

## **Peel's New Early Learning and Child Care Funding and Policy Framework**

### **Questions and Answers**

The overall goals of Peel's new Early Learning and Child Care Funding and Policy Framework approved by [Regional Council](#) on June 25 2015, is to support system stabilization, enhance funding accountability and increase parental choice and access to licensed child care.

We are committed to working alongside our community partners as we continue to build a system that delivers high quality and inclusive early years opportunities to all families in Peel.

Our Early Years Specialists will be supporting licensed child care providers as we implement the new Funding and Policy Framework. You can contact us at [earlyyearssystemdivision@peelregion.ca](mailto:earlyyearssystemdivision@peelregion.ca).

**August 2015**

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# Peel's New Early Learning and Child Care Funding and Policy Framework

## Overview:

### **Q1 Why did the Region of Peel develop a new Funding and the Policy Framework (new Framework)?**

A Peel's Early Learning and Child Care (ELCC) system has experienced [unprecedented system change in the last five years](#) including the Region of Peel ELCC Taskforce recommendations (September 2012), an evolving early years legislative framework, implementation of Full-day Kindergarten and changing local and community trends.

Another key driver of change was the Provincial ELCC Funding Formula and Framework, introduced in January 2013. Under this new population-based funding approach, Service Managers were required to implement a new General Operating model and policy which places priority focus on non-profit providers and supports operating costs.

In response to the above changes, the Region of Peel developed a new Early Learning and Child Care (ELCC) Funding and Policy Framework.

### **Q2 What is Peel's new Framework?**

A Peel's new Framework reflects Provincial direction and local system priorities and is comprised of three core components:

- Stabilization of the ELCC system through implementation of a new [General Operating Fund](#);
- [Enhanced funding accountability through new quality and inclusion requirements](#);
- [Increased parental choice and access to licensed child care by allowing for-profit providers to enter into a Fee Subsidy Agreement with the Region of Peel](#).

### **Q3 When does the new Framework take effect'?**

A Effectively immediately:

- All licensed child care providers in Peel can apply for a Fee Subsidy Agreement with the Region of Peel.
- All licensed child care providers can apply for new Mitigation Funding to help them address unforeseen system/viability pressures that affect provider operations.

- New funding agreements (including fee subsidy) will be conditional on a provider's commitment to transition to meet new quality and inclusion requirements by August 1, 2016 if they do not already meet them.

A new General Operating Fund to support providers with broad operating costs takes effect starting January 2016.

**Q4 What does the new Framework mean for licensed child care providers in Peel?**

A The new Framework will;

- Simplify the eligibility criteria for providers applying to different funding programs and align funding to system outcomes.
- Help providers with:
  - the higher costs of serving younger children;
  - business viability; and
  - broad operating costs.
- Allow all providers to enter into a Fee Subsidy Agreement with the Region of Peel which will enable them to include families in receipt of fee subsidy in their program.

General Operating Fund:

**Q1 What is the new General Operating Fund (GOF)?**

A The new GOF consists of two core components:

1. **Historical Allocation** - through this allocation, beginning in 2016, providers who currently receive Wage Subsidy will continue to receive their eligible amount.

While new providers in Peel will not be eligible for the Historical Allocation, they will have the opportunity to apply for funding under the System Priority Allocation.

2. **System Priority Allocation** - this Allocation consists of two key elements:

- *Priority Operating Fund* - this Fund supports providers with broad operating costs and prioritizes younger age groups and non-profit providers. This Fund combines and redistributes Wage Improvement and the Transition Operating Grant (TOG) to all providers based on an application-based process and demonstrated need.
- *Mitigation Fund* - this Fund will support providers with unexpected costs that may affect the viability of a licensed child care program.

**Q2 Who can apply for the General Operating Fund (GOF) and what are the eligibility requirements?**

A All licensed child care providers in Peel will have the opportunity to apply for the new GOF in 2016. In addition, to be eligible for GOF, providers will be required to commit to transition to meet the following requirements by August 1, 2016 if they do not already meet them:

- Engagement in continuous quality enhancement practices
- Inclusion of children with special needs by participating in [Peel Inclusion Resource Services](#) (PIRS).
- Inclusion of children in receipt of fee subsidy.

Business cases may be required for the GOF System Priority Allocation to demonstrate need and support for provincial and local system outcomes.

Further details regarding the application process for the GOF will be available in Fall 2015.

**Q3 When will I receive my General Operating Funding?**

**A *Mitigation Fund:***

Effective immediately, this funding will be available throughout the year, pending the Region's approval of a provider's application and subject to availability of funds. Once the funding has been approved, providers will receive communication from the Region on the approved amount and timing of payment.

***Historical Allocation and Priority Operating Fund:***

This funding will be allocated to eligible providers on a quarterly basis beginning in early 2016.

**Q4 Will I have to report to the Region on how I used the General Operating Fund (GOF)?**

A Yes, a reconciliation process will be in place and will focus on accountability for the use of the GOF. Providers will be required to outline how they used their GOF to support system priorities including rate stabilization and higher wages.

**Q5 Will my 2015 funding be impacted by the new GOF?**

A No, 2015 funding will not be impacted.

## Mitigation Fund:

### **Q1 What is the Mitigation Fund?**

A The Mitigation Fund is a component of the new GOF and is intended to support providers with unforeseen/unexpected costs that may affect the viability of a licensed child care program.

### **Q2 Will I be eligible for this funding?**

A In order to be eligible for Mitigation Funding, the following applies:

- Providers will be required to submit an application to provide additional information supporting their request. This could include information related to financial and business operations (including but not limited to financial statements, cash flow statements, etc.) and other details that would demonstrate how the funding will support ongoing provider viability.
- To access the Mitigation Fund, providers will also need to meet all the new funding accountability requirements ([See section “Early Learning and Child Care Funding Accountability in Region of Peel” for further information](#)).

### **Q3 How do I apply for this funding?**

A Effective immediately, providers can apply for this funding by contacting your Early Years Specialist who will be able to support you with your application. You may direct any questions about the application process and/or submit your completed application to [earlyyearssystemdivision@peelregion.ca](mailto:earlyyearssystemdivision@peelregion.ca)

### **Q4 Is there a deadline to apply for Mitigation Funding?**

A No, there is no deadline to apply for this funding. Applications can be submitted to the Region at any point within the year, subject to availability of funds.

### **Q5 How long will it take to receive this funding?**

A Effective August 1, 2015, this funding will be available at any time throughout the year, pending Regional approval of a provider’s application and subject to availability of funds. Once the funding has been approved, providers will receive communication from the Region on the approved amount and timing of payment.

**Q6 Will providers need to repay this funding? If yes, what is the timeline for repayment?**

A **REVISED** Providers in receipt of Mitigation Funding will be required to outline how the funds were utilized through a reconciliation process. Any funding that may not have been used for the approved intended purpose(s) must be returned to the Region. In addition, providers entitled to receive compensation/funding from another source for the same costs may be required to reimburse the Region all or part of the Mitigation Funding allocated.

In the event that the child care program for which Mitigation Funding has been approved ceases operation, dissolves, is sold or otherwise disposed of, the Region has the right to recover any funding received.

**Q7 Is there a maximum amount that providers can apply for?**

A There is no maximum amount; however, the amount of funding to be approved will depend upon demonstrated need and the availability of funds at the time of request.

**Q8 Who can I contact if I have any questions?**

A Please contact your Early Years Specialist or email us at the following: [earlyyearssystemdivision@peelregion.ca](mailto:earlyyearssystemdivision@peelregion.ca).

Transition Operating Grant (TOG):

**Q1 As a non-profit provider, will the new ELCC Funding Model and Policy Framework affect my 2015 TOG allocation?**

A No, 2015 TOG funding will be calculated based on same criteria used for 2014 TOG calculations.

**Q2 Do I have to meet the quality and inclusion requirements outlined in the new ELCC Funding and Policy Framework in order to receive my 2015 TOG allocation?**

A **REVISED** No, providers have until August 1, 2016 to transition to the new quality and inclusion practices in order to be able to receive the General Operating Fund (GOF) in 2016. Not meeting these requirements by the above date may affect future eligibility for ELCC funding allocations including the GOF.

**Q3 I don't receive TOG. Can I apply to receive it in 2015?**

A 2015 TOG is available to non-profit providers that have been licensed as of March 31, 2015. For-profit providers may not apply for TOG in 2015. However, for-profit providers who may be experiencing unforeseen/unexpected costs that may affect the viability of their licensed child care program can apply for Mitigation Funding in 2015.

## Applying for a Fee Subsidy Agreement with the Region of Peel

**Q1 What does it mean for a licensed child care provider to enter into a Fee Subsidy Agreement with the Region of Peel?**

A It means that you have entered into an agreement with the Region of Peel to include children in receipt of fee subsidy in your child care program.

**Q2 When and how do I apply?**

A You can apply as of August 1, 2015. You will need to submit a completed fee subsidy application package to the Region of Peel which is available [online](#).

**Q3 What are the eligibility requirements to enter into new funding agreements (including Fee Subsidy) with the Region of Peel?**

A You must be a licensed child care provider in Peel Region. In addition, eligibility for a Fee Subsidy Agreement will be conditional on your commitment to transition to meet the following requirements by August 1, 2016, if you do not already meet them:

- Engagement in continuous quality enhancement practices
- Inclusion of children with special needs in your program by participating in [Peel Inclusion Resource Services](#) (PIRS).

**Q4 Do I need to meet all the new requirements at the time I apply?**

A You will be asked to commit to transition to meet these requirements by August 1, 2016 at the time you apply. Region of Peel Early Years Specialists (EYS) will work alongside providers to support them in meeting these commitments if they do not already meet them. [See section "Early Learning and Child Care Funding Accountability In Region of Peel" for further information.](#)

**Q5 How do I demonstrate a commitment to continuous quality enhancement?**

A There are two ways to demonstrate a commitment to continuous quality enhancement:

- Participation in [Raising the Bar Peel](#) (RTBP)
- Engagement in continuous quality enhancement practices that aligns with the Provincial Pedagogy [How Does Learning Happen?](#). Continuous quality enhancement may include ongoing professional education, inclusion, parental

engagement, reflection and self-assessment to progress on established goals and outcomes as well as peer/community of practice networking.

**Q6 What does it mean to be participating in [Peel Inclusion Resource Services \(PIRS\)](#)?**

A This means that you and your staff have made a commitment to work with a PIRS Resource Consultant (RC) to support inclusion in your program. You will be asked to review and sign a *Statement of Relationship* which outlines the roles of the RC and the provider in working together to promote inclusion.

**Q7 How long will it take for my application to be approved once it has been submitted?**

A The length of time to process your application will depend on whether all required documents are submitted as well as the volume of applications being processed at that time.

You can contact the Region at [earlyyearssystemdivision@peelregion.ca](mailto:earlyyearssystemdivision@peelregion.ca) or 905-791-1585 with any questions regarding the status of your application.

**Q8 Will someone from the Region of Peel visit my program?**

A Yes, an Early Years Specialist will be assigned to your agency and will be a support to you and your staff through visits to your program and throughout the fee subsidy application process as needed.

**Q9 Does the Region of Peel guarantee a certain number of fee subsidy placements?**

A No, we cannot guarantee fee subsidy placements at your centre. Each family in receipt of fee subsidy will have the option to choose a licensed child care program that meets their family's needs.

**Q10 How will I be reimbursed for families that are approved for child care fee subsidy?**

A At the end of each month, you will complete a web-based attendance form for the children in your program in receipt of fee subsidy. A direct deposit is then made directly into your agency's bank account. Fees paid represent services rendered for the prior month of care.

**Q11 Once my application has been approved what will I be required to do to maintain my agreement with the Region?**

A A Fee Subsidy Service Agreement will be prepared and sent to you for your review and signature. The [Service Provider Handbook](#) is a supporting document to your Fee Subsidy Agreement and provides additional details for licensed child care providers entering into an agreement with the Region.

**Q12 Why am I required to enter into a Fee Subsidy Agreement with the Region of Peel to receive eligible funding if the Region is exploring paying fee subsidies directly to parents?**

A A key priority under Peel's new Funding and Policy Framework is to increase parental choice and access to licensed child care and at this time, we continue to operate our fee subsidy program through agreements with licensed child care providers. We are however, continuing to explore additional ways to further increase parental access and choice such as paying fee subsidies directly to parents

## Early Learning and Child Care Funding Accountability in the Region of Peel

### **Q1 What are the new requirements for licensed child care providers to access eligible funding from the Region of Peel?**

A To access eligible funding, licensed child care providers will be required to commit to transition to meet the following requirements by August 1, 2016 if they do not already meet them:

- Engagement in continuous quality enhancement practices
- Inclusion of children with special needs by participating in [Peel Inclusion Resource Services](#) (PIRS)
- Inclusion of children in receipt of fee subsidy.

### **Q2 How do I demonstrate a commitment to continuous quality enhancement?**

A There are two ways to demonstrate a commitment to continuous quality enhancement:

- Participation in [Raising the Bar Peel](#) (RTBP)
- Engagement in continuous quality enhancement practices that aligns with the Provincial Pedagogy [How Does Learning Happen?](#). Continuous quality enhancement may include ongoing professional education, inclusion, parental engagement, reflection and self-assessment to progress on established goals and outcomes as well as peer/community of practice networking.

### **Q3 What does it mean to be “participating in [Peel Inclusion Resource Services](#)”(PIRS)?**

A This means that you and your staff have made a commitment to work with a PIRS Resource Consultant (RC) to support inclusion in your program. You will be asked to review and sign a *Statement of Relationship* which outlines the roles of the RC and the provider in working together to promote inclusion.

### **Q4 What does it mean to be inclusive of children in receipt of fee subsidy?**

A This means that a licensed child care provider has entered into a Fee Subsidy Agreement with the Region of Peel which will allow them to enrol children in receipt of fee subsidy into their program.

[See section “Applying for a Fee Subsidy Agreement with the Region of Peel” for further information.](#)

**Q5 What are the eligible funding categories to which these new requirements apply?**

A The new requirements are applicable to the following funding categories: Fee Subsidy, Capacity Building for professional development (to licensed child care providers), Special Purpose funding (Repairs and Maintenance/Play-based Equipment/Transformation) and the new General Operating Fund.

Pay Equity and Wage Enhancement would be excluded as these are prescribed by the Province.

**Q6 I do not meet all of the requirements right now? Will this affect my 2015 funding?**

A Any remaining funding to be provided in 2015 will not be impacted by these new requirements with the exception of the new Mitigation Fund and new Fee Subsidy Agreements.

**Q7 Why am I required to enter into a Fee Subsidy Agreement with the Region of Peel to receive eligible funding if the Region is exploring paying fee subsidies directly to parents?**

A A key priority under Peel's new Funding and Policy Framework is to increase parental choice and access to licensed child care and at this time, we continue to operate our fee subsidy program through agreements with licensed child care providers. We are however, continuing to explore additional ways to further increase parental access and choice such as paying fee subsidies directly to parents.