Child Care Centre, or a home Child Care agency, and holds a provincial license as such;
- w) "Market Rate" means the actual rate per child per day that the Operator charges full fee paying Parents for the provision of services for a child;
- x) "Ministry" means the Ministry of Education, unless otherwise specified in this agreement.
- y) "Non-base fee" means,
 - (a) any fees charged for optional items or optional services that are not required for Parents/caregivers to insure as part of the mandatory daily fee, such as transportation or field trips, or
 - (b) any fees charged pursuant to an agreement between the Parent and the Licensee in respect of circumstances where the Parent fails to meet the terms of the agreement, such as,
 - (i) fees for picking up a child late, and
 - (ii) fees to obtain items that the Parent agreed to provide for their child but failed to provide;
- z) "Parent" or "Subsidized Parent" means the person(s) who are the natural Parents of a Child or the person(s) having legal custody or guardianship of a Child;
- aa) "Per Diem" means an amount calculated in accordance with the cost sharing provisions of Ontario Regulation 138/15 made pursuant to the *Child Care and Early Years Act* and:
 - i. where a Parent is entitled to a full subsidy for the cost of child care under the *Child Care and Early Years Act* or Council policy, a daily rate that is approved by the City; or
 - ii. where a Parent is not entitled to a full subsidy but is entitled to assistance under the *Child Care and Early Years Act*, a daily rate determined by the City.
- bb) "Province" means the Ministry of Education for the Province of Ontario or any successor ministry, department or government body;
- cc) "RECE" means Registered Early Childhood Educator, defined as a member of the College of Early Childhood Educators in good standing.
- dd) "Regulations" means O.Reg. 137/15 under the *Child Care and Early Years Act, 2014*, unless otherwise stated;
- ee) "Schedules" means the Schedules attached and referred to in this Agreement, as amended or replaced from time to time pursuant to [Section 2.2](#) of this Agreement;
- ff) "Site" means the location, at which the Child Care Services are offered;
- gg) "Special Needs Resourcing" means, with respect to services for children with Special Needs eligible for Inclusive Child Care, the provision of staff, equipment, supplies or services,
 - a. in a place where Licensed Home Child Care is provided,
 - b. in a place where an approved Children's Recreation Program is provided, or
 - c. in a Licensed Child Care Centre.
- hh) "Subsidized Child" means a child or children who receive Child Care Fee Subsidy;

2. Provision of Service

2.1 The Operator agrees to provide services in accordance with the following Schedules marked with an "X", as amended or replaced from time to time:

- [Schedule "A"](#) – CWELCC Fee Reduction Service Description Schedule

- [Schedule "B"](#) – CWELCC Workforce Compensation Service Description Schedule
- [Schedule "C"](#) – CWELCC Retroactive Parent Fee Refund
- [Schedule "D"](#) – CWELCC Funding Schedule

2.2 Licensee must operate in accordance the *Child Care and Early Years Act, 2014* ("CCEYA") and its regulations, as well as the requirements outlined by the CMSM.

2.3 The Operator acknowledges and agrees that any of the above Schedules may be replaced by, revised or modified from time to time at the County's sole discretion. For certainty and for identification of the current Schedule(s) at all times, each replacement Schedule shall be confirmed by the signatures of the respective authorized signing officers of the parties to this Agreement.

2.4 The County and Operator agree that the Schedules referred to in 2.1 and 2.2 above shall be annexed to, and form part of this Agreement.

2.5 The Operator agrees to abide by the policies and procedures outlined in the County of Oxford's CWELCC Administrative Policies and Procedures, which may be updated or amended from time to time.

3. Term

3.1 This Agreement shall be in force and take effect from _____, until such date as it is terminated in its entirety by either party, as provided in this Agreement.

4. Termination

4.1 The County may, in its sole and absolute discretion, terminate this Agreement if it determines that the Operator is no longer eligible to participate in the CWELCC System.

4.2 If in the opinion of the County, the Operator is in breach of any of the terms of this Agreement, of any of the provisions of the CCEYA, any other legislated requirements and any Regulations made thereunder, or Federal-Provincial Funding Guidelines pertaining to the CWELCC System, and written notice of the breach, specifying fifteen (15) days' notice or another time period, has been given to the Operator, the County may, in addition to whatever other remedies are available to it in law or equity, terminate the Agreement immediately if the Operator fails to remedy the breach within fifteen (15) days after delivery of the written notice or such other notice period as may be specified by the County in such notice.

4.3 The Operator may terminate this Agreement by giving not less than ninety (90) days written notice to the County.

4.4 Upon termination of this Agreement in whole or in part, the Operator shall forthwith reimburse to the County any monies advanced by the County which are not expended in accordance with this Agreement.

4.5 In the event the Agreement is terminated in whole or in part, the Operator shall promptly notify the Parents of every child whose care or other services under this Agreement are affected by the termination that the Operator's Agreement with the County has been terminated and the Operator shall, within the first ten (10) days after the termination, provide the County with written verification that such notification to the Parent(s) has been completed.

4.6 The Operator and the County may at any time enter into a new agreement for any of the same purposes as this Agreement. Upon such a subsequent agreement being executed it shall supersede and replace this Agreement.

4.7 This Agreement is dependent upon funding from the Federal-Provincial agreement for the CWELCC System. In the event that funding for this program is no longer made available due to changes made by either the Government of Canada or the Government of Ontario, this agreement will be terminated.

5. Operator Obligations

5.1 As applicable, the Operator covenants to diligently and competently provide the services identified under [Section 2](#), to comply with all requirements set out in the applicable Schedule(s), to act in the best interests of the children receiving services, and to maintain in good standing at all times the applicable license issued to the Operator by the Province.

5.2 Documentation

5.2.1 Prior to Signing

- (1) Prior to signing this Agreement the Operator must provide to the County all of the following documentation:
 - (a) Where the Operator is a corporation:
 - (i) The Articles of Incorporation, Letters Patent and/or a current Ministry of Government Services Corporate Profile Report or a corporate status certificate;
 - (ii) A list of the current directors and their mailing addresses, (if Corporate Profile Report not provided);
 - (iii) A list of all signing officers for the corporation;
 - (b) Where the Operator is a sole proprietorship or partnership, the full name(s) and mailing address(es) of the individual(s) comprising the sole proprietorship or the partnership;
 - (c) Three (3) years of audited financial statements, satisfactory to the County, or other evidence of financial viability in a form acceptable to the County;
 - (d) The license(s) issued by the Ministry of Education, as applicable; and
 - (e) The operating name, address, phone number and contact information for each Site;
 - (f) Proof of the insurance coverage described in [Section 9.1](#); and
 - (g) Demonstrate financial viability as outlined in the County of Oxford's CWELCC Administrative Policies and Procedures.
- (2) The Operator shall provide to the County any changes to the information set out in (1) above within thirty (30) days of the change occurring.

5.2.2 Annually

- (1) On an annual basis the Operator shall provide the following documentation to the County:
 - (a) The current license(s) issued by the Province, as applicable;
 - (b) Annual audited financial statements, satisfactory to the County, or other evidence of financial viability in a form acceptable to the County;
 - (c) Proof of insurance coverage described in [Section 9.1](#);
 - (d) All reporting documentation as outlined in the County of Oxford's CWELCC Administrative Policies and Procedures;
 - (e) Licensees must complete the annual Licensed Child Care Operations Survey, as required under section 77 of O. Reg. 137/15 in order to continue to receive funding under the CWELCC System; and
 - (f) Licensees are required to provide sufficient and detailed financial or other information related to their child care operations as required by the CMSM for review

5.2.3 Financial and Service Records

- (a) For each Site where service is being provided, the Operator shall maintain financial records, books of account and service records, respecting services provided pursuant to this Agreement.
- (b) The Operator shall, unless the County waives this requirement in writing, submit to the County annually an audited financial statement with respect to the funding and services provided pursuant to this Agreement within four (4) months of the Operator's financial year end.
- (c) The Operator shall adhere to any additional financial and service reporting requirements as specified in any of the Schedules attached hereto unless otherwise specified in writing by the County, the Operator shall submit reports to the County annually, no later than the annual reporting due dates determined by the County.
- (d) The Operator shall ensure that the financial and service records referred to in [Section](#)

[5.2.3](#) are in such form and contain such content as are required by the County.

- (e) The Operator shall prepare and submit such further and other staffing, financial and service information or reports as reasonably requested from time to time by the County.
- (f) Must ensure its staff are available for consultation by the County as required.

5.2.4 Review of Operator's Financial and Service Records

- (a) The Operator shall permit County Staff, or such other persons as may be designated by the County, to inspect and audit financial and/or service records during the term of this Agreement and for seven (7) years after its expiry or termination. Attendance for this purpose shall be during the Operator's usual business hours, provided that the County gives the Operator twenty-four (24) hours of notice of its intention to do so.
- (b) The cost of any financial or operational audit or review required or conducted by the County shall be borne by the Operator if the audit or review (i) was made necessary because the Operator did not comply with a requirement under this Agreement; or (ii) determines that the Operator has not fulfilled its obligations under this Agreement, the *Education Act*, the *Child Care and Early Years Act*, the *Full Day Early Learning Statute Law Amendment Act*, 2010, or the Regulations made thereunder.
- (c) The Operator will be subject to compliance audits to ensure compliance and accountability related to the requirements of the CWELCC system. The Operator will cooperate entirely with the County or their representatives when they conduct these compliance audits.
- (d) Operators who sign CWELCC System Service agreements for the CWELCC System with multiple CMSMs will, upon request, submit to the County any and all budgets/financial reports that have been required to be submitted by those other CMSMs in order to ensure compliance with CWELCC requirements.

5.2.5 Records

- (a) The Operator shall retain each year's records and books of account referred to in [Section 5.2.3](#) for a period of seven (7) years.
- (b) In the event the Operator ceases operation, it is agreed that the Operator shall not, within the applicable seven (7) year period, dispose of any records related to the services provided under this Agreement without the written consent of the County.
- (c) In the event the Operator decides to leave the CWELCC system, the Operator must retain all financial and service records unless given prior consent by the County.
- (d) Must permit the CMSM to audit financial and service records related to the CWELCC System at any reasonable time.

5.3 Consultation

- (a) The Operator will permit County Staff and designates to enter at reasonable times any premises used by the Operator in connection with the provision of services pursuant to this Agreement and under its control in order to observe and evaluate the services provided pursuant to this Agreement.
- (b) The Operator agrees that its staff providing services pursuant to this Agreement will, upon reasonable request, be available for consultation with County Staff.
- (c) The Operator agrees that the County has the right to verify that the Operator is maintaining the spaces for eligible children for which they are receiving CWELCC funding

5.4 Use of Funds

The Operator is required to use CWELCC Funds to support the CWELCC System objectives in accordance with this agreement, the attached schedules, relevant legislation, regulations, guidelines, and the County of Oxford's CWELCC Administrative Policies and Procedures.

The Operator is required to return to the County any CWELCC System funds where the County has determined that the funds have not been used in accordance with the

requirements established by the County that apply to the Operator.

5.5 Fee Reduction

The Operators are required to utilize CWELCC Fee Reduction funds to support Parents, and families of eligible children by reducing base fees for eligible children.

- The Operators Base Fees will be determined in accordance with the requirements set out in O. Reg. 137/15 under the CCEYA.
- Twenty-one (21) calendar days after the Operator is informed by the County of their enrollment date in the CWELCC system the Operator is prohibited from charging a base fee that is higher than the applicable base fee for an eligible child.
- Twenty (20) calendar days after an Operator is notified by the County of their enrollment date in the CWELCC system the Operator is required to provide refunds to Parents for any fees paid that were higher than the reduced base fees, for any higher base fees that were prepaid for a period after the enrollment date, and any refunds related to reductions in Parental contributions families in receipt of fee subsidy for the applicable period.
- The County has the discretion to determine what expenses will be included in the Base Fees .
- The Operator is required to maintain the reduced base fees until they are required to reduce the fees again, or until they are no longer participating in the CWELCC System.
- The County has the right to verify the timeliness and accuracy of refunds and fee reduction made by the Operator.

5.6 Workforce Compensation

Operators are required to utilize CWELCC Workforce Compensation funding to increase compensation for low wage earners who are RECEs working in the child care sector.

- Operators are required to bring the wage of all eligible RECE staff up to the wage floor and benefits as identified in the Ministry Guideline Addendum.
- Operators are required to increase the hourly wage plus benefits of all eligible RECEs staff annually as described in the Ministry Guideline Addendum.
- Workforce compensation is required to be provided to all eligible RECEs regardless of the age of the child being supported. Workforce funding is not limited to RECEs supporting eligible children.
- Operators subject to the *Protecting a Sustainable Public Sector For Future Generations Act, 2019* are required to meet any applicable obligations under this act.
- Operators are required to first apply for and receive Wage Enhancement Grant funding prior to accessing Workforce Compensation Funding.
- Operators who join the CWELCC system must issue retroactive payments to eligible RECE staff for any period after April 1, 2022 until the Operator received notice from the County that they are enrolled in the CWELCC System during which the Operator paid eligible RECE staff wages lower than the wage floor.
- Operators are required to comply with the Wage Floor requirements found in the Ministry Guideline Addendum within 31 days of being informed by the County of being notified of being enrolled in the CWELCC system.
- Operators have 60 days from being informed by the County of enrollment in the CWELCC system to issue retroactive payments of Wage Floor funding to eligible RECEs.
- Operators must include workforce payments in each pay cheque or payment made to eligible RECE staff.
- Upon receiving confirmation of enrolment in the CWELCC System, and as new eligible RECEs are hired, Operators are required to share, in writing, information about the wage floor and annual wage increases with eligible RECE staff.

5.7 Compliance with O. Reg. 137/15

The Operator is required to comply with O. Reg 137/15 requirements including but not limited to:

- Maintaining pre-CWELCC announcement licensed capacity. Any changes to licensed capacity must be approved by the County;
- The Operator must complete the annual Licensed Child Care Operations Survey in order to receive funding under the CWELCC system;
- The Operator must reduce and refund base fees in accordance with O. Reg. 137/15; and

- The Operator must keep an electronic or hard copy of this Agreement on site or at the agency head office and make it available for Ministry inspection.

5.8 Refund/ Recovery of CWELCC Funding

If for any reason the Operator is overpaid CWELCC funding under this Agreement, or has used CWELCC funding for purposes other than intended by CWELCC program, the County will deduct the amount of the overpayment from any future monies owing to the Operator or require the Operator to return the funds to the County by way of a cheque to the County, and the County reserves the right to collect the overpayment from the Operator through a court of competent jurisdiction.

The County will reserve the right to withhold or recover funding based upon the following:

- Funding spent on ineligible expenditures;
- Funding spent on expenditures unrelated to the objectives of CWELCC;
- Expenditures not at fair market value;
- Transactions with a related party;
- Operator not meeting deadlines relating to request for information, documentation and reporting;
- Operator not meeting the requirements under the CWELCC System, applicable guidelines or any other specific deadlines noted by the County;
- CWELCC System funds not used in accordance with the requirements and any applicable guidelines provided by the County to the Operator;
- Operator did not complete their annual *Licensed Child Care Operations Survey*, as per O. Reg. 137/15 (77); and
- Operator closed for more than two consecutive weeks, or more than four weeks in a calendar year without prior authorization from the County.

5.9 Non-Compliance with the County of Oxford's CWELCC Administrative Policies and Procedures

The Operator is required to comply with the policies and procedures set out in the County of Oxford's CWELCC Administrative Policies and Procedures. In the event of non-compliance, as determined by the County, the County will take the following progressive steps to give the Operator the opportunity to comply with the Manual.

1. The County will inform the Operator in writing that they are considered not in compliance with the CWELCC Administrative Policies and Procedures. The County will outline the non-compliance and the Operator will be given 30 days to correct the issue.
2. If the Operator does not correct the non-compliance within 30 days, the payment of CWELCC funding will be reduced by 50%. The Operator will be informed in writing of this reduction and again informed of the non-compliance. The Operator will then be given 30 days to demonstrate compliance.
3. If the Operator does not demonstrate, as determined by the County, that it is in compliance with the CWELCC Administrative Policies and Procedures within 30 days of CWELCC funding being reduced to 50%, all payments of CWELCC funding by the County will cease.
4. If CWELCC funding to the provider has been ceased by the County, the provider will be informed that they have a final 30 days to correct their non-compliance. If the non-compliance is not corrected, the County will terminate this agreement and provide notice in writing of the termination to the Operator as described in [Section 4.2](#) in this agreement.

If at any time the Operator demonstrates compliance to the County's satisfaction, with the County of Oxford's CWELCC Administrative Policies and Procedures, the County will restore CWELCC funding. This is at the sole discretion of Oxford County and may include retroactive restoration of withheld funding.

5.10 Suspension of Agreement

The Operator agrees that the County may suspend this Agreement and withhold payments if the Operator is in breach of its obligations under this Agreement as determined solely by the County. The County shall give notice to the Operator of the suspension as soon as reasonably possible. This right is in addition to and shall not preclude the County's right to terminate under [Section 4](#) and/or exercise any other enforcement provisions of this Agreement and any other remedies the County may have in law or equity.

5.11 No Guarantee

The Operator acknowledges and agrees that the County in no way guarantees, warrants or represents that any children will be placed with the Operator pursuant to this Agreement. The Operator acknowledges and agrees that eligible Parents have the sole and absolute discretion and freedom of choice regarding the placement of children and that by entering into this Agreement the County does not recommend or otherwise endorse the Operator.

5.12 Observance of the Law

- (a) The Operator agrees to at all times comply with applicable federal, provincial, municipal laws, including all applicable statutes, regulations, by-laws, standards and rules in respect of fulfilling the terms and conditions of this Agreement.
- (b) Without limiting the generality of section (a) hereof, the Operator shall ensure that all health, fire and building regulations and recommendations are adhered to at all times and shall permit the Medical Officer of Health, the Fire Chief, Chief Building Officials, and/or any of their authorized representatives to enter the Operator's premises at any reasonable time to inspect the premises.

5.13 Change in Ownership

- (a) The Operator acknowledges and agrees that the Operator has no right to unilaterally transfer or assign this Agreement or any part hereof. This Agreement is not transferrable or assignable except with the written consent of the County, which consent shall not be unreasonably withheld but may be given subject to such conditions as the County may impose and shall in all cases be at the County's unfettered discretion.
- (b) The Operator shall provide the County with at least ninety (90) days written notice of any proposed transfer, sale or other conveyance of the Operator's child care operations, as well as regarding anticipated change in current ownership of the Operator. In any such case the Operator shall also notify the proposed assignee or transferee that in order to consider approval of such a transaction the County requires full particulars of the proposed transferee/assignee including but not limited to all of the information referred to in [Section 5.3](#) of this Agreement, evidence of eligibility for licensing and other qualifications deemed relevant by the County.
- (c) For purposes of this [Section 5.10](#) an assignment or transfer of a controlling interest in an Operator that is a corporation or partnership shall be considered a change of ownership, as will a transfer or assignment of the essential assets of the Operator's Child Care operations.
- (d) For clarity, in the event of any change of ownership, including transfer or assignment of less than a controlling interest, or in the event of a lease or other arrangement/agreement whereby the Operator effectively relinquishes direct control of the Operator's Child Care operations, the County will, notwithstanding any other provisions herein contained, determine at its sole discretion whether funding to the child care operation under this Agreement shall continue thereafter.

6. Confidentiality

- 6.1 The County and Operators must observe the requirements of the *Municipal Freedom of Information and Protection of Privacy Act*.
- 6.2 In accordance with the *Municipal Freedom of Information and Protection of Privacy Act*, the Operator, its directors, officers, employees, agents and volunteers will hold confidential and will not disclose or release to any person other than County Staff at any time during or following the term of this Agreement, except where required by law, any information or document that tends to identify any individual in receipt of services.
- 6.3 In accordance with the *Municipal Freedom of Information and Protection of Privacy Act* the County will hold confidential and will not disclose or release to a person other than County Staff at any time during or following the term of this Agreement, except where required by law, any information or document that identifies the Operator without the Operators written consent. In complying with its' obligation to ensure compliance with O. Reg. 137/15 and the County of Oxford's CWELCC Administrative Policies and Procedures, the County reserves the right to utilize all submitted financial and service data to determine reasonableness of expenses, and compliance with CWELCC Regulations, Provincial guidelines, and the County of Oxford's CWELCC Administrative Policies and Procedures. This can include the sharing of individual Operator financial data with other CMSMs.
- 6.4 All Operators are responsible for proper storage, safeguarding and secure disposal of confidential information. This includes both hard copy and electronic documents.

7. Conflict of Interest

- 7.1 The parties, their agents, representatives, and any of their respective directors, officers, employees, agents and volunteers shall not engage in any activity or provide any services where such activity or the provision of such services, creates a conflict of interest, with the provision of services pursuant to this Agreement. The parties acknowledges and agree that it shall be a conflict of interest for it to use confidential information of the County relevant to the services where the parties have not specifically authorized such use.
- 7.2 The Operator shall disclose to the County without delay any actual or potential situation that may be reasonably interpreted as either a conflict of interest or a potential conflict of interest.
- 7.3 A breach of the provisions of this [Section 7 – Conflict of Interest](#) by one party shall entitle the other party to terminate this Agreement, in addition to any other remedies that the other party may have in law or in equity.

8. Indemnification

- 8.1 The Operator will, both during and following the term of this Agreement, indemnify and hold harmless the County of Oxford, their officers, council members, partners, agents and employees and the Province of Ontario from all costs, losses, damages, judgments, claims, demand, suit, actions, complaints, or other proceeding in any manner based upon, occasioned by or attributable to anything done or omitted to be done by the Operator, its directors, officers, employees, agents or volunteers in connection with the services provided, purported to be provided, or required to be provided by the Operator pursuant to this Agreement.

9. Insurance

- 9.1 The Operator agrees to purchase and maintain insurance satisfactory to the County during the term of the Agreement, at the Operator's sole expense:
- 9.1.1 Inclusive limits of not less than Five Million Dollars (\$5,000,000) third party liability insurance for injury, loss or damage resulting from any one occurrence and including a sub-limit of not less than Two Million Dollars (\$2,000,000) for claims arising from abuse or allegations of abuse to children under the care, custody, control or supervision of the Operator; this policy shall include the County of Oxford as additional insureds, a cross liability clause, severability of interest clause and personal injury liability clause;
- 9.1.2 Automobile Liability Insurance for an amount not less than Two Million Dollars (\$2,000,000) on forms meeting statutory requirements covering all vehicles used in any manner in connection to the performance of the terms of this Agreement.
- 9.2 Evidence that the insurance described above is in force shall be provided to the County prior to commencement of this Agreement and thereafter at least once annually prior to the renewal date of the policy; the insurance will not be cancelled or permitted to expire unless the insurer notifies the County in writing at least thirty (30) days prior to the cancellation or expiry. The County reserves the right to request higher limits of insurance or other types of insurance policies appropriate to the program as it may reasonably require.

10. Disposition

- 10.1 Without the prior written consent of the County, the Operator shall not sell, change the use, or otherwise dispose of any item, furnishing or equipment for which the County or Province provided purchase funds pursuant to this Agreement; which consent may be given subject to such conditions, as the County deems advisable.
- 10.2 Any item, furnishing, or equipment for which the County of the Province provided purchase funds pursuant to this agreement may be required to be returned to the County at the sole discretion of County Staff.

11. Amendments

- 11.1 This Agreement and its Schedules may be amended from time to time through an amendment made in writing and duly signed by the parties to this Agreement to evidence their agreement to amend or signed pursuant to [Section 2.2](#) of this Agreement where applicable.

12. Non-Assignment and Change in Ownership

12.1 Neither this Agreement, nor any part hereof, is assignable or transferrable by the Operator without the prior written approval of the County, which approval may be withheld by the County in its sole discretion, taking into consideration the provisions of [Section 5.10](#), or granted subject to such conditions as the County may impose.

13. Waivers

13.1 Any waiver by the County of the strict compliance by the Operator with a term, covenant or condition in this Agreement, or any indulgence granted by the County to the Operator is not considered to be a waiver of a subsequent default or breach by the Operator, nor to entitle the Operator to a similar indulgence.

14. Independent Contractor

14.1 The parties acknowledge and agree that the Operator shall provide services as an independent contractor and not as an agent or employee of the County and the Operator's officers, directors, employees and agents shall not be deemed to be employees, agents, partners nor in joint venture with the County.

15. Notice

(a) Any notice given by the Operator to the County under this Agreement or any other document as prepared by the Operator for the County shall be served personally or by sending same by regular letter mail to:

County of Oxford
21 Reeve St
Woodstock, Ontario
N4S 3G1
Attention: Director, Human Services

(b) Any notice given by the County to the Operator under this Agreement or any other document as prepared by the County for the Operator shall be served personally or by sending same by regular letter mail to:

<Owner/Operator or Board Chair>
<Agency name>
<Agency Mailing Address>

(c) Any notice given under this Agreement shall be deemed to have been served, in the case of personal service, on the day it was served, and in the case of service via regular letter mail, on the third day next following the day on which it was posted.

16. General

16.1 The Operator acknowledges and agrees it has read and understands the terms and covenants of this Agreement and that it has obtained or had the opportunity to obtain independent legal advice prior to the execution thereof.

16.2 Each party, at the request of the other, shall execute and deliver such assurances and do such other acts as may be reasonably required or desirable to give full effect to the provisions and intent of this Agreement.

16.3 Time shall be of the essence of this Agreement and shall be deemed to remain so notwithstanding any extension of any time limit.

16.4 All obligations of the Operator shall expressly or by their nature survive termination or expiration of this agreement and shall continue in full force subsequent to and notwithstanding such termination or expiration until and unless they are satisfied or by their nature expire.

16.5 This Agreement shall endure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

16.6 Unless otherwise indicated, all dollar amounts referred to in this Agreement are in Canadian funds.

16.7 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

IN WITNESS WHEREOF this Agreement has been signed by an authorized County official on behalf of the County and the Operator by its proper signing officer(s).

COUNTY OF OXFORD

Name:
Title:

Name:
Title:
/We have authority to bind the Corporation.

<< INSERT NAME OF OPERATOR >>

Name:
Title:

Name:
Title:
/We have authority to bind the Corporation.

**SCHEDULE “A”
CWELCC FEE REDUCTION SERVICE DESCRIPTION SCHEDULE**

Service Provider:

Service Objectives

To provide financial relief for Ontario families through lower licensed child care fees.

Fee Reduction funding will be used by the CMSM to support parents, families, and communities by reducing base fees for eligible children in licensed child care.

Service Description

Families will see financial relief through reduced average parent fees every year, with \$10 per day average licensed child care fees for children under the age of six, as well as children who turn six years before June 30, by September 2025.

The Fee Reduction funding stream includes three distinct components:

- (1) Retroactive Fee Rebate (25% reduction);
- (2) Ongoing Fee Reduction (25% reduction, progressing to 50% reduction, progressing to an average per day cost of \$10 for eligible children); and
- (3) Support for incremental CWELCC administration costs.

Funding Conditions

Fee Reduction Service funding is an enveloped allocation separate from other funding allocations. Licensees are required to use the funding only for the intended purpose (i.e. reducing parent fees for families with eligible children in Licensed child care).

The following conditions apply:

1. Licensees are required to use CWELCC System Funds to support CWELCC System objectives in accordance with the CWELCC System Service Agreement, applicable legislation, regulations and applicable guidelines requirements provided to Licensees.
2. Licensees are required to return CWELCC System Funds to the CMSM where funds are not used in accordance with the requirements established by the CMSM that apply to Licensees.
3. Licensees must communicate their CWELCC System enrolment status to all parents and staff within 14 days of the licensee being notified by CMSM of the results of their application in accordance with O. Reg. 137/15.
4. Licensees must reduce and refund base fees for eligible children only, in accordance with O. Reg.137/15.
5. Licensees' base fees must be determined in accordance with the requirements set out in O. Reg. 137/15 under the CCEYA. (CMSMs can refer to the regulations and the Guideline Addendum for further details on base fees).
6. Licensed home child care agencies participating in the CWELCC System must ensure that home child care providers charge parents of eligible children a base fee determined in accordance with O. Reg. 137/15, which applies to children who are agency placed and those children that are privately placed in the provider's care.
7. Twenty-one (21) calendar days after a Licensee is notified by the CMSM of their enrolment date, the Licensee cannot charge a base fee that is higher than the applicable base fee for an eligible child.
8. Twenty (20) calendar days after a Licensee is notified by the CMSM of their enrolment date, the Licensee is required to provide refunds to parents for any fees paid that were higher than the reduced base fees paid, for any higher base fees that were prepaid for a period after the enrolment date, and any refunds related to reductions in parental contributions families in receipt of fee subsidy for the applicable period.
9. CMSMs have the right to determine an initial base fee, in the case where the capped fee does not include all of the components required to be included in a base fee under O. Reg. 137/15, or to exclude components that should not be part of a base fee at the discretion of the CMSM.

10. Licensees must ensure that components that should be captured by the definition of non-base fees under O. Reg. 137/15 should not be included as a component of base fees.
11. Licensees are required to maintain the reduced base fees until they are either required to reduce them again, or if they are no longer participating in the CWELCC System.
12. In the case where a Licensee transfers shares of the corporation the Licensee continues to be bound by the requirements in O. Reg. 137/15 relating to base fees and non-base fees. In the case where a Licensee sells all of its assets and ceases to be licensed, the purchasing corporation must apply for a license under the CCEYA and may submit an application to enroll in the CWELCC System, in which case the base fee and non-base fee rules in O. Reg. 137/15 apply to the applicant.
13. CMSMs have the right to verify the timeliness and accuracy of refunds and fee reductions made by Licensees.

SCHEDULE “B”
CWELCC WORKFORCE COMPENSATION SERVICE DESCRIPTION SCHEDULE

Service Provider:

Service Objectives

Workforce compensation funding is focused on supporting Registered Early Childhood Educator (“RECE”) staff that are low wage earners. Increased compensation for low wage earners will help support the recruitment and retention of RECEs working in the child care sector as part of the provincial strategy to achieve system growth and ensure increased access to high quality licensed child care in Ontario.

Service Description

Ontario will support the recruitment and retention of Ontario’s child care workforce by providing improved compensation for low wage earners through the implementation of a wage floor and an annual wage increase for eligible RECE staff. Workforce compensation funding will be provided to Licensees to offset wage increases for non-RECE staff associated with the increased minimum wage that came into effect January 1, 2022.

Funding Conditions

The following conditions apply:

1. Licensees are required to bring the wage of all eligible RECE staff up to the wage floor plus benefits as identified in the ministry’s Guideline Addendum.
2. Licensees are required to increase the hourly wage plus benefits of all eligible RECE staff annually as described in the ministry’s Guideline Addendum.
3. Workforce compensation funding is provided to eligible RECE staff employed by a Licensee that is participating in the CWELCC System regardless of the age of the children they are supporting (e.g., not limited to staff supporting children under the age of 6).
4. Licensees subject to the *Protecting a Sustainable Public Sector for Future Generations Act, 2019* (“PSPSFGA”) are required to meet any applicable obligations under the PSPSFGA.
5. Licensees that are subject to the terms of a collective agreement should seek independent legal advice on implementing the wage floor and annual wage increase.
6. Licensees will be required to apply for the Wage Enhancement Grant to be eligible to receive workforce compensation funding.
7. Licensees participating in the CWELCC System prior to December 31, 2022, must issue retroactive payments to eligible RECE staff for any period after the Licensee is notified by the CMSM that they are enrolled in the CWELCC System during which Licensees paid eligible RECE staff wages lower than the wage floor.
8. Licensees participating in the CWELCC System after December 31, 2022, will not receive funding to issue retroactive payments to eligible RECE staff for wage compensation funding and will only be expected to implement the wage floor and annual wage increase on a go forward basis.
9. Licensees will be permitted to continue to pay eligible RECE staff below the wage floor for thirty-one (31) calendar days after the CMSM notifies them that they are enrolled in the CWELCC System. After thirty-one (31) days, the Licensee would be required to pay eligible RECE staff at least the wage floor. Licensees would then be given one additional month (for a total of 60 days from the day they were notified by the CMSM) to provide eligible RECE staff with a retroactive payment for any wages that were below the wage floor, retroactive to the date their enrolment in the CWELCC System was confirmed by the CMSM
10. Licensees are not permitted to use workforce compensation funding to provide compensation to eligible RECE staff over and above what is mandated based on the requirements set out in the Guideline Addendum without approval from the ministry.
11. Workforce compensation funding must be considered in addition to and not reduce other

planned compensation increases for eligible staff. For example, the wage floor and annual wage increase cannot be used to reduce planned merit increases for eligible staff.

12. Licensees must include workforce compensation payments in each pay cheque or payment made to eligible RECE staff.
13. Upon receiving confirmation of enrolment in the CWELCC System from their CMSM, and as new eligible RECE staff are hired, Licensees are required to share in writing, information about the wage floor and annual wage increase with eligible RECE staff. 61
14. Licensees must report on data for meeting wage floor and annual wage increase requirements as determined by the CMSM and the reporting parameters set out in the ministry's Addendum to the Funding Guideline. Minimum Wage Offset
15. Licensees must provide eligible non-RECE staff that were earning less than \$15 per hour (not including wage enhancement) on March 31, 2021, or were hired after March 31, 2021 and before January 1, 2022 and had wages below \$15 per hour (not including wage enhancement), minimum wage offset funding.
16. Licensees must report on data for meeting minimum wage offset requirements as determined by the CMSM and the reporting parameters set out in the ministry's Addendum to the Funding Guideline.

**SCHEDULE “C”
CWELCC RETROACTIVE PARENT FEE REFUND**

Service Provider:

Service Objectives

The Retroactive Fee Rebate can only be administered to children who are (or were, any time since April 1, 2022) attending a CWELCC-enrolled Licensed centre-based or home-based Child Care and are within the eligible age range.

Service Description

The Retroactive Fee Rebate funding allocation will be provided to Licensees based on the actual ‘Pre-CWELCC Mandatory Base Fee’ amounts paid by eligible families for the period of April 1, 2022 to the end of the Retroactive Fee Rebate period (i.e. the date at which participating licensees begin charging the Ongoing Fee Reduction to families).

The ‘Pre-CWELCC Mandatory Base Fee’ is the fee amount that the Licensee was charging families as of March 27, 2022, minus any amounts that are determined to be ‘non-base fee’ components and/or plus any amounts that are determined to be ‘base fee’ or required components that were not included in the fee amount. The ‘Pre-CWELCC Mandatory Base Fee’ will be reviewed and approved by the CMSM as part of the initial application review process.

Funding Conditions

The following conditions apply:

1. In the case of either Licensed centre-based or home-based Child Care, the Retroactive Fee Rebate will be issued to all eligible children who have received care at any time since April 1, 2022, even if those children are no longer receiving care. In these cases, the Licensee will be required to use their best efforts to contact the family to issue the Retroactive Fee Rebate.
2. In the case of Licensed Home Child Care, the Retroactive Fee Rebate will be issued by the Agency to children who are placed by the Agency and those children that are privately placed in the provider’s care.
3. The Retroactive Fee Rebate Funding allocation will be calculated based on 25% of the Licensee’s ‘Pre-CWELCC Mandatory Base Fee’ for all eligible children for the period of April 1, 2022 to the end of the Retroactive Fee Rebate period.
4. When issuing the Retroactive Fee Rebate to families, Licensee’s must issue the applicable amount to eligible families (i.e. cheque/electronic funds transfer/account credit). The method(s) in which the Retroactive Rebate will be provided to families should be clearly articulated to families in the communication that is provided to them.
5. Licensees participating in CWELCC will be supported to calculate the amount of funding required to issue the Retroactive Fee Rebate to eligible families through the use of a Licensee Retroactive Fee Rebate Workbook. As noted below, during the CWELCC enrollment process, the Licensee will complete the Fee Reduction and submit it, along with an Invoice to the CMSM to request payment of the required Retroactive Fee Rebate funding. The Licensee will then issue the required rebates to families.
6. Retroactive Fee Refunds must be provided to eligible families **within twenty (20) calendar days** after the day that the Licensee is notified by the CMSM of their enrollment date.
7. Retroactive Fee Rebates should be provided for the days the Licensee was operating and serving children during the Fee Rebate Period.
8. The Ongoing Fee Reduction will commence (November 1, 2022). Once enrolled, the Licensee will have twenty (20) calendar days to reduce their fees by 25%.

**SCHEDULE “D”
CWELCC FUNDING SCHEDULE**

Service Provider:

Description

Licensees are required to use CWELCC System Funds to support CWELCC System objectives in accordance with the CWELCC System Service Agreement, applicable legislation, regulations and applicable guidelines requirements provided to Licensees.

Service Objectives

1. Licensees are required to return CWELCC System Funds to the CMSM where funds are not used in accordance with the requirements established by the CMSM that apply to Licensees.
2. Funding amounts to a Licensee will be determined at the discretion of the CMSM based on actual costs.
3. Licensees are required to provide sufficient and detailed financial or other information related to their child care operations as required by the CMSM for review.
4. Information submitted by the Licensee for eligibility and reasonability of expenditures will be subject to review as part of the CMSMs funding and reconciliation process.
5. The requirement for Licensees to report to the CMSM any revisions to capacity or use of alternate capacity for child care spaces currently licensed for ages 0-5.
6. Information submitted by the Licensee for eligibility and reasonability of expenditures will be subject to review as part of the CMSMs funding and reconciliation process.
 - a. Discretion to determine eligibility and reasonability of a Licensee’s revenues, costs and expenses, based on CWELCC System funding requirements provided to Licensees and to adjust funding provided based on review.
 - b. The right to review and to confirm that the Licensee did not charge fees for eligible children higher than the fees at which it was capped after March 27, 2022 (unless the fees were communicated to parents prior to march 27, 2022).
 - c. Denying funding for expenses, or to only pay what is deemed to be fair market value, as determined by the CMSMs.
 - d. Denying funding for expenditures arising from transactions not conducted at arms-length.
 - e. Denying funding for ineligible expenditures, based on applicable guidelines and parameters provided by CMSMs to Licensees.
 - f. Determining the amount of funding that can be spend by Licensees on administration expenses.
 - g. Denying funding for administration expenditures above what has been determined by CMSMs for each Licensee.
 - h. Requiring Licensees to seek approval if additional administration funding is required by the Licensee above what is allowed.
 - i. The right to determine if a Licensee’s operation in child care for eligible children is sustainable and financially viable. CMSMs have the discretion to define sustainable and financial viability.
 - j. The right to verify that increases to base and non-base fees for the care of eligible children were permitted in accordance with O. Reg. 137/15, (e.g. a fee increase must be communicated to families/parents prior to March 27, 2022).
 - k. The right to verify that Licensees are maintaining the spaces for eligible children for which they are receiving funding to reduce base fees (e.g. a licensed infant space must remain an infant space) along with the right to recover funding from

the Licensee as determined by the CMSM.

- I. The requirement for Licensees to report to the CMSM any revisions to capacity or use of alternate capacity for child care spaces currently licensed for ages 0-5.
- m. Requirement that Licensees do not close for more than two (2) consecutive weeks and do not close for more than four (4) weeks within a calendar year while the licensee is receiving full funding from the CWELCC System.
- n. Requirement that full base fees cannot be charged by the Licensee for any closure beyond these timelines. CMSMs may further limit the allowable period of closure (e.g. closures may not exceed ten (10) consecutive days).

2022 Allocation

2022 CWELCC Funding Allocation Summary	
Fee Reduction Funding	
Workforce Compensation Funding	
Administration Funding	