

**THIS EARLY YEARS AND CHILD CARE FUNDING AGREEMENT (the "Agreement")**  
dated this [redacted] day of [redacted] (month) [redacted] (year)  
(the "Effective Date")

**B E T W E E N:**

**THE REGIONAL MUNICIPALITY OF HALTON**  
(the "Region")

- and -

[Insert Full Legal Name]  
(the "Operator")

(collectively the "Parties", each a "Party")

**WHEREAS** the Region is a designated service system manager pursuant to Ontario Regulation 138/15 under the *Child Care and Early Years Act*, S.O. 2014, c. 11, Sched. 1, and is bound by the Ministry of Education's guidelines for Consolidated Municipal Service Managers, as amended and/or replaced;

**AND WHEREAS** the Region may enter into agreements for the funding of licensed child care centre services and licensed home child care services, including equity in access to quality child care for families who have children with special needs and other funding for services related to the needs of children;

**AND WHEREAS** the Operator is eligible to receive funding as an operator of a licensed child care centre or a licensed home child care agency, or is otherwise eligible for funding for children's early learning and development programs;

**NOW THEREFORE** in consideration of the mutual covenants and conditions hereinafter provided, the Region and the Operator agree as follows:

**1.0 Definitions and Interpretation**

1.1 The statements and representations contained in the preamble hereto are true and form part of this Agreement.

1.2 In this Agreement:

- (a) "**Agreement**" means this Agreement between the Region and the Operator, including all Schedules, Funding Allocation Letter, Guidelines, and any applicable

application forms submitted by the Operator for Funding;

- (b) **“Approved Child”** means a child of a family that has been approved for Fee Subsidy by the Region;
- (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*, or anything a licensee requires the parent to purchase from the licensee, but does not include a non-base fee;
- (d) **“Business Day”** means each Monday, Tuesday, Wednesday, Thursday and Friday except when any such day occurs on a statutory or declared holiday observed in Ontario;
- (e) **“Canada-Wide Early Learning and Child Care System”** or **“CWELCC 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;
- (f) **“Child Care and Early Years Act”** means the *Child Care and Early Years Act, 2014*, S.O. 2014, c. 11, Sched. 1 and accompanying regulations, as amended or successor legislation;
- (g) **“CIA AR”** means the annual return a corporation is required to file in accordance with Section 3.1 of the *Corporations Information Act*, R.S.O. 1990, c. C.39;
- (h) **“Enhanced Support Funding”** means Funding provided to the Operator, by the Region for the purposes of supporting children with special needs;
- (i) **“Event of Default”** means an event of default as described in subsection 11.1;
- (j) **“Fee Subsidy”** is a payment, expressed as a per diem amount, made to the Operator by the Region in respect of Services delivered to an Approved Child;
- (k) **“Funding”** means any financial support funded by the Ministry and/or the Region, including but not limited to initiatives outlined in the Provincial Guidelines, and which may also be referred to as grants or subsidies;
- (l) **“Funding Allocation Letter”** means the document issued by the Region in connection with this Agreement, including updates issued thereto, that sets out the amounts of Funding payable to the Operator;
- (m) **“General Operating Grant”** or **“GOG”**: means general operating expense funding that supports the costs of operating eligible licensed child care programs as

further set out in the Provincial Guidelines;

- (n) **“Guidelines”** means both Provincial Guidelines and Regional Guidelines;
- (o) **“Ministry”** means the Ministry of Education and its successors and any other ministry that may be transferred responsibility for the *Child Care and Early Years Act*;
- (p) **“Non-base Fee”** means any fees charged for optional items or optional services, such as transportation or field trips, or any fees charged pursuant to an agreement between the parent and the licensee in respect of circumstances where the parents fails to meet the terms of the agreement (for example, fees for picking up a child late, fees to obtain items that the parent agreed to provide for their child but failed to provide), as defined in the *Child Care and Early Years Act*;
- (q) **“Provincial Guidelines”** means the Ontario Child Care and Early Years Funding Guidelines as issued by the Ministry and as may be amended from time to time, during the Term of this Agreement that apply to the Funding provided under this Agreement;
- (r) **“Rate Application Report”** or **“RAR”** means the Region’s form completed by the Operator that includes fees and other information;
- (s) **“Regional Guidelines”** means any guidelines, policies or procedures issued by the Region during the Term of this Agreement that apply to the Funding provided under this Agreement as may be amended from time to time;
- (t) **“Schedules”** means the schedules listed in Sections 2.1 and 2.3 of this Agreement;
- (u) **“Services”** means early education, care and guidance to children, and any other programs provided by the Operator for which they may receive Funding under this Agreement;
- (v) **“Site”** means the permanent, outreach or virtual location at which the Services are offered;
- (w) **“Term”** has the meaning defined in Section 4; and
- (x) **“Wage Enhancement Grant”** or **“WEG”** means funding for eligible licensed child care operators and home child care agencies to support wage and benefit increases.

1.3 All other words used in this Agreement shall be interpreted consistent with their

meaning as used in the *Child Care and Early Years Act*, as applicable in the circumstances.

- 1.4 All references to legislation shall be interpreted to include amendments thereto, regulations thereunder and any successor legislation.
- 1.5 Words importing the singular include the plural and vice versa. Words importing gender include all genders.

**2.0 Schedules and Types of Funding**

- 2.1 The Operator agrees to be bound by the information and terms and conditions contained in the following Schedules, which form an integral part of this Agreement:

✓	<b>Operator Information</b> , as set out in <b>Schedule “A”</b>
✓	<b>Inclusion Requirements</b> , as set out in <b>Schedule “B”</b>
✓	<b>Quality Requirements</b> , as set out in <b>Schedule “C”</b>
✓	<b>Vendor Code of Conduct</b> , as set out in <b>Schedule “H”</b>

- 2.2 The Operator has applied for some or all of the following Funding from the Region and has provided evidence satisfactory to the Region of eligibility for the applicable Funding, in accordance with legislation, regulations, policies and funding Guidelines, in force from time to time.

- 2.3 The Parties acknowledge that the Operator shall receive the Funding marked below with a checkmark, from the Region (through direct deposit to an account identified by the Operator), as set out in the applicable Funding Allocation Letter and Schedules attached to and forming part of this Agreement:

<input type="checkbox"/>	<b>CWELCC Cost-Based Funding</b> , as set out in <b>Schedule “D”</b>
<input type="checkbox"/>	<b>Fee Subsidy</b> , as set out in <b>Schedule “E”</b>
<input type="checkbox"/>	<b>General Operating Grant/ Wage Enhancement Grant/HCCEG</b> , as set out in <b>Schedule “F”</b>
<input type="checkbox"/>	<b>Enhanced Support Funding</b> , as set out in <b>Schedule “G”</b>

- 2.4 The Schedules to this Agreement may be updated and/or amended by the Region from time to time. A Schedule bearing a later effective date, as delivered by the Region to

the Operator, will govern and supersede an earlier dated Schedule, as applicable.

- 2.5 In addition to the Schedules, Provincial Guidelines and Regional Guidelines form part of this Agreement and are subject to change at any time. They may be updated and/or amended by the Region or the Ministry at their discretion. These Guidelines may be found on the Child Care Services webpage accessible at [halton.ca](http://halton.ca).
- 2.6 In addition to Funding described in the Schedules to this Agreement, the Region may, in its sole and absolute discretion, pay to the Operator other Funding in an amount not to exceed the amount stipulated by the Region in the Funding Allocation Letter and may provide additional terms and conditions specific to that Funding in a separate Schedule which shall form part of this Agreement. Where the Operator is eligible for other Funding as determined by the Region, the Operator shall use such Funding in accordance with this Agreement, including the relevant Schedule and the Guidelines.
- 2.7 The Parties to this Agreement acknowledge and agree that the Region is funding Services under this Agreement pursuant to the Region's funding arrangements with the government of the Province of Ontario. If at any time this funding is altered, rescinded or terminated by the Province of Ontario, the Region reserves the right to terminate this Agreement immediately or with notice. The Parties further acknowledge and agree that the funding of Services under this Agreement in no way obligates the Region to continue to fund the Services or similar services from the Operator after the expiry or earlier termination of this Agreement.
- 2.8 The Operator acknowledges and agrees that it will only receive such Funding subject to and based on receipt by the Region of funds from the Ministry and the approval of the Regional budget by Regional Council as it relates to the Services and the Funding. The Region reserves the right, in its sole discretion, to redistribute, adjust and/or discontinue the Funding based on these contingencies.
- 2.9 Notwithstanding anything in this Agreement, the Region reserves the right to determine the amounts, times, terms and conditions, and manner of such payments of Funding during the Term of the Agreement, consistent with Provincial Guidelines.
- 2.10 The Operator shall use Funding to provide Services in accordance with the terms and conditions of this Agreement and the Guidelines.

### **3.0 Order of Precedence**

- 3.1 In the event of any inconsistency or conflict between the terms contained in this Agreement, the following order of precedence shall govern:
  - (a) the Provincial Guidelines;

- (b) main body of this Agreement;
- (c) the Schedules;
- (d) Funding Allocation Letter;
- (e) the Regional Guidelines; and
- (f) application forms.

#### **4.0 Term and Termination**

- 4.1 This Agreement commences on the Effective Date and remains in force up to and including the 31st day of December 2031 unless terminated in accordance with the provisions of this Agreement (the “**Term**”). At the end of the Term of this Agreement, upon written notification by the Region to the Operator, this Agreement may continue month to month until the Parties enter into another agreement or either Party terminates this Agreement.
- 4.2 This Agreement may be terminated for convenience by either Party, without cause, upon ninety (90) calendar days’ advance written notice. On receipt or providing of a notice to terminate, the Operator shall perform no further Services other than those reasonably required to complete the Services in progress to the date of termination, and no new children will be approved for receipt of Fee Subsidy.
- 4.3 The Region may immediately terminate this Agreement without notice or liability if:
- (a) the Region receives confirmation from the Ministry or another government entity (e.g. Children’s Aid Society) that there is a threat to the health, safety or welfare of a child or children cared for;
  - (b) the Operator has been issued a provisional licence by the Ministry as a result of misrepresentation or non-compliance with the Act, or if the Ministry suspends or revokes the Operator’s licence;
  - (c) the Region’s funding arrangement with the government of the Province of Ontario in respect of the Services or Funding is altered, rescinded or terminated;
  - (d) the Operator commits, in the opinion of the Region acting reasonably, an illegal or grievous act, where grievous means an act that compromises the integrity of the Region;
  - (e) the Operator ceases to operate;

- (f) a petition for an order of relief under any applicable bankruptcy code or any amendment or successor is filed against the Operator, and is not discharged or dismissed within thirty (30) calendar days' after such filing;
- (g) the Operator becomes bankrupt or voluntarily seeks relief from creditors under any applicable bankruptcy code or other legislation of like or substantially similar effect;
- (h) a receiver, receiver-manager, trustee or other similar-type custodian is appointed for the Operator or a substantial portion of its assets as a result of the Operator's financial default or insolvency; or
- (i) the taking of any steps or any action or the institution of any proceedings by the Operator or by any other party including, without limitation, any court or governmental body of competent jurisdiction for the dissolution, winding up or liquidation of the Operator or its assets.

4.4 In the event of termination, the Operator shall:

- (a) immediately refund any Funding advanced by the Region and not expended by the Operator in accordance with this Agreement;
- (b) immediately refund any Funding indicated for recovery due to a reconciliation or audit process; and
- (c) submit to the Region within 30 calendar days' of the termination date:
  - i. all outstanding reconciliation requirements; and
  - ii. any other information requested by the Region pertaining to the performance of the Services.

## **5.0 Representations and Warranties**

5.1 **General.** The Operator represents, warrants and covenants that:

- (a) it is, and shall continue to be for the term of the Agreement, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- (b) it has, and shall continue to have for the term of the Agreement, the experience and expertise necessary to provide the Services;
- (c) it has read and understands the provisions of this Agreement and the *Child Care and Early Years Act* as they relate to the Services to be rendered pursuant to this

Agreement;

- (d) it shall obtain and maintain throughout the term of this Agreement any and all licenses, permits, and other approvals required to provide the Services in compliance with this Agreement and the *Child Care and Early Years Act* and/or other applicable legislation;
- (e) all of its operations and activities, including without limitation its Services, employment practices, and its accounting, reporting and record keeping practices shall comply with the requirements of all statutes, laws, by-laws, regulations, ordinances, orders and requirements of governmental or other public authorities having jurisdiction in force from time to time, including the Guidelines;
- (f) any information the Operator provided to the Region in support of its request for Funds (including information relating to any eligibility requirements) was true and complete at the time the Operator provided it and shall continue to be true and complete for the term of the Agreement; and
- (g) the Operator shall notify the Region immediately in writing, should any information contained in the Operator's application change during the term of this Agreement.

5.2 **Execution of Agreement.** The Operator represents and warrants that:

- (a) it has the full power and authority to enter into the Agreement;
- (b) it has taken all necessary actions to authorize the execution of the Agreement; and
- (c) the authorized signing officers identified in Schedule "A" are accurately designated and duly authorized to bind the Operator in all matters related to this Agreement, including the execution of this Agreement and the submission of financial documents.

5.3 **Governance.** The Operator represents, warrants and covenants that it has, and shall maintain for the Term, by-laws or other legally necessary instruments to:

- (a) establish procedures to ensure the ongoing effective functioning of the Operator;
- (b) establish decision-making mechanisms;
- (c) provide for the prudent and effective management of the Funding;

- (d) establish procedures to enable the successful provision of Services;
- (e) establish procedures to enable the timely identification of risks to the provision of Services and strategies to address the identified risks;
- (f) establish procedures to enable the timely preparation and delivery of all reports required pursuant to this Agreement, including the Schedules and the Guidelines within the timelines prescribed by the Region; and
- (g) address such other matters as the Operator considers necessary to ensure that the Operator carries out its obligations under the Agreement.

5.4 **Supporting Documentation.** Upon request, the Operator shall provide the Region with proof of the matters referred to in this Section within the timelines specified by the Region.

5.5 **Reliance on Representations and Warranties:** The Operator acknowledges that the Region is relying upon the above representations and warranties in entering into this Agreement.

## **6.0 Documentation Requirements**

### *Documentation to be Submitted Upon Signing Agreement*

6.1 This Agreement shall be conditional upon the Operator providing the Region with the following documentation upon signing this Agreement and throughout the Term of the agreement as requested by the Region, unless the Region determines, in its sole and absolute discretion, that any such documentation as set out in (b) through (f) below is not required:

- (a) all certificates of insurance referred to in this Agreement, to the satisfaction of the Region;
- (b) where the Operator is a corporation:
  - (i) the articles of incorporation, where applicable;
  - (ii) a copy of the CIA AR that was filed for the corporation for the last completed fiscal year along with confirmation of filing from the Canada Revenue Agency; and
  - (iii) a Corporate Profile Report for the corporation obtained from the Ministry of Public and Business Service Delivery that is current within the

preceding thirty (30) calendar days;

- (c) where the Operator is a registered charity: a copy of the Registered Charity Information Return Summary and Directors/Trustees Worksheet for the last completed fiscal year;
- (d) where the Operator is not-for-profit:
  - (i) articles of incorporation,
  - (ii) by-laws of corporation,
  - (iii) full list of Board of Directors (who must be volunteers), and prompt written notification of changes to the Board of Directors and/or signing officers as they occur.
- (e) Head Office Information Form;
- (f) a completed and signed Schedule "A" (Operator Information) to this Agreement;
- (g) Parent Handbook;
- (h) Vendor ID Request Form;
- (i) annual financial statements or other evidence of financial viability in a form acceptable to the Region for the period beginning twelve (12) months or, at the Region's sole and absolute discretion, up to two (2) years prior to the date of execution of this Agreement by the Operator; and
- (j) where applicable, a list of Base Fees charged by the Operator on a per diem basis.

*Documentation to be Submitted Throughout Term of Agreement*

- 6.2 The Operator shall, throughout the Term of the Agreement, keep current and provide updated versions of the documents listed in Section 6.1 whenever there is a material change, meaning any change to the Operator's operations, governance, financial position, or other circumstances that could affect the Operator's eligibility for Funding, or upon request by the Region.
- 6.3 The Operator shall provide to the Region all certificates of insurance referred to in this Agreement, to the satisfaction of the Region, on an annual basis upon their renewal and any further proof of insurance as may be requested by the Region from time to time.

## **7.0 Quality, Inclusion and Conduct of the Operator**

- 7.1 The Operator acknowledges and agrees that the Federal and Provincial governments are providing increased funding for childcare operators under the CWELCC System to help improve the quality of childcare in Canada and Ontario, and support the inclusion of all children, regardless of race, economic means and or abilities. As such, the Operator agrees to comply with the Region's Quality Requirements and Inclusion Requirements set out in the Schedules, as amended from time to time.
- 7.2 In addition to the above, the Operator shall ensure appropriate ethics and values are upheld and is obligated to eliminate any conduct in the Service environment which may violate legislation or community or professional standards.
- 7.3 In cases of illegal or grievous acts, the Region may terminate this Agreement as per Section 4.0.
- 7.4 The Operator shall not cap or otherwise limit the number of children receiving Fee Subsidy at its Sites. To be clear, the Operator shall not refuse enrolment to a child on the basis that the child is approved for Fee Subsidy.
- 7.5 The Operator acknowledges that the Region may establish local Fee Subsidy management policies, including policies to have families receiving Fee Subsidy be prioritized for enrolment with the Operator. The Operator shall comply with any such policies as issued or amended by the Region.
- 7.6 The Operator further agrees to work with the Region to develop plans to increase access for children receiving Fee Subsidy and children with special needs. The Operator shall ensure that these children are included in its child care programs and shall comply with all related policies, directions and plans issued or amended by the Region.

## **8.0 Records and Audit**

- 8.1 The Operator shall:
- (a) maintain complete financial and attendance records related to the Services provided and the Funding, and on receiving three (3) Business Days' written notice, permit the Region, its employees or its agents to access and inspect the Operator's records and obtain copies of such records;
  - (b) upon reasonable request, prepare and submit financial reports related specifically to the Funding provided pursuant to this Agreement in such form and containing such information as the Region may require;

- (c) adhere to any additional financial reporting requirements specified in the Guidelines during the term of this Agreement;
- (d) provide the Region with a copy of its annual audited financial statements, unless the Region provides notice to the Operator that these are not required;
- (e) prepare and maintain financial records in accordance with Generally Accepted Accounting Principles (GAAP), and retain all financial records and books of account for a period of seven (7) years;
- (f) retain all service records in connection with this Agreement, including attendance records for a period of three (3) years;
- (g) maintain accurate and up-to-date records of all expenditures, revenues, and disbursements of Funding related to the Services provided under this Agreement;
- (h) conduct regular internal reconciliations of the records referred to in subsection (g) against the Operator's general ledger to ensure consistency and accuracy;
- (i) maintain distinct subaccounts within the Operator's general ledger to track disbursements of Funding, ensuring that each subaccount includes a detailed breakdown of revenue and expenses by Funding stream to support transparency and enable auditing;
- (j) permit Regional staff or its agents to enter, during operating hours, any premises under the Operator's control in order to observe and inspect the Services being performed;
- (k) ensure that its staff will, upon reasonable request, be available for consultation with Regional staff or its agents regarding the Funding provided under this Agreement and any records related thereto;
- (l) upon request by the Region, provide any information in its possession that is relevant to an investigation concerning a family's eligibility for Fee Subsidy. Such information shall be provided in accordance with the Region's Form CSF 9;
- (m) fully co-operate with any audit or inspection of the Funding or Services provided under this Agreement that is undertaken by the Region, its staff or its agents; and
- (n) comply with Regional Guidelines on the treatment of revenues and expenditures that will be issued from time to time during the term of this Agreement.

8.2 Section 8.1 shall survive the termination or expiry of this Agreement.

## **9.0 Relationship of the Parties**

- 9.1 The Operator acknowledges and agrees that this Agreement is in no way deemed or construed to be a contract of employment. Specifically, the Parties agree that this Agreement is not intended to make the Operator an employee of the Region for the purposes of the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.); the *Canada Labour Code*, R.S.C. 1985, c. L-2; the *Canada Pension Plan*, R.S.C. 1985, c. C-8; the *Employment Insurance Act*, S.C. 1996, c. 23; the *Employer Health Tax Act*, R.S.O. 1990, c. E.11; the *Employment Standards Act, 2000*, S.O. 2000, c. 41; the *Labour Relations Act, 1995*, S.O. 1995, c. 1, Sched. A; the *Workplace Safety and Insurance Act, 1997*, S.O. 1997, c. 16, Sched. A; the *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1; the *Pay Equity Act*, R.S.O. 1990, c. P.7; or the *Health Insurance Act*, R.S.O. 1990, c. H.6.
- 9.2 Notwithstanding Section 9.1, it is the sole and exclusive responsibility of the Operator to make its own determination as to its status under the Acts referred to in Section 9.1 to comply with the provisions of any of the aforesaid Acts and to make any payments required thereunder.
- 9.3 The Operator shall indemnify and hold harmless the Region from any and all amounts required to be paid by the Operator, or claimed to be due and owing and for any and all legal costs, including fees and disbursements and for any administrative costs incurred by the Region relating to any failure of the Operator to comply with all provisions of the Acts described in Section 9.1. This provision shall survive the termination or expiry of this Agreement.

## **10.0 Withholding and Recovery of Payments Related to Over/Under Payments**

- 10.1 If the Region determines that:
- (a) any overpayment of any of the Funding paid to the Operator under this Agreement has been made, including but not limited to overpayment that is the result of an error by either the Operator or the Region, misrepresentation by the Operator, misuse of Funding by the Operator, or the Operator's failure to adequately document the proper use of the Funding in accordance with this Agreement and the Guidelines; or
  - (b) any underpayment of any of the Funding paid to the Operator under this Agreement has been made as the result of an error by either the Operator or the Region;

any such overpaid amounts shall be a debt due to the Region and may be recovered as such and any such underpaid amounts shall be paid by the Region to the Operator. This provision shall survive the termination or expiry of this Agreement.

## **11.0 Events of Default, Remedial Action and Termination**

11.1 Each of the following events, constitutes an Event of Default under this Agreement:

- (a) The Operator is in breach of the performance of, or compliance with, any term, condition, obligation, representation or warranty pursuant to this Agreement;
- (b) the Operator makes a false statement or material misrepresentation in connection with this or any other Agreement the Region may have with the Operator, in support of any application, and/or any reporting, whether written or through technology;
- (c) The Operator uses any portion of the Funding paid by the Region for any purpose other than a purpose permitted by this or any other Agreement the Region may have with the Operator;
- (d) The Operator fails to submit information/documentation/reporting required by this Agreement within the timeline prescribed by the Region;
- (e) The nature of the Operator's operations, or its corporate status, changes so that it no longer meets one or more of the applicable eligibility requirements of the program under which the Region provides funding;
- (f) The Operator becomes bankrupt or insolvent or makes an assignment, files any proposal, or arrangement for the benefit of creditors, or is petitioned into bankruptcy, or files for the appointment of a receiver;
- (g) The Operator ceases to operate, winds up or dissolves; and/or
- (h) The Operator fails to comply with the Region's Quality Requirements or Inclusion Requirements.

11.2 If an Event of Default occurs as described in Section 11.1, the Region may terminate this Agreement upon five (5) Business Days' notice in writing to the Operator.

11.3 If an Event of Default occurs, the Region may, while maintaining its termination rights set out in Section 11.2, take one or more of the following actions:

- (a) Require the Operator to remedy the Event of Default to the sole satisfaction of the Region within a time period established by the Region; ("Remedy Notice Period");

- (b) Require the Operator to initiate any remedial action the Region considers necessary in order to facilitate the successful continuation or provision of the Services, including demonstrating timely progress to address the default;
- (c) Reduce, suspend or cancel the payment of any Funding under this Agreement or under any other Agreement between the Parties, for such period as the Region determines is appropriate;
- (d) Demand the repayment of any Funding remaining in the possession or under the control of the Operator;
- (e) Demand the repayment of an amount equal to any Funding the Operator used for purposes not agreed upon by the Region; and/or
- (f) Demand the repayment of an amount equal to any Funding the Region provided to the Operator.

11.4 If the Region has provided the Operator with an opportunity to remedy the Event of Default as outlined in subsection 11.3 (a) above and the Operator:

- (a) Cannot or does not remedy the Event of Default within the Remedy Notice Period; or,
- (b) Does not commence remedying the Event of Default to the Region's satisfaction, as determined in the Region's sole discretion;

the Region shall be entitled to terminate this Agreement immediately at its sole discretion.

11.5 The Region shall pay only for the Services rendered and disbursements incurred by the Operator in accordance with the terms and conditions of this Agreement to the date of such termination.

11.6 In the event that this Agreement is terminated, the Operator shall immediately notify all of its clients that its Agreement with the Region has been terminated and shall provide the Region with written verification of such notice within ten (10) Business Days of providing it to the clients.

## **12.0 Indemnification**

12.1 The Operator shall defend, indemnify and hold harmless the Region, its Chair, Council members, officers, agents and employees from and against all actions, claims, demands, losses, costs, damages, suits or proceedings whatsoever which may be brought against

or made upon the Region and against all losses, liabilities, judgments, claims, suits, demands or expenses which the Region may sustain, suffer or be put to resulting from or arising out of the failure of the Operator, its employees, agents or contractors to exercise reasonable care, skill or diligence or from any act or omission in the performance of this Agreement. This indemnification shall include any legal costs incurred by the Region on a substantial indemnity basis, including those incurred to defend all prosecutions against the Region resulting from the actions or omissions of the Operator.

### **13.0 Insurance**

13.1 Without restricting the generality of the requirement to indemnify the Region, the Operator shall at its own expense, including the cost of deductibles, obtain and maintain in full force and effect during the Term of the Agreement and any subsequent renewals, the following policies of insurance:

- a) Comprehensive General Liability Insurance providing coverage for bodily injury including death, personal injury, property damage including loss of use, in an amount of not less than FIVE MILLION DOLLARS (\$5,000,000.00) per occurrence. The insurance policy shall include Premises and Operations, Contractual Liability, Cross Liability and Severability of Interests Clauses, Non-Owned Automobile with a limit of not less than TWO MILLION DOLLARS (\$2,000,000.00), and any other coverage relevant to Operator's obligations under this Agreement, and shall include "The Regional Municipality of Halton" as an Additional Insured;
- b) Automobile Liability Insurance:
  - i. If the Operator transports children, the Operator shall obtain and maintain Standard Form Automobile Liability Insurance that complies with all requirements of the current legislation of the Province of Ontario, having an inclusive limit of not less than FIVE MILLION DOLLARS (\$5,000,000.00) in respect of the use or operation of vehicles owned, operated or leased by the Operator; and /or,
  - ii. If the transportation of children is sub-contracted to a third party, the Operator shall ensure that any sub-contracted or third-party operator obtains and maintains Standard Form Automobile Liability Insurance in an inclusive limit of not less than FIVE MILLION DOLLARS (\$5,000,000.00). This coverage must apply to all vehicles owned, operated, or leased by the sub-contractor or third-party operator that are used for the transportation of children.
- c) Either an endorsement to the Comprehensive General Liability Insurance or a standalone Abuse and Molestation Liability policy providing coverage for bodily

injury claims arising vicariously out of actual or threatened abuse or molestation by anyone or any persons, and negligence related to the hiring, employment, placement, training, supervision, investigation and reporting incidents of abuse or molestation. The limits of liability shall not be less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence.

- 13.2 The Operator shall ensure that all its contractors and/or subcontractors shall maintain all necessary and appropriate insurance in an amount that a prudent contractor and/or subcontractor in its place would maintain having consideration for its obligations, including but not limited to, Commercial General Liability Insurance. The Operator shall make reasonable efforts to verify such insurance is in force throughout the period of the work.
- 13.3 The Operator shall ensure that all policies of insurance in this Section 13 shall: (a) be written with an insurer licensed to do business in Ontario; (b) be in form and content acceptable to the Region acting reasonably; (c) be non-contributing with, and will apply only as primary and not excess to any insurance or self-insurance that may be available to the Region; and (d) require the insurers to notify the Region in writing at least thirty (30) calendar days prior to any cancellation of the Operator's insurance.
- 13.4 The Operator shall provide the Region with certificates of insurance to show and establish accurately at all times the current status of policies in force upon signing this Agreement and in particular shall submit to the Region not later than twenty (20) days before the expiration of every current policy evidence of the renewal of the policy of the issuance of a replacement policy, and shall promptly notify the Region of any cancellation or intended cancellation by any insurer of any policy or any circumstances known to the Operator materially affecting its coverage. All certificates must be to the satisfaction of the Region.
- 13.5 The Region reserves the right to require the Operator to purchase such additional insurance coverage as the Region may reasonably require. The Region reserves the right to request such higher limits of insurance or otherwise alter the types of coverage requirements (taking into consideration such matters as the nature of the work, contract value, industry standards, and availability of insurance) as the Region may reasonably require from time to time. If the Region requests to have the amount of the insurance increased or to obtain other and/or additional insurance for this Agreement, then the Operator shall endeavour forthwith to obtain same at the Operator's expense.
- 13.6 For funding amounts with any single instalment payment less than \$35,000: the Operator is strongly encouraged to obtain and maintain Employee Dishonesty Coverage – Form A in an amount of not less than FIFTY THOUSAND DOLLARS (\$50,000.00) for liability resulting from one or more fraudulent or dishonest acts committed by an employee of the Operator while acting alone or in collusion with others.

- 13.7 For funding amounts with any single instalment payment greater than \$35,000: the Operator is strongly encouraged to obtain and maintain Comprehensive/Commercial Crime Insurance including Employee Dishonesty Coverage – Form A in an amount of not less than ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) for liability resulting from one or more fraudulent or dishonest acts committed by an employee of the Operator while acting alone or in collusion with others, covering losses occurring inside and outside the Operator’s premises, and the policy shall be specifically endorsed to provide coverage for money order and counterfeit paper currency coverage, depositors forgery coverage, computer fraud and funds transfer fraud.
- 13.8 The foregoing insurance provisions shall not limit the amount or type of insurance otherwise required by law. In addition to the foregoing insurance provisions, it shall be the sole responsibility of the Operator to determine the nature and extent of additional insurance coverage and insurance limit, if any, is necessary and advisable for its own protection or to fulfill its obligations under this Agreement.

#### **14.0 Workplace Safety and Insurance Board (WSIB)**

- 14.1 The Operator must be in compliance with the *Workplace Safety and Insurance Act* throughout the Term of this Agreement and any subsequent renewals and shall submit to the Region a valid and current WSIB Clearance Certificate upon execution of this Agreement and at any time at the Region’s request.
- 14.2 Where the Operator is not required to be registered with the WSIB and is not covered by WSIB Optional Insurance, the Operator shall provide proof, in a form satisfactory to the Region, from the WSIB confirming that WSIB coverage is not required. In such cases, the Operator shall maintain Employer’s Liability Insurance in an amount of not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence. Evidence of this coverage shall be provided on certificates of insurance as required under Section 13.4. If the Operator’s status changes during the Term of this Agreement such that WSIB coverage becomes required, the Operator shall immediately provide the Region with the WSIB Clearance Certificate as required under Section 14.1.

#### **15.0 Privacy and Confidentiality**

- 15.1 In this Section, “Personal Information” means information about an identifiable individual or has the meaning that is otherwise expressly defined in the applicable legislation.
- 15.2 The Operator shall collect, use, disclose, retain and dispose of Personal Information in accordance with all applicable legislation. The Operator shall limit the collection of Personal Information to that which is necessary for the Operator to provide the Services,

comply with this Agreement or meet the obligations of the *Child Care and Early Years Act*.

- 15.3 The Operator acknowledges that the Region is subject to the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. M. 56, (MFIPPA) as amended, which may compel the Region to disclose this Agreement and any records collected from the Operator pursuant to this Agreement where an access request under MFIPPA has been received. The Operator will only receive notice about an MFIPPA access request for this Agreement and/or records collected from the Operator where MFIPPA requires the Region to provide such notice. The Operator shall assist and cooperate with the Region in complying with the requirements of MFIPPA as required.
- 15.4 The Operator acknowledges that it may receive confidential information about the Region in the course of providing Services pursuant to this Agreement. The Operator, its employees, agent and contractors shall not divulge any confidential information about the Region acquired in the course of carrying out its Services, without the prior written consent of the Region. Furthermore, the Operator shall not use any confidential information acquired in the course of carrying out the Services for any purposes other than the provision of Services under this Agreement, without specific written authorization by the Region. Where the Operator receives notice to disclose confidential information through a judicial order/legal process (e.g. subpoena, summons to witness, etc.) it agrees to promptly notify the Region of the notice to allow the Region to attempt to prevent disclosure, where warranted. For the purposes of this Section, “confidential information” means any information that is not in the public domain. This provision shall survive the termination or expiry of this Agreement.

## **16.0 Public Communications**

- 16.1 Operators shall not issue a news release or any other public communication directed at media regarding major child care and early years investments, without:
- (a) first contacting the Ministry of Education through [ministryofeducation@ontario.ca](mailto:ministryofeducation@ontario.ca) about the Operator’s plan to publicly communicate these major child care and early years investments;
  - (b) publicly recognizing the Ministry of Education’s role in providing funding; and
  - (c) inviting the Minister of Education to attend any events related to your investment announcement.
- 16.2 For all major child care and early years investments, the Minister of Education must be invited by the Operator as early as possible to the event. Invitations can be sent to [ministryofeducation@ontario.ca](mailto:ministryofeducation@ontario.ca).
- 16.3 For all other media-focused public communications opportunities, an invitation to the Operator’s event must be sent to the Minister of Education by the Operator by e-mail

([ministryofeducation@ontario.ca](mailto:ministryofeducation@ontario.ca)) with at least three weeks' notice.

- 16.4 The Operator shall not use the Region's name or logo, or represent the Region's position or views in any communication to clients, the public, or other third parties, without the prior written consent of the Region. Where the Operator intends to issue any communication that references or names the Region, the Operator shall provide a draft of such communication to the Region in advance. Any comments or approval provided by the Region under this section shall not be construed as an endorsement of the content of the communication beyond the accuracy of references to the Region.
- 16.5 Without limiting the above, the Operator shall comply with the Provincial Guidelines regarding public communications.

### **17.0 Conflict of Interest**

- 17.1 In the event that the Operator or any of its officers, directors or employees has or acquires any direct or indirect pecuniary interest in any matter related to the Services or with the Region, the Operator shall forthwith disclose that interest to the Region. In the event of the disclosure or discovery of a conflict of interest or an apparent conflict of interest, the Region may, at its sole and absolute discretion, terminate this Agreement in accordance with Section 11.0 or require such other reasonable steps to be taken by the Operator to address the conflict as it deems appropriate.
- 17.2 For the purposes of Section 17.1, a conflict of interest occurs when the Operator or any of its officers, directors or employees performs any action in relation to the Services or Funding and knows or ought to have known that the action furthers its/their private interests. An apparent conflict of interest occurs if there is a reasonable perception, which a reasonably well informed person would properly have, that the decision to take the action must have been affected by its/their private interest.

### **18.0 Assignment and Change in Control**

#### **Assignment**

- 18.1 Subject to the terms of this Section 18.0, the Operator shall not assign the whole or any part of the benefit or obligation of this Agreement without the Region's prior written consent, which consent may be withheld, or given subject to such terms and conditions as the Region may impose.
- 18.2 Despite the fact that the Region consents to an assignment or subcontract, the assignment or subcontract will not release or relieve the operator from its obligations to the Region or from the performance of the Services in accordance with this Agreement.

## **Change in Control**

18.3 For the purposes of this Section, a “change in control” occurs in any of the following situations:

- (a) when an entity or individual that previously had a controlling interest in the Operator no longer has such controlling interest;
- (b) when an entity or individual that previously did not have a controlling interest in the Operator obtains controlling interest, regardless of whether the new controlling entity or individual previously had a non-controlling interest or no interest in the Operator; or
- (c) when more than fifty percent (50%) of the assets or shares of the Operator are no longer owned by the entity or individual that previously owned them.

## **Asset Sales**

18.4 Any sale, assignment or transfer of any assets of the Operator sufficient to result in a change in control shall result in immediate termination of this Agreement.

## **Share Sales**

18.5 If there is any sale, assignment or transfer of any shares of the Operator sufficient to result in a change in control, this Agreement must be maintained and assigned (if assignment is required).

18.6 The Operator shall provide the Region with advance written notice of a pending change in control as described in Section 18.3 either:

- (a) ninety (90) calendar days prior to the change in control occurring; or
- (b) in the event that the Operator has no knowledge of the change in control ninety (90) calendar days prior to it occurring, as soon as the Operator has such knowledge.

## **19.0 Vendor Code of Conduct**

19.1 The Operator acknowledges and agrees to abide by the Region’s Vendor Code of Conduct attached to this agreement as Schedule “H”.

19.2 The Vendor Code of Conduct acknowledgment form must be executed by an authorized signing officer of the Operator and submitted to the Region upon execution of this Agreement.

## **20.0 Notice**

20.1 Any notice, demand, acceptance, or request required to be given hereunder in writing shall be deemed to be given if personally delivered, mailed by prepaid registered mail or delivered by email as follows:

Region: The Regional Municipality of Halton, Director,  
Children's Services Division  
1151 Bronte Road  
Oakville, ON, L6M 3L1  
Fax: (905) 825-8821  
Email: [childcareservices@halton.ca](mailto:childcareservices@halton.ca)

Operator: [Legal Name]  
[Address...]  
[Name and title]  
Email: [...]

20.2 Any notice shall be deemed to have been given to and received by the Party to whom it is addressed:

- (a) if delivered, on the date of delivery; or
- (b) if mailed, then on the fifth (5<sup>th</sup>) day after the mailing thereof; or
- (c) if emailed, on the date it was sent.

## **21.0 General**

21.1 The Operator acknowledges and agrees that all payments under this Agreement are subject to the receipt of sufficient funds from the Ministry and the annual approval of Regional Council.

21.2 This Agreement supersedes all previous agreements, arrangements, or understandings between the Parties whether written or oral, and this Agreement together with the Budget Summary and all other documents incorporated herein by reference shall constitute the full understanding and agreement between the Parties.

21.3 Any amendment to this Agreement, other than as herein specifically authorized, shall be made in writing and signed by both Parties

21.4 The Operator and the Region agree that each of them shall and will, upon the reasonable request of the other, provide or execute such further documents or assurances necessary to give effect to this Agreement.

- 21.5 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 21.6 Except as specifically set out in this Agreement, no waiver of any clause, term, or condition of this Agreement by any employee, agent or contractor of the Region shall constitute an enforceable or continuing waiver by the Region, nor shall the Operator be entitled to rely thereon.
- 21.7 If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, the remaining provisions or part provisions of this Agreement shall continue in full force and effect.
- 21.8 Nothing contained in this Agreement shall be construed as restricting or preventing either Party from relying on any right or remedy otherwise available to it at law in the event of any breach of this Agreement.
- 21.9 This Agreement shall be binding upon and shall benefit the Parties and their respective successors, administrators, and assigns.
- 21.10 The Operator agrees that the Region may communicate with its representatives using the email addresses provided in Schedule "A" and any other email addresses that it may provide to the Region from time to time.
- 21.11 The Operator and the Region agree that this Agreement may be executed in counterparts, each of which is an original, and all of which taken together constitute one single document.
- 21.12 This Agreement may be executed electronically using electronic signatures and such electronic signatures will have the same force and effect as a handwritten signature.

**IN WITNESS WHEREOF** the Parties have signed this Agreement by the hands of their signing officers, duly authorized in that regard.

**THE REGIONAL MUNICIPALITY OF HALTON**

Per: \_\_\_\_\_

Andrew Balahura  
Director of Children’s Services  
I have authority to bind the corporation.

**[FULL LEGAL NAME OF OPERATOR]**

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

I have the authority to bind the corporation

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

I have the authority to bind the corporation

**Schedule "A" - Operator Information**

**1. Date Information Provided/ Updated (DD/MM/YY):** \_\_\_\_\_

**2. Head Office Information:**

**Head Office Legal Name:** \_\_\_\_\_

**Head Office Operating Name:** \_\_\_\_\_

**Organization Type (Profit/Non-Profit):** \_\_\_\_\_

**Head Office Mailing Address:**

*\* This must be the registered business address.*

**Apt/Unit:** \_\_\_\_\_ **Address:** \_\_\_\_\_

**City:** \_\_\_\_\_ **Province:** \_\_\_\_\_ **Postal Code:** \_\_\_\_\_

**Head Office Contact Name:** \_\_\_\_\_

**Head Office Contact Position:** \_\_\_\_\_

**Head Office Phone Number:** \_\_\_\_\_

**Head Office E-mail Address:** \_\_\_\_\_

**3. Executive Director/ Supervisor or Equivalent**

(Person(s) with the responsibility of the day to day management of the operations of the Operator)

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Telephone Number:** \_\_\_\_\_

**Email address:** \_\_\_\_\_

**4. Program Sites and Addresses:**

The Operator has been approved to provide the Services only at the following site(s) and addresses:

Site information same as Head Office:

*Or*

**If your Head Office has multiple sites please complete the table below:**

*\* Please attach a separate listing of sites and addresses if necessary*

#	Site Name <b>(MANDATORY FIELD)</b>	Site Address <b>(MANDATORY FIELD)</b>	Site Contact Information <i>Name, Title, Phone number, email address</i>
1.			
2.			
3.			
4.			
5.			

**5. List of Current Directors:**

#	Name	Position/Title	Telephone Number	Email Address
1.				
2.				

3.				
4.				
5.				
6.				
7.				
8.				

**6. Authorized Signing Officers for Agreements and Financial Documents**

Name:

---

Signature:

---

Position/Title:

---

Email address: \_\_\_\_\_

Name:

---

Signature:

---

Position/Title:

---

Email address: \_\_\_\_\_

Name:

---

Signature:

---

Position/Title:

---

Email address: \_\_\_\_\_

**7. Warranty of Accuracy and Completeness**

I/We agree that we have reviewed the information provided in this Schedule “A” and warrant on behalf of the Operator that it is accurate and complete.

(Where the Schedule is submitted by a Operator that is a corporation, it must be signed by a duly authorized officer.)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

## Schedule “B” – Inclusion Requirements

The provisions of this Schedule “B” apply to all Operators that are a party to this Agreement.

The Operator and the Region agree that the overarching goals of providing quality and inclusive care in Halton Region involves:

- Maintaining the best interests of the children, families and other people related to the Services provided;
- Addressing children, families and other individuals related to the Services provided with honesty and integrity;
- Providing fair and equal treatment to all members of our community without discrimination;
- Maintaining respect and co-operation with all individuals in the course of each party’s duties; and
- Respecting the right of each individual to make choices and decisions based on their own preferences, understanding they are best positioned to determine what they want.

1. In this Schedule:

- a) “**Inclusion Services**” means collaboration between the Region, Community Living Burlington, and Community Living North Halton;
- b) “**Family Centre Plan**” means a plan developed with the parent or caregiver of a child with Special Needs and program staff that identifies goals for the child and the Operator’s educators to support the child’s active and meaningful participation at the Operator’s facility;
- c) “**Resource Consultant**” means an individual appointed or otherwise designated by the Region to support the Operator’s educators to build their capacity to support child development and the active and meaningful participation of children in their programs;
- d) “**Inclusion Supervisor/Manager**” means an individual appointed by the Region to oversee and guide the work of Resource Consultants in the implementation of inclusive practices across child care programs, providing leadership, coaching, and strategic support to ensure environments are responsive to the diverse needs of all children.
- e) “**Family Service Coordination**” means strength-based service planning for children

with Special Needs and supports in the community.

- f) **“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.
- g) **“Undue Hardship”** means a substantial and demonstrable burden that cannot be reasonably mitigated. A claim of Undue Hardship may only be established where the Operator provides clear, objective evidence of:
  - i. significant direct financial costs, assessed in relation to the Operator’s operations after considering available funding sources and internal reallocations;
  - ii. documented health or safety risks that cannot be addressed through reasonable modifications, supports, or risk-mitigation strategies; or
  - iii. material operational constraints that are unavoidable and cannot be resolved through adjustments to staffing, scheduling, program delivery, resource supports, or other feasible alternatives.

2. The Operator shall:

- a) admit children without discrimination on the basis of Special Needs and shall provide accommodation to the point of Undue Hardship;
- b) employ a family-centered approach to Service Delivery by involving families as active participants in planning inclusive Services for their child;
- c) share information that enhances Service delivery, in compliance with applicable privacy legislation;
- d) participate in the development and implementation of Family Centre Plans;
- e) collaborate with community partners, where appropriate, to enhance the delivery of Services;
- f) identify and communicate any changes or challenges in fulfilling expectations of this Schedule;
- g) engage with the Resource Consultant to:
  - i. support inclusion in the classroom, enabling educators to focus on priorities within the natural environment, routines, and schedules for all children;
  - ii. facilitate the development and review of Family Centre Plans; and
  - iii. participate in Family Service Coordination for families and/or the program, as

required.

- h) support communication between Inclusion Services providers and educators outside of classroom time;
  - i) modify and adapt the classroom environment and/or curriculum to the point of Undue Hardship to support the successful participation of all children;
  - j) support children with Special Needs through enhanced staffing, including:
    - i. hiring additional staff;
    - ii. increasing hours for existing staff; and/or
    - iii. providing additional compensation for a designated inclusion leader with appropriate qualifications and expertise.
  - k) consult with Inclusion Services, specifically a Resource Consultant and an Inclusion Supervisor/Manager, prior to making any modifications to a child's schedule of care or initiating a child's withdrawal from care. Children with Special Needs shall not be withdrawn from care until all reasonable supports and strategies have been implemented, and a case-specific discussion has occurred with Inclusion Services Supervisor/Manager;
  - l) report challenges related to Inclusion Services and/or the Resource Consultant to the Inclusion Services Supervisor/Manager in a timely manner;
  - m) provide professional learning opportunities to enhance Operator's educator competence and confidence in implementing inclusive strategies;
  - n) ensure that its staff participate in inclusion training as prescribed by the Region; and
  - o) circulate this Schedule to all current and new educators employed by the Operator and, where required, conduct in-house training to build awareness of Inclusion Services and related responsibilities.
3. Failure by the Operator to comply with the obligations set out in this Schedule may result in the Region withholding, suspending, or delaying funding, in whole or in part, until such time as the Operator has rectified non-compliance to the satisfaction of the Region. Such measures are without prejudice to any other remedies available to the Region under this Agreement.

## Schedule “C” – Quality Requirements

The provisions of this **Schedule “C”** apply to all Operators that are a party to this Agreement.

1. In this Schedule:

**“Quality System Framework”** means the Region’s Quality System Framework, as set out and the end of this Schedule, and as may be updated from time to time.

**“Quality Engagement Cycle”** means - the process Operators must participate in to demonstrate their commitment to the Quality System Framework which includes, but is not limited to, on-site visits and meetings with Regional staff, completion and submission of required data and documentation within mandatory timelines, collaborative goal setting, and the development and implementation of action plans.

2. The Operator agrees to uphold high quality, accessible and inclusive early years and child care services.

3. The Operator shall:

- a) Operate in a manner consistent with all applicable legislation.
- b) Consistently demonstrate foundational principles and operational and pedagogical practices that align with the Quality System Framework.
- c) Fully and actively participate in the Region’s Quality Engagement Cycle.
- d) Submit required documentation and information in full and within timelines set by the Region.
- e) Maintain continuous, accurate, and transparent communication with Regional staff.
- f) Provide opportunities for and actively engage Operator board members, educators, supervisors, home visitors and other staff engaged in professional learning and capacity-building activities to enhance competence and confidence to implement high quality early years and child care programs.
- g) Circulate this schedule to the Operator’s board members, managers and supervisors to promote awareness of its requirements and obligations.

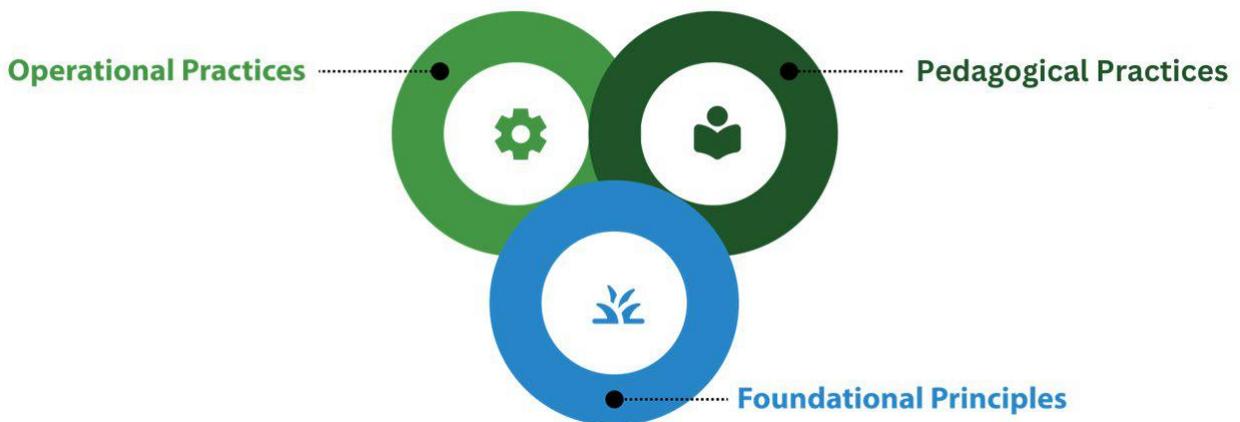
4. Where the Region determines, in its sole and absolute discretion, that the Operator has failed to meet one or more of the requirements above, the Region may direct the Operator to:

- a) meet with the Region to discuss areas of non-compliance and remedial actions;
- b) develop a remedial action plan for Regional approval;
- c) implement actions described in the remedial action plan within an agreed to timeline, including regular progress updates; and

- d) bear all costs associated with remedial action plan development and implementation.

### Halton Region's Early Years and Child Care Quality System Framework

Halton Region Children's Services has adopted a new Child Care Quality System Framework that outlines the principles and practices to elevate the quality of child care programs for children, families and the early years workforce. This framework will support service providers and assist in identifying priorities to continually improve programs and services.



#### ***Foundational Principles***

Foundational Principles guide organizational culture and inform the values, beliefs and behaviours that contribute to quality early years and child care programs.

Fundamental to quality is the understanding of and commitment to:

- *How Does Learning Happen?* Ontario's Pedagogy for the Early Years
- Ontario's Access and Inclusion Framework
- Equity, Diversity, and Inclusion
- Truth and Reconciliation

These foundational principles will influence relationships with children and families and drive operational and pedagogical practices.

## ***Operational Practices***

Operational Practices relate to business processes, policies and procedures and support a strong organizational culture. Leaders have operational practices in place to elevate and maintain quality.

These practices include:

- Mission, vision and values that guide organizational strategy
- An organizational structure with defined roles and responsibilities to support the achievement of the mission, vision and values
- A dedicated workforce strategy that includes recruitment, retention, recognition, performance management and professional learning initiatives to support a qualified workforce
- Design and management of facilities to ensure optimal learning and working environments
- Compliance with legislative and regulatory requirements to ensure the health, safety and well-being of children and staff
- Program evaluation and data-informed decision-making to identify strengths and opportunities to improve the quality of care and effectiveness of the organization
- Financial practices that reflect good stewardship of public funds and support viability

## ***Pedagogical Practices***

Pedagogical Practices are essential to high-quality care and learning environments. High quality organizations provide educators with opportunities for professional learning, mentorship and the time and resources necessary to effectively nurture children’s learning.

Leaders who commit to the pedagogical practices highlighted in *How Does Learning Happen?* (2014, p.16) ensure that educators have the conditions to prioritize:

- Developing and maintaining positive, responsive adult-child relationships
- Planning inclusive learning environments and experiences that encourage exploration, play, and inquiry
- Engaging as co-learners with children, families/caregivers, and others
- Planning and creating environments as a “third teacher”
- Using pedagogical documentation as a means to value, discuss, and make learning visible
- Participating in ongoing reflective practice and collaborative inquiry with others

## Glossary and Appendix for Schedule “C”

**Ontario's Access and Inclusion Framework:** Ontario’s vision for access and inclusion is that more children can actively and meaningfully participate in child care, and be supported in forming authentic, caring relationships with their peers and educators. The Access and Inclusion Framework supports access to licensed child care spaces for low-income families, priority populations, diverse communities, children with special needs, francophone families and Indigenous families.

**Early Years and Child Care Programs:** The physical space, environment, activities, interactions and experiences that are offered to children to support their learning, growth and development.

**Educator:** All who work with children and families in early years and child care programs (Ontario Ministry of Education, 2014).

**Equity, Diversity and Inclusion:** Equity is a state in which personal or social circumstances are not obstacles to being included and supported to achieve equal educational outcomes and well-being among all children. Equitable learning environments recognize, value and build on the diversity of each child and family.

Diversity is the difference and uniqueness that each person brings and can include both visible and invisible aspects.

Inclusion refers to spaces and experiences where children and families feel welcome because their characteristics and identities are respected and reflected in all aspects of the environment.

**Organizations:** The commercial or not-for-profit entity that provides care for children. Organizations are typically led by an individual or team that oversees the full operations of the early years and child care program(s).

**Pedagogy:** The understanding of how learning takes place and the philosophy and practice that supports that understanding of learning (Ontario Ministry of Education, 2014).

**Practice:** Something that is usually or regularly done. The application of a principle, theory or idea.

**Principles:** A system of beliefs that guide behaviors and practices.

**Truth and Reconciliation:** The Truth and Reconciliation Commission of Canada calls on Canada to educate all Canadians about Indigenous peoples to prepare them for the important work of reconciliation. Truth and Reconciliation recognizes the tragic legacy of residential schools, the missing children, the families left behind and the survivors of these institutions and identifies a

commitment to exploring the rich and diverse cultures, voices, experiences and histories of First Nations, Inuit and Métis peoples

**Workforce:** All individuals who work within the early years and child care sector.

## Schedule “D” – CWELCC COST-BASED FUNDING

1. The provisions of this Schedule “D” apply only to Operators that receive CWELCC Cost-Based Funding from the Region.
2. The parties acknowledge and agree that this Schedule reflects the terms and conditions of the Provincial Guidelines, as may be amended from time to time. In the event of any conflict or inconsistency between this Schedule and the Provincial Guidelines, the provisions of the Provincial Guidelines shall prevail.
3. Unless expressly defined in this Schedule “D” or elsewhere in this Agreement, words and phrases used in this Schedule “D” shall have the meaning ascribed to them in the Guidelines and any applicable legislation, including the *Child Care and Early Years Act*.
4. In this Schedule:
  - a) “**Designated Inclusion Leader**” means a registered early childhood educator designated by the Operator to oversee and guide the implementation of inclusive practices across the Operator’s childcare programs, providing leadership, coaching, and strategic support alongside the Resource Consultant to ensure the Operator is responsive to the diverse needs of all children;
  - b) “**Disenrollment**” or “**Disenrolls**” means that the Operator has withdrawn from participating in CWELCC, as reflected on their licence issued by the Ministry of Education;
  - c) “**Eligible Child**” or “**Eligible Children**” means, with respect to CWELCC,
    - 1) any child under six years old; and
    - 2) 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;
  - d) “**Eligible Costs**” means costs incurred in respect of an eligible centre/agency in the calendar year for the purpose of providing licensed child care for Eligible Children, and which are:
    - 1) attributable to the provision of child care included in the Base Fee for Eligible Children;
    - 2) appropriate for the provision of child care for Eligible Children;

- 3) reasonable in quality and amount incurred, having regard to all the relevant circumstances; and
  - 4) any other costs as noted in Guidelines and this Schedule;
- e) **“Resource Consultant”** means an individual appointed or otherwise designated by the Region to support the Operator’s educators to build their capacity to support child development and the active and meaningful participation of children with Special Needs in their programs; and
  - f) **“Special Needs”** means cognitive, physical, social, emotional, communicative or overall developmental needs of a child that are of such a nature that the child requires additional supports.

### **Sites**

5. The Operator shall provide the Services to which CWELCC Cost-Based Funding applies only at the Sites approved by the Region and recorded in Schedule “A” to this Agreement once completed.
6. The Region, in its sole and absolute discretion, may approve additional or alternate Sites. Upon receipt of written approval by the Region, the Operator shall provide the Region with an updated signed Schedule “A” to reflect the amendments to the Sites.

### **Eligibility Requirements**

7. Eligibility of Operators for enrollment under the CWELCC System and for CWELCC Cost-Based Funding shall be based on the criteria outlined in the *Child Care and Early Years Act* and the Guidelines and the Operator shall ensure that it continues to meet those eligibility requirements throughout the Term of this Agreement.

### **Payment**

8. CWELCC Cost-Based Funding is intended to fund Operators based on the typical (representative) costs of providing high-quality childcare to Eligible Children in Ontario.
9. CWELCC Cost-Based Funding amounts allocated to an Operator shall be determined in accordance with the *Child Care and Early Years Act* and the Guidelines, and will be communicated to the Operator in a Funding Allocation Letter.
10. The Operator shall use CWELCC Cost-Based Funding to support CWELCC System objectives as set out in the *Child Care and Early Years Act* and the Guidelines. For greater certainty, the Operator shall be liable to refund to the Region, and the Region shall be entitled to recover from the Operator, any CWELCC Cost-Based Funding that were not used in accordance with the Guidelines.

## Reporting and Reconciliation

11. The Operator shall comply with all reporting requirements as outlined in Guidelines related to CWELCC Cost-Based Funding.
12. Following the end of the calendar year, Operators must submit:
  - audited financial statements;
  - an annual attestation, signed by the Operator’s authorized signing officers identified in Schedule “A” and any subsequent updates to that Schedule, confirming that CWELCC Cost-Based Funding has been used in accordance with its intended purposes as outlined in this Agreement and within the parameters provided by the Region; and
  - standardized financial and reconciliation reports for each eligible centre/agency.
13. The Operator shall submit data and/or supporting documentation as outlined in the Guidelines related to CWELCC Cost-Based Funding. The supporting documentation required is subject to change in accordance with the Guidelines.
14. Without limiting the above, the Operator acknowledges its responsibility to maintain and provide sufficient, detailed and accurate financial or other information related to their childcare operations as reasonably required by the Region.
15. Failure to submit information/documentation/reporting set out in the Guidelines in the time prescribed by the Region is an Event of Default under this Agreement.
16. The Operator will comply with all financial reconciliation and data collection requirements as set out by the Region through its established processes and this Agreement. The Operator will also distribute, administer, declare, and return any Cost-Based Funding based on any identified variances between Cost-Based Funding received and actual eligible costs, or in cases of Funding misuse.
17. Where the Region determines that an Operator has failed to meet the Funding conditions outlined in this Agreement as they relate to Cost-Based Funding, the Region, in its sole and absolute discretion, may recover some or all misused Funds and may deem the Operator to be ineligible to receive future Cost-Based Funding.

## Base Fees

18. The Operator agrees to the following with respect to Base Fees:
  - The Operator’s Base Fees must be determined in accordance with the requirements set out in O. Reg. 137/15 under the *Child Care and Early Years Act*.

- The Operator must reduce Base Fees as outlined in the Guidelines. Licensed Home Child Care Agencies participating in the CWELCC System must ensure that Home Child Care providers charge parents of any Eligible Child a Base Fee determined in accordance with O. Reg. 137/15 and as outlined in the Guidelines.
- The Operator shall provide a refund to parents where a Base Fee higher than the reduced Base Fee is charged for an Eligible Child and in accordance with the requirements set out in O. Reg. 137/15 under the *Child Care and Early Years Act* and Guidelines.
- The Region has the right to determine an initial Base Fee where the Operator's 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 Region.
- The Operator must ensure that any components defined as Non-Base Fees under O. Reg. 137/15 are not included in the calculation of Base Fees.
- The Operator expressly acknowledges that Non-Base Fees are not eligible for CWELCC Cost-Based Funding as set out in the *Child Care and Early Years Act* and the Guidelines.
- The Operator is required to maintain the reduced Base Fees until they are either required to reduce them again, or they are no longer participating in the CWELCC System.
- In the case where the Operator transfers shares of the corporation, the Operator continues to be bound by the requirements in O. Reg. 137/15 relating to Base Fees and Non-Base Fees.
- In the case where an Operator sells all of its assets and ceases to be licensed, the purchasing corporation must apply for a licence under the Act 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.

19. The Region has the right to verify the timeliness and accuracy of refunds, if applicable, and fee reductions made by Operators.

### **Enhanced Support Expenses**

20. The Operator must use Cost-Based Funding to cover the cost of enhanced staffing where such staffing is necessary to enable children with Special Needs to participate in the Operator's child care program. Eligible expenses related to enhanced staff include:

- salary and benefits costs for hiring additional staff where necessary;
- increasing hours for existing staff; and
- providing extra compensation to registered early childhood educators appointed by the Operator to act as Designated Inclusion Leaders.

### **Audit Rights**

21. Without limiting the generality of the Region’s right to review information submitted by the Operator as part of the Region’s funding and reconciliation process, the Operator expressly acknowledges that the Region shall have the following rights:

- a) to review and to confirm whether the Operator charged fees for Eligible Children higher than the cap on fees established under the Guidelines;
- b) to determine if the Operator’s operation in childcare for eligible children is sustainable and financially viable in accordance with the Guidelines;
- c) to verify that Base Fees and Non-base Fees for the care of Eligible Children are charged in accordance with the *Child Care and Early Years Act* and the Guidelines;
- d) to verify that the Operator is maintaining and not decreasing the spaces for Eligible Children for which the Operator is receiving CWELCC Cost-Based Funding. For clarity, the Operator shall notify the Region of any planned revisions to capacity or use of alternate capacity for childcare spaces currently licensed for ages 0-5; and
- e) to monitor, verify and confirm the Operator’s compliance with the provisions of this Agreement (including this Schedule “D”), the *Child Care and Early Years Act* and the Guidelines.

### **Closure Day Requirements**

22. While receiving CWELCC Cost-Based Funding, the Operator shall not:

- a) close for more than two consecutive weeks; or
- b) close for more than four weeks within a calendar year.

23. Statutory holidays shall be counted towards the closure limits addressed above.

24. In the event that the Operator wishes to close beyond the allowable period of closure under this Schedule “D”, the Operator shall provide the Region notice in writing, a minimum of eight (8) weeks in advance, unless it is an unplanned closure. For unplanned closures, the Operator shall provide the Region notice in writing within 24 hours of closure.

25. The Operator acknowledges that the Region will adjust CWELCC Cost-Based Funding for the period of the closure exceeding the maximum closure limits set out in this Schedule.
26. The Operator shall not charge Base Fees during the period of any extended closure as further outlined in the Guidelines.

### **Workforce Compensation**

27. If eligible for workforce compensation as part of the CWELCC System, the Operator must administer and communicate this funding to eligible staff in accordance with the requirements of the *Child Care and Early Years Act* and Guidelines, including required retroactive payments.

### **Participation in CWELCC**

28. In the event the Operator Disenrolls from CWELCC, the Operator will no longer be eligible to receive CWELCC Cost-Based Funding set out in the Funding Allocation Letter. Fee Subsidy funding under this Agreement may continue solely for any benefitting child until the child ages out of the program or leaves the Operator's centre/agency.
29. In the event the Operator Disenrolls from CWELCC, the Operator shall provide notice to its clients as soon as possible and in accordance with its obligations under the *Child Care and Early Years Act*. The Operator shall also provide a copy of the notice to the Region in advance of issuing the notice and shall provide the Region with a reasonable opportunity to review and comment on the notice prior to its distribution.
30. If the Operator Disenrolls from CWELCC and is not in receipt of any other Funding identified in this Agreement, the Region may terminate this Agreement as it will be considered inactive.
31. In the event the Operator Disenrolls from the CWELCC System, the Operator will need to re-apply to participate by submitting a new application for approval by the Region. This application must follow the provincially mandated Directed Growth Plan competitive process. There is no priority CWELCC System space approval for operators wishing to re-enroll.

### Schedule “E” – Fee Subsidy

1. The provisions of this Schedule “E” apply to Operators that receive Fee Subsidy funding from the Region as detailed in the Local Priorities Fee Subsidy section of the Provincial Guidelines.
2. This Schedule reflects the terms and conditions of the Provincial Guidelines, as may be amended from time to time. In the event of any conflict or inconsistency between this Schedule and the Provincial Guidelines, the provisions of the Provincial Guidelines shall prevail.
3. Unless expressly defined in this Schedule “E” or elsewhere in this Agreement, words and phrases used in this Schedule shall have the meaning ascribed to them in the Guidelines and any applicable legislation, including the *Child Care and Early Years Act*.
4. In this Schedule:
  - a) “**Approved Child**” means a child of a family that has been approved for Fee Subsidy by the Region;
  - b) “**Approved Fee Subsidy Rates**” means the amount of money the Region will pay to the Operator to support an Approved Child, as stated in the Funding Allocation Letter and as may be adjusted from year to year during the Term of the Agreement;
  - 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*, or anything a licensee requires the parent to purchase from the licensee, but does not include a non-base fee;
  - d) “**Fee Subsidy**” is a payment, expressed as a per diem amount, made to the Operator by the Region in respect of Services delivered to an Approved Child;
  - e) “**Non-base Fee**” means any fees charged for optional items or optional services, such as transportation or field trips, or 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 (for example, fees for picking up a child late, fees to obtain items that the parent agreed to provide for their child but failed to provide), as defined in the *Child Care and Early Years Act*; and
  - f) “**Services**” means early education, care and guidance to children, and any other programs provided by the Operator for which they may receive Funding under this Agreement.

## **Sites**

5. The Operator shall provide the Services to which the Fee Subsidy applies only at the Sites approved by the Region and recorded in Schedule "A" to this Agreement.
6. The Region, in its sole and absolute discretion, may approve additional or alternate Sites. Upon receipt of written approval by the Region, the Operator shall provide the Region with an updated signed Schedule "A" to reflect the amendments to the Sites.

## **Fee Requirements**

7. The Operator shall not charge clients in receipt of Fee Subsidy for Approved Children any Non-base Fees. For greater clarity, all programming, materials and activities provided or made available by the Operator to children who are not Approved Children, whether optional or otherwise, shall be provided or made available to Approved Children at no additional cost. Contravention of this Section will be considered a material breach of the terms and conditions of this Agreement.
8. The Operator shall submit Base Fees prior to signing this Agreement and upon request by the Region during the term of this Agreement. Approved Fee Subsidy Rates shall be established by the Region upon the commencement of this Agreement and updated periodically within the discretion of the Region of the term of this Agreement and shall be recorded in the Funding Allocation Letter. Should the Operator fail to submit Base Fees upon request the Region shall establish the Approved Fee Subsidy Rate for that year based on the Approved Fee Subsidy Rates most recently approved.

## **Payment**

9. Subject to the remaining provisions of this Schedule "E", the Region shall pay the Approved Fee Subsidy Rate to the Operator.
10. Where the Region approves a child for Fee Subsidy, the following procedure shall apply:
  - a) the Region shall notify the Operator in writing that a child is an Approved Child and the Region shall advise the Operator of the Fee Subsidy amount that the Region has agreed to pay on behalf of the child;
  - b) subject to the terms and conditions of this Agreement, including this Schedule "E", the Region shall pay the Operator Fee Subsidy for each day that an Approved Child is enrolled to receive the Services;
  - c) the Region shall pay the Operator based on an attendance schedule provided by the Operator to the Region. The Operator must provide the attendance schedule within five (5) Business Days of the end of the month for which payment is

claimed. No payments shall be due and owing by the Region to the Operator until the attendance schedule is submitted by the Operator in a form acceptable to the Region; and

- d) notwithstanding Section 10.1 of this Agreement, the Region will only back date three (3) months to correct a Fee Subsidy overpayment or underpayment that is the result of an error by the Operator; however, if an overpayment resulted from misrepresentation, misuse of Funding, failure to adequately document, or any similar conduct on the part of the Operator, this three (3) month restriction will not apply.
11. The Region shall continue to pay Fee Subsidy to the Operator on behalf of an Approved Child until a maximum of ten (10) Business Days from the date upon which:
- a) an Approved Child ceases to receive Services from the Operator, having been withdrawn without notice from the Operator's Services, unless the resulting vacancy is filled within those ten (10) Business Days;
  - b) the Operator is advised that an Approved Child no longer requires the Services and is being withdrawn with notice; or
  - c) the Region delivers to the Operator written notice that the child is no longer an Approved Child and the child continues to receive Services from the Operator in any event.
12. The Operator may claim Fee Subsidy for days when an Approved Child does not receive Services, provided that the Approved Child is enrolled for that day of the week and the Operator is open for business. Fee Subsidy payment for these days is subject to the Region's discretion.
13. The Operator may claim Fee Subsidy for an Approved Child for up to 20 closure days per calendar year. Statutory holidays shall be counted towards these 20 closure days.
14. The Operator shall notify the Region in writing within two (2) Business Days of any closures that will exceed their 20 closure day limit. Fee Subsidy payment for these days is subject to the Region's sole discretion.
15. The Region shall not pay the Operator any Fee Subsidy where the Operator is unavailable or fails to provide Services for a period of one (1) or more days on which the Operator would otherwise be open for business, regardless of the reason for unavailability or failure. For the purposes of this Section, "unavailable" means the absence or incapacity of the Operator for a period of one (1) or more Business Days.
16. Where the Operator requires a separate registration for school-age children during the

winter break, Fee Subsidy will not be provided for any statutory holidays that fall within that period. Canada Day and Labour Day for school-age children not attending a 0-12 years child care centre will not be paid unless the Operator is open for business.

17. If an Approved Child's attendance is less than eighty-five percent (85%) of days for which the Approved Child is enrolled, the Region reserves the right, in its sole discretion, to not pay Fee Subsidy on behalf of the Approved Child for the days on which the Approved Child is absent, regardless of the reason for that absence.
18. The Operator acknowledges that no Fee Subsidy will be provided for full day kindergarten care outside of noted PA days, school breaks and summer camps.

### **No Guarantee of Placement or Endorsement**

19. The Operator acknowledges and agrees that the Region in no way warrants or represents that the Operator will be guaranteed that any children will be approved for Fee Subsidy by the Region pursuant to this Agreement. Without limiting the generality of the foregoing, the Operator acknowledges and agrees that parents of an Approved Child have sole and absolute discretion regarding the placement of any Approved Child and that by entering into this Agreement, the Region does not recommend or otherwise endorse the Operator.

### **Termination**

20. Upon termination of this Agreement, the Operator shall complete the attendance schedule for the last month in which the Operator provided Services. The Operator shall be paid in accordance with the provisions of this Agreement for any Services provided to the date of termination.

## **Schedule “F”**

### **General Operating Grant, Wage Enhancement Grant and Home Child Care Enhancement Grant funding for Operators that serve children aged 6 to 12**

4. The provisions of this Schedule “F” apply to Operators that serve children aged 6 to 12, and receive General Operating Grant, Wage Enhancement Grant, and/or Home Child Care Enhancement Grant funding for 6-12 age groups.
5. The parties acknowledge and agree that this Schedule reflects the terms and conditions of the Provincial Guidelines, as may be amended from time to time. In the event of any conflict or inconsistency between this Schedule and the Provincial Guidelines, the provisions of the Provincial Guidelines shall prevail.
6. Unless expressly defined in this Schedule “F” or elsewhere in this Agreement, words and phrases used in this Schedule shall have the meaning ascribed to them in the Guidelines and any applicable legislation, including the *Child Care and Early Years Act*.

#### **Sites**

7. The Operator shall use General Operating Grant, Wage Enhancement Grant, and/or Home Child Care Enhancement Grant funding solely to support eligible expenses at the Sites serving children aged 6 to 12 approved by the Region and recorded in Schedule “A”.
8. The Region, in its sole and absolute discretion, may approve additional or alternate Sites. Upon receipt of written approval by the Region, the Operator shall provide the Region with an updated signed Schedule “A” to reflect the amendments to the Sites.
9. The Operator must meet all requirements set forth in this Agreement and Guidelines for the administration, distribution, financial reconciliation and any form of utilization of General Operating Grant, Wage Enhancement Grant, and/or Home Child Care Enhancement Grant funding.
10. Where the Region determines that the Operator has failed to meet the funding conditions outlined in the Guidelines and Agreement, the Region will recover all misused funds, and the Operator may be deemed ineligible to receive future funding.
11. The Region will distribute General Operating Grant, Wage Enhancement Grant and Home Child Care Enhancement Grant funding, including the supplemental grant, as an enveloped allocation in respect of eligible positions serving children aged 6 to 12.

#### **Payment and Distribution**

12. Where the Operator is eligible for General Operating Grant, Wage Enhancement Grant,

and/or Home Child Care Enhancement Grant funding as determined by the Region, the Operator shall use and distribute this funding in accordance with this Agreement and the Guidelines which are subject to change at any time contingent on direction from the Ministry of Education.

13. The Region may, in its sole and absolute discretion, adjust the General Operating Grant, Wage Enhancement Grant, and/or Home Child Care Enhancement Grant funding based on but not limited to, deviations to actual full-time equivalent staff and capacity of the centre or agency.

**Wage Enhancement Grant and Home Child Care Enhancement Grant - Eligible and Ineligible expenses**

14. The Operator acknowledges and agrees that the purpose of Wage Enhancement Grant funding is to help close or narrow the wage gap between Registered Early Childhood Educator wages in the education sector and licensed child care sector; stabilize eligible licensed centres/agencies by helping them retain eligible staff/home child care providers; and support greater employment and income security for eligible positions/home child care providers.
15. The Operator must direct Wage Enhancement Grant and Home Child Care Enhancement Grant funding solely to eligible positions to increase wages and benefits or to eligible home child care providers to increase daily income as detailed in Guidelines.
16. The Operator shall distribute the funding based on the eligibility and payment distribution criteria as outlined in the Guidelines related to Wage Enhancement Grant and Home Child Care Enhancement Grant.
17. The Operator cannot use Wage Enhancement Grant and Home Child Care Enhancement Grant funding to support child care system expansion or the reduction of fees.
18. For positions serving children aged 6 to 12, an additional 17.5% may be added to the Wage Enhancement or Home Child Care Enhancement Grant amount. This amount is provided to help the Operator cover costs associated with their statutory benefit requirements. This amount may vary from time-to-time in accordance with provincial funding requirements.
19. The Operator may be eligible for a supplemental grant, and if so, the Operator agrees to use the supplemental grant to cover additional benefits (for example, vacation days, sick days, professional development days or other benefits) after the 17.5% allocation for statutory benefits has been fully utilized. To be clear, the supplemental grant allows Operators some flexibility to provide and implement wage enhancement in a way that aligns with their regular operations. The supplemental grant must be used to support eligible positions'/home child care providers' hourly wage/daily income or benefits. The

supplemental grant provides eligible centres/agencies with the flexibility to cover salary shortfalls (due to increased hours in program or new eligible positions/home child care providers) and additional benefits, once mandatory benefits are covered. Any Funding that is not used for these purposes must be recovered by the Region.

### **General Operating Grant - Eligible and Ineligible Expenses**

20. The Operator acknowledges that the purpose of General Operating Grant funding is to support access to high-quality, affordable early learning and child care services.
21. Eligible General Operating Grant expenses include:
  - Staff wages (above minimum wage only) and benefits
    - General Operating Grant funding can only be used to offset salary costs over and above the operators' regulatory requirements for minimum wage and mandatory benefits.
  - Lease and occupancy costs
  - Utilities
  - Administration
  - Transportation for children
  - Resources
  - Nutrition
  - Supplies
  - Maintenance
  - Indigenous elder honoraria to support Indigenous engagement and Indigenous-led service delivery.
22. Ineligible General Operating Grant expenses include:
  - Bonuses (including retiring bonuses), gifts and honoraria paid to staff except for the case that they are provided as a retroactive wage increase that will be maintained the following year
  - Debt costs including principal and interest payments related to capital loans, mortgage financing, and operating loans
  - Property taxes
  - Non-arms length transactions not transacted at fair market value
  - Fees paid on behalf of staff for membership in professional organizations such as the College of Early Childhood Educators
  - Any other expenditure not listed under the allowable expenses section.

### **Reporting, Reconciliation and Accountability**

23. The Operator will comply with all financial reconciliation and data collection requirements as set out by the Region through its established processes and Guidelines. The Operator will also distribute, administer, declare, and return any General Operating

Grant, Wage Enhancement Grant, and/or Home Child Care Enhancement Grant funds based on any identified variances between funding received and actual expenditures, or in cases of funding misuse.

24. Where the Region determines that the Operator has failed to meet the funding conditions outlined in their Agreement for the provision of General Operating Grant, Wage Enhancement Grant, and/or Home Child Care Enhancement Grant funding, the Region, in its sole and absolute discretion, may recover misused funds and may deem the Operator to be ineligible to receive future General Operating Grant, Wage Enhancement Grant, and/or Home Child Care Enhancement Grant funding.
25. The Operator shall submit data and/or supporting documentation as requested by the Region in relation to any General Operating Grant, Wage Enhancement Grant, and/or Home Child Care Enhancement Grant funds.

Without limiting the above, the Operator acknowledges its responsibility to maintain and provide sufficient, detailed and accurate financial or other information related to the payment and distribution of the Funding as reasonably require

**Schedule “G” – Enhanced Support Funding provisions for  
Operators that serve children aged 6 to 12**

1. The provisions of this Schedule “G” apply to Operators serving children aged 6-12 that receive Local Priorities Flexibility Funding allocations to support children with Special Needs, as detailed in the Local Priorities section of the Provincial Guidelines. For the purposes of this Schedule, this funding shall be referred to as “Enhanced Support Funding”.
2. This Schedule reflects the terms and conditions of the Provincial Guidelines, as may be amended from time to time. In the event of any conflict or inconsistency between this Schedule and the Provincial Guidelines, the provisions of the Provincial Guidelines shall prevail.
3. Unless expressly defined in this Schedule “G” or elsewhere in this Agreement, words and phrases used in this Schedule shall have the meaning ascribed to them in the Guidelines and any applicable legislation, including the *Child Care and Early Years Act*.
4. In this Schedule:
  - a) **“Designated Inclusion Leader”** means a registered early childhood educator designated by the Operator to oversee and guide the implementation of inclusive practices across the Operator’s child care programs, providing leadership, coaching, and strategic support alongside the Resource Consultant to ensure the Operator is responsive to the diverse needs of all children;
  - b) **“Resource Consultant”** means an individual appointed or otherwise designated by the Region to support the Operator’s educators to build their capacity to support child development and the active and meaningful participation of children with Special Needs in their programs; and
  - c) **“Special Needs”** means cognitive, physical, social, emotional, communicative or overall developmental needs of a child that are of such a nature that the child requires additional supports.

**Sites**

5. The Operator shall use Enhanced Support Funding solely to support eligible expenses, as described in this Schedule, at the Sites serving children aged 6 to 12 approved by the Region and recorded in Schedule “A”.
6. The Region, in its sole and absolute discretion, may approve additional or alternate Sites. Upon receipt of written approval by the Region, the Operator shall provide the Region with an updated signed Schedule “A” to reflect the amendments to the Sites.

## **Enhanced Support Funding Eligibility Requirements**

7. The Operator shall distribute Enhanced Support Funding based on the criteria outlined in this Schedule and the Provincial Guidelines which are subject to change at any time contingent on direction from the Ministry of Education.
8. The Operator must use Enhanced Support Funding to support children with Special Needs aged 6 to 12 through enhanced staffing where necessary to support their successful participation in the child care program.

## **Eligible and Ineligible Expenses**

9. Eligible Enhanced Support Funding expenses include:
  - Salary and benefits costs for hiring additional staff where necessary,
  - Increasing hours for existing staff, and
  - Providing extra compensation to registered early childhood educators appointed by the Operator to act as Designated Inclusion Leaders.
10. Ineligible Enhanced Support Funding expenses include:
  - Expenses unrelated to supporting children with Special Needs,
  - Professional learning expenses,
  - Expenses for play-based materials, equipment and capital; and
  - GST/HST expenses eligible for rebate.

## **Payment and Distribution**

11. The Region may, in its sole and absolute discretion, adjust the Enhanced Support Funding based on but not limited to, deviations to actual full-time equivalent staff and licensed/operating capacity as outlined in the Guidelines.

## **Reconciliation and Accountability**

12. The Operator will comply with all financial reconciliation and data collection requirements as set out by the Region through its established processes and this Agreement. The Operator will also distribute, administer, declare, and return any Enhanced Support Funding based on any identified variances between Enhanced Support Funding received and actual expenditures, or in cases of Funding misuse.
13. Where the Region determines that an Operator has failed to meet the Funding conditions outlined in their Agreement for the provision of Enhanced Support Funding, the Region, in its sole and absolute discretion, may recover misused Funds and may deem the Operator to be ineligible to receive future Enhanced Support Funding.

## Schedule “H” - Vendor Code of Conduct